

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2327

61st Legislature
2009 Regular Session

Passed by the House April 23, 2009
Yeas 94 Nays 0

Speaker of the House of Representatives

Passed by the Senate April 20, 2009
Yeas 46 Nays 1

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2327** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2327

AS AMENDED BY THE SENATE

Passed Legislature - 2009 Regular Session

State of Washington

61st Legislature

2009 Regular Session

By House Ways & Means (originally sponsored by Representatives Linville and Ericks; by request of Office of Financial Management)

READ FIRST TIME 04/14/09.

1 AN ACT Relating to eliminating or reducing the frequency of reports
2 prepared by state agencies; amending RCW 19.146.280, 43.320.1401,
3 43.88.110, 13.60.110, 74.13.036, 74.08A.130, 70.56.040, 43.70.690,
4 77.85.140, 43.320.100, 39.102.140, 43.336.060, 43.365.040, 43.330.082,
5 43.155.070, 43.185C.040, 43.63A.068, 39.86.190, 43.325.050, 43.79.460,
6 18.130.310, and 43.20.100; repealing RCW 43.88.067, 46.48.180,
7 43.44.100, 74.14C.080, 80.36.475, 74.08A.430, 70.114A.085, 43.70.518,
8 and 79A.15.100; adding a new section to chapter 43.01 RCW; and
9 providing expiration dates.

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

11 **REPORTS ELIMINATED**

12 **Sec. 1.** RCW 19.146.280 and 2006 c 19 s 17 are each amended to read
13 as follows:

14 (1) There is established the mortgage broker commission consisting
15 of seven commission members who shall act in an advisory capacity to
16 the director on mortgage broker issues.

17 (2) The director shall appoint the members of the commission,
18 weighing the recommendations from professional organizations

1 representing mortgage brokers and loan originators. At least three of
2 the commission members shall be mortgage brokers licensed under this
3 chapter, at least one shall be exempt from licensure under RCW
4 19.146.020(1)(g), and at least two of the commission members shall be
5 licensed loan originators under this chapter. No commission member
6 shall be appointed who has had less than five years' experience in the
7 business of residential mortgage lending. In addition, the director or
8 a designee shall serve as an ex officio, nonvoting member of the
9 commission. Voting members of the commission shall serve for two-year
10 terms. The department shall provide staff support to the commission.

11 (3) The commission may establish a code of conduct for its members.
12 Any commissioner may bring a motion before the commission to remove a
13 commissioner for failing to conduct themselves in a manner consistent
14 with the code of conduct. The motion shall be in the form of a
15 recommendation to the director to dismiss a specific commissioner and
16 shall enumerate causes for doing so. The commissioner in question
17 shall recuse himself or herself from voting on any such motion. Any
18 such motion must be approved unanimously by the remaining six
19 commissioners. Approved motions shall be immediately transmitted to
20 the director for review and action.

21 (4) Members of the commission shall be reimbursed for their travel
22 expenses incurred in carrying out the provisions of this chapter in
23 accordance with RCW 43.03.050 and 43.03.060. All costs and expenses
24 associated with the commission shall be paid from the financial
25 services regulation fund, unless the consumer services account is
26 created as a dedicated, nonappropriated account, in which case all
27 costs and expenses shall be paid from the consumer services account.

28 (5) The commission shall advise the director on the characteristics
29 and needs of the mortgage broker profession.

30 (6) The department, in consultation with other applicable agencies
31 of state government, shall conduct a continuing review of the number
32 and type of consumer complaints arising from residential mortgage
33 lending in the state. ~~((The department shall report its findings to
34 the senate committee on financial institutions and house of
35 representatives committee on financial institutions and insurance along
36 with recommendations for any changes in the licensing requirements of
37 this chapter, biennially by December 1st of each even numbered year.))~~

1 **Sec. 2.** RCW 43.320.1401 and 2006 c 21 s 3 are each amended to read
2 as follows:

3 (1) Before December 31st of every year, the department of financial
4 institutions shall provide the senate and house of representatives
5 committees that address matters related to financial institutions with
6 a written report outlining the activity of the mortgage lending fraud
7 prosecution account.

8 (2) This section expires June 30, (~~(2011)~~) 2009.

9 **Sec. 3.** RCW 43.88.110 and 2003 c 206 s 1 are each amended to read
10 as follows:

11 This section sets forth the expenditure programs and the allotment
12 and reserve procedures to be followed by the executive branch for
13 public funds.

14 (1) Allotments of an appropriation for any fiscal period shall
15 conform to the terms, limits, or conditions of the appropriation.

16 (2) The director of financial management shall provide all agencies
17 with a complete set of operating and capital instructions for preparing
18 a statement of proposed expenditures at least thirty days before the
19 beginning of a fiscal period. The set of instructions need not include
20 specific appropriation amounts for the agency.

21 (3) Within forty-five days after the beginning of the fiscal period
22 or within forty-five days after the governor signs the omnibus biennial
23 appropriations act, whichever is later, all agencies shall submit to
24 the governor a statement of proposed expenditures at such times and in
25 such form as may be required by the governor.

26 (4) The office of financial management shall develop a method for
27 monitoring capital appropriations and expenditures that will capture at
28 least the following elements:

29 (a) Appropriations made for capital projects including
30 transportation projects;

31 (b) Estimates of total project costs including past, current,
32 ensuing, and future biennial costs;

33 (c) Comparisons of actual costs to estimated costs;

34 (d) Comparisons of estimated construction start and completion
35 dates with actual dates;

36 (e) Documentation of fund shifts between projects.

1 This data may be incorporated into the existing accounting system
2 or into a separate project management system, as deemed appropriate by
3 the office of financial management.

4 ~~(5) ((The office of financial management shall publish agency
5 annual maintenance summary reports beginning in October 1997. State
6 agencies shall submit a separate report for each major campus or site,
7 as defined by the office of financial management. Reports shall be
8 prepared in a format prescribed by the office of financial management
9 and shall include, but not be limited to: Information describing the
10 number, size, and condition of state-owned facilities; facility
11 maintenance, repair, and operating expenses paid from the state
12 operating and capital budgets, including maintenance staffing levels;
13 the condition of major infrastructure systems; and maintenance
14 management initiatives undertaken by the agency over the prior year.
15 Agencies shall submit their annual maintenance summary reports to the
16 office of financial management by September 1 each year.~~

17 ~~(6))~~ The office of financial management, prior to approving
18 allotments for major capital construction projects valued over five
19 million dollars, shall institute procedures for reviewing such projects
20 at the predesign stage that will reduce long-term costs and increase
21 facility efficiency. The procedures shall include, but not be limited
22 to, the following elements:

23 (a) Evaluation of facility program requirements and consistency
24 with long-range plans;

25 (b) Utilization of a system of cost, quality, and performance
26 standards to compare major capital construction projects; and

27 (c) A requirement to incorporate value-engineering analysis and
28 constructability review into the project schedule.

29 ~~((7))~~ (6) No expenditure may be incurred or obligation entered
30 into for such major capital construction projects including, without
31 exception, land acquisition, site development, predesign, design,
32 construction, and equipment acquisition and installation, until the
33 allotment of the funds to be expended has been approved by the office
34 of financial management. This limitation does not prohibit the
35 continuation of expenditures and obligations into the succeeding
36 biennium for projects for which allotments have been approved in the
37 immediate prior biennium.

1 ~~((+8))~~ (7) If at any time during the fiscal period the governor
2 projects a cash deficit in a particular fund or account as defined by
3 RCW 43.88.050, the governor shall make across-the-board reductions in
4 allotments for that particular fund or account so as to prevent a cash
5 deficit, unless the legislature has directed the liquidation of the
6 cash deficit over one or more fiscal periods. Except for the
7 legislative and judicial branches and other agencies headed by elective
8 officials, the governor shall review the statement of proposed
9 operating expenditures for reasonableness and conformance with
10 legislative intent. The governor may request corrections of proposed
11 allotments submitted by the legislative and judicial branches and
12 agencies headed by elective officials if those proposed allotments
13 contain significant technical errors. Once the governor approves the
14 proposed allotments, further revisions may at the request of the office
15 of financial management or upon the agency's initiative be made on a
16 quarterly basis and must be accompanied by an explanation of the
17 reasons for significant changes. However, changes in appropriation
18 level authorized by the legislature, changes required by across-the-
19 board reductions mandated by the governor, changes caused by executive
20 increases to spending authority, and changes caused by executive
21 decreases to spending authority for failure to comply with the
22 provisions of chapter 36.70A RCW may require additional revisions.
23 Revisions shall not be made retroactively. However, the governor may
24 assign to a reserve status any portion of an agency appropriation
25 withheld as part of across-the-board reductions made by the governor
26 and any portion of an agency appropriation conditioned on a contingent
27 event by the appropriations act. The governor may remove these amounts
28 from reserve status if the across-the-board reductions are subsequently
29 modified or if the contingent event occurs. The director of financial
30 management shall enter approved statements of proposed expenditures
31 into the state budgeting, accounting, and reporting system within
32 forty-five days after receipt of the proposed statements from the
33 agencies. If an agency or the director of financial management is
34 unable to meet these requirements, the director of financial management
35 shall provide a timely explanation in writing to the legislative fiscal
36 committees.

37 ~~((+9))~~ (8) It is expressly provided that all agencies shall be
38 required to maintain accounting records and to report thereon in the

1 manner prescribed in this chapter and under the regulations issued
2 pursuant to this chapter. Within ninety days of the end of the fiscal
3 year, all agencies shall submit to the director of financial management
4 their final adjustments to close their books for the fiscal year.
5 Prior to submitting fiscal data, written or oral, to committees of the
6 legislature, it is the responsibility of the agency submitting the data
7 to reconcile it with the budget and accounting data reported by the
8 agency to the director of financial management.

9 ~~((+10+))~~ (9) The director of financial management may exempt
10 certain public funds from the allotment controls established under this
11 chapter if it is not practical or necessary to allot the funds.
12 Allotment control exemptions expire at the end of the fiscal biennium
13 for which they are granted. The director of financial management shall
14 report any exemptions granted under this subsection to the legislative
15 fiscal committees.

16 **Sec. 4.** RCW 13.60.110 and 1999 c 168 s 2 are each amended to read
17 as follows:

18 (1) A task force on missing and exploited children is established
19 in the Washington state patrol. The task force shall be under the
20 direction of the chief of the state patrol.

21 (2) The task force is authorized to assist law enforcement
22 agencies, upon request, in cases involving missing or exploited
23 children by:

24 (a) Direct assistance and case management;

25 (b) Technical assistance;

26 (c) Personnel training;

27 (d) Referral for assistance from local, state, national, and
28 international agencies; and

29 (e) Coordination and information sharing among local, state,
30 interstate, and federal law enforcement and social service agencies.

31 (3) To maximize the efficiency and effectiveness of state resources
32 and to improve interagency cooperation, the task force shall, where
33 feasible, use existing facilities, systems, and staff made available by
34 the state patrol and other local, state, interstate, and federal law
35 enforcement and social service agencies. The chief of the state patrol
36 may employ such additional personnel as are necessary for the work of
37 the task force and may share personnel costs with other agencies.

1 (4) The chief of the state patrol shall seek public and private
2 grants and gifts to support the work of the task force.

3 ~~(5) ((By December 1, 2001, and annually thereafter, the chief of~~
4 ~~the state patrol shall submit a report to the appropriate committees of~~
5 ~~the legislature. The report shall establish performance measurements~~
6 ~~and objectives for the task force and assess the accomplishments of the~~
7 ~~task force.~~

8 (+6)) For the purposes of RCW 13.60.100 through 13.60.120,
9 "exploited children" means children under the age of eighteen who are
10 employed, used, persuaded, induced, enticed, or coerced to engage in,
11 or assist another person to engage in, sexually explicit conduct.
12 "Exploited children" also means the rape, molestation, or use for
13 prostitution of children under the age of eighteen.

14 **Sec. 5.** RCW 74.13.036 and 2003 c 207 s 2 are each amended to read
15 as follows:

16 (1) The department of social and health services shall oversee
17 implementation of chapter 13.34 RCW and chapter 13.32A RCW. The
18 oversight shall be comprised of working with affected parts of the
19 criminal justice and child care systems as well as with local
20 government, legislative, and executive authorities to effectively carry
21 out these chapters. The department shall work with all such entities
22 to ensure that chapters 13.32A and 13.34 RCW are implemented in a
23 uniform manner throughout the state.

24 (2) The department shall develop a plan and procedures, in
25 cooperation with the statewide advisory committee, to insure the full
26 implementation of the provisions of chapter 13.32A RCW. Such plan and
27 procedures shall include but are not limited to:

28 (a) Procedures defining and delineating the role of the department
29 and juvenile court with regard to the execution of the child in need of
30 services placement process;

31 (b) Procedures for designating department staff responsible for
32 family reconciliation services;

33 (c) Procedures assuring enforcement of contempt proceedings in
34 accordance with RCW 13.32A.170 and 13.32A.250; and

35 (d) Procedures for the continued education of all individuals in
36 the criminal juvenile justice and child care systems who are affected

1 by chapter 13.32A RCW, as well as members of the legislative and
2 executive branches of government.

3 There shall be uniform application of the procedures developed by
4 the department and juvenile court personnel, to the extent practicable.
5 Local and regional differences shall be taken into consideration in the
6 development of procedures required under this subsection.

7 (3) In addition to its other oversight duties, the department
8 shall:

9 (a) Identify and evaluate resource needs in each region of the
10 state;

11 (b) Disseminate information collected as part of the oversight
12 process to affected groups and the general public;

13 (c) Educate affected entities within the juvenile justice and child
14 care systems, local government, and the legislative branch regarding
15 the implementation of chapters 13.32A and 13.34 RCW;

16 (d) Review complaints concerning the services, policies, and
17 procedures of those entities charged with implementing chapters 13.32A
18 and 13.34 RCW; and

19 (e) Report any violations and misunderstandings regarding the
20 implementation of chapters 13.32A and 13.34 RCW.

21 ~~((4) The department shall provide an annual report to the
22 legislature not later than December 1 of each year only when it has
23 declined to accept custody of a child from a law enforcement agency or
24 it has received a report of a child being released without placement.
25 The report shall indicate the number of times it has declined to accept
26 custody of a child from a law enforcement agency under chapter 13.32A
27 RCW and the number of times it has received a report of a child being
28 released without placement under RCW 13.32A.060(1)(c). The report
29 shall include the dates, places, and reasons the department declined to
30 accept custody and the dates and places children are released without
31 placement.))~~

32 **Sec. 6.** RCW 74.08A.130 and 1997 c 58 s 204 are each amended to
33 read as follows:

34 The department shall make an affirmative effort to identify and
35 proactively contact legal immigrants receiving public assistance to
36 facilitate their applications for naturalization. The department shall
37 obtain a complete list of legal immigrants in Washington who are

1 receiving correspondence regarding their eligibility from the social
2 security administration. The department shall inform immigrants
3 regarding how citizenship may be attained. In order to facilitate the
4 citizenship process, the department shall coordinate and contract, to
5 the extent necessary, with existing public and private resources and
6 shall, within available funds, ensure that those immigrants who qualify
7 to apply for naturalization are referred to or otherwise offered
8 classes. The department shall assist eligible immigrants in obtaining
9 appropriate test exemptions, and other exemptions in the naturalization
10 process, to the extent permitted under federal law. ((The department
11 shall report annually by December 15th to the legislature regarding the
12 progress and barriers of the immigrant naturalization facilitation
13 effort. It is the intent of the legislature that persons receiving
14 naturalization assistance be facilitated in obtaining citizenship
15 within two years of their eligibility to apply.))

16 **Sec. 7.** RCW 70.56.040 and 2008 c 136 s 2 are each amended to read
17 as follows:

18 (1) The department shall contract with a qualified, independent
19 entity to receive notifications and reports of adverse events and
20 incidents, and carry out the activities specified in this section. In
21 establishing qualifications for, and choosing the independent entity,
22 the department shall strongly consider the patient safety organization
23 criteria included in the federal patient safety and quality improvement
24 act of 2005, P.L. 109-41, and any regulations adopted to implement this
25 chapter.

26 (2) The independent entity shall:

27 (a) In collaboration with the department of health, establish an
28 internet-based system for medical facilities and the health care
29 workers of a medical facility to submit notifications and reports of
30 adverse events and incidents, which shall be accessible twenty-four
31 hours a day, seven days a week. The system shall be a portal to report
32 both adverse events and incidents, and notifications and reports of
33 adverse events shall be immediately transmitted to the department. The
34 system shall be a secure system that protects the confidentiality of
35 personal health information and provider and facility specific
36 information submitted in notifications and reports, including
37 appropriate encryption and an accurate means of authenticating the

1 identity of users of the system. When the system becomes operational,
2 medical facilities shall submit all notifications and reports by means
3 of the system;

4 (b) Collect, analyze, and evaluate data regarding notifications and
5 reports of adverse events and incidents, including the identification
6 of performance indicators and patterns in frequency or severity at
7 certain medical facilities or in certain regions of the state;

8 (c) Develop recommendations for changes in health care practices
9 and procedures, which may be instituted for the purpose of reducing the
10 number or severity of adverse events and incidents;

11 (d) Directly advise reporting medical facilities of immediate
12 changes that can be instituted to reduce adverse events or incidents;

13 (e) Issue recommendations to medical facilities on a
14 facility-specific or on a statewide basis regarding changes, trends,
15 and improvements in health care practices and procedures for the
16 purpose of reducing the number and severity of adverse events or
17 incidents. Prior to issuing recommendations, consideration shall be
18 given to the following factors: Expectation of improved quality of
19 care, implementation feasibility, other relevant implementation
20 practices, and the cost impact to patients, payers, and medical
21 facilities. Statewide recommendations shall be issued to medical
22 facilities on a continuing basis and shall be published and posted on
23 a publicly accessible web site. The recommendations made to medical
24 facilities under this section shall not be considered mandatory for
25 licensure purposes unless they are adopted by the department as rules
26 pursuant to chapter 34.05 RCW; and

27 (f) Monitor implementation of reporting systems addressing adverse
28 events or their equivalent in other states and make recommendations to
29 the governor and the legislature as necessary for modifications to this
30 chapter to keep the system as nearly consistent as possible with
31 similar systems in other states.

32 ~~(3)((a) The independent entity shall report no later than January~~
33 ~~1, 2008, and annually thereafter to the governor and the legislature on~~
34 ~~the activities under this chapter in the preceding year. The report~~
35 ~~shall include:~~

36 ~~(i) The number of adverse events and incidents reported by medical~~
37 ~~facilities, in the aggregate, on a geographical basis, and a summary of~~

1 ~~actions taken by facilities in response to the adverse events or~~
2 ~~incidents;~~

3 ~~(ii) In the aggregate, the information derived from the data~~
4 ~~collected, including any recognized trends concerning patient safety;~~

5 ~~(iii) Recommendations for statutory or regulatory changes that may~~
6 ~~help improve patient safety in the state; and~~

7 ~~(iv) Information, presented in the aggregate, to inform and educate~~
8 ~~consumers and providers, on best practices and prevention tools that~~
9 ~~medical facilities are implementing to prevent adverse events as well~~
10 ~~as other patient safety initiatives medical facilities are undertaking~~
11 ~~to promote patient safety.~~

12 ~~(b) The annual report shall be made available for public inspection~~
13 ~~and shall be posted on the department's and the independent entity's~~
14 ~~web site.~~

15 ~~(4))~~ The independent entity shall conduct all activities under
16 this section in a manner that preserves the confidentiality of
17 facilities, documents, materials, or information made confidential by
18 RCW 70.56.050.

19 ~~((+5))~~ (4) Medical facilities and health care workers may provide
20 notification of incidents to the independent entity. The notification
21 shall be filed in a format specified by the independent entity, after
22 consultation with the department and medical facilities, and shall
23 identify the facility but shall not include any identifying information
24 for any of the health care professionals, facility employees, or
25 patients involved. This provision does not modify the duty of a
26 hospital to make a report to the department or a disciplinary authority
27 if a licensed practitioner has committed unprofessional conduct as
28 defined in RCW 18.130.180. The protections of RCW 43.70.075 apply to
29 notifications of incidents that are submitted in good faith by
30 employees of medical facilities.

31 **Sec. 8.** RCW 43.70.690 and 2005 c 462 s 4 are each amended to read
32 as follows:

33 (1) The department, in collaboration with its public and private
34 partners, shall design a state asthma plan, based on clinically sound
35 criteria including nationally recognized guidelines such as those
36 established by the national asthma education prevention partnership

1 expert panel report guidelines for the diagnosis and management of
2 asthma.

3 (2) The plan shall include recommendations in the following areas:

4 (a) Evidence-based processes for the prevention and management of
5 asthma;

6 (b) Data systems that support asthma prevalence reporting,
7 including population disparities and practice variation in the
8 treatment of asthma;

9 (c) Quality improvement strategies addressing the successful
10 diagnosis and management of the disease; and

11 (d) Cost estimates and sources of funding for plan implementation.

12 (3) The department shall submit the completed state plan to the
13 governor and the legislature by December 1, 2005. (~~After the initial
14 state plan is submitted, the department shall provide progress reports
15 to the governor and the legislature on a biennial basis beginning
16 December 1, 2007.~~)

17 (4) The department shall implement the state plan recommendations
18 made under subsection (2) of this section only to the extent that
19 federal, state, or private funds, including grants, are available for
20 that purpose.

21 **Sec. 9.** RCW 77.85.140 and 2007 c 241 s 22 are each amended to read
22 as follows:

23 (1) Habitat project lists shall be submitted to the salmon recovery
24 funding board for funding at least once a year on a schedule
25 established by the board. The board shall provide the legislature with
26 a list of the proposed projects and a list of the projects funded by
27 October 1st of each year for informational purposes. Project sponsors
28 who complete salmon habitat projects approved for funding from habitat
29 project lists and have met grant application deadlines will be paid by
30 the salmon recovery funding board within thirty days of project
31 completion.

32 (2) The recreation and conservation office shall track all funds
33 allocated for salmon habitat projects and salmon recovery activities on
34 behalf of the board, including both funds allocated by the board and
35 funds allocated by other state or federal agencies for salmon recovery
36 or water quality improvement.

1 in the 2009-2011 fiscal biennium and each biennium thereafter, make a
2 report to the governor showing:

3 (1) A summary of the conditions of the banks, savings banks,
4 foreign bank branches, savings and loan associations, credit unions,
5 consumer loan companies, check cashers and sellers, and trust companies
6 and departments at the date of their last report; and

7 (2) A list of those organized or closed during the year.

8 The director may publish such other statements, reports, and
9 pamphlets as he or she deems advisable.

10 **Sec. 12.** RCW 39.102.140 and 2007 c 229 s 9 are each amended to
11 read as follows:

12 (1) A sponsoring local government shall provide a report to the
13 board and the department by March 1st of each year. The report shall
14 contain the following information:

15 (a) The amount of local excise tax allocation revenues, local
16 property tax allocation revenues, other revenues from local public
17 sources, and taxes under RCW 82.14.475 received by the sponsoring local
18 government during the preceding calendar year that were dedicated to
19 pay the public improvements financed in whole or in part with local
20 infrastructure financing, and a summary of how these revenues were
21 expended;

22 (b) The names of any businesses locating within the revenue
23 development area as a result of the public improvements undertaken by
24 the sponsoring local government and financed in whole or in part with
25 local infrastructure financing;

26 (c) The total number of permanent jobs created in the revenue
27 development area as a result of the public improvements undertaken by
28 the sponsoring local government and financed in whole or in part with
29 local infrastructure financing;

30 (d) The average wages and benefits received by all employees of
31 businesses locating within the revenue development area as a result of
32 the public improvements undertaken by the sponsoring local government
33 and financed in whole or in part with local infrastructure financing;
34 and

35 (e) That the sponsoring local government is in compliance with RCW
36 39.102.070.

1 (2) The board shall make a report available to the public and the
2 legislature by June 1st of each even-numbered year. The report shall
3 include a list of public improvements undertaken by sponsoring local
4 governments and financed in whole or in part with local infrastructure
5 financing and it shall also include a summary of the information
6 provided to the department by sponsoring local governments under
7 subsection (1) of this section.

8 **Sec. 13.** RCW 43.336.060 and 2007 c 228 s 107 are each amended to
9 read as follows:

10 On or before June 30th of each (~~(fiscal)~~) even-numbered year, the
11 commission shall submit a report to the appropriate policy and fiscal
12 committees of the house of representatives and senate that describes
13 the tourism development program for the previous fiscal year and
14 quantifies the financial benefits to the state. The report must
15 contain information concerning targeted markets, benefits to different
16 areas of the state, return on the state's investment, grants disbursed
17 under the tourism competitive grant program, a copy of the most recent
18 strategic plan, and other relevant information related to tourism
19 development.

20 **Sec. 14.** RCW 43.365.040 and 2006 c 247 s 6 are each amended to
21 read as follows:

22 (1) The legislature finds that accountability and effectiveness are
23 important aspects of setting tax policy. In order to make policy
24 choices regarding the best use of limited state resources the
25 legislature needs information on how incentives are used.

26 (2) Each motion picture production receiving funding assistance
27 under RCW 43.365.020 shall report information to the department by
28 filing a complete annual survey. The survey is due by March 31st of
29 the year following any calendar year in which funding assistance under
30 RCW (~~(43.365.030)~~) 43.365.020 is taken. The department may extend the
31 due date for timely filing of annual surveys under this section if
32 failure to file was the result of circumstances beyond the control of
33 the motion picture production receiving the funding assistance.

34 (3) The survey shall include the amount of funding assistance
35 received. The survey shall also include the following information for

1 employment positions in Washington by the motion picture production
2 receiving funding assistance, including indirect employment by
3 contractors or other affiliates:

4 (a) The number of total employment positions;

5 (b) Full-time, part-time, and temporary employment positions as a
6 percent of total employment;

7 (c) The number of employment positions according to the following
8 wage bands: Less than thirty thousand dollars; thirty thousand dollars
9 or greater, but less than sixty thousand dollars; and sixty thousand
10 dollars or greater. A wage band containing fewer than three
11 individuals may be combined with another wage band; and

12 (d) The number of employment positions that have employer-provided
13 medical, dental, and retirement benefits, by each of the wage bands.

14 (4) The department may request additional information necessary to
15 measure the results of the funding assistance program, to be submitted
16 at the same time as the survey.

17 (5) If a person fails to submit an annual survey under subsection
18 (2) of this section by the due date of the report or any extension the
19 department shall declare the amount of funding assistance for the
20 previous calendar year to be immediately due and payable. The
21 department shall assess interest, but not penalties, on the amounts due
22 under this section. The interest shall be assessed at the rate
23 provided for delinquent taxes under chapter 82.32 RCW, retroactively to
24 the date the funding assistance was received, and shall accrue until
25 the funding assistance is repaid.

26 (6) The department shall use the information from this section to
27 prepare summary descriptive statistics. The department shall report
28 these statistics to the legislature each even-numbered year by
29 September 1st. The department shall provide the complete annual
30 surveys to the joint legislative audit and review committee.

31 **Sec. 15.** RCW 43.330.082 and 2007 c 249 s 3 are each amended to
32 read as follows:

33 (1) Contracting associate development organizations shall provide
34 the department with measures of their performance. Annual reports
35 shall include information on the impact of the contracting organization
36 on employment, wages, tax revenue, and capital investment. Specific
37 measures shall be developed in the contracting process between the

1 department and the contracting organization every two years.
2 Performance measures should be consistent across regions to allow for
3 statewide evaluation.

4 (2)(a) The department and contracting organizations shall agree
5 upon specific target levels for the performance measures in subsection
6 (1) of this section. Comparison of agreed thresholds and actual
7 performance shall occur annually.

8 (b) Contracting organizations that fail to achieve the agreed
9 performance targets in more than one-half of the agreed measures shall
10 develop remediation plans to address performance gaps. The remediation
11 plans shall include revised performance thresholds specifically chosen
12 to provide evidence of progress in making the identified service
13 changes.

14 (c) Contracts and state funding shall be terminated for one year
15 for organizations that fail to achieve the agreed upon progress toward
16 improved performance defined under (b) of this subsection. During the
17 year in which termination for nonperformance is in effect,
18 organizations shall review alternative delivery strategies to include
19 reorganization of the contracting organization, merging of previous
20 efforts with existing regional partners, and other specific steps
21 toward improved performance. At the end of the period of termination,
22 the department may contract with the associate development organization
23 or its successor as it deems appropriate.

24 (3) The department shall report to the legislature and the
25 Washington economic development commission by December 31st of each
26 even-numbered year on the performance results of the contracts with
27 associate development organizations.

28 **Sec. 16.** RCW 43.155.070 and 2008 c 299 s 25 are each amended to
29 read as follows:

30 (1) To qualify for loans or pledges under this chapter the board
31 must determine that a local government meets all of the following
32 conditions:

33 (a) The city or county must be imposing a tax under chapter 82.46
34 RCW at a rate of at least one-quarter of one percent;

35 (b) The local government must have developed a capital facility
36 plan; and

1 (c) The local government must be using all local revenue sources
2 which are reasonably available for funding public works, taking into
3 consideration local employment and economic factors.

4 (2) Except where necessary to address a public health need or
5 substantial environmental degradation, a county, city, or town planning
6 under RCW 36.70A.040 must have adopted a comprehensive plan, including
7 a capital facilities plan element, and development regulations as
8 required by RCW 36.70A.040. This subsection does not require any
9 county, city, or town planning under RCW 36.70A.040 to adopt a
10 comprehensive plan or development regulations before requesting or
11 receiving a loan or loan guarantee under this chapter if such request
12 is made before the expiration of the time periods specified in RCW
13 36.70A.040. A county, city, or town planning under RCW 36.70A.040
14 which has not adopted a comprehensive plan and development regulations
15 within the time periods specified in RCW 36.70A.040 is not prohibited
16 from receiving a loan or loan guarantee under this chapter if the
17 comprehensive plan and development regulations are adopted as required
18 by RCW 36.70A.040 before submitting a request for a loan or loan
19 guarantee.

20 (3) In considering awarding loans for public facilities to special
21 districts requesting funding for a proposed facility located in a
22 county, city, or town planning under RCW 36.70A.040, the board shall
23 consider whether the county, city, or town planning under RCW
24 36.70A.040 in whose planning jurisdiction the proposed facility is
25 located has adopted a comprehensive plan and development regulations as
26 required by RCW 36.70A.040.

27 (4) The board shall develop a priority process for public works
28 projects as provided in this section. The intent of the priority
29 process is to maximize the value of public works projects accomplished
30 with assistance under this chapter. The board shall attempt to assure
31 a geographical balance in assigning priorities to projects. The board
32 shall consider at least the following factors in assigning a priority
33 to a project:

34 (a) Whether the local government receiving assistance has
35 experienced severe fiscal distress resulting from natural disaster or
36 emergency public works needs;

37 (b) Except as otherwise conditioned by RCW 43.155.110, whether the

1 entity receiving assistance is a Puget Sound partner, as defined in RCW
2 90.71.010;

3 (c) Whether the project is referenced in the action agenda
4 developed by the Puget Sound partnership under RCW 90.71.310;

5 (d) Whether the project is critical in nature and would affect the
6 health and safety of a great number of citizens;

7 (e) Whether the applicant has developed and adhered to guidelines
8 regarding its permitting process for those applying for development
9 permits consistent with section 1(2), chapter 231, Laws of 2007;

10 (f) The cost of the project compared to the size of the local
11 government and amount of loan money available;

12 (g) The number of communities served by or funding the project;

13 (h) Whether the project is located in an area of high unemployment,
14 compared to the average state unemployment;

15 (i) Whether the project is the acquisition, expansion, improvement,
16 or renovation by a local government of a public water system that is in
17 violation of health and safety standards, including the cost of
18 extending existing service to such a system;

19 (j) Except as otherwise conditioned by RCW 43.155.120, and
20 effective one calendar year following the development of model
21 evergreen community management plans and ordinances under RCW
22 35.105.050, whether the entity receiving assistance has been
23 recognized, and what gradation of recognition was received, in the
24 evergreen community recognition program created in RCW 35.105.030;

25 (k) The relative benefit of the project to the community,
26 considering the present level of economic activity in the community and
27 the existing local capacity to increase local economic activity in
28 communities that have low economic growth; and

29 (l) Other criteria that the board considers advisable.

30 (5) Existing debt or financial obligations of local governments
31 shall not be refinanced under this chapter. Each local government
32 applicant shall provide documentation of attempts to secure additional
33 local or other sources of funding for each public works project for
34 which financial assistance is sought under this chapter.

35 (6) Before November 1st of each even-numbered year, the board shall
36 develop and submit to the appropriate fiscal committees of the senate
37 and house of representatives a description of the loans made under RCW
38 43.155.065, 43.155.068, and subsection (9) of this section during the

1 preceding fiscal year and a prioritized list of projects which are
2 recommended for funding by the legislature, including one copy to the
3 staff of each of the committees. The list shall include, but not be
4 limited to, a description of each project and recommended financing,
5 the terms and conditions of the loan or financial guarantee, the local
6 government jurisdiction and unemployment rate, demonstration of the
7 jurisdiction's critical need for the project and documentation of local
8 funds being used to finance the public works project. The list shall
9 also include measures of fiscal capacity for each jurisdiction
10 recommended for financial assistance, compared to authorized limits and
11 state averages, including local government sales taxes; real estate
12 excise taxes; property taxes; and charges for or taxes on sewerage,
13 water, garbage, and other utilities.

14 (7) The board shall not sign contracts or otherwise financially
15 obligate funds from the public works assistance account before the
16 legislature has appropriated funds for a specific list of public works
17 projects. The legislature may remove projects from the list
18 recommended by the board. The legislature shall not change the order
19 of the priorities recommended for funding by the board.

20 (8) Subsection (7) of this section does not apply to loans made
21 under RCW 43.155.065, 43.155.068, and subsection (9) of this section.

22 (9) Loans made for the purpose of capital facilities plans shall be
23 exempted from subsection (7) of this section.

24 (10) To qualify for loans or pledges for solid waste or recycling
25 facilities under this chapter, a city or county must demonstrate that
26 the solid waste or recycling facility is consistent with and necessary
27 to implement the comprehensive solid waste management plan adopted by
28 the city or county under chapter 70.95 RCW.

29 (11) After January 1, 2010, any project designed to address the
30 effects of storm water or wastewater on Puget Sound may be funded under
31 this section only if the project is not in conflict with the action
32 agenda developed by the Puget Sound partnership under RCW 90.71.310.

33 **Sec. 17.** RCW 43.185C.040 and 2005 c 484 s 7 are each amended to
34 read as follows:

35 (1) Six months after the first Washington homeless census, the
36 department shall, in consultation with the interagency council on
37 homelessness and the affordable housing advisory board, prepare and

1 publish a ten-year homeless housing strategic plan which shall outline
2 statewide goals and performance measures and shall be coordinated with
3 the plan for homeless families with children required under RCW
4 43.63A.650. To guide local governments in preparation of their first
5 local homeless housing plans due December 31, 2005, the department
6 shall issue by October 15, 2005, temporary guidelines consistent with
7 this chapter and including the best available data on each community's
8 homeless population. Local governments' ten-year homeless housing
9 plans shall not be substantially inconsistent with the goals and
10 program recommendations of the temporary guidelines and, when amended
11 after 2005, the state strategic plan.

12 (2) Program outcomes and performance measures and goals shall be
13 created by the department and reflected in the department's homeless
14 housing strategic plan as well as interim goals against which state and
15 local governments' performance may be measured, including:

16 (a) By the end of year one, completion of the first census as
17 described in RCW 43.185C.030;

18 (b) By the end of each subsequent year, goals common to all local
19 programs which are measurable and the achievement of which would move
20 that community toward housing its homeless population; and

21 (c) By July 1, 2015, reduction of the homeless population statewide
22 and in each county by fifty percent.

23 (3) The department shall develop a consistent statewide data
24 gathering instrument to monitor the performance of cities and counties
25 receiving grants in order to determine compliance with the terms and
26 conditions set forth in the grant application or required by the
27 department.

28 The department shall, in consultation with the interagency council
29 on homelessness and the affordable housing advisory board, report
30 (~~annually~~) biennially to the governor and the appropriate committees
31 of the legislature an assessment of the state's performance in
32 furthering the goals of the state ten-year homeless housing strategic
33 plan and the performance of each participating local government in
34 creating and executing a local homeless housing plan which meets the
35 requirements of this chapter. The annual report may include
36 performance measures such as:

37 (a) The reduction in the number of homeless individuals and
38 families from the initial count of homeless persons;

1 (b) The number of new units available and affordable for homeless
2 families by housing type;

3 (c) The number of homeless individuals identified who are not
4 offered suitable housing within thirty days of their request or
5 identification as homeless;

6 (d) The number of households at risk of losing housing who maintain
7 it due to a preventive intervention;

8 (e) The transition time from homelessness to permanent housing;

9 (f) The cost per person housed at each level of the housing
10 continuum;

11 (g) The ability to successfully collect data and report
12 performance;

13 (h) The extent of collaboration and coordination among public
14 bodies, as well as community stakeholders, and the level of community
15 support and participation;

16 (i) The quality and safety of housing provided; and

17 (j) The effectiveness of outreach to homeless persons, and their
18 satisfaction with the program.

19 (4) Based on the performance of local homeless housing programs in
20 meeting their interim goals, on general population changes and on
21 changes in the homeless population recorded in the annual census, the
22 department may revise the performance measures and goals of the state
23 homeless housing strategic plan, set goals for years following the
24 initial ten-year period, and recommend changes in local governments'
25 plans.

26 **Sec. 18.** RCW 43.63A.068 and 2007 c 384 s 6 are each amended to
27 read as follows:

28 (1)(a) The department of community, trade, and economic development
29 shall establish an advisory committee to monitor, guide, and report on
30 recommendations relating to policies and programs for children and
31 families with incarcerated parents.

32 (b) The advisory committee shall include representatives of the
33 department of corrections, the department of social and health
34 services, the department of early learning, the office of the
35 superintendent of public instruction, representatives of the private
36 nonprofit and business sectors, child advocates, representatives of
37 Washington state Indian tribes as defined under the federal Indian

1 welfare act (25 U.S.C. Sec. 1901 et seq.), court administrators, the
2 administrative office of the courts, the Washington association of
3 sheriffs and police chiefs, jail administrators, the office of the
4 governor, and others who have an interest in these issues.

5 (c) The advisory committee shall:

6 (i) Gather the data collected by the departments as required in RCW
7 72.09.495, 74.04.800, 43.215.065, and 28A.300.520;

8 (ii) Monitor and provide consultation on the implementation of
9 recommendations contained in the 2006 children of incarcerated parents
10 report;

11 (iii) Identify areas of need and develop recommendations for the
12 legislature, the department of social and health services, the
13 department of corrections, the department of early learning, and the
14 office of the superintendent of public instruction to better meet the
15 needs of children and families of persons incarcerated in department of
16 corrections facilities; and

17 (iv) Advise the department of community, trade, and economic
18 development regarding community programs the department should fund
19 with moneys appropriated for this purpose in the operating budget. The
20 advisory committee shall provide recommendations to the department
21 regarding the following:

22 (A) The goals for geographic distribution of programs and funding;

23 (B) The scope and purpose of eligible services and the priority of
24 such services;

25 (C) Grant award funding limits;

26 (D) Entities eligible to apply for the funding;

27 (E) Whether the funding should be directed towards starting or
28 supporting new programs, expanding existing programs, or whether the
29 funding should be open to all eligible services and providers; and

30 (F) Other areas the advisory committee determines appropriate.

31 (d) The children of incarcerated parents advisory committee shall
32 update the legislature and governor (~~annually~~) biennially on
33 committee activities, with the first update due by January 1, (~~2008~~)
34 2010.

35 (2) The department of community, trade, and economic development
36 shall select community programs or services to receive funding that
37 focus on children and families of inmates incarcerated in a department

1 of corrections facility and sustaining the family during the period of
2 the inmate's incarceration.

3 (a) Programs or services which meet the needs of the children of
4 incarcerated parents should be the greatest consideration in the
5 programs that are identified by the department.

6 (b) The department shall consider the recommendations of the
7 advisory committee regarding which services or programs the department
8 should fund.

9 (c) The programs selected shall collaborate with an agency, or
10 agencies, experienced in providing services to aid families and victims
11 of sexual assault and domestic violence to ensure that the programs
12 identify families who have a history of sexual assault or domestic
13 violence and ensure the services provided are appropriate for the
14 children and families.

15 **Sec. 19.** RCW 39.86.190 and 1987 c 297 s 10 are each amended to
16 read as follows:

17 By February 1 of each even-numbered year, the agency shall
18 summarize for the legislature each previous year's bond allocation
19 requests and issuance. Beginning in June of 1988 and thereafter in
20 June of each even-numbered year, the agency shall also submit a
21 biennial report summarizing usage of the bond allocation proceeds and
22 any policy concerns for future bond allocations.

23 **Sec. 20.** RCW 43.325.050 and 2006 c 171 s 7 are each amended to
24 read as follows:

25 The director shall report to the legislature and governor on the
26 status of the energy freedom program created under this chapter, on or
27 before December 1, 2006, and (~~annually~~) biennially thereafter. This
28 report must include information on the projects that have been funded,
29 the status of these projects, and their environmental, energy savings,
30 and job creation benefits.

31 **Sec. 21.** RCW 43.79.460 and 2009 c 4 s 902 are each amended to read
32 as follows:

33 (1) The savings incentive account is created in the custody of the
34 state treasurer. The account shall consist of all moneys appropriated

1 to the account by the legislature. The account is subject to the
2 allotment procedures under chapter 43.88 RCW, but no appropriation is
3 required for expenditures from the account.

4 (2) Within the savings incentive account, the state treasurer may
5 create subaccounts to be credited with incentive savings attributable
6 to individual state agencies, as determined by the office of financial
7 management in consultation with the legislative fiscal committees.
8 Moneys deposited in the subaccounts may be expended only on the
9 authorization of the agency's executive head or designee and only for
10 the purpose of one-time expenditures to improve the quality,
11 efficiency, and effectiveness of services to customers of the state,
12 such as one-time expenditures for employee training, employee
13 incentives, technology improvements, new work processes, or performance
14 measurement. Funds may not be expended from the account to establish
15 new programs or services, expand existing programs or services, or
16 incur ongoing costs that would require future expenditures.

17 (3) For purposes of this section, "incentive savings" means state
18 general fund appropriations that are unspent as of June 30th of a
19 fiscal year, excluding any amounts included in across-the-board
20 reductions under RCW 43.88.110 and excluding unspent appropriations
21 for:

22 (a) Caseload and enrollment in entitlement programs, except to the
23 extent that an agency has clearly demonstrated that efficiencies have
24 been achieved in the administration of the entitlement program.
25 "Entitlement program," as used in this section, includes programs for
26 which specific sums of money are appropriated for pass-through to third
27 parties or other entities;

28 (b) Enrollments in state institutions of higher education;

29 (c) A specific amount contained in a condition or limitation to an
30 appropriation in the biennial appropriations act, if the agency did not
31 achieve the specific purpose or objective of the condition or
32 limitation;

33 (d) Debt service on state obligations; and

34 (e) State retirement system obligations.

35 (4) The office of financial management, after consulting with the
36 legislative fiscal committees, shall report (~~to the treasurer~~) the
37 amount of savings incentives achieved. (~~By December 1, 1998, and each~~
38 ~~December 1st thereafter, the office of financial management shall~~

1 ~~submit a report to the fiscal committees of the legislature on the~~
2 ~~implementation of this section. The report shall (a) evaluate the~~
3 ~~impact of this section on agency reversions and end-of-biennium~~
4 ~~expenditure patterns, and (b) itemize agency expenditures from the~~
5 ~~savings recovery account. The office of financial management is~~
6 ~~relieved from having to submit a report by December 1, 2008.)~~

7 (5) For fiscal year 2009, the legislature may transfer from the
8 savings incentive account to the state general fund such amounts as
9 reflect the fund balance of the account attributable to unspent state
10 general fund appropriations for fiscal year 2008.

11 **Sec. 22.** RCW 18.130.310 and 2008 c 134 s 13 are each amended to
12 read as follows:

13 (1) Subject to RCW 40.07.040, the disciplinary authority shall
14 submit (~~(an annual)~~) a biennial report to the legislature on its
15 proceedings during the (~~(year)~~) biennium, detailing the number of
16 complaints made, investigated, and adjudicated and manner of
17 disposition. In addition, the report must provide data on the
18 department's background check activities conducted under RCW 18.130.064
19 and the effectiveness of those activities in identifying potential
20 license holders who may not be qualified to practice safely. The
21 report must summarize the distribution of the number of cases assigned
22 to each attorney and investigator for each profession. The identity of
23 the attorney and investigator must remain anonymous. The report may
24 include recommendations for improving the disciplinary process,
25 including proposed legislation. The department shall develop a uniform
26 report format.

27 (2) Each disciplining authority identified in RCW 18.130.040(2)(b)
28 may submit (~~(an annual)~~) a biennial report to complement the report
29 required under subsection (1) of this section. Each report may provide
30 additional information about the disciplinary activities, rule-making
31 and policy activities, and receipts and expenditures for the individual
32 disciplining authority.

33 **Sec. 23.** RCW 43.20.100 and 1977 c 75 s 44 are each amended to read
34 as follows:

35 The state board of health shall (~~(make an annual)~~) report to the

1 governor by July 1st of each even-numbered year including therein
2 suggestions for public health priorities for the following biennium and
3 such legislative action as it deems necessary.

4 NEW SECTION. **Sec. 24.** A new section is added to chapter 43.01 RCW
5 to read as follows:

6 (1)(a) All reports required to be submitted to the legislature
7 shall be provided only in an electronic format. Reports must be
8 submitted electronically to the chief clerk of the house of
9 representatives and the secretary of the senate. The chief clerk of
10 the house of representatives and the secretary of the senate shall
11 provide an online site for reports submitted to the legislature on the
12 legislative internet home page. The reports shall be organized in such
13 a way as to make the reports easy to find and accessible by
14 legislators, staff, and the public.

15 (b) Upon electronic submittal of the required report to the chief
16 clerk of the house of representatives and the secretary of the senate,
17 the agency shall send a letter, also by electronic means, to the
18 appropriate legislative committee that the report has been filed. The
19 letter may include a brief summary of the report. The public entity
20 submitting the report may make hard copies available by request.

21 (2)(a) All annual and biennial reports to the governor shall be
22 provided only in an electronic format. The reports shall be organized
23 in such a way as to make the reports easy to find and accessible by the
24 public.

25 (b) Upon electronic submittal of the required report to the
26 governor's office, the agency shall send a letter, also by electronic
27 means, that the report has been filed. The letter may include a brief
28 summary of the report. The entity submitting the report may make hard
29 copies available by request.

30 NEW SECTION. **Sec. 25.** Section 12 of this act expires June 30,
31 2039.

32 NEW SECTION. **Sec. 26.** Section 20 of this act expires June 30,
33 2016.

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