

CERTIFICATION OF ENROLLMENT
SUBSTITUTE SENATE BILL 6062

Chapter 149, Laws of 1997
(partial veto)

55th Legislature
1997 Regular Session

OPERATING BUDGET, 1997-1999

EFFECTIVE DATE: 7/1/97

Passed by the Senate April 19, 1997
YEAS 26 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 17, 1997
YEAS 53 NAYS 44

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved April 23, 1997, with the exception of sections 125, 202, 203, 207(1) & (6), 211(3), 212(2), 213(1), 214, 222(2), 301, 302(3), (4), (5), (6), (17), (19), (20), (21), & (22), 307, 501, 503, 504, 510, 514, 515(3), (4), & (5), 517, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610(1), (2), & (3), 611, 714, 716, 719 (lines 6-26), and 916, which are vetoed.

GARY LOCKE

Governor of the State of Washington

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6062** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MIKE O'CONNELL

Secretary

FILED

April 23, 1997 - 1:55 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6062

AS RECOMMENDED BY CONFERENCE COMMITTEE

Passed Legislature - 1997 Regular Session

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators West and Spanel; by request of Governor Locke)

Read first time 03/26/97.

1 AN ACT Relating to fiscal matters; making appropriations and
2 authorizing expenditures for the operations of state agencies for the
3 fiscal biennium beginning July 1, 1997, and ending June 30, 1999;
4 amending RCW 43.08.250, 69.50.520, 79.24.580, and 86.26.007; reenacting
5 and amending RCW 82.44.110; creating new sections; providing an
6 effective date; and declaring an emergency.

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

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

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

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

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

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

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

6 (e) "Provided solely" means the specified amount may be spent only
7 for the specified purpose. Unless otherwise specifically authorized in
8 this act, any portion of an amount provided solely for a specified
9 purpose which is unnecessary to fulfill the specified purpose shall
10 lapse.

11 **PART I**
12 **GENERAL GOVERNMENT**

13 **NEW SECTION. Sec. 101. FOR THE HOUSE OF REPRESENTATIVES**

14	General Fund Appropriation (FY 1998)	. . . . .	\$	24,241,000
15	General Fund Appropriation (FY 1999)	. . . . .	\$	25,637,000
16	TOTAL APPROPRIATION	. . . . .	\$	49,878,000

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

19 (1) \$75,000 of the general fund fiscal year 1998 appropriation and
20 \$75,000 of the general fund fiscal year 1999 appropriation are provided
21 solely for the independent operations of the legislative ethics board.
22 Expenditure decisions of the board, including employment of staff,
23 shall be independent of the senate and house of representatives.

24 (2) \$25,000 of the general fund fiscal year 1998 appropriation is
25 provided solely to implement Substitute Senate Concurrent Resolution
26 No. 8408 (water policy report). If the concurrent resolution is not
27 enacted by June 30, 1997, the amount provided in this subsection shall
28 lapse.

29 **NEW SECTION. Sec. 102. FOR THE SENATE**

30	General Fund Appropriation (FY 1998)	. . . . .	\$	19,357,000
31	General Fund Appropriation (FY 1999)	. . . . .	\$	20,663,000
32	TOTAL APPROPRIATION	. . . . .	\$	40,020,000

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

1 (1) \$75,000 of the general fund fiscal year 1998 appropriation and
2 \$75,000 of the general fund fiscal year 1999 appropriation are provided
3 solely for the independent operations of the legislative ethics board.
4 Expenditure decisions of the board, including employment of staff,
5 shall be independent of the senate and house of representatives.

6 (2) \$25,000 of the general fund fiscal year 1998 appropriation is
7 provided solely to implement Substitute Senate Concurrent Resolution
8 No. 8408 (water policy report). If the concurrent resolution is not
9 enacted by June 30, 1997, the amount provided in this subsection shall
10 lapse.

11 (3) \$100,000 of the general fund appropriation for fiscal year 1998
12 is provided solely for a study of financial aid and tuition by the
13 senate committee on ways and means and the house of representatives
14 committee on appropriations.

15 (a) The study shall report on the current usage and distribution of
16 financial aid, investigate other resources available to financial aid
17 recipients, and shall compare alternative methods of financial aid
18 distribution and their impacts on the sectors of higher education and
19 students served within each sector.

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

23 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
24 **COMMITTEE**

25	General Fund Appropriation (FY 1998)	. . . . .	\$	1,524,000
26	General Fund Appropriation (FY 1999)	. . . . .	\$	1,837,000
27	TOTAL APPROPRIATION	. . . . .	\$	3,361,000

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

30 (1) \$103,000 of the general fund fiscal year 1998 appropriation and
31 \$412,000 of the general fund fiscal year 1999 appropriation are
32 provided solely to implement Engrossed Substitute Senate Bill No. 5633
33 (performance audit of the department of transportation). If the bill
34 is not enacted by June 30, 1997, the amounts provided in this
35 subsection shall lapse.

36 (2) \$50,000 of the general fund appropriation for fiscal year 1998
37 is provided solely to implement Substitute Senate Bill No. 5071 (school

1 district territory). If the bill is not enacted by June 30, 1997, the
2 amount provided in this subsection shall lapse.

3 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
4 **ACCOUNTABILITY PROGRAM COMMITTEE**

5	General Fund Appropriation (FY 1998)	. . . . .	\$	1,263,000
6	General Fund Appropriation (FY 1999)	. . . . .	\$	1,332,000
7	TOTAL APPROPRIATION	. . . . .	\$	2,595,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: The committee shall conduct an inventory
10 and examination of state data processing projects funded in this act
11 and make recommendations to improve the accountability and legislative
12 evaluation and oversight of these projects.

13 NEW SECTION. **Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY**

14 Department of Retirement Systems Expense Account

15	Appropriation	\$	1,681,000
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16 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
17 **COMMITTEE**

18	General Fund Appropriation (FY 1998)	\$	5,430,000
19	General Fund Appropriation (FY 1999)	. . . . .	\$	5,430,000
20	TOTAL APPROPRIATION	. . . . .	\$	10,860,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: \$800,000 of the general fund fiscal year
23 1998 appropriation and \$800,000 of the general fund fiscal year 1999
24 appropriation are provided solely for purchasing computers and related
25 equipment on behalf of the senate, house of representatives, and
26 statute law committee. Equipment shall be purchased only at the
27 request of the customer agencies.

28 NEW SECTION. **Sec. 107. FOR THE STATUTE LAW COMMITTEE**

29	General Fund Appropriation (FY 1998)	. . . . .	\$	3,226,000
30	General Fund Appropriation (FY 1999)	. . . . .	\$	3,559,000
31	TOTAL APPROPRIATION	. . . . .	\$	6,785,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$35,000 of the general fund fiscal year
3 1998 appropriation and \$36,000 of the general fund fiscal year 1999
4 appropriation are provided solely for the uniform legislation
5 commission.

6 NEW SECTION. **Sec. 108. FOR THE SUPREME COURT**

7	General Fund Appropriation (FY 1998)	. . . . .	\$	4,640,000
8	General Fund Appropriation (FY 1999)	. . . . .	\$	4,813,000
9	TOTAL APPROPRIATION	. . . . .	\$	9,453,000

10 NEW SECTION. **Sec. 109. FOR THE LAW LIBRARY**

11	General Fund Appropriation (FY 1998)	. . . . .	\$	1,769,000
12	General Fund Appropriation (FY 1999)	. . . . .	\$	1,785,000
13	TOTAL APPROPRIATION	. . . . .	\$	3,554,000

14 NEW SECTION. **Sec. 110. FOR THE COURT OF APPEALS**

15	General Fund Appropriation (FY 1998)	. . . . .	\$	10,225,000
16	General Fund Appropriation (FY 1999)	. . . . .	\$	10,133,000
17	TOTAL APPROPRIATION	. . . . .	\$	20,358,000

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

20 (1) \$271,000 of the general fund fiscal year 1999 appropriation is
21 provided solely for an additional judge position and related support
22 staff in division I, effective July 1, 1998.

23 (2) \$490,000 of the general fund fiscal year 1998 appropriation is
24 provided solely for remodeling existing space in division I court
25 facilities to house additional staff.

26 NEW SECTION. **Sec. 111. FOR THE COMMISSION ON JUDICIAL CONDUCT**

27	General Fund Appropriation (FY 1998)	. . . . .	\$	652,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	653,000
29	TOTAL APPROPRIATION	. . . . .	\$	1,305,000

30 NEW SECTION. **Sec. 112. FOR THE ADMINISTRATOR FOR THE COURTS**

31	General Fund Appropriation (FY 1998)	. . . . .	\$	12,723,000
32	General Fund Appropriation (FY 1999)	. . . . .	\$	12,595,000
33	Public Safety and Education Account			

1	Appropriation	\$ 31,134,000
2	Judicial Information Systems Account	
3	Appropriation	\$ 16,305,000
4	TOTAL APPROPRIATION	\$ 72,757,000

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

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

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

25 (3) \$6,510,000 of the public safety and education account
26 appropriation is provided solely for the continuation of treatment
27 alternatives to street crimes (TASC) programs in Pierce, Snohomish,
28 Clark, King, Spokane, and Yakima counties.

29 (4) \$125,000 of the public safety and education account
30 appropriation is provided solely for the workload associated with the
31 increase in state cases filed in Thurston county superior court.

32 (5) \$223,000 of the public safety and education account
33 appropriation is provided solely for the gender and justice commission.

34 (6) \$308,000 of the public safety and education account
35 appropriation is provided solely for the minority and justice
36 commission.

37 (7) \$100,000 of the general fund fiscal year 1998 appropriation and
38 \$100,000 of the general fund fiscal year 1999 appropriation are

1 provided solely for judicial program enhancements. Within the funding
2 provided in this subsection, the office of administrator of courts in
3 consultation with the supreme court shall determine the program or
4 programs to receive an enhancement.

5 (8) \$35,000 of the general fund fiscal year 1998 appropriation is
6 provided solely for the implementation of Engrossed Substitute House
7 Bill No. 1771 (guardian certification). If the bill is not enacted by
8 June 30, 1997, the amount provided in this subsection shall lapse.

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

12 NEW SECTION. **Sec. 113. FOR THE OFFICE OF PUBLIC DEFENSE**

13 Public Safety and Education Account

14 Appropriation \$ 12,187,000

15 The appropriation in this section is subject to the following
16 conditions and limitations:

17 (1) The cost of defending indigent offenders in death penalty cases
18 has escalated significantly over the last four years. The office of
19 public defense advisory committee shall analyze the current methods for
20 reimbursing private attorneys and shall develop appropriate standards
21 and criteria designed to control costs and still provide indigent
22 defendants their constitutional right to representation at public
23 expense. The office of public defense advisory committee shall report
24 its findings and recommendations to the supreme court and the
25 appropriate legislative committees by September 30, 1998.

26 (2) \$688,000 of the public safety and education account
27 appropriation is provided solely to increase the reimbursement for
28 private attorneys providing constitutionally mandated indigent defense
29 in nondeath penalty cases.

30 NEW SECTION. **Sec. 114. FOR THE OFFICE OF THE GOVERNOR**

31 General Fund--State Appropriation (FY 1998) \$ 5,047,000
32 General Fund--State Appropriation (FY 1999) \$ 4,963,000
33 General Fund--Federal Appropriation \$ 188,000
34 Water Quality Account Appropriation \$ 700,000
35 TOTAL APPROPRIATION \$ 10,898,000

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

3 (1) \$1,618,000 of the general fund--state appropriation for fiscal
4 year 1998, \$1,520,000 of the general fund--state appropriation for
5 fiscal year 1999, \$700,000 of the water quality account appropriation,
6 and \$188,000 of the general fund--federal appropriation are provided
7 solely for the implementation of the Puget Sound work plan and agency
8 action items PSAT-01 through PSAT-06.

9 (2) \$12,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$13,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided for the state law enforcement medal of
12 honor committee for the purposes of recognizing qualified law
13 enforcement officers as provided by chapter 41.72 RCW.

14 NEW SECTION. **Sec. 115. FOR THE LIEUTENANT GOVERNOR**

15	General Fund Appropriation (FY 1998)	. . . . .	\$	282,000
16	General Fund Appropriation (FY 1999)	. . . . .	\$	283,000
17	TOTAL APPROPRIATION	. . . . .	\$	565,000

18 NEW SECTION. **Sec. 116. FOR THE PUBLIC DISCLOSURE COMMISSION**

19	General Fund Appropriation (FY 1998)	. . . . .	\$	1,457,000
20	General Fund Appropriation (FY 1999)	. . . . .	\$	1,206,000
21	TOTAL APPROPRIATION	. . . . .	\$	2,663,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: \$306,000 of the general fund fiscal year
24 1998 appropriation and \$72,000 of the general fund fiscal year 1999
25 appropriation are provided solely for technology for customer service
26 improvements.

27 NEW SECTION. **Sec. 117. FOR THE SECRETARY OF STATE**

28	General Fund Appropriation (FY 1998)	. . . . .	\$	8,055,000
29	General Fund Appropriation (FY 1999)	. . . . .	\$	5,901,000
30	Archives & Records Management Account--State			
31	Appropriation	. . . . .	\$	4,032,000
32	Archives & Records Management Account--Private/Local			
33	Appropriation	. . . . .	\$	2,553,000
34	Department of Personnel Service Account			
35	Appropriation	. . . . .	\$	663,000

1 TOTAL APPROPRIATION \$ 21,204,000

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

4 (1) \$2,355,000 of the general fund appropriation for fiscal year
5 1998 is provided solely to reimburse counties for the state's share of
6 primary and general election costs and the costs of conducting
7 mandatory recounts on state measures.

8 (2) \$2,011,000 of the general fund appropriation for fiscal year
9 1998 and \$2,536,000 of the general fund appropriation for fiscal year
10 1999 are provided solely for the verification of initiative and
11 referendum petitions, maintenance of related voter registration
12 records, and the publication and distribution of the voters and
13 candidates pamphlet.

14 (3) \$99,000 of the general fund appropriation is provided solely
15 for the state's participation in the United States census block
16 boundary suggestion program.

17 (4) \$125,000 of the fiscal year 1998 general fund appropriation is
18 provided solely for legal advertising of state measures under RCW
19 29.27.072.

20 (5) \$45,000 of the general fund fiscal year 1998 appropriation is
21 provided solely for an economic feasibility study of a state horse
22 park.

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

26 NEW SECTION. **Sec. 118. FOR THE GOVERNOR'S OFFICE OF INDIAN**
27 **AFFAIRS**

28	General Fund Appropriation (FY 1998)	. . . . .	\$	185,000
29	General Fund Appropriation (FY 1999)	. . . . .	\$	188,000
30	TOTAL APPROPRIATION	. . . . .	\$	373,000

31 NEW SECTION. **Sec. 119. FOR THE COMMISSION ON ASIAN-AMERICAN**
32 **AFFAIRS**

33	General Fund Appropriation (FY 1998)	. . . . .	\$	200,000
34	General Fund Appropriation (FY 1999)	. . . . .	\$	201,000
35	TOTAL APPROPRIATION	. . . . .	\$	401,000

1 NEW SECTION. Sec. 120. FOR THE STATE TREASURER
 2 State Treasurer's Service Account
 3 Appropriation \$ 11,567,000

4 NEW SECTION. Sec. 121. FOR THE STATE AUDITOR
 5 General Fund Appropriation (FY 1998) \$ 678,000
 6 General Fund Appropriation (FY 1999) \$ 678,000
 7 State Auditing Services Revolving Account
 8 Appropriation \$ 11,928,000
 9 TOTAL APPROPRIATION \$ 13,284,000

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

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

17 (2) \$420,000 of the general fund appropriation for fiscal year 1998
 18 and \$420,000 of the general fund appropriation for fiscal year 1999 are
 19 provided solely for staff and related costs to audit special education
 20 programs that exhibit unusual rates of growth, extraordinarily high
 21 costs, or other characteristics requiring attention of the state safety
 22 net committee. The auditor shall consult with the superintendent of
 23 public instruction regarding training and other staffing assistance
 24 needed to provide expertise to the audit staff.

25 (3) \$250,000 of the general fund fiscal year 1998 appropriation and
 26 \$250,000 of the general fund fiscal year 1999 appropriation are
 27 provided solely for the budget and reporting system (BARS) to improve
 28 the reporting of local government fiscal data. Audits of counties and
 29 cities by the division of municipal corporations shall include findings
 30 regarding the completeness, accuracy, and timeliness of BARS data
 31 reported to the state auditor's office.

32 NEW SECTION. Sec. 122. FOR THE CITIZENS' COMMISSION ON SALARIES
 33 FOR ELECTED OFFICIALS
 34 General Fund Appropriation (FY 1998) \$ 4,000
 35 General Fund Appropriation (FY 1999) \$ 63,000
 36 TOTAL APPROPRIATION \$ 67,000

1 NEW SECTION. **Sec. 123. FOR THE ATTORNEY GENERAL**

2	General Fund--State Appropriation (FY 1998)	\$	4,361,000
3	General Fund--State Appropriation (FY 1999)	\$	3,631,000
4	General Fund--Federal Appropriation	\$	2,248,000
5	Public Safety and Education Account		
6	Appropriation	\$	1,300,000
7	New Motor Vehicle Arbitration Account		
8	Appropriation	\$	1,094,000
9	Legal Services Revolving Account		
10	Appropriation	\$	125,008,000
11	TOTAL APPROPRIATION	\$	137,642,000

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

14 (1) The attorney general shall report each fiscal year on actual
15 legal services expenditures and actual attorney staffing levels for
16 each agency receiving legal services. The report shall be submitted to
17 the office of financial management and the fiscal committees of the
18 senate and house of representatives no later than ninety days after the
19 end of each fiscal year.

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

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

31 (3) \$300,000 of the fiscal year 1998 general fund--state
32 appropriation is provided for a comprehensive assessment of
33 environmental and public health impacts and for other costs related to
34 pursuing remedies for pollution in the Spokane river basin.

35 (4) \$640,000 of the fiscal year 1998 general fund--state
36 appropriation and \$210,000 of the fiscal year 1999 general fund--state
37 appropriation are provided solely to implement the supervision
38 management and recidivist tracking program to allow the department of

1 corrections and local law enforcement agencies to share information
2 concerning the activities of offenders on community supervision. No
3 information on any person may be entered into or retained in the
4 program unless the person is under the jurisdiction of the department
5 of corrections.

6 NEW SECTION. **Sec. 124. FOR THE DEPARTMENT OF FINANCIAL**
7 **INSTITUTIONS**

8 Securities Regulation Account Appropriation \$ 5,445,000

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

14 *NEW SECTION. **Sec. 125. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
15 **AND ECONOMIC DEVELOPMENT**

16 *General Fund--State Appropriation (FY 1998) \$ 56,361,000*

17 *General Fund--State Appropriation (FY 1999) \$ 55,351,000*

18 *General Fund--Federal Appropriation \$ 155,278,000*

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

20 *Public Safety and Education Account*

21 *Appropriation \$ 8,781,000*

22 *Public Works Assistance Account*

23 *Appropriation \$ 2,223,000*

24 *Building Code Council Account Appropriation \$ 1,318,000*

25 *Administrative Contingency Account*

26 *Appropriation \$ 1,776,000*

27 *Low-Income Weatherization Assistance Account*

28 *Appropriation \$ 923,000*

29 *State Toxics Control Account Appropriation \$ 555,000*

30 *Violence Reduction and Drug Enforcement Account*

31 *Appropriation \$ 6,042,000*

32 *Manufactured Home Installation Training Account*

33 *Appropriation \$ 250,000*

34 *Washington Housing Trust Account*

35 *Appropriation \$ 7,999,000*

36 *Public Facility Construction Loan Revolving Account*

1	Appropriation	\$	515,000
2	TOTAL APPROPRIATION	\$	304,275,000

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

5 (1) \$3,282,500 of the general fund--state appropriation for fiscal
6 year 1998 and \$3,282,500 of the general fund--state appropriation for
7 fiscal year 1999 are provided solely for a contract with the Washington
8 technology center. For work essential to the mission of the Washington
9 technology center and conducted in partnership with universities, the
10 center shall not pay any increased indirect rate nor increases in other
11 indirect charges above the absolute amount paid during the 1995-97
12 biennium.

13 (2) \$155,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$155,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for a contract with the Washington
16 manufacturing extension partnership.

17 (3) \$9,964,000 of the general fund--federal appropriation is
18 provided solely for the drug control and system improvement formula
19 grant program, to be distributed in state fiscal year 1998 as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (4) \$1,000,000 of the general fund fiscal year 1998 appropriation
24 and \$1,000,000 of the general fund fiscal year 1999 appropriation are
25 provided solely to implement Engrossed Substitute House Bill No. 1576
26 (buildable lands) or Senate Bill No. 6094 (growth management). If
27 neither bill is enacted by June 30, 1997, the amounts provided in this
28 subsection shall lapse.

29 (5) \$4,800,000 of the public safety and education account
30 appropriation is provided solely for indigent civil legal
31 representation services contracts and contracts administration. The
32 amount provided in this subsection is contingent upon enactment of
33 section 2 of Engrossed Substitute House Bill No. 2276 (civil legal
34 services for indigent persons). If section 2 of the bill is not
35 enacted by June 30, 1997, the amount provided in this subsection shall
36 lapse.

37 (6) \$643,000 of the general fund--state fiscal year 1998
38 appropriation and \$643,000 of the general fund--state fiscal year 1999
39 appropriation are provided solely to increase payment rates for

1 contracted early childhood education assistance program providers. It
2 is the legislature's intent that these amounts shall be used primarily
3 to increase compensation for persons employed in direct, front-line
4 service delivery.

5 (7) \$75,000 of the general fund--state fiscal year 1998
6 appropriation and \$75,000 of the general fund--state fiscal year 1999
7 appropriation are provided solely as a grant for the community
8 connections program in Walla Walla county.

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

23 (9) \$75,000 of the general fund--state appropriation for fiscal
24 year 1999 is provided solely for state sponsorship of the "BIO 99"
25 international biotechnology conference and exhibition in the Seattle
26 area in 1999.

27 (10) \$698,000 of the general fund--state appropriation for fiscal
28 year 1998, \$697,000 of the general fund--state appropriation for fiscal
29 year 1999, and \$1,101,000 of the administrative contingency account
30 appropriation are provided solely for contracting with associate
31 development organizations.

32 (11) \$50,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$50,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely to expand the long-term care
35 ombudsman program.

36 (12) \$60,000 of the general fund--state appropriation for fiscal
37 year 1998 and \$60,000 of the general fund--state appropriation for
38 fiscal year 1999 are provided solely for implementation of the Puget
39 Sound work plan action item DCTED-01.

1 (13) \$555,000 of the state toxics control account appropriation is
 2 provided solely for the public participation grant program pursuant to
 3 RCW 70.105D.070. In administering the grant program, the department
 4 shall award grants based upon a state-wide competitive process each
 5 year. Priority is to be given to applicants that demonstrate the
 6 ability to provide accurate technical information on complex waste
 7 management issues. Amounts provided in this subsection may not be
 8 spent on lobbying activities.

9 (14) \$20,000 of the general fund--state appropriation for fiscal
 10 year 1998 is provided solely for a task force on tourism promotion and
 11 development. The task force shall report to the legislature on its
 12 findings and recommendations by January 31, 1998.

13 (15) \$71,000 of the general fund--state appropriation for fiscal
 14 year 1998 and \$60,000 of the general fund--state appropriation for
 15 fiscal year 1999 are provided solely for the pacific northwest economic
 16 region (PNWER).

17 (16) \$123,000 of the general fund--state appropriation for fiscal
 18 year 1998 and \$124,000 of the general fund--state appropriation for
 19 fiscal year 1999 are provided solely for the community development
 20 finance program.

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

26 *Sec. 125 was vetoed. See message at end of chapter.

27 NEW SECTION. Sec. 126. FOR THE ECONOMIC AND REVENUE FORECAST
 28 COUNCIL

29	General Fund Appropriation (FY 1998)	. . . . .	\$	452,000
30	General Fund Appropriation (FY 1999)	. . . . .	\$	453,000
31	TOTAL APPROPRIATION	. . . . .	\$	905,000

32 NEW SECTION. Sec. 127. FOR THE OFFICE OF FINANCIAL MANAGEMENT

33	General Fund--State Appropriation (FY 1998)	. . . . .	\$	10,178,000
34	General Fund--State Appropriation (FY 1999)	. . . . .	\$	9,916,000
35	General Fund--Federal Appropriation	. . . . .	\$	23,331,000
36	TOTAL APPROPRIATION	. . . . .	\$	43,425,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$125,000 of the general fund--state
3 appropriation for fiscal year 1998 and \$125,000 of the general fund--
4 state appropriation for fiscal year 1999 are provided solely for staff
5 support for the implementation of the Washington educational network.
6 Funds shall be transferred to the appropriate agency as required by
7 Substitute House Bill No. 1698 or Substitute Senate Bill No. 5002 or
8 substantially similar legislation (K-20 telecommunications).

9 NEW SECTION. **Sec. 128. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**
10 Administrative Hearings Revolving Account
11 Appropriation \$ 19,615,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: \$1,798,000 of the administrative hearings
14 revolving fund appropriation is provided solely to implement Engrossed
15 House Bill No. 3901 (implementing welfare reform). If the bill is not
16 enacted by June 30, 1997, the amount provided shall lapse.

17 NEW SECTION. **Sec. 129. FOR THE DEPARTMENT OF PERSONNEL**
18 Department of Personnel Service Account
19 Appropriation \$ 16,493,000
20 Higher Education Personnel Services Account
21 Appropriation \$ 1,632,000
22 TOTAL APPROPRIATION \$ 18,125,000

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

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

27 (2) \$32,000 of the department of personnel service fund
28 appropriation is provided solely for the creation, printing, and
29 distribution of the personal benefits statement for state employees.

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

33 (4) \$500,000 of the department of personnel service account
34 appropriation is provided solely for the career transition program to
35 assist state employees who are separated or are at risk of lay-off due

1 to reduction-in-force. Services shall include employee retraining and
2 career counseling.

3 (5) \$800,000 of the department of personnel service account
4 appropriation is provided solely for the human resource data warehouse
5 to: Expand the type and amount of information available on the state-
6 wide work force; and to provide the office of financial management,
7 legislature, and state agencies with direct access to the data for
8 policy and planning purposes. The department of personnel shall
9 establish uniform reporting procedures, applicable to all state
10 agencies and higher education institutions, for reporting data to the
11 data warehouse by June 30, 1998. The department of personnel will
12 report quarterly to the legislative fiscal committees, the office of
13 financial management, the information services board, and the office of
14 information technology oversight of the department of information
15 services the following items: (a) The number of state agencies that
16 have received access to the data warehouse (it is anticipated that
17 approximately 40 agencies will receive access during the 1997-99
18 biennium); (b) the change in requests for downloads from the mainframe
19 computer by agencies with access to the data warehouse, to reflect
20 transferring customers use of the mainframe computer to the more
21 economical use of data warehouse information; and (c) a summary of
22 customer feedback from agencies with access to the data warehouse.
23 Authority to expend this amount is conditioned on compliance with
24 section 902 of this act.

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

30 (7) The department of personnel shall charge all administrative
31 services costs incurred by the department of retirement systems for the
32 deferred compensation program. The billings to the department of
33 retirement systems shall be for actual costs only.

34 NEW SECTION. **Sec. 130. FOR THE WASHINGTON STATE LOTTERY**

35 Industrial Insurance Premium Refund

36 Appropriation \$ 9,000

37 Lottery Administrative Account

38 Appropriation \$ 19,966,000

1 TOTAL APPROPRIATION \$ 19,975,000

2 NEW SECTION. **Sec. 131. FOR THE COMMISSION ON HISPANIC AFFAIRS**

3 General Fund Appropriation (FY 1998) \$ 199,000

4 General Fund Appropriation (FY 1999) \$ 208,000

5 TOTAL APPROPRIATION \$ 407,000

6 NEW SECTION. **Sec. 132. FOR THE COMMISSION ON AFRICAN-AMERICAN**
7 **AFFAIRS**

8 General Fund Appropriation (FY 1998) \$ 170,000

9 General Fund Appropriation (FY 1999) \$ 168,000

10 TOTAL APPROPRIATION \$ 338,000

11 NEW SECTION. **Sec. 133. FOR THE PERSONNEL APPEALS BOARD**

12 Department of Personnel Service Account

13 Appropriation \$ 1,539,000

14 NEW SECTION. **Sec. 134. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
15 **OPERATIONS**

16 Dependent Care Administrative Account

17 Appropriation \$ 357,000

18 Department of Retirement Systems Expense Account

19 Appropriation \$ 31,415,000

20 TOTAL APPROPRIATION \$ 31,772,000

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

23 (1) \$1,373,000 of the department of retirement systems expense
24 account appropriation is provided solely for the information systems
25 project known as the electronic document image management system.
26 Authority to expend this amount is conditioned on compliance with
27 section 902 of this act.

28 (2) \$1,259,000 of the department of retirement systems expense
29 account appropriation is provided solely for the information systems
30 project known as the receivables management system. Authority to
31 expend this amount is conditioned on compliance with section 902 of
32 this act.

33 (3) The department of retirement systems shall complete a study
34 examining whether it would be cost-effective to contract out the

1 administration functions for the dependent care assistance program and
2 shall report to the fiscal committees of the legislature by December
3 15, 1997.

4 NEW SECTION. **Sec. 135. FOR THE STATE INVESTMENT BOARD**

5 State Investment Board Expense Account Appropriation \$ 10,303,000

6 NEW SECTION. **Sec. 136. FOR THE DEPARTMENT OF REVENUE**

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

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

21 (1) \$1,540,000 of the general fund appropriation for fiscal year
22 1998 and \$1,710,000 of the general fund appropriation for fiscal year
23 1999 are provided solely for senior citizen property tax deferral
24 distribution.

25 (2) Within the amounts appropriated in this section the department
26 shall conduct a study identifying the impacts of exempting all
27 shellfish species from the tax imposed on enhanced food fish under
28 chapter 82.27 RCW. The study shall include an estimate of the fiscal
29 impacts to state revenues as well as an examination of how such an
30 exemption would impact shellfish-based industries and communities where
31 shellfish-based industries are located. The department shall complete
32 this study and report its findings to the legislature by December 1,
33 1997.

34 NEW SECTION. **Sec. 137. FOR THE BOARD OF TAX APPEALS**

35 General Fund Appropriation (FY 1998) \$ 885,000

1	General Fund Appropriation (FY 1999)	\$	889,000
2	TOTAL APPROPRIATION	\$	1,774,000

3 NEW SECTION. **Sec. 138. FOR THE MUNICIPAL RESEARCH COUNCIL**

4	General Fund Appropriation (FY 1998)	\$	1,651,000
5	General Fund Appropriation (FY 1999)	\$	1,743,000
6	County Research Services Account Appropriation . . .	\$	625,000
7	TOTAL APPROPRIATION	\$	4,019,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: The county research services account
10 appropriation is provided solely to implement Substitute Senate Bill
11 No. 5521 (county research services). If the bill is not enacted by
12 June 30, 1997, the appropriation shall lapse.

13 NEW SECTION. **Sec. 139. FOR THE OFFICE OF MINORITY AND WOMEN'S**
14 **BUSINESS ENTERPRISES**

15	OMWBE Enterprises Account Appropriation	\$	2,357,000
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16 NEW SECTION. **Sec. 140. FOR THE DEPARTMENT OF GENERAL**
17 **ADMINISTRATION**

18	General Fund--State Appropriation (FY 1998)	\$	1,302,000
19	General Fund--State Appropriation (FY 1999)	\$	1,278,000
20	General Fund--Federal Appropriation	\$	2,402,000
21	General Fund--Private/Local Appropriation	\$	400,000
22	Motor Transport Account Appropriation	\$	14,120,000
23	Air Pollution Control Account Appropriation	\$	391,000
24	General Administration Facilities and Services		
25	Revolving Account Appropriation	\$	22,299,000
26	Central Stores Revolving Account		
27	Appropriation	\$	3,306,000
28	Energy Efficiency Services Account		
29	Appropriation	\$	180,000
30	Risk Management Account Appropriation	\$	2,328,000
31	TOTAL APPROPRIATION	\$	48,006,000

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

1 (1) \$1,200,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$1,200,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely for the purchase of food for
4 distribution to the state's food assistance network and related
5 expenses.

6 (2) \$25,000 of the general fund--state appropriation for fiscal
7 year 1998 is provided solely for the World War II memorial on the
8 condition that the currently approved design for the World War II
9 memorial be sited on the location selected by the World War II advisory
10 committee and approved and recommended by the capitol campus design
11 advisory committee. This site is immediately south of the Columbia
12 street and 11th avenue axial on the west capitol campus.

13 (3) Except for the World War II memorial, no additional monuments
14 may be placed on the capitol campus until the completion of the capitol
15 campus monuments and memorial policy by the department of general
16 administration, adoption of the policy by the state capitol committee,
17 and inclusion of the policy in the department of general
18 administration's administrative code.

19 (4) The department shall not purchase any travel product for any
20 state employee or state official from a vendor who is not a Washington-
21 based seller of travel licensed under chapter 19.138 RCW.

22 (5) The department shall study the state motor pool vehicle fleet
23 to develop a plan for meeting and exceeding the minimum vehicle mileage
24 standards established by the federal government. The department shall
25 report its findings and conclusions to the appropriate legislative
26 committees by December 1, 1997.

27 (6) The department shall sell or contract for sale all surplus
28 motor pool fleet vehicles and shall, when cost effective, contract out
29 for the reconditioning, transport, and delivery of the vehicles prior
30 to their sale at auction.

31 **NEW SECTION. Sec. 141. FOR THE DEPARTMENT OF INFORMATION SERVICES**

32 Data Processing Revolving Account

33	Appropriation	\$	3,577,000
34	K-20 Technology Account Appropriation	\$	44,028,000
35	TOTAL APPROPRIATION	\$	47,605,000

36 The appropriation in this section is subject to the following
37 conditions and limitations:

1 (1) The department shall provide a toll-free telephone number and
2 operator service staff for the general public to call for information
3 about state agencies. The department may provide such staff,
4 equipment, and facilities as are necessary for this purpose. The
5 director shall adopt rules to fix terms and charges for these services.
6 All state agencies and the legislature shall participate in the
7 information program and shall reimburse the department of information
8 services in accordance with rules established by the director. The
9 department shall also provide conference calling services for state and
10 other public agencies on a fee-for-service basis.

11 (2) \$44,028,000 of the K-20 technology account appropriation shall
12 be expended in accordance with the expenditures authorized by the K-20
13 telecommunications oversight and policy committee as currently existing
14 or as modified by Substitute House Bill No. 1698, Substitute Senate
15 Bill No. 5002, or substantially similar legislation (K-20
16 telecommunications network).

17 NEW SECTION. **Sec. 142. FOR THE INSURANCE COMMISSIONER**

18	General Fund--Federal Appropriation	\$	106,000
19	Insurance Commissioners Regulatory Account		
20	Appropriation	\$	22,431,000
21	TOTAL APPROPRIATION	\$	22,537,000

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

24 (1) \$532,000 of the insurance commissioner's regulatory account
25 appropriation is provided solely for the expenditure of funds received
26 under the consent order with the Prudential insurance company. These
27 funds are provided solely for implementing the Prudential remediation
28 process and for examinations of the Prudential company.

29 (2) \$206,000 of the insurance commissioner's regulatory account
30 appropriation is provided solely to implement Substitute House Bill No.
31 1387 (basic health plan benefits). If the bill is not enacted by June
32 30, 1997, the amount provided in this subsection shall lapse.

33 (3) \$298,000 of the insurance commissioner's regulatory account
34 appropriation is provided solely for technology improvements that will
35 support the electronic filing of insurance rates and contracts and
36 enable regulators and the industry to share information about licensed
37 agents to protect the public from fraudulent sales practices.

1 NEW SECTION. **Sec. 143. FOR THE BOARD OF ACCOUNTANCY**

2 Certified Public Accountants' Account
3 Appropriation \$ 978,000

4 The appropriation in this section is subject to the following
5 conditions and limitations: \$22,000 of the certified public
6 accountants' account appropriation is provided solely for the
7 implementation of Engrossed House Bill No. 3901 (implementing welfare
8 reform). If the bill is not enacted by June 30, 1997, the amount
9 provided shall lapse.

10 NEW SECTION. **Sec. 144. FOR THE FORENSIC INVESTIGATION COUNCIL**

11 Death Investigations Account Appropriation \$ 12,000

12 NEW SECTION. **Sec. 145. FOR THE HORSE RACING COMMISSION**

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

14 NEW SECTION. **Sec. 146. FOR THE LIQUOR CONTROL BOARD**

15 General Fund Appropriation (FY 1998) \$ 1,603,000
16 General Fund Appropriation (FY 1999) \$ 1,242,000
17 Liquor Control Board Construction and Maintenance
18 Account Appropriation \$ 9,919,000
19 Liquor Revolving Account Appropriation \$ 121,391,000
20 TOTAL APPROPRIATION \$ 134,155,000

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

23 (1) \$1,250,000 of the liquor revolving account appropriation is
24 provided solely for the agency information technology upgrade. This
25 item is conditioned on satisfying the requirements of section 902 of
26 this act, including the development of a project management plan, a
27 project schedule, a project budget, a project agreement, and
28 incremental funding based on completion of key milestones.

29 (2) \$1,603,000 of the general fund fiscal year 1998 appropriation
30 and \$1,242,000 of the general fund fiscal year 1999 appropriation are
31 provided solely to implement Substitute Senate Bill No. 6084 or
32 Engrossed Substitute House Bill No. 2272 (transferring enforcement
33 provisions regarding cigarette and tobacco taxes to the liquor control

1 board). If neither bill is enacted by June 30, 1997, the amounts
2 provided in this subsection shall lapse.

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

8 (4) \$154,000 of the liquor revolving account appropriation is
9 provided solely for the implementation of Engrossed House Bill No. 3901
10 (implementing welfare reform). If the bill is not enacted by June 30,
11 1997, the amount provided in this subsection shall lapse.

12 NEW SECTION. **Sec. 147. FOR THE UTILITIES AND TRANSPORTATION**
13 **COMMISSION**

14	Public Service Revolving Account--State	
15	Appropriation	\$ 24,313,000
16	Public Service Revolving Account--Federal	
17	Appropriation	\$ 292,000
18	TOTAL APPROPRIATION	\$ 24,605,000

19 NEW SECTION. **Sec. 148. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

20	Volunteer Firefighters' Relief & Pension Administrative	
21	Account Appropriation	\$ 529,000

22 NEW SECTION. **Sec. 149. FOR THE MILITARY DEPARTMENT**

23	General Fund--State Appropriation (FY 1998)	\$ 8,151,000
24	General Fund--State Appropriation (FY 1999)	\$ 11,735,000
25	General Fund--Federal Appropriation	\$ 34,314,000
26	General Fund--Private/Local Appropriation	\$ 238,000
27	Flood Control Assistance Account Appropriation	\$ 3,000,000
28	Enhanced 911 Account Appropriation	\$ 26,782,000
29	Disaster Response Account--State Appropriation	\$ 23,977,000
30	Disaster Response Account--Federal Appropriation	\$ 95,419,000
31	TOTAL APPROPRIATION	\$ 203,616,000

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

34 (1) \$3,581,000 of the general fund--state appropriation for fiscal
35 year 1999, \$3,000,000 of the flood control assistance account

1 appropriation, and \$6,197,000 of the general fund--federal
2 appropriation are provided solely for deposit in the disaster response
3 account to cover costs pursuant to subsection (2) of this section.

4 (2) \$23,977,000 of the disaster response account--state
5 appropriation is provided solely for the state share of response and
6 recovery costs associated with federal emergency management agency
7 (FEMA) disaster number 1079 (November/December 1995 storms), FEMA
8 disaster 1100 (February 1996 floods), FEMA disaster 1152 (November 1996
9 ice storm), FEMA disaster 1159 (December 1996 holiday storm), FEMA
10 disaster 1172 (March 1997 floods) and to assist local governmental
11 entities with the matching funds necessary to earn FEMA funds for FEMA
12 disaster 1100 (February 1996 floods).

13 (3) \$100,000 of the general fund--state fiscal year 1998
14 appropriation and \$100,000 of the general fund--state fiscal year 1999
15 appropriation are provided solely for the implementation of a
16 conditional scholarship program pursuant to chapter 28B.103 RCW.

17 (4) \$35,000 of the general fund--state fiscal year 1998
18 appropriation and \$35,000 of the general fund--state fiscal year 1999
19 appropriation are provided solely for the north county emergency
20 medical service.

21 NEW SECTION. **Sec. 150. FOR THE PUBLIC EMPLOYMENT RELATIONS**
22 **COMMISSION**

23	General Fund Appropriation (FY 1998)	. . . . .	\$	1,768,000
24	General Fund Appropriation (FY 1999)	. . . . .	\$	1,764,000
25	TOTAL APPROPRIATION	. . . . .	\$	3,532,000

26 NEW SECTION. **Sec. 151. FOR THE GROWTH PLANNING HEARINGS BOARD**

27	General Fund Appropriation (FY 1998)	. . . . .	\$	1,247,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	1,252,000
29	TOTAL APPROPRIATION	. . . . .	\$	2,499,000

30 NEW SECTION. **Sec. 152. FOR THE STATE CONVENTION AND TRADE CENTER**

31 State Convention and Trade Center Operating Account

32	Appropriation	\$	27,175,000
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33 NEW SECTION. **Sec. 153. FOR THE CASELOAD FORECAST COUNCIL**

34	General Fund Appropriation (FY 1998)	\$	489,000
35	General Fund Appropriation (FY 1999)	. . . . .	\$	390,000

1 PART II
2 HUMAN SERVICES

3 NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH
4 SERVICES. (1) Appropriations made in this act to the department of
5 social and health services shall initially be allotted as required by
6 this act. Subsequent allotment modifications shall not include
7 transfers of moneys between sections of this act except as expressly
8 provided in this act, nor shall allotment modifications permit moneys
9 that are provided solely for a specified purpose to be used for other
10 than that purpose.

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

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

30 *NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH
31 SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM

32	General Fund--State Appropriation (FY 1998)	\$ 191,716,000
33	General Fund--State Appropriation (FY 1999)	\$ 201,581,000
34	General Fund--Federal Appropriation	\$ 247,553,000
35	General Fund--Private/Local Appropriation	\$ 400,000

1	<i>Violence Reduction and Drug Enforcement Account</i>	
2	<i>Appropriation</i>	<i>\$ 4,230,000</i>
3	<i>TOTAL APPROPRIATION</i>	<i>\$ 645,480,000</i>

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

6 (1) *\$16,510,000 of the general fund--state appropriation for fiscal*
7 *year 1998 and \$17,508,000 of the general fund--state appropriation for*
8 *fiscal year 1999 are provided solely for purposes consistent with the*
9 *maintenance of effort requirements under the federal temporary*
10 *assistance for needy families program established under P.L. 104-193.*

11 (2) *\$837,000 of the violence reduction and drug enforcement account*
12 *appropriation and \$7,228,000 of the general fund--federal appropriation*
13 *are provided solely for the operation of the family policy council, the*
14 *community public health and safety networks, and delivery of services*
15 *authorized under the federal family preservation and support act.*
16 *Within the funds provided, the family policy council shall contract for*
17 *an evaluation of the community networks with the institute for public*
18 *policy and shall provide for audits of ten networks. Within the funds*
19 *provided, the family policy council may build and maintain a geographic*
20 *information system database tied to community network geography.*

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

35 (4) *\$481,000 of the general fund--state fiscal year 1998*
36 *appropriation and \$481,000 of the general fund--state fiscal year 1999*
37 *appropriation are provided solely for up to three nonfacility-based*
38 *programs for the training, consultation, support, and recruitment of*

1 biological, foster, and adoptive parents of children through age three
2 in need of special care as a result of substance abuse by their
3 mothers, except that each program may serve up to three medically
4 fragile nonsubstance-abuse-affected children. In selecting
5 nonfacility-based programs, preference shall be given to programs whose
6 federal or private funding sources have expired or that have
7 successfully performed under the existing pediatric interim care
8 program.

9 (5) \$640,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$640,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely to fund the provisions of Second
12 Substitute House Bill No. 1862 (community-based alternative response
13 system) or Second Substitute Senate Bill No. 5710 (juvenile care and
14 treatment), including section 2 of the bill. Amounts provided in this
15 subsection to implement Second Substitute House Bill No. 1862 or Second
16 Substitute Senate Bill No. 5710 must be used to serve families who are
17 screened from the child protective services risk assessment process.
18 Services shall be provided through contracts with community-based
19 organizations. If neither bill is enacted by June 30, 1997, the
20 amounts provided in this subsection shall lapse.

21 (6) \$594,000 of the general fund--state appropriation for fiscal
22 year 1998, \$556,000 of the general fund--state appropriation for fiscal
23 year 1999, and \$290,000 of the general fund--federal appropriation are
24 provided solely to fund the provisions of Engrossed Second Substitute
25 House Bill No. 2046 (foster parent liaison). The department shall
26 establish a foster parent liaison in each department of social and
27 health services region of the state and contract with a private
28 provider to implement a recruitment and retention program for foster
29 parents and adoptive families. The department shall provide a minimum
30 of two hundred additional adoptive and foster home placements by June
31 30, 1998. If the bill is not enacted by June 30, 1997, the amounts in
32 this subsection shall lapse.

33 (7) \$433,000 of the fiscal year 1998 general fund--state
34 appropriation, \$395,000 of the fiscal year 1999 general fund--state
35 appropriation, and \$894,000 of the general fund--federal appropriation
36 are provided solely to increase the rate paid to private child-placing
37 agencies.

38 (8) \$580,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$580,000 of the general fund--state appropriation for

1 *fiscal year 1999 are provided solely for development and expansion of*
2 *child care training requirements and optional training programs. The*
3 *department shall adopt rules to require annual training in early*
4 *childhood development of all directors, supervisors, and lead staff at*
5 *child care facilities. Directors, supervisors, and lead staff at child*
6 *care facilities include persons licensed as family child care*
7 *providers, and persons employed at child care centers or school age*
8 *child care centers. The department shall establish a program to fund*
9 *scholarships and grants to assist persons in meeting these training*
10 *requirements. The department shall also develop criteria for approving*
11 *training programs and establish a system for tracking who has received*
12 *the required level of training. In adopting rules, developing*
13 *curricula, setting up systems, and administering scholarship programs,*
14 *the department shall consult with the child care coordinating committee*
15 *and other community stakeholders.*

16 (9) *The department shall provide a report to the legislature by*
17 *November 1997 on the growth in additional rates paid to foster parents*
18 *beyond the basic monthly rate. This report shall explain why*
19 *exceptional, personal, and special rates are being paid for an*
20 *increasing number of children and why the amount paid for these rates*
21 *per child has risen in recent years. This report must also recommend*
22 *methods by which the legislature may improve the current foster parent*
23 *compensation system, allow for some method of controlling the growth in*
24 *costs per case, and improve the department's and the legislature's*
25 *ability to forecast the program's needs in future years.*

26 (10) *\$100,000 of the general fund--state appropriation for fiscal*
27 *year 1998 and \$100,000 of the general fund--state appropriation for*
28 *fiscal year 1999 are provided solely for legal costs associated with*
29 *the defense of vendors operating a secure treatment facility, for*
30 *actions arising from the good faith performance of treatment services*
31 *for behavioral difficulties or needs.*

32 (11) *\$2,745,000 of the fiscal year 1998 general fund--state*
33 *appropriation, \$2,745,000 of the fiscal year 1999 general fund--state*
34 *appropriation, and \$1,944,000 of the general fund--federal*
35 *appropriation are provided solely for the category of services titled*
36 *"intensive family preservation services."*

37 (12) *\$2,200,000 of the fiscal year 1998 general fund--state*
38 *appropriation and \$2,200,000 of the fiscal year 1999 general fund--*

1 state appropriation are provided solely to continue existing continuum
2 of care and street youth projects.

3 (13) \$1,456,000 of the general fund--state appropriation for fiscal
4 year 1998, \$1,474,000 of the general fund--state appropriation for
5 fiscal year 1999 and \$1,141,000 of the general fund--federal
6 appropriation are provided solely for the improvement of quality and
7 capacity of the child care system and related consumer education. The
8 activities funded by this appropriation shall include, but not be
9 limited to: Expansion of child care resource and referral network
10 services to serve additional families, to provide technical assistance
11 to child care providers, and to cover currently unserved areas of the
12 state; development of and incentives for child care during nonstandard
13 work hours; and the development of care for infants, toddlers,
14 preschoolers, and school age youth. These amounts are provided in
15 addition to funding for child care training and fire inspections of
16 child care facilities. These activities shall also improve the quality
17 and capacity of the child care system.

18 *Sec. 202 was vetoed. See message at end of chapter.

19 *NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH
20 SERVICES--JUVENILE REHABILITATION PROGRAM

21 (1) COMMUNITY SERVICES

22	General Fund--State Appropriation (FY 1998)	\$	29,732,000
23	General Fund--State Appropriation (FY 1999)	\$	28,764,000
24	General Fund--Federal Appropriation	\$	16,127,000
25	General Fund--Private/Local Appropriation	\$	378,000
26	Violence Reduction and Drug Enforcement Account		
27	Appropriation	\$	13,381,000
28	TOTAL APPROPRIATION	\$	88,382,000

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

31 (a) \$445,000 of the violence reduction and drug enforcement account
32 appropriation is provided solely for deposit in the county criminal
33 justice assistance account solely for costs to the criminal justice
34 system associated with the implementation of RCW 13.04.030 as amended
35 by Engrossed Third Substitute House Bill No. 3900 (revising the
36 juvenile code). If RCW 13.04.030 is not amended by Engrossed Third
37 Substitute House Bill No. 3900 by June 30, 1997, the amount provided in

1 this subsection shall lapse. The amount provided in this subsection is
2 intended to provide funding for county adult court and jail costs
3 associated with the implementation of Engrossed Third Substitute House
4 Bill No. 3900 and shall be distributed in accordance with RCW
5 82.14.310.

6 (b) \$4,913,000 of the violence reduction and drug enforcement
7 account is provided solely for the implementation of Engrossed Third
8 Substitute Senate Bill No. 3900 (revising the juvenile code). The
9 amount provided in this subsection is intended to provide funding for
10 county impacts associated with the implementation of Third Substitute
11 Senate Bill No. 3900 and shall be distributed to counties as prescribed
12 in the current consolidated juvenile services (CJS) formula. If the
13 bill is not enacted by June 30, 1997, the amounts provided shall lapse.

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

24 (d) \$1,832,000 of the violence reduction and drug enforcement
25 appropriation is provided solely to implement alcohol and substance
26 abuse treatment for locally committed offenders. The juvenile
27 rehabilitation administration shall award these moneys on a competitive
28 basis to counties that have submitted a plan for the provision of
29 treatment services approved by the division of alcohol and substance
30 abuse. The juvenile rehabilitation administration shall develop
31 criteria for evaluation of plans submitted and a timeline for awarding
32 funding and shall assist counties in creating and submitting plans for
33 evaluation. If Engrossed Third Substitute House Bill No. 3900
34 (juvenile code revisions) is not enacted by June 30, 1997, the amount
35 provided in this subsection shall lapse.

36 (e) \$50,000 of the general fund--state fiscal year 1998
37 appropriation and \$100,000 of the general fund--state fiscal year 1999
38 appropriation are provided solely for the juvenile rehabilitation
39 administration to contract with the institute for public policy for the

1 responsibilities assigned in Engrossed Third Substitute House Bill No.
2 3900 (juvenile code revisions). If the bill is not enacted by June 30,
3 1997, the amounts provided in this subsection shall lapse.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 1998)	\$	49,823,000
6	General Fund--State Appropriation (FY 1999)	\$	52,373,000
7	General Fund--Private/Local Appropriation	\$	721,000
8	Violence Reduction and Drug Enforcement Account		
9	Appropriation	\$	13,156,000
10	TOTAL APPROPRIATION	\$	116,073,000

11 The appropriations in this subsection are subject to the following
12 conditions and limitations: \$3,691,000 of the general fund--state
13 fiscal year 1998 appropriation, \$6,679,000 of the general fund--state
14 fiscal year 1999 appropriation, and \$1,555,000 of the violence
15 reduction and drug enforcement account appropriation are provided
16 solely for the implementation of Engrossed Third Substitute House Bill
17 No. 3900 (juvenile code revisions). If the bill is not enacted by June
18 30, 1997, the amounts provided in this subsection shall lapse.

19 (3) PROGRAM SUPPORT

20	General Fund--State Appropriation (FY 1998)	\$	1,874,000
21	General Fund--State Appropriation (FY 1999)	\$	1,623,000
22	General Fund--Federal Appropriation	\$	156,000
23	Violence Reduction and Drug Enforcement Account		
24	Appropriation	\$	421,000
25	TOTAL APPROPRIATION	\$	4,074,000

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

28 (a) \$92,000 of the general fund--state fiscal year 1998
29 appropriation and \$36,000 of the general fund--state fiscal year 1999
30 appropriation are provided solely for the implementation of Substitute
31 Senate Bill No. 5759 (risk classification). If the bill is not enacted
32 by June 30, 1997, the amounts provided shall lapse.

33 (b) \$206,000 of the general fund--state fiscal year 1998
34 appropriation is provided solely for the implementation of Substitute

1 *House Bill No. 1968 (juvenile offender placement). If the bill is not*
2 *enacted by June 30, 1997, the amount provided shall lapse.*

3 *(c) \$49,000 of the general fund--state fiscal year 1998*
4 *appropriation and \$49,000 of the general fund--state fiscal year 1999*
5 *appropriation are provided solely for the implementation of Engrossed*
6 *Third Substitute House Bill No. 3900 (juvenile code revisions). If the*
7 *bill is not enacted by June 30, 1997, the amounts provided shall lapse.*

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

13 **Sec. 203 was vetoed. See message at end of chapter.*

14 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
15 **SERVICES--MENTAL HEALTH PROGRAM**

16 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

17	General Fund--State Appropriation (FY 1998)	\$ 167,577,000
18	General Fund--State Appropriation (FY 1999)	\$ 170,803,000
19	General Fund--Federal Appropriation	\$ 296,006,000
20	General Fund--Private/Local Appropriation	\$ 4,000,000
21	TOTAL APPROPRIATION	\$ 638,386,000

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

24 (a) Regional support networks shall use portions of the general
25 fund--state appropriation for implementation of working agreements with
26 the vocational rehabilitation program which will maximize the use of
27 federal funding for vocational programs.

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

34 (c) \$2,413,000 of the general fund--state appropriation for fiscal
35 year 1998 and \$2,393,000 of the general fund--state appropriation for
36 fiscal year 1999 are provided solely to directly reimburse eligible
37 providers for the medicaid share of mental health services provided to

1 persons eligible for both medicaid and medicare. To be reimbursed, the
2 service must be covered by and provided in accordance with the state
3 medicaid plan.

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

13 (e) At least thirty days prior to entering contracts that would
14 capitate payments for voluntary psychiatric hospitalizations, the
15 mental health division shall report the proposed capitation rates, and
16 the assumptions and calculations by which they were established, to the
17 budget and forecasting divisions of the office of financial management,
18 the appropriations committee of the house of representatives, and the
19 ways and means committee of the senate.

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 1998)	\$	59,496,000
22	General Fund--State Appropriation (FY 1999)	\$	59,508,000
23	General Fund--Federal Appropriation	\$	127,118,000
24	General Fund--Private/Local Appropriation	\$	30,940,000
25	TOTAL APPROPRIATION	\$	277,062,000

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

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

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

34 (3) CIVIL COMMITMENT

35	General Fund Appropriation (FY 1998)	\$	5,423,000
36	General Fund Appropriation (FY 1999)	\$	6,082,000

1 TOTAL APPROPRIATION \$ 11,505,000

2 (4) SPECIAL PROJECTS

3 General Fund--State Appropriation (FY 1998) \$ 50,000

4 General Fund--State Appropriation (FY 1999) \$ 450,000

5 General Fund--Federal Appropriation \$ 3,826,000

6 TOTAL APPROPRIATION \$ 4,326,000

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

15 (5) PROGRAM SUPPORT

16 General Fund--State Appropriation (FY 1998) \$ 2,560,000

17 General Fund--State Appropriation (FY 1999) \$ 2,395,000

18 General Fund--Federal Appropriation \$ 3,111,000

19 TOTAL APPROPRIATION \$ 8,066,000

20 The appropriations in this subsection are subject to the following
21 conditions and limitations: \$60,000 of the general fund--state
22 appropriation for fiscal year 1998 is provided solely to increase the
23 department's capacity to carry out legislative intent set forth in RCW
24 71.24.400 through 71.24.415. To facilitate this activity, the
25 secretary shall appoint an oversight committee of project stakeholders
26 including representatives from: Service providers, mental health
27 regional support networks, the department's mental health division, the
28 department's division of alcohol and substance abuse, the department's
29 division of children and family services, and the department's medical
30 assistance administration. The oversight group shall continue to seek
31 ways to streamline service delivery as set forth in RCW 71.24.405 until
32 at least July 1, 1998.

33 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
34 **SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

1	(1) COMMUNITY SERVICES	
2	General Fund--State Appropriation (FY 1998)	\$ 140,172,000
3	General Fund--State Appropriation (FY 1999)	\$ 142,643,000
4	General Fund--Federal Appropriation	\$ 194,347,000
5	Health Services Account Appropriation	\$ 1,695,000
6	TOTAL APPROPRIATION	\$ 478,857,000

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

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

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

25 (c) \$22,974,000 of the general fund--state appropriation for fiscal
26 year 1998 and \$25,111,000 of the general fund--state appropriation for
27 fiscal year 1999, plus any vendor rate increases allotted in accordance
28 with section 213 of this act, are provided solely to deliver personal
29 care services to an average of 6,250 children and adults in fiscal year
30 1998 and an average of 7,100 children and adults in fiscal year 1999.
31 If the secretary of social and health services determines that total
32 expenditures are likely to exceed these appropriated amounts, the
33 secretary shall take action as required by RCW 74.09.520 to adjust
34 either functional eligibility standards or service levels or both
35 sufficiently to maintain expenditures within appropriated levels. Such
36 action may include the adoption of emergency rules and may not be taken
37 to the extent that projected over-expenditures are offset by under-

1 expenditures elsewhere within the program's general fund--state
2 appropriation.

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

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

15 (2) INSTITUTIONAL SERVICES

16	General Fund--State Appropriation (FY 1998)	\$	63,982,000
17	General Fund--State Appropriation (FY 1999)	\$	63,206,000
18	General Fund--Federal Appropriation	\$	142,955,000
19	General Fund--Private/Local Appropriation	\$	9,729,000
20	TOTAL APPROPRIATION	\$	279,872,000

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

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

28 (b) \$112,000 of the general fund--state appropriation for fiscal
29 year 1998, \$113,000 of the general fund--state appropriation for
30 fiscal year 1999, and \$75,000 of the general fund--federal
31 appropriation are provided solely for a nursing community outreach
32 project at Yakima valley school. Registered nursing staff are to
33 provide nursing assessments, consulting services, training, and quality
34 assurance on behalf of individuals residing in central Washington.

35 (c) \$200,000 of the general fund--state appropriation for fiscal
36 year 1998, \$200,000 of the general fund--state appropriation for fiscal
37 year 1999, and \$400,000 of the general fund--federal appropriation are

1 provided solely for the development of a sixteen-bed program at Yakima
2 valley school specifically for the purpose of providing respite
3 services to all eligible individuals on a state-wide basis, with an
4 emphasis on those residing in central Washington.

5 (3) PROGRAM SUPPORT

6	General Fund--State Appropriation (FY 1998)	\$	2,543,000
7	General Fund--State Appropriation (FY 1999)	\$	2,517,000
8	General Fund--Federal Appropriation	\$	1,645,000
9	TOTAL APPROPRIATION	\$	6,705,000

10 (4) SPECIAL PROJECTS

11	General Fund--Federal Appropriation	\$	12,030,000
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12 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
13 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

14	General Fund--State Appropriation (FY 1998)	\$	392,045,000
15	General Fund--State Appropriation (FY 1999)	\$	416,304,000
16	General Fund--Federal Appropriation	\$	878,169,000
17	Health Services Account Appropriation	\$	6,087,000
18	TOTAL APPROPRIATION	\$	\$1,692,605,000

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

21 (1) The entire health services account appropriation and \$6,076,000
22 of the general fund--federal appropriation are provided solely for the
23 enrollment in the basic health plan of home care workers with family
24 incomes below 200 percent of the federal poverty level who are employed
25 through state contracts. Enrollment in the basic health plan for home
26 care workers with family incomes at or above 200 percent of poverty
27 shall be covered with general fund--state and matching general fund--
28 federal revenues that were identified by the department to have been
29 previously appropriated for health benefits coverage, to the extent
30 that these funds had not been contractually obligated for worker wage
31 increases prior to March 1, 1996.

32 (2) \$1,277,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$1,277,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely for operation of the volunteer
35 chore program.

1 (3) \$107,997,000 of the general fund--state appropriation for
2 fiscal year 1998 and \$120,397,000 of the general fund--state
3 appropriation for fiscal year 1999, plus any vendor rate increases
4 allocated to these services in accordance with section 213 of this act,
5 are provided solely to deliver chore, COPES, and medicaid personal care
6 services. If the secretary of social and health services determines
7 that total expenditures are likely to exceed these amounts, the
8 secretary shall take action as required by RCW 74.09.520, 74.39A.120,
9 and 74.09.530 to adjust functional eligibility standards and/or service
10 levels sufficiently to maintain expenditures within appropriated
11 levels. Such action may include the adoption of emergency rules, and
12 shall not be taken to the extent that projected over-expenditures are
13 offset by under-expenditures resulting from lower than budgeted nursing
14 home caseloads.

15 (4) \$26,000 of the general fund--state appropriation for fiscal
16 year 1998, \$59,000 of the general fund--state appropriation for fiscal
17 year 1999, and \$85,000 of the general fund--federal appropriation are
18 provided solely to employ registered nurses rather than social workers
19 to fill six of the new field positions to be filled in fiscal year 1998
20 and seven more of the new positions to be filled in fiscal year 1999.
21 These registered nurses shall conduct assessments, develop and monitor
22 service plans, and consult with social work staff to assure that
23 persons with medical needs are placed in and receive the appropriate
24 level of care.

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

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

36 (7) \$242,000 of the general fund--state appropriation for fiscal
37 year 1998, \$212,000 of the general fund--state appropriation for fiscal
38 year 1999, and \$498,000 of the general fund--federal appropriation are
39 provided solely for operation of a system for investigating allegations

1 of staff abuse and neglect in nursing homes, as provided in Second
2 Substitute House Bill No. 1850 (long-term care standards of care).

3 (8) \$350,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$382,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely to supplement the incomes of
6 disabled legal immigrants who, because of loss of their federal
7 supplemental security income benefit, would otherwise be at risk of
8 placement into a more expensive long-term care setting.

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

13 (i) The direct care portion of the rate, usually called "nursing
14 services," shall be set under a case mix methodology that classifies
15 residents under the Resource Utilization Group III (RUG-III) Version
16 5.10 (or subsequent revision) 44 group index maximizing model based on
17 the Minimum Data Set (MDS) Version 2.0.

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

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

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

33 (v) Data from 1994 cost reports (allowable and audited costs) shall
34 be used to establish the shadow rates. The costs shall be inflated
35 comparable to fiscal year 1998 payment rates, according to RCW
36 74.46.420.

37 (vi) Separate prices, ceilings, and corridors shall be established
38 for the peer groups of metropolitan statistical area and
39 nonmetropolitan statistical area.

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

3 (i) A pricing system in which payment to a facility shall be based
4 on a price multiplied by each facility's medicaid case mix. The price,
5 per peer group, shall be established at the median direct care cost per
6 case mix unit.

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

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

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

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

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

35 (10) \$50,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$50,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for payments to any nursing
38 facility licensed under chapter 18.51 RCW which meets all of the
39 following criteria: (a) The nursing home entered into an arm's length

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

7 (11) \$546,000 of the general fund--state appropriation for fiscal
8 year 1998, \$583,000 of the general fund--state appropriation for fiscal
9 year 1999, and \$1,220,000 of the general fund--federal appropriation
10 are provided solely for an increase in the state payment rates for
11 adult residential care and enhanced adult residential care.

12 *NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
13 **SERVICES--ECONOMIC SERVICES PROGRAM**

14	General Fund--State Appropriation (FY 1998)	\$ 543,150,000
15	General Fund--State Appropriation (FY 1999)	\$ 529,985,000
16	General Fund--Federal Appropriation	\$ 952,618,000
17	TOTAL APPROPRIATION	\$2,025,753,000

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

20 (1) *General assistance-unemployable recipients who are assessed as*
21 *needing alcohol or drug treatment shall be assigned a protective payee*
22 *to prevent the diversion of cash assistance toward purchasing alcohol*
23 *or other drugs.*

24 (2) The legislature finds that, with the passage of the federal
25 personal responsibility and work opportunity act and Engrossed House
26 Bill No. 3901, the temporary assistance for needy families is no longer
27 an entitlement. The legislature declares that the currently
28 appropriated level for the program is sufficient for the next few
29 budget cycles. To the extent, however, that currently appropriated
30 amounts exceed costs during the 1997-99 biennium, the department is
31 encouraged to set aside excess federal funds for use in future years.

32 (3) \$485,000 of the general fund--state fiscal year 1998
33 appropriation, \$3,186,000 of the general fund--state fiscal year 1999
34 appropriation, and \$3,168,000 of the general fund--federal
35 appropriation are provided solely to continue to implement the
36 previously competitively procured electronic benefits transfer system

1 through the western states EBT alliance for distribution of cash grants
2 and food stamps so as to meet the requirements of P.L. 104-193.

3 (4) \$50,000 of the fiscal year 1998 general fund--state
4 appropriation is provided solely for a study of child care
5 affordability as directed in section 403 of Engrossed House Bill No.
6 3901 (implementing welfare reform). The study shall be performed by
7 the Washington institute for public policy. If the bill is not enacted
8 by June 30, 1997, the amount provided in this subsection shall lapse.

9 (5) \$500,000 of the fiscal year 1998 general fund--state
10 appropriation and \$500,000 of the fiscal year 1999 general fund--state
11 appropriation are provided solely for an evaluation of the WorkFirst
12 program as directed in section 705 of Engrossed House Bill No. 3901
13 (implementing welfare reform). The study shall be performed by the
14 joint legislative audit and review committee. If the bill is not
15 enacted by June 30, 1997, the amount provided in this subsection shall
16 lapse.

17 (6) *\$73,129,000 of the general fund--federal appropriation is*
18 *provided solely to implement section 402 of Engrossed House Bill No.*
19 *3901 (implementing welfare reform). If section 402 of the bill is not*
20 *enacted by June 30, 1997, the amount provided in this subsection shall*
21 *lapse.*

22 (7) \$7,624,000 of the fiscal year 1998 general fund--state
23 appropriation, \$18,489,000 of the fiscal year 1999 general fund--state
24 appropriation, and \$29,781,000 of the general fund--federal
25 appropriation are provided solely for implementation of Engrossed House
26 Bill No. 3901 (implementing welfare reform), including sections 404 and
27 405. If the bill is not enacted by June 30, 1997, the amounts provided
28 in this subsection shall lapse.

29 *Sec. 207 was partially vetoed. See message at end of chapter.

30 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
31 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

32	General Fund--State Appropriation (FY 1998)	\$	14,714,000
33	General Fund--State Appropriation (FY 1999)	\$	14,829,000
34	General Fund--Federal Appropriation	\$	80,497,000
35	General Fund--Private/Local Appropriation	\$	630,000
36	Violence Reduction and Drug Enforcement Account		
37	Appropriation	\$	72,900,000
38	TOTAL APPROPRIATION	\$	183,570,000

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

3 (1) \$2,062,000 of the general fund--federal appropriation and
4 \$7,482,000 of the violence reduction and drug enforcement account
5 appropriation are provided solely for the grant programs for school
6 districts and educational service districts set forth in RCW
7 28A.170.080 through 28A.170.100, including state support activities, as
8 administered through the office of the superintendent of public
9 instruction.

10 (2) \$1,902,000 of the general fund--state fiscal year 1998
11 appropriation, \$1,902,000 of the general fund--state fiscal year 1999
12 appropriation, and \$1,592,000 of the general fund--federal
13 appropriation are provided solely for alcohol and substance abuse
14 assessment, treatment, including treatment for drug affected infants
15 and toddlers, and child care services for clients of the division of
16 children and family services. Assessment shall be provided by approved
17 chemical dependency treatment programs as requested by child protective
18 services personnel in the division of children and family services.
19 Child care shall be provided as deemed necessary by the division of
20 children and family services while parents requiring alcohol and
21 substance abuse treatment are attending treatment programs.

22 (3) \$760,000 of the fiscal year 1998 general fund--state
23 appropriation and \$760,000 of the fiscal year 1999 general fund--state
24 appropriation are provided solely to fund a program serving mothers of
25 children affected by fetal alcohol syndrome and related conditions,
26 known as the birth-to-three program. The program may be operated in
27 two cities in the state.

28 (4) \$248,000 of the fiscal year 1998 general fund--state
29 appropriation and \$495,000 of the fiscal year 1999 general fund--state
30 appropriation are provided solely to implement Engrossed Third
31 Substitute House Bill No. 3900 (revising the juvenile code). If the
32 bill is not enacted by June 30, 1997, the amounts provided in this
33 subsection shall lapse.

34 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
35 **SERVICES--MEDICAL ASSISTANCE PROGRAM**

36	General Fund--State Appropriation (FY 1998)	\$ 684,033,000
37	General Fund--State Appropriation (FY 1999)	\$ 684,885,000
38	General Fund--Federal Appropriation	\$2,038,101,000

1	General Fund--Private/Local Appropriation	\$ 223,900,000
2	Health Services Account Appropriation	\$ 253,004,000
3	Emergency Medical and Trauma Care Services	
4	Account Appropriation	\$ 4,600,000
5	TOTAL APPROPRIATION	\$3,888,523,000

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

8 (1) The department shall continue to make use of the special
9 eligibility category created for children through age 18 and in
10 households with incomes below 200 percent of the federal poverty level
11 made eligible for medicaid as of July 1, 1994.

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

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

20 (4) \$1,622,000 of the general fund--state appropriation for fiscal
21 year 1998 and \$1,622,000 of the general fund--state appropriation for
22 fiscal year 1999 are provided for treatment of low-income kidney
23 dialysis patients.

24 (5) \$80,000 of the general fund--state appropriation for fiscal
25 year 1998, \$80,000 of the general fund--state appropriation for fiscal
26 year 1999, and \$160,000 of the general fund--federal appropriation are
27 provided solely for the prenatal triage clearinghouse to provide access
28 and outreach to reduce infant mortality.

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

35 (7) The department shall seek federal approval to require adult
36 medicaid recipients who are not elderly or disabled to contribute ten
37 dollars per month toward the cost of their medical assistance coverage.
38 The department shall report on the progress of this effort to the house

1 of representatives and senate health care and fiscal committees by
2 September 1 and November 15, 1997.

3 (8) \$325,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$325,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely to increase rates paid for air
6 ambulance services.

7 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
8 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

9	General Fund--State Appropriation (FY 1998)	\$	8,652,000
10	General Fund--State Appropriation (FY 1999)	\$	8,592,000
11	General Fund--Federal Appropriation	\$	79,542,000
12	General Fund--Private/Local Appropriation	\$	2,904,000
13	TOTAL APPROPRIATION	\$	99,690,000

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

16 (1) The division of vocational rehabilitation shall negotiate
17 cooperative interagency agreements with local organizations, including
18 higher education institutions, mental health regional support networks,
19 and county developmental disabilities programs to improve and expand
20 employment opportunities for people with severe disabilities served by
21 those local agencies.

22 (2) \$363,000 of the general fund--state appropriation for fiscal
23 year 1998, \$506,000 of the general fund--state appropriation for fiscal
24 year 1999, and \$3,208,000 of the general fund--federal appropriation
25 are provided solely for vocational rehabilitation services for
26 individuals enrolled for services with the developmental disabilities
27 program who complete their high school curriculum in 1997 or 1998.

28 *NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
29 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

30	General Fund--State Appropriation (FY 1998)	\$	24,572,000
31	General Fund--State Appropriation (FY 1999)	\$	23,956,000
32	General Fund--Federal Appropriation	\$	40,352,000
33	General Fund--Private/Local Appropriation	\$	270,000
34	TOTAL APPROPRIATION	\$	89,150,000

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

3 (1) The department may transfer up to \$1,289,000 of the general
4 fund--state appropriation for fiscal year 1998, \$1,757,000 of the
5 general fund--state appropriation for fiscal year 1999, and \$2,813,000
6 of the general fund--federal appropriation to the administration and
7 supporting services program from various other programs to implement
8 administrative reductions.

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

16 (3) *The department shall not expend any funding for staffing or*
17 *publication of the sexual minority initiative.*

18 (4) \$60,000 of the general fund--state appropriation for fiscal
19 year 1998 is provided solely for a welfare fraud pilot program as
20 described by House Bill No. 1822 (welfare fraud investigation).

21 (5) \$55,000 of the fiscal year 1998 general fund--state
22 appropriation, \$64,000 of the fiscal year 1999 general fund--state
23 appropriation, and \$231,000 of the general fund--federal appropriation
24 are provided solely for implementation of Engrossed House Bill No. 3901
25 (implementing welfare reform). If the bill is not enacted by June 30,
26 1997, the amounts provided in this subsection shall lapse.

27 *Sec. 211 was partially vetoed. See message at end of chapter.

28 *NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
29 **SERVICES--CHILD SUPPORT PROGRAM**

30	General Fund--State Appropriation (FY 1998)	\$	21,122,000
31	General Fund--State Appropriation (FY 1999)	\$	20,877,000
32	General Fund--Federal Appropriation	\$	145,739,000
33	General Fund--Private/Local Appropriation	\$	33,207,000
34	TOTAL APPROPRIATION	\$	220,945,000

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

1 (1) The department shall contract with private collection agencies
2 to pursue collection of AFDC child support arrearages in cases that
3 might otherwise consume a disproportionate share of the department's
4 collection efforts. The department's child support collection staff
5 shall determine which cases are appropriate for referral to private
6 collection agencies. In determining appropriate contract provisions,
7 the department shall consult with other states that have successfully
8 contracted with private collection agencies to the extent allowed by
9 federal support enforcement regulations.

10 (2) *The department shall request a waiver from federal support*
11 *enforcement regulations to replace the current program audit criteria,*
12 *which is process-based, with performance measures based on program*
13 *outcomes.*

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

17 (4) \$305,000 of the general fund--state fiscal year 1998
18 appropriation, \$494,000 of the general fund--state fiscal year 1999
19 appropriation, and \$1,408,000 of the general fund--federal
20 appropriation are provided solely to implement Engrossed House Bill No.
21 3901 (implementing welfare reform). If the bill is not enacted by June
22 30, 1997, the amounts provided in this subsection shall lapse.

23 *Sec. 212 was partially vetoed. See message at end of chapter.

24 *NEW SECTION. **Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
25 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

26	General Fund--State Appropriation (FY 1998)	\$	47,435,000
27	General Fund--State Appropriation (FY 1999)	\$	47,514,000
28	General Fund--Federal Appropriation	\$	54,366,000
29	Health Services Account Appropriation	\$	1,502,000
30	Violence Reduction and Drug Enforcement Account		
31	Appropriation	\$	2,215,000
32	TOTAL APPROPRIATION	\$	153,032,000

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

35 (1) *\$22,893,000 of the general fund--state appropriation for fiscal*
36 *year 1998, \$22,835,000 of the general fund--state appropriation for*
37 *fiscal year 1999, \$35,431,000 of the general fund--federal*

1 appropriation, \$2,215,000 of the violence reduction and drug
 2 enforcement account, and \$1,502,000 of the health services account are
 3 provided solely to increase the rates of contracted service providers.
 4 The department need not provide all vendors with the same percentage
 5 rate increase. Rather, the department is encouraged to use these funds
 6 to help assure an adequate supply of qualified vendors. Vendors
 7 providing services in markets where recruitment and retention of
 8 qualified providers is a problem may receive larger rate increases than
 9 other vendors. It is the legislature's intent that these amounts shall
 10 be used primarily to increase compensation for persons employed in
 11 direct, front-line service delivery. Any rate increases granted as a
 12 result of this section must be implemented so that the carry-forward
 13 costs into the 1999-01 biennium do not exceed the amounts provided in
 14 this subsection. Within thirty days of granting a vendor rate increase
 15 under this section, the department shall report the following
 16 information to the fiscal committees of the legislature: (1) The
 17 amounts and effective dates of any increases granted; (2) the process
 18 and criteria used to determine the increases; and (3) any data used in
 19 that process. In accordance with RCW 43.88.110(1), the department and
 20 the office of financial management shall allot funds appropriated in
 21 this section to the programs and budget units from which the funds will
 22 be expended. Such allotments shall be completed no later than
 23 September 15, 1997.

24 (2) \$263,000 of the fiscal year 1998 general fund--state
 25 appropriation, \$349,000 of the fiscal year 1999 general fund--state
 26 appropriation, and \$1,186,000 of the general fund--federal
 27 appropriation are provided solely for implementation of Engrossed House
 28 Bill No. 3901 (implementing welfare reform). If the bill is not
 29 enacted by June 30, 1997, the amounts provided in this subsection shall
 30 lapse.

31 *Sec. 213 was partially vetoed. See message at end of chapter.

32 **NEW SECTION.** Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY

33	General Fund--State Appropriation (FY 1998)	\$	6,316,000
34	General Fund--State Appropriation (FY 1999)	\$	6,317,000
35	State Health Care Authority Administration		
36	Account Appropriation	\$	14,719,000
37	Health Services Account Appropriation	\$	300,796,000
38	TOTAL APPROPRIATION	\$	328,148,000

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

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

5 (2) The health care authority shall utilize competitive contracting
6 strategies, increase co-pay requirements, adjust state subsidy levels,
7 and take other actions it deems necessary to assure that the funds
8 appropriated in this section are sufficient to subsidize basic health
9 plan enrollment for a monthly average of 130,000 persons during fiscal
10 years 1998 and 1999.

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

19 (4) The health care authority shall require organizations and
20 individuals that are paid to deliver basic health plan services to
21 contribute a minimum of forty-five dollars per enrollee per month if
22 the organization or individual chooses to sponsor an individual's
23 enrollment in the subsidized basic health plan.

24 (5) \$150,000 of the health services account appropriation is
25 provided solely to implement Substitute House Bill No. 1805 (health
26 care savings accounts). If this bill is not enacted by June 30, 1997,
27 the amount provided in this subsection shall lapse.

28 (6) The health care authority shall report to the fiscal committees
29 of the legislature by December 1, 1997, on the number of basic health
30 plan enrollees who are illegal aliens but are not resident citizens,
31 legal aliens, legal refugees, or legal asylees.

32 (7) \$270,000 of the health services account appropriation is
33 provided solely to pay commissions to agents and brokers in accordance
34 with RCW 70.47.015(5) for application assistance provided to persons on
35 the reservation list as of June 30, 1997, who enroll in the subsidized
36 basic health plan on or after July 1, 1997.

37 *Sec. 214 was vetoed. See message at end of chapter.

38 NEW SECTION. Sec. 215. FOR THE HUMAN RIGHTS COMMISSION

1	General Fund--State Appropriation (FY 1998)	\$	2,019,000
2	General Fund--State Appropriation (FY 1999)	\$	2,036,000
3	General Fund--Federal Appropriation	\$	1,444,000
4	General Fund--Private/Local Appropriation	\$	259,000
5	TOTAL APPROPRIATION	\$	5,758,000

6 NEW SECTION. **Sec. 216. FOR THE BOARD OF INDUSTRIAL INSURANCE**
7 **APPEALS**

8	Worker and Community Right-to-Know Account		
9	Appropriation	\$	20,000
10	Accident Account Appropriation	\$	10,785,000
11	Medical Aid Account Appropriation	\$	10,787,000
12	TOTAL APPROPRIATION	\$	21,592,000

13 NEW SECTION. **Sec. 217. FOR THE CRIMINAL JUSTICE TRAINING**
14 **COMMISSION**

15	General Fund--Federal Appropriation	\$	100,000
16	Death Investigations Account Appropriation	\$	38,000
17	Public Safety and Education Account		
18	Appropriation	\$	13,434,000
19	Violence Reduction and Drug Enforcement Account		
20	Appropriation	\$	346,000
21	TOTAL APPROPRIATION	\$	13,918,000

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

24 (1) \$80,000 of the public safety and education account
25 appropriation is provided solely to continue the study of law
26 enforcement and corrections training begun in 1996. In conducting the
27 study, the criminal justice training commission shall consult with the
28 appropriate policy and fiscal committees of the legislature. Specific
29 elements to be addressed in the study include: (a) The feasibility and
30 the rationale for increasing basic law enforcement training from 440 to
31 600 hours; (b) the feasibility and rationale for creating a
32 certification process for law enforcement officers; (c) the feasibility
33 and rationale for expanding the correctional officers academy; (d) the
34 feasibility and rationale for expanding the juvenile service workers
35 academy and/or the adult services academy; and (e) any other items
36 considered relevant by the commission. Any recommendations made shall

1 include a plan and timeline for how they would be implemented. The
2 board on correctional training standards and education and the board on
3 law enforcement training standards and education shall be actively
4 involved in the study effort. Copies of the study shall be provided to
5 the appropriate policy and fiscal committees of the legislature and the
6 director of financial management by October 1, 1997.

7 (2) \$50,000 of the public safety and education account
8 appropriation is provided solely to prepare a cost and fee study of the
9 current and proposed criminal justice course offerings. The analysis
10 shall identify total costs and major cost components for: (a) Any
11 current training classes which are considered mandatory; and (b) any
12 proposed or modified training courses which are considered mandatory.
13 Mandatory classes include, but are not limited to, the following:
14 Basic law enforcement academy, correctional officers academy,
15 supervisory and management training of law enforcement officers,
16 supervisory and management training of correctional officers, juvenile
17 service workers academy, and the adult service academy. The study
18 shall also recommend a methodology for estimating the future demand for
19 these classes. The study shall also estimate the cost of implementing
20 any recommendations made pursuant to subsection (1) of this section.
21 The study shall be conducted by a private sector consultant selected by
22 the office of financial management in consultation with the executive
23 director of the criminal justice training commission. The final report
24 shall be completed by January 1, 1998.

25 (3) \$92,000 of the public safety and education account
26 appropriation is provided solely for the purpose of training law
27 enforcement managers and supervisors.

28 (4) \$40,000 of the public safety and education account
29 appropriation is provided solely to implement the provisions of
30 Substitute House Bill No. 1423 (criminal justice training commission).
31 If this bill is not enacted by June 30, 1997, the amount provided in
32 this subsection shall lapse.

33 **NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

34 General Fund Appropriation (FY 1998)	\$ 6,805,000
35 General Fund Appropriation (FY 1999)	\$ 6,848,000
36 Public Safety and Education Account--	
37 State Appropriation	\$ 16,246,000
38 Public Safety and Education Account--	

1	Federal Appropriation	\$	6,002,000
2	Public Safety and Education Account--		
3	Private/Local Appropriation	\$	2,014,000
4	Electrical License Account Appropriation	\$	22,542,000
5	Farm Labor Revolving Account Appropriation	\$	28,000
6	Worker and Community Right-to-Know Account		
7	Appropriation	\$	2,187,000
8	Public Works Administration Account Appropriation . .	\$	1,975,000
9	Accident Account--State Appropriation	\$	146,849,000
10	Accident Account--Federal Appropriation	\$	9,112,000
11	Medical Aid Account--State Appropriation	\$	155,220,000
12	Medical Aid Account--Federal Appropriation	\$	1,592,000
13	Plumbing Certificate Account Appropriation	\$	846,000
14	Pressure Systems Safety Account Appropriation	\$	2,106,000
15	TOTAL APPROPRIATION	\$	380,372,000

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

18 (1) Expenditures of funds appropriated in this section for the
19 information systems projects identified in agency budget requests as
20 "claims service delivery", "electrical permitting and inspection
21 system", and "credentialing information system" are conditioned upon
22 compliance with section 902 of this act.

23 (2) Pursuant to RCW 7.68.015, the department shall operate the
24 crime victims compensation program within the public safety and
25 education account funds appropriated in this section. In the event
26 that cost containment measures are necessary, the department may (a)
27 institute copayments for services; (b) develop preferred provider and
28 managed care contracts; (c) coordinate with the department of social
29 and health services to use the public safety and education account as
30 matching funds for federal Title XIX reimbursement, to the extent this
31 maximizes total funds available for services to crime victims.

32 (3) \$54,000 of the general fund appropriation for fiscal year 1998
33 and \$54,000 of the general fund appropriation for fiscal year 1999 are
34 provided solely for an interagency agreement to reimburse the board of
35 industrial insurance appeals for crime victims appeals.

36 (4) The secretary of social and health services and the director of
37 labor and industries shall report to the appropriate fiscal and policy
38 committees of the legislature by July 1, 1997, and every six months

1 thereafter on the measurable changes in employee injury and time-loss
2 rates that have occurred in the state developmental disabilities,
3 juvenile rehabilitation, and mental health institutions as a result of
4 the upfront loss-control discount agreement between the agencies.

5 (5) \$43,000 of the general fund--state appropriation for fiscal
6 year 1998, \$35,000 of the general fund--state appropriation for fiscal
7 year 1999, \$20,000 of the electrical license account appropriation, and
8 \$58,000 of the plumbing certificate account appropriation are provided
9 solely for the implementation of Engrossed House Bill No. 3901
10 (implementing welfare reform). If the bill is not enacted by June 30,
11 1997, the amount provided shall lapse.

12 (6) The expenditures of the elevator, factory assembled structures,
13 and contractors' registration and compliance programs may not exceed
14 the revenues generated by these programs.

15 NEW SECTION. **Sec. 219. FOR THE INDETERMINATE SENTENCE REVIEW**
16 **BOARD**

17	General Fund Appropriation (FY 1998)	. . . . .	\$	1,141,000
18	General Fund Appropriation (FY 1999)	. . . . .	\$	920,000
19	TOTAL APPROPRIATION	. . . . .	\$	2,061,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: \$920,000 of the general fund appropriation
22 for fiscal year 1999 is provided solely to implement House Bill No.
23 1646 (indeterminate sentence review) or Senate Bill No. 5410
24 (indeterminate sentence review board). If neither of these bills is
25 enacted by June 30, 1997, this amount shall lapse.

26 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

27 (1) HEADQUARTERS

28	General Fund Appropriation (FY 1998)	. . . . .	\$	1,339,000
29	General Fund Appropriation (FY 1999)	. . . . .	\$	1,334,000
30	Industrial Insurance Premium Refund Account			
31	Appropriation	. . . . .	\$	80,000
32	Charitable, Educational, Penal, and Reformatory			
33	Institutions Account Appropriation	. . . . .	\$	4,000
34	TOTAL APPROPRIATION	. . . . .	\$	2,757,000

35 (2) FIELD SERVICES

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

6 (3) INSTITUTIONAL SERVICES

7	General Fund--State Appropriation (FY 1998)	\$	6,101,000
8	General Fund--State Appropriation (FY 1999)	\$	5,369,000
9	General Fund--Federal Appropriation	\$	19,556,000
10	General Fund--Private/Local Appropriation	\$	14,583,000
11	TOTAL APPROPRIATION	\$	45,609,000

12 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF HEALTH**

13	General Fund--State Appropriation (FY 1998)	\$	53,955,000
14	General Fund--State Appropriation (FY 1999)	\$	57,462,000
15	General Fund--Federal Appropriation	\$	259,139,000
16	General Fund--Private/Local Appropriation	\$	24,351,000
17	Hospital Commission Account Appropriation	\$	3,089,000
18	Health Professions Account Appropriation	\$	36,038,000
19	Emergency Medical and Trauma Care Services Account		
20	Appropriation	\$	21,042,000
21	Safe Drinking Water Account Appropriation	\$	2,494,000
22	Drinking Water Assistance Account--Federal		
23	Appropriation	\$	5,385,000
24	Waterworks Operator Certification Appropriation	\$	588,000
25	Water Quality Account Appropriation	\$	3,065,000
26	Violence Reduction and Drug Education Account		
27	Appropriation	\$	469,000
28	State Toxics Control Account Appropriation	\$	2,854,000
29	Medical Test Site Licensure Account Appropriation	\$	1,624,000
30	Youth Tobacco Prevention Account Appropriation	\$	1,812,000
31	Health Services Account Appropriation	\$	24,224,000
32	TOTAL APPROPRIATION	\$	497,591,000

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

35 (1) \$2,134,000 of the health professions account appropriation is
36 provided solely for the development and implementation of a licensing

1 and disciplinary management system. Expenditures are conditioned upon
2 compliance with section 902 of this act. These funds shall not be
3 expended without appropriate project approval by the department of
4 information systems.

5 (2) Funding provided in this section for the drinking water program
6 data management system shall not be expended without appropriate
7 project approval by the department of information systems.
8 Expenditures are conditioned upon compliance with section 902 of this
9 act.

10 (3) The department is authorized to raise existing fees charged to
11 the nursing professions and midwives, by the pharmacy board, and for
12 boarding home licenses, in excess of the fiscal growth factor
13 established by Initiative Measure No. 601, if necessary, to meet the
14 actual costs of conducting business.

15 (4) \$1,633,000 of the general fund--state fiscal year 1998
16 appropriation and \$1,634,000 of the general fund--state fiscal year
17 1999 appropriation are provided solely for the implementation of the
18 Puget Sound water work plan and agency action items, DOH-01, DOH-02,
19 DOH-03, DOH-04, DOH-05, DOH-06, DOH-07, DOH-08, DOH-09, DOH-10, DOH-11,
20 and DOH-12.

21 (5) \$10,000,000 of the health services account appropriation is
22 provided solely for distribution to local health departments for
23 distribution on a per capita basis. Prior to distributing these funds,
24 the department shall adopt rules and procedures to ensure that these
25 funds are not used to replace current local support for public health
26 programs.

27 (6) \$500,000 of the general fund--state appropriation for fiscal
28 year 1998 and \$500,000 of the general fund--state appropriation for
29 fiscal year 1999 are provided solely for operation of a youth suicide
30 prevention program at the state level, including a state-wide public
31 educational campaign to increase knowledge of suicide risk and ability
32 to respond and provision of twenty-four hour crisis hotlines, staffed
33 to provide suicidal youth and caregivers a source of instant help.

34 (7) The department of health shall not initiate any services that
35 will require expenditure of state general fund moneys unless expressly
36 authorized in this act or other law. The department may seek, receive,
37 and spend, under RCW 43.79.260 through 43.79.282, federal moneys not
38 anticipated in this act as long as the federal funding does not require
39 expenditure of state moneys for the program in excess of amounts

1 anticipated in this act. If the department receives unanticipated
2 unrestricted federal moneys, those moneys shall be spent for services
3 authorized in this act or in any other legislation that provides
4 appropriation authority, and an equal amount of appropriated state
5 moneys shall lapse. Upon the lapsing of any moneys under this
6 subsection, the office of financial management shall notify the
7 legislative fiscal committees. As used in this subsection,
8 "unrestricted federal moneys" includes block grants and other funds
9 that federal law does not require to be spent on specifically defined
10 projects or matched on a formula basis by state funds.

11 (8) \$259,000 of the health professions account appropriation is
12 provided solely to implement Engrossed House Bill No. 3901
13 (implementing welfare reform). If the bill is not enacted by June 30,
14 1997, the amounts provided in this subsection shall lapse.

15 (9) \$150,000 of the general fund--state fiscal year 1998
16 appropriation and \$150,000 of the general fund--state fiscal year 1999
17 appropriation are provided solely for community-based oral health
18 grants that may fund sealant programs, education, prevention, and other
19 oral health interventions. The grants may be awarded to state or
20 federally funded community and migrant health centers, tribal clinics,
21 or public health jurisdictions. Priority shall be given to communities
22 with established oral health coalitions. Grant applications for oral
23 health education and prevention grants shall include (a) an assessment
24 of the community's oral health education and prevention needs; (b)
25 identification of the population to be served; and (c) a description of
26 the grant program's predicted outcomes.

27 (10) \$21,042,000 of the emergency medical and trauma care services
28 account appropriation is provided solely for implementation of
29 Substitute Senate Bill No. 5127 (trauma care services). If the bill is
30 not enacted by June 30, 1997, the amount provided in this subsection
31 shall lapse.

32 (11) \$500,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$500,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely for family support and provider
35 training services for children with special health care needs.

36 (12) \$300,000 of the general fund--federal appropriation is
37 provided solely for an abstinence education program which complies with
38 P.L. 104-193. \$400,000 of the general fund--federal appropriation is
39 provided solely for abstinence education projects at the office of the

1 superintendent of public instruction and shall be transferred to the
2 office of the superintendent of public instruction for the 1998-99
3 school year. The department shall apply for abstinence education funds
4 made available by the federal personal responsibility and work
5 opportunity act of 1996 and implement a program that complies with the
6 requirements of that act.

7 (13) \$50,000 of the general fund--state appropriation for fiscal
8 year 1998 and \$50,000 of the general fund--state appropriation for
9 fiscal year 1999 are provided solely for the implementation of Second
10 Substitute House Bill No. 1191 (mandated health benefit review). If
11 the bill is not enacted by June 30, 1997, the amounts provided in this
12 section shall lapse.

13 (14) \$100,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$100,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for the volunteer retired provider
16 program. Funds shall be used to increase children's access to dental
17 care services in rural and underserved communities by paying
18 malpractice insurance and professional licensing fees for retired
19 dentists participating in the program.

20 (15) \$852,000 of the drinking water assistance account--federal
21 appropriation is provided solely for an interagency agreement with the
22 department of community, trade, and economic development to administer,
23 in cooperation with the public works board, loans to local governments
24 and public water systems for projects and activities to protect and
25 improve the state's drinking water facilities and resources.

26 (16) Amounts provided in this section are sufficient to operate the
27 AIDS prescription drug program. To operate the program within the
28 appropriated amount, the department shall limit new enrollments, manage
29 access to the most expensive drug regimens, establish waiting lists and
30 priority rankings, assist clients in accessing drug assistance programs
31 sponsored by drug manufacturers, or pursue other means of managing
32 expenditures by the program.

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

36 (18) \$4,150,000 of the health services account appropriation is
37 provided solely for the Washington poison center.

38 *NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF CORRECTIONS**

1	(1) ADMINISTRATION AND PROGRAM SUPPORT	
2	General Fund Appropriation (FY 1998)	\$ 13,926,000
3	General Fund Appropriation (FY 1999)	\$ 13,910,000
4	Violence Reduction and Drug Enforcement Account	
5	Appropriation	\$ 500,000
6	TOTAL APPROPRIATION	\$ 28,336,000

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

9 (a) \$187,000 of the general fund fiscal year 1998 appropriation and
10 \$155,000 of the general fund fiscal year 1999 appropriation are
11 provided solely for implementation of Substitute Senate Bill No. 5759
12 (risk classification). If the bill is not enacted by July 1, 1997, the
13 amounts provided shall lapse.

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

17 (2) *INSTITUTIONAL SERVICES*

18	<i>General Fund--State Appropriation (FY 1998)</i>	<i>\$ 289,204,000</i>
19	<i>General Fund--State Appropriation (FY 1999)</i>	<i>\$ 302,933,000</i>
20	<i>General Fund--Federal Appropriation</i>	<i>\$ 18,097,000</i>
21	<i>Industrial Insurance Premium Rebate Account</i>	
22	<i>Appropriation</i>	<i>\$ 673,000</i>
23	<i>Violence Reduction and Drug Enforcement Account</i>	
24	<i>Appropriation</i>	<i>\$ 1,614,000</i>
25	TOTAL APPROPRIATION	<i>\$ 612,521,000</i>

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

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

31 (b) \$2,298,000 of the general fund--state fiscal year 1998
32 appropriation and \$5,414,000 of the general fund--state fiscal year
33 1999 appropriation are provided solely for the criminal justice costs
34 associated with the implementation of RCW 13.04.030 as amended by
35 Engrossed Third Substitute House Bill No. 3900 (revising the juvenile

1 code). If RCW 13.04.030 is not amended by Engrossed Third Substitute
2 House Bill No. 3900 by June 30, 1997, the amounts provided shall lapse.

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

8 (d) It is the intent of the legislature that the department reduce
9 health care expenditures in the 1997-99 biennium using the scenario
10 identified in the health services delivery system study which limited
11 health care costs to \$43,000,000 in fiscal year 1998 and \$40,700,000 in
12 fiscal year 1999. The department shall consult with direct health care
13 service providers and health care staff in implementing this scenario.

14 (e) \$296,000 of the general fund--state appropriation for fiscal
15 year 1998 and \$297,000 of the general fund--state appropriation for
16 fiscal year 1999 are provided solely to increase payment rates for
17 contracted education providers. It is the legislature's intent that
18 these amounts shall be used primarily to increase compensation for
19 persons employed in direct, front-line service delivery.

20 (f) The department may expend funds generated by contractual
21 agreements entered into for mitigation of severe overcrowding in local
22 jails. If any funds are generated in excess of actual costs, they
23 shall be deposited in the state general fund. Expenditures shall not
24 exceed revenue generated by such agreements and shall be treated as
25 recovery of costs.

26 (3) COMMUNITY CORRECTIONS

27	General Fund Appropriation (FY 1998)	. . . . .	\$	89,364,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	90,416,000
29	TOTAL APPROPRIATION	. . . . .	\$	179,780,000

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

32 (a) \$14,000 of the general fund fiscal year 1998 appropriation and
33 \$106,000 of the general fund fiscal year 1999 appropriation are
34 provided solely for the criminal justice costs associated with the
35 implementation of RCW 13.04.030 as amended by Engrossed Third
36 Substitute House Bill No. 3900 (revising the juvenile code). If RCW

1 13.04.030 is not amended by Engrossed Third Substitute House Bill No.
2 3900 by June 30, 1997, the amounts provided shall lapse.

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

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

15 (4) CORRECTIONAL INDUSTRIES

16	General Fund Appropriation (FY 1998)	. . . . .	\$	4,055,000
17	General Fund Appropriation (FY 1999)	. . . . .	\$	4,167,000
18	TOTAL APPROPRIATION	. . . . .	\$	8,222,000

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

21 (a) \$100,000 of the general fund fiscal year 1998 appropriation and
22 \$100,000 of the general fund fiscal year 1999 appropriation are
23 provided solely for transfer to the jail industries board. The board
24 shall use the amounts provided only for administrative expenses,
25 equipment purchases, and technical assistance associated with advising
26 cities and counties in developing, promoting, and implementing
27 consistent, safe, and efficient offender work programs.

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

33 (5) INTERAGENCY PAYMENTS

34	General Fund Appropriation (FY 1998)	. . . . .	\$	6,945,000
35	General Fund Appropriation (FY 1999)	. . . . .	\$	6,444,000
36	TOTAL APPROPRIATION	. . . . .	\$	13,389,000

1 *Sec. 222 was partially vetoed. See message at end of chapter.

2 NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF SERVICES FOR THE**
3 **BLIND**

4	General Fund--State Appropriation (FY 1998)	\$	1,368,000
5	General Fund--State Appropriation (FY 1999)	\$	1,411,000
6	General Fund--Federal Appropriation	\$	10,454,000
7	General Fund--Private/Local Appropriation	\$	80,000
8	TOTAL APPROPRIATION	\$	13,313,000

9 NEW SECTION. **Sec. 224. FOR THE SENTENCING GUIDELINES COMMISSION**

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

13 NEW SECTION. **Sec. 225. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

14	General Fund--Federal Appropriation	\$	173,595,000
15	General Fund--Private/Local Appropriation	\$	24,842,000
16	Unemployment Compensation Administration Account--		
17	Federal Appropriation	\$	181,985,000
18	Administrative Contingency Account Appropriation . .	\$	12,579,000
19	Employment Service Administrative Account		
20	Appropriation	\$	13,176,000
21	Employment & Training Trust Account Appropriation . .	\$	600,000
22	TOTAL APPROPRIATION	\$	406,777,000

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

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

30 (2) \$600,000 of the employment and training trust account
31 appropriation is provided solely for the account's share of
32 unemployment insurance tax collection costs.

33 (3) \$1,126,000 of the general fund--federal appropriation is
34 provided solely for the continuation of job placement centers colocated
35 on community and technical college campuses.

PART III
NATURAL RESOURCES

***NEW SECTION. Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

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

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

*Sec. 301 was vetoed. See message at end of chapter.

***NEW SECTION. Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 1998)	\$	27,749,000
General Fund--State Appropriation (FY 1999)	\$	27,794,000
General Fund--Federal Appropriation	\$	45,315,000
General Fund--Private/Local Appropriation	\$	643,000
Special Grass Seed Burning Research Account		
Appropriation	\$	42,000
Reclamation Revolving Account Appropriation	\$	2,441,000
Flood Control Assistance Account Appropriation	\$	4,850,000
State Emergency Water Projects Revolving Account		
Appropriation	\$	319,000
Waste Reduction/Recycling/Litter Control		
Appropriation	\$	10,316,000
State and Local Improvements Revolving Account		
(Waste Facilities) Appropriation	\$	601,000

1	State and Local Improvements Revolving Account		
2	(Water Supply Facilities) Appropriation	\$	1,366,000
3	Basic Data Account Appropriation	\$	182,000
4	Vehicle Tire Recycling Account Appropriation	\$	1,194,000
5	Water Quality Account Appropriation	\$	2,892,000
6	Wood Stove Education and Enforcement Account		
7	Appropriation	\$	1,055,000
8	Worker and Community Right-to-Know Account		
9	Appropriation	\$	469,000
10	State Toxics Control Account Appropriation	\$	53,160,000
11	Local Toxics Control Account Appropriation	\$	4,342,000
12	Water Quality Permit Account Appropriation	\$	20,378,000
13	Underground Storage Tank Account Appropriation	\$	2,443,000
14	Solid Waste Management Account Appropriation	\$	1,021,000
15	Hazardous Waste Assistance Account Appropriation	\$	3,615,000
16	Air Pollution Control Account Appropriation	\$	16,224,000
17	Oil Spill Administration Account Appropriation	\$	6,958,000
18	Air Operating Permit Account Appropriation	\$	4,033,000
19	Freshwater Aquatic Weeds Account Appropriation	\$	1,829,000
20	Oil Spill Response Account Appropriation	\$	7,078,000
21	Metals Mining Account Appropriation	\$	42,000
22	Water Pollution Control Revolving Account--State		
23	Appropriation	\$	349,000
24	Water Pollution Control Revolving Account--Federal		
25	Appropriation	\$	1,726,000
26	Biosolids Permit Account Appropriation	\$	567,000
27	Environmental Excellence Account Appropriation	\$	247,000
28	TOTAL APPROPRIATION	\$	251,240,000

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

31 (1) \$3,211,000 of the general fund--state appropriation for fiscal
32 year 1998, \$3,211,000 of the general fund--state appropriation for
33 fiscal year 1999, \$394,000 of the general fund--federal appropriation,
34 \$2,017,000 of the oil spill administration account, \$819,000 of the
35 state toxics control account appropriation, and \$3,591,000 of the water
36 quality permit fee account are provided solely for the implementation
37 of the Puget Sound work plan and agency action items DOE-01, DOE-02,
38 DOE-03, DOE-04, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

1 (2) \$2,000,000 of the state toxics control account appropriation is
2 provided solely for the following purposes:

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

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

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

13 (d) To contract for services as necessary to support remedial
14 actions.

15 (3) *\$1,500,000 of the general fund--state appropriation for fiscal*
16 *year 1998 and \$1,900,000 of the general fund--state appropriation for*
17 *fiscal year 1999 are provided solely for the processing of water right*
18 *permit applications, continued implementation of water resources data*
19 *management systems, and providing technical and data support to local*
20 *watershed planning efforts in accordance with sections 101 through 116*
21 *of Second Substitute House Bill No. 2054 (water resource management).*
22 *If any of sections 101 through 116 of Second Substitute House Bill No.*
23 *2054 is not enacted by June 30, 1997, the amounts provided in this*
24 *subsection shall lapse.*

25 (4) *\$2,500,000 of the general fund--state appropriation for fiscal*
26 *year 1998 and \$2,500,000 of the general fund--state appropriation for*
27 *fiscal year 1999 are appropriated for grants to local WRIA planning*
28 *units established in accordance with sections 101 through 116 of Second*
29 *Substitute House Bill No. 2054 (water resource management). If any of*
30 *sections 101 through 116 of Second Substitute House Bill No. 2054 is*
31 *not enacted by June 30, 1997, the amounts provided in this subsection*
32 *shall lapse.*

33 (5) *\$200,000 of the general fund--state appropriation for fiscal*
34 *year 1998 is provided solely for the implementation of Engrossed*
35 *Substitute House Bill No. 1111 (water rights). If the bill is not*
36 *enacted by June 30, 1997, the amount provided in this subsection shall*
37 *lapse.*

38 (6) *\$200,000 of the general fund--state appropriation for fiscal*
39 *year 1998 is provided solely for the implementation of Engrossed*

1 *Substitute House Bill No. 1118 (reopening a water rights claim filing*
2 *period). If the bill is not enacted by June 30, 1997, the amount*
3 *provided in this subsection shall lapse.*

4 (7) \$3,600,000 of the general fund--state appropriation for fiscal
5 year 1998 and \$3,600,000 of the general fund--state appropriation for
6 fiscal year 1999 are provided solely for the auto emissions inspection
7 and maintenance program. Expenditures of the amounts provided in this
8 subsection are contingent upon a like amount being deposited in the
9 general fund from the auto emission inspection fees in accordance with
10 RCW 70.120.170(4).

11 (8) \$170,000 of the oil spill administration account appropriation
12 is provided solely for implementation of the Puget Sound work plan
13 action item UW-02 through a contract with the University of
14 Washington's Sea Grant program in order to develop an educational
15 program that targets small spills from commercial fishing vessels,
16 ferries, cruise ships, ports, and marinas.

17 (9) The merger of the office of marine safety into the department
18 of ecology shall be accomplished in a manner that will maintain a
19 priority focus on oil spill prevention, as well as maintain a strong
20 oil spill response capability. The merged program shall be established
21 to provide a high level of visibility and ensure that there shall not
22 be a diminution of the existing level of effort from the merged
23 programs.

24 (10) The entire environmental excellence account appropriation is
25 provided solely for the implementation of Engrossed Second Substitute
26 House Bill No. 1866 (environmental excellence). If the bill is not
27 enacted by June 30, 1997, the amount provided in this subsection shall
28 lapse. In implementing the bill, the department shall organize the
29 needed expertise to process environmental excellence applications after
30 an application has been received.

31 (11) \$200,000 of the freshwater aquatic weeds account appropriation
32 is provided solely to address saltcedar weed problems.

33 (12) \$4,498,000 of the waste reduction/recycling/litter control
34 account appropriation is provided for fiscal year 1998 to be expended
35 in accordance with Second Substitute Senate Bill No. 5842 (litter
36 control and recycling). From the amount provided for fiscal year 1998,
37 the department shall provide \$352,000 through an interagency agreement
38 to the department of corrections to hire correctional crews to remove
39 litter in areas that are not accessible to youth crews. \$5,818,000 of

1 the waste reduction/recycling/litter control account appropriation is
2 provided for fiscal year 1999. The amount provided for fiscal year
3 1999 is to remain in unallotted status until the recommendations of the
4 task force established in Second Substitute Senate Bill No. 5842 are
5 acted upon by the legislature during the 1998 legislative session. If
6 Substitute Senate Bill No. 5842 is not enacted by June 30, 1997, the
7 amount provided for fiscal year 1999 shall lapse.

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

12 (14) \$29,000 of the general fund--state appropriation for fiscal
13 year 1998 and \$99,000 of the general fund--state appropriation for
14 fiscal year 1999 are provided solely for the implementation of
15 Substitute House Bill No. 1985 (landscape management plans). If the
16 bill is not enacted by June 30, 1997, the amounts provided in this
17 subsection shall lapse.

18 (15) \$60,000 of the freshwater aquatic weeds account appropriation
19 is provided solely for a grant to the department of fish and wildlife
20 to control and eradicate purple loosestrife using the most cost-
21 effective methods available, including chemical control where
22 appropriate.

23 (16) \$250,000 of the flood control assistance account appropriation
24 is provided solely as a reappropriation to complete the Skokomish
25 valley flood reduction plan. The amount provided in this subsection
26 shall be reduced by the amount expended from this account for the
27 Skokomish valley flood reduction plan during the biennium ending June
28 30, 1997.

29 *(17) The number of special purpose vehicles in the department's*
30 *fleet on July 1, 1997, shall be reduced by fifty percent as of June 30,*
31 *1999. Special purpose vehicles may be replaced by fuel efficient*
32 *economy vehicles or not replaced at all depending on the vehicle*
33 *requirements of the agency. An exception to this reduction in the*
34 *number of special purpose vehicles is provided for those special*
35 *purpose vehicles used by the department's youth corps program. Special*
36 *purpose vehicle is defined as a four-wheel drive off-road motor*
37 *vehicle.*

38 (18) \$600,000 of the flood control assistance account appropriation
39 is provided solely to complete flood control projects that were awarded

1 funds during the 1995-97 biennium. These funds shall be spent only to
2 complete projects that could not be completed during the 1995-97
3 biennium due to delays caused by weather or delays in the permitting
4 process.

5 (19) \$113,000 of the general fund--state appropriation for fiscal
6 year 1998 and \$112,000 of the general fund--state appropriation for
7 fiscal year 1999 are provided solely for implementation of Substitute
8 Senate Bill No. 5505 (assistance to water applicants). If the bill is
9 not enacted by June 30, 1997, the amounts provided in this subsection
10 shall lapse.

11 (20) \$70,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$70,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided solely for implementation of Substitute
14 Senate Bill No. 5785 (consolidation of groundwater rights). If the
15 bill is not enacted by June 30, 1997, the amounts provided in this
16 subsection shall lapse.

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

23 (22) \$35,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$35,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for implementation of Substitute
26 Senate Bill No. 5030 (lakewater irrigation). If the bill is not
27 enacted by June 30, 1997, the amounts provided in this subsection shall
28 lapse.

29 (23) \$500,000 of the general fund--state appropriation for fiscal
30 year 1998 and \$500,000 of the general fund--state appropriation for
31 fiscal year 1999 are provided solely for the continuation of the
32 southwest Washington coastal erosion study.

33 *Sec. 302 was partially vetoed. See message at end of chapter.

34 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
35 **COMMISSION**

36	General Fund--State Appropriation (FY 1998)	\$	21,026,000
37	General Fund--State Appropriation (FY 1999)	\$	20,835,000
38	General Fund--Federal Appropriation	\$	2,428,000

1	General Fund--Private/Local Appropriation	\$	59,000
2	Winter Recreation Program Account Appropriation . . .	\$	759,000
3	Off Road Vehicle Account Appropriation	\$	251,000
4	Snowmobile Account Appropriation	\$	2,290,000
5	Aquatic Lands Enhancement Account Appropriation . . .	\$	321,000
6	Public Safety and Education Account Appropriation . .	\$	48,000
7	Industrial Insurance Premium Refund Appropriation . .	\$	10,000
8	Waste Reduction/Recycling/Litter Control		
9	Appropriation	\$	34,000
10	Water Trail Program Account Appropriation	\$	14,000
11	Parks Renewal and Stewardship Account Appropriation .	\$	25,344,000
12	TOTAL APPROPRIATION	\$	73,419,000

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

15 (1) \$189,000 of the aquatic lands enhancement account appropriation
16 is provided solely for the implementation of the Puget Sound work plan
17 agency action items P&RC-01 and P&RC-03.

18 (2) \$264,000 of the general fund--federal appropriation is provided
19 for boater programs state-wide and for implementation of the Puget
20 Sound work plan.

21 (3) \$45,000 of the general fund--state appropriation for fiscal
22 year 1998 is provided solely for a feasibility study of a
23 public/private effort to establish a reserve for recreation and
24 environmental studies in southwest Kitsap county.

25 (4) Within the funds provided in this section, the state parks and
26 recreation commission shall provide to the legislature a status report
27 on implementation of the recommendations contained in the 1994 study on
28 the restructuring of Washington state parks. This status report shall
29 include an evaluation of the campsite reservation system including the
30 identification of any incremental changes in revenues associated with
31 implementation of the system and a progress report on other enterprise
32 activities being undertaken by the commission. The report may also
33 include recommendations on other revenue generating options. In
34 preparing the report, the commission is encouraged to work with
35 interested parties to develop a long-term strategy to support the park
36 system. The commission shall provide this report by December 1, 1997.

37 (5) \$85,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$165,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for development of underwater park
2 programs and facilities. The department shall work with the underwater
3 parks program task force to develop specific plans for the use of these
4 funds.

5 NEW SECTION. **Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR**
6 **RECREATION**

7	Firearms Range Account Appropriation	\$	46,000
8	Recreation Resources Account Appropriation	\$	2,352,000
9	NOVA Program Account Appropriation	\$	590,000
10	TOTAL APPROPRIATION	\$	2,988,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: Any proceeds from the sale of the PRISM
13 software system shall be deposited into the recreation resources
14 account.

15 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE**

16	General Fund Appropriation (FY 1998)	\$	780,000
17	General Fund Appropriation (FY 1999)	\$	773,000
18	TOTAL APPROPRIATION	\$	1,553,000

19 The appropriations in this section are subject to the following
20 conditions and limitations: \$4,000 of the general fund appropriation
21 for fiscal year 1998 and \$4,000 of the general fund appropriation for
22 fiscal year 1999 are provided solely to implement Substitute Senate
23 Bill No. 5119 (forest practices appeals board). If this bill is not
24 enacted by June 30, 1997, \$4,000 of the general fund appropriation for
25 fiscal year 1998 and \$4,000 of the general fund appropriation for
26 fiscal year 1999 shall lapse.

27 NEW SECTION. **Sec. 306. FOR THE CONSERVATION COMMISSION**

28	General Fund Appropriation (FY 1998)	\$	838,000
29	General Fund Appropriation (FY 1999)	\$	840,000
30	Water Quality Account Appropriation	\$	440,000
31	TOTAL APPROPRIATION	\$	2,118,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$181,000 of the general fund appropriation

1 for fiscal year 1998, \$181,000 of the general fund appropriation for
 2 fiscal year 1999, and \$130,000 of the water quality account
 3 appropriation are provided solely for the implementation of the Puget
 4 Sound work plan agency action item CC-01.

5 ****NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE***

6	<i>General Fund--State Appropriation (FY 1998)</i>	<i>\$ 36,049,000</i>
7	<i>General Fund--State Appropriation (FY 1999)</i>	<i>\$ 36,571,000</i>
8	<i>General Fund--Federal Appropriation</i>	<i>\$ 73,015,000</i>
9	<i>General Fund--Private/Local Appropriation</i>	<i>\$ 26,758,000</i>
10	<i>Off Road Vehicle Account Appropriation</i>	<i>\$ 488,000</i>
11	<i>Aquatic Lands Enhancement Account Appropriation . . .</i>	<i>\$ 5,593,000</i>
12	<i>Public Safety and Education Account Appropriation . .</i>	<i>\$ 590,000</i>
13	<i>Industrial Insurance Premium Refund Appropriation . .</i>	<i>\$ 120,000</i>
14	<i>Recreational Fisheries Enhancement Appropriation . .</i>	<i>\$ 2,387,000</i>
15	<i>Warm Water Game Fish Account Appropriation</i>	<i>\$ 2,419,000</i>
16	<i>Wildlife Account Appropriation</i>	<i>\$ 52,372,000</i>
17	<i>Game Special Wildlife Account--State Appropriation .</i>	<i>\$ 1,911,000</i>
18	<i>Game Special Wildlife Account--Federal Appropriation</i>	<i>\$ 10,844,000</i>
19	<i>Game Special Wildlife Account--Private/Local</i>	
20	<i>Appropriation</i>	<i>\$ 350,000</i>
21	<i>Oil Spill Administration Account Appropriation . . .</i>	<i>\$ 843,000</i>
22	<i>Environmental Excellence Account Appropriation . . .</i>	<i>\$ 20,000</i>
23	<i>Eastern Washington Pheasant Enhancement Account</i>	
24	<i>Appropriation</i>	<i>\$ 547,000</i>
25	<i>TOTAL APPROPRIATION</i>	<i>\$ 250,877,000</i>

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

28 *(1) \$1,181,000 of the general fund--state appropriation for fiscal*
 29 *year 1998 and \$1,181,000 of the general fund--state appropriation for*
 30 *fiscal year 1999 are provided solely for the implementation of the*
 31 *Puget Sound work plan agency action items DFW-01, DFW-03, DFW-04, and*
 32 *DFW-8 through DFW-15.*

33 *(2) \$188,000 of the general fund--state appropriation for fiscal*
 34 *year 1998 and \$155,000 of the general fund--state appropriation for*
 35 *fiscal year 1999 are provided solely for a maintenance and inspection*
 36 *program for department-owned dams. The department shall submit a*
 37 *report to the governor and the appropriate legislative committees by*

1 October 1, 1998, on the status of department-owned dams. This report
2 shall provide a recommendation, including a cost estimate, on whether
3 each facility should continue to be maintained or should be
4 decommissioned.

5 (3) \$832,000 of the general fund--state appropriation for fiscal
6 year 1998 and \$825,000 of the general fund--state appropriation for
7 fiscal year 1999 are provided solely to implement salmon recovery
8 activities and other actions required to respond to federal listings of
9 salmon species under the endangered species act.

10 (4) \$350,000 of the wildlife account appropriation, \$72,000 of the
11 general fund--state appropriation for fiscal year 1998, and \$73,000 of
12 the general fund--state appropriation for fiscal year 1999 are provided
13 solely for control and eradication of class B designate weeds on
14 department owned and managed lands. The amounts from the general
15 fund--state appropriations are provided solely for control of spartina.

16 (5) \$140,000 of the wildlife account appropriation is provided
17 solely for a cooperative effort with the department of agriculture for
18 research and eradication of purple loosestrife on state lands.

19 (6) In controlling weeds on state-owned lands, the department shall
20 use the most cost-effective methods available, including chemical
21 control where appropriate, and the department shall report to the
22 appropriate committees of the legislature by January 1, 1998, on
23 control methods, costs, and acres treated during the previous year.

24 (7) A maximum of \$1,000,000 is provided from the wildlife fund for
25 fiscal year 1998. The amount provided in this subsection is for the
26 emergency feeding of deer and elk that may be starving and that are
27 posing a risk to private property due to severe winter conditions
28 during the winter of 1997-98. The amount expended under this
29 subsection must not exceed the amount raised pursuant to section 3 of
30 Substitute House Bill No. 1478. Of the amount expended under this
31 subsection, not more than fifty percent may be from fee revenue
32 generated pursuant to section 3 of Substitute House Bill No. 1478. If
33 the bill is not enacted by June 30, 1997, the amount provided in this
34 subsection shall lapse.

35 (8) \$193,000 of the general fund--state appropriation for fiscal
36 year 1998, \$194,000 of the general fund--state appropriation for fiscal
37 year 1999, and \$300,000 of the wildlife account appropriation are
38 provided solely for the design and development of an automated license
39 system.

1 (9) The department is directed to offer for sale its Cessna 421
2 aircraft by June 30, 1998. Proceeds from the sale shall be deposited
3 in the wildlife account.

4 (10) \$500,000 of the general fund--state appropriation for fiscal
5 year 1998 and \$500,000 of the general fund--state appropriation for
6 fiscal year 1999 are provided solely to continue the department's
7 habitat partnerships program during the 1997-99 biennium.

8 (11) \$350,000 of the general fund--state appropriation for fiscal
9 year 1998 and \$350,000 of the general fund--state appropriation for
10 fiscal year 1999 are provided solely for purchase of monitoring
11 equipment necessary to fully implement mass marking of coho salmon.

12 (12) \$238,000 of the general fund--state appropriation for fiscal
13 year 1998 and \$219,000 of the general fund--state appropriation for
14 fiscal year 1999 are provided solely for the implementation of
15 Substitute House Bill No. 1985 (landscape management plans). If the
16 bill is not enacted by June 30, 1997, the amounts provided in this
17 subsection shall lapse.

18 (13) \$150,000 of the general fund--state appropriation for fiscal
19 year 1998 and \$150,000 of the general fund--state appropriation for
20 fiscal year 1999 are provided solely for a contract with the United
21 States department of agriculture to carry out animal damage control
22 projects throughout the state related to cougars, bears, and coyotes.

23 (14) \$97,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$98,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely to implement animal damage control
26 programs for Canada geese in the lower Columbia river basin.

27 (15) \$170,000 of the general fund--state appropriation for fiscal
28 year 1998, \$170,000 of the general fund--state appropriation for fiscal
29 year 1999, and \$360,000 of the wildlife account appropriation are
30 provided solely to hire additional enforcement officers to address
31 problem wildlife throughout the state.

32 (16) \$197,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$196,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely to implement Substitute Senate
35 Bill No. 5120 (remote site incubators). If the bill is not enacted by
36 June 30, 1997, the amounts provided in this subsection shall lapse.

37 (17) \$133,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$133,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely to implement Substitute Senate

1 *Bill No. 5442 (flood control permitting). If the bill is not enacted*
2 *by June 30, 1997, the amounts provided in this subsection shall lapse.*

3 *(18) \$105,000 of the recreational fisheries enhancement account*
4 *appropriation is provided solely for implementation of Substitute*
5 *Senate Bill No. 5886 (regional enhancement groups). If the bill is not*
6 *enacted by June 30, 1997, the amounts provided in this subsection shall*
7 *lapse.*

8 *(19) \$100,000 of the aquatic lands enhancement account*
9 *appropriation is provided solely for grants to the regional fisheries*
10 *enhancement groups.*

11 *(20) \$547,000 of the eastern Washington pheasant enhancement*
12 *account appropriation is provided solely for implementation of*
13 *Substitute Senate Bill No. 5104 (pheasant enhancement program). If the*
14 *bill is not enacted by June 30, 1997, the amounts provided in this*
15 *subsection shall lapse.*

16 *(21) \$150,000 of the general fund--state appropriation for fiscal*
17 *year 1998 and \$150,000 of the general fund--state appropriation for*
18 *fiscal year 1999 are provided solely to hire Washington conservation*
19 *corps crews to maintain department-owned and managed lands.*

20 *(22) The entire environmental excellence account appropriation is*
21 *provided solely for implementation of Engrossed Second Substitute House*
22 *Bill No. 1866 (environmental excellence). If the bill is not enacted*
23 *by June 30, 1997, the entire appropriation is null and void.*

24 *(23) \$156,000 of the recreational fisheries enhancement*
25 *appropriation is provided solely for Substitute Senate Bill No. 5102*
26 *(fishing license surcharge). If the bill is not enacted by June 30,*
27 *1997, the amount provided in this subsection shall lapse.*

28 *(24) \$25,000 of the general fund--state appropriation for fiscal*
29 *year 1998 and \$25,000 of the general fund--state appropriation for*
30 *fiscal year 1999 are provided solely for staffing and operation of the*
31 *Tenant Lake interpretive center.*

32 **Sec. 307 was vetoed. See message at end of chapter.*

33 NEW SECTION. **Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

34	General Fund--State Appropriation (FY 1998)	\$	25,117,000
35	General Fund--State Appropriation (FY 1999)	\$	25,518,000
36	General Fund--Federal Appropriation	\$	1,156,000
37	General Fund--Private/Local Appropriation	\$	422,000
38	Forest Development Account Appropriation	\$	49,923,000

1	Off Road Vehicle Account Appropriation	\$	3,628,000
2	Surveys and Maps Account Appropriation	\$	2,088,000
3	Aquatic Lands Enhancement Account Appropriation . . .	\$	4,869,000
4	Resources Management Cost Account Appropriation . . .	\$	89,613,000
5	Waste Reduction/Recycling/Litter Control		
6	Appropriation	\$	450,000
7	Surface Mining Reclamation Account Appropriation . .	\$	1,420,000
8	Aquatic Land Dredged Material Disposal Site Account		
9	Appropriation	\$	751,000
10	Natural Resources Conservation Areas Stewardship		
11	Account Appropriation	\$	77,000
12	Air Pollution Control Account Appropriation	\$	890,000
13	Metals Mining Account Appropriation	\$	62,000
14	TOTAL APPROPRIATION	\$	205,984,000

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

17 (1) \$7,017,000 of the general fund--state appropriation for fiscal
18 year 1998 and \$6,900,000 of the general fund--state appropriation for
19 fiscal year 1999 are provided solely for emergency fire suppression.

20 (2) \$18,000 of the general fund--state appropriation for fiscal
21 year 1998, \$18,000 of the general fund--state appropriation for fiscal
22 year 1999, and \$957,000 of the aquatic lands enhancement account
23 appropriation are provided solely for the implementation of the Puget
24 Sound work plan agency action items DNR-01, DNR-02, and DNR-04.

25 (3) \$450,000 of the resource management cost account appropriation
26 is provided solely for the control and eradication of class B designate
27 weeds on state lands. The department shall use the most cost-effective
28 methods available, including chemical control where appropriate, and
29 report to the appropriate committees of the legislature by January 1,
30 1998, on control methods, costs, and acres treated during the previous
31 year.

32 (4) \$2,682,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$3,063,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely for fire protection activities.

35 (5) \$541,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$549,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for the stewardship of natural

1 area preserves, natural resource conservation areas, and the operation
2 of the natural heritage program.

3 (6) \$2,300,000 of the aquatic lands enhancement account
4 appropriation is provided for the department's portion of the Eagle
5 Harbor settlement.

6 (7) \$195,000 of the general fund--state appropriation for fiscal
7 year 1998 and \$220,000 of the general fund--state appropriation for
8 fiscal year 1999 are provided solely for the implementation of
9 Substitute House Bill No. 1985 (landscape management plans). If the
10 bill is not enacted by June 30, 1997, the amounts provided in this
11 subsection shall lapse.

12 (8) \$600,000 of the general fund--state appropriation for fiscal
13 year 1998 and \$600,000 of the general fund--state appropriation for
14 fiscal year 1999 are provided solely for the cooperative monitoring,
15 evaluation, and research projects related to implementation of the
16 timber-fish-wildlife agreement.

17 (9) \$6,568,000 of the forest development account appropriation is
18 provided solely for silviculture activities on forest board lands. To
19 the extent that forest board counties apply for reconveyance of lands
20 pursuant to Substitute Senate Bill No. 5325 (county land transfers),
21 the amount provided in this subsection shall be reduced by an amount
22 equal to the estimated silvicultural expenditures planned in each
23 county that applies for reconveyance.

24 NEW SECTION. **Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

25	General Fund--State Appropriation (FY 1998)	\$	7,596,000
26	General Fund--State Appropriation (FY 1999)	\$	7,008,000
27	General Fund--Federal Appropriation	\$	4,716,000
28	General Fund--Private/Local Appropriation	\$	405,000
29	Aquatic Lands Enhancement Account Appropriation	\$	806,000
30	Industrial Insurance Premium Refund Appropriation	\$	184,000
31	State Toxics Control Account Appropriation	\$	1,338,000
32	TOTAL APPROPRIATION	\$	22,053,000

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

35 (1) \$35,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$36,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for technical assistance on

1 pesticide management including the implementation of the Puget Sound
2 work plan agency action item DOA-01.

3 (2) \$461,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$361,000 of the general fund--federal appropriation are
5 provided solely to monitor and eradicate the Asian gypsy moth.

6 (3) \$138,000 of the general fund--state appropriation for fiscal
7 year 1998 and \$138,000 of the general fund--state appropriation for
8 fiscal year 1999 are provided solely for two additional staff positions
9 in the plant protection program.

10 (4) \$12,000 of the general fund--state appropriation for fiscal
11 year 1998 and \$13,000 of the general fund--state appropriation for
12 fiscal year 1999 are provided solely for the implementation of
13 Substitute Senate Bill No. 5077 (integrated pest management). If the
14 bill is not enacted by June 30, 1997, the amount provided in this
15 subsection shall lapse.

16 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
17 **REINSURANCE PROGRAM**

18 Pollution Liability Insurance Program Trust Account
19 Appropriation \$ 909,000

20 (End of part)

PART IV
TRANSPORTATION

NEW SECTION. **Sec. 401. FOR THE DEPARTMENT OF LICENSING**

4	General Fund Appropriation (FY 1998)	\$	4,536,000
5	General Fund Appropriation (FY 1999)	\$	4,409,000
6	Architects' License Account Appropriation	\$	857,000
7	Cemetery Account Appropriation	\$	188,000
8	Professional Engineers' Account Appropriation	\$	2,674,000
9	Real Estate Commission Account Appropriation	\$	6,708,000
10	Master License Account Appropriation	\$	6,998,000
11	Uniform Commercial Code Account Appropriation	\$	4,291,000
12	Real Estate Education Account Appropriation	\$	606,000
13	Funeral Directors And Embalmers Account Appropriation	\$	409,000
14	TOTAL APPROPRIATION	\$	31,676,000

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

17 (1) \$21,000 of the general fund fiscal year 1998 appropriation and
18 \$22,000 of the general fund fiscal year 1999 appropriation are provided
19 solely to implement House Bill No. 1827 or Senate Bill No. 5754
20 (boxing, martial arts, wrestling). If neither bill is enacted by June
21 30, 1997, the amounts provided in this subsection shall lapse.

22 (2) \$40,000 of the master license account appropriation is provided
23 solely to implement Substitute Senate Bill No. 5483 (whitewater river
24 outfitters). If the bill is not enacted by June 30, 1997, the amount
25 provided in this subsection shall lapse.

26 (3) \$229,000 of the general fund fiscal year 1998 appropriation and
27 \$195,000 of the general fund fiscal year 1999 appropriation are
28 provided solely for the implementation of Senate Bill No. 5997
29 (cosmetology inspections). If the bill is not enacted by June 30,
30 1997, the amount provided in this subsection shall lapse.

31 (4) \$31,000 of the general fund fiscal year 1998 appropriation,
32 \$1,000 of the general fund fiscal 1999 appropriation, \$7,000 of the
33 architects' license account appropriation, \$18,000 of the professional
34 engineers' account appropriation, \$14,000 of the real estate commission
35 account appropriation, \$40,000 of the master license account

1 appropriation, and \$3,000 of the funeral directors and embalmers
2 account appropriation are provided solely for the implementation of
3 Engrossed House Bill No. 3901 (implementing welfare reform). If the
4 bill is not enacted by June 30, 1997, the amounts provided in this
5 subsection shall lapse.

6 (5) \$17,000 of the professional engineers' account appropriation is
7 provided solely to implement Senate Bill No. 5266 (engineers/land
8 surveyors). If the bill is not enacted by June 30, 1997, the amount
9 provided in this subsection shall lapse.

10 (6) \$110,000 of the general fund fiscal year 1998 appropriation is
11 provided solely to implement Senate Bill No. 5998 (cosmetology advisory
12 board). If the bill is not enacted by June 30, 1997, the amount
13 provided in this subsection shall lapse.

14 (7) \$74,000 of the uniform commercial code account appropriation is
15 provided solely to implement Engrossed Senate Bill No. 5163 (UCC
16 filing). If the bill is not enacted by June 30, 1997, the amount
17 provided in this subsection shall lapse.

18 (8) \$11,000 of the general fund fiscal year 1998 appropriation and
19 \$2,000 of the general fund fiscal year 1999 appropriation are provided
20 solely to implement Substitute House Bill No. 1748 or Substitute Senate
21 Bill No. 5513 (vessel registration). If neither bill is enacted by
22 June 30, 1997, the amount provided in this subsection shall lapse.

23 NEW SECTION. **Sec. 402. FOR THE STATE PATROL**

24	General Fund--State Appropriation (FY 1998)	\$	7,712,000
25	General Fund--State Appropriation (FY 1999)	\$	7,850,000
26	General Fund--Federal Appropriation	\$	3,990,000
27	General Fund--Private/Local Appropriation	\$	341,000
28	Public Safety and Education Account Appropriation . .	\$	4,652,000
29	County Criminal Justice Assistance Account		
30	Appropriation	\$	3,905,000
31	Municipal Criminal Justice Assistance Account		
32	Appropriation	\$	1,573,000
33	Fire Service Trust Account Appropriation	\$	92,000
34	Fire Service Training Account Appropriation	\$	1,762,000
35	State Toxics Control Account Appropriation	\$	439,000
36	Violence Reduction and Drug Enforcement Account		
37	Appropriation	\$	310,000
38	Fingerprint Identification Account Appropriation . .	\$	3,082,000

1 TOTAL APPROPRIATION \$ 35,708,000

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

4 (1) \$254,000 of the fingerprint identification account
5 appropriation is provided solely for an automated system that will
6 facilitate the access of criminal history records remotely by computer
7 or telephone for preemployment background checks and other non-law
8 enforcement purposes. The agency shall submit an implementation status
9 report to the office of financial management and the legislature by
10 September 1, 1997.

11 (2) \$264,000 of the general fund--federal appropriation is provided
12 solely for a feasibility study to develop a criminal investigation
13 computer system. The study will report on the feasibility of
14 developing a system that uses incident-based reporting as its
15 foundation, consistent with FBI standards. The system will have the
16 capability of connecting with local law enforcement jurisdictions as
17 well as fire protection agencies conducting arson investigations. The
18 study will report on the system requirements for incorporating case
19 management, intelligence data, imaging, and geographic information.
20 The system will also provide links to existing crime information
21 databases such as WASIS and WACIC. The agency shall submit a copy of
22 the proposed study workplan to the office of financial management and
23 the department of information services for approval prior to
24 expenditure. A final report shall be submitted to the appropriate
25 committees of the legislature, the office of financial management, and
26 the department of information services no later than June 30, 1998.

27 (End of part)

1 PART V
2 EDUCATION

3 *NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC
4 INSTRUCTION--FOR STATE ADMINISTRATION

5 General Fund--State Appropriation (FY 1998)	\$ 24,575,000
6 General Fund--State Appropriation (FY 1999)	\$ 46,152,000
7 General Fund--Federal Appropriation	\$ 49,439,000
8 Public Safety and Education Account	
9 Appropriation	\$ 2,598,000
10 Health Services Account Appropriation	\$ 400,000
11 Violence Reduction and Drug Enforcement Account	
12 Appropriation	\$ 3,672,000
13 Education Savings Account Appropriation	\$ 29,312,000
14 TOTAL APPROPRIATION	\$ 156,148,000

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

17 (1) AGENCY OPERATIONS

18 (a) \$394,000 of the general fund--state appropriation for fiscal
19 year 1998 and \$394,000 of the general fund--state appropriation for
20 fiscal year 1999 are provided solely for the operation and expenses of
21 the state board of education, including basic education assistance
22 activities.

23 (b)(i) \$250,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$250,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for enhancing computer systems and
26 support in the office of superintendent of public instruction. These
27 amounts shall be used to: Make a database of school information
28 available electronically to schools, state government, and the general
29 public; reduce agency and school district administrative costs through
30 more effective use of technology; and replace paper reporting and
31 publication to the extent feasible with electronic media. The
32 superintendent, in cooperation with the commission on student learning,
33 shall develop a state student record system including elements
34 reflecting student achievement. The system shall be made available to

1 the office of financial management and the legislature with suitable
2 safeguards of student confidentiality. The superintendent shall report
3 to the office of financial management and the legislative fiscal
4 committees by December 1 of each year of the biennium on the progress
5 and plans for the expenditure of these amounts.

6 (ii) The superintendent, in cooperation with the commission on
7 student learning, shall develop a feasibility plan for a state student
8 record system, including elements reflecting student academic
9 achievement on goals 1 and 2 under RCW 28A.150.210. The feasibility
10 plan shall be made available to the office of financial management and
11 the fiscal and education committees of the legislature for approval
12 before a student records database is established, and shall identify
13 data elements to be collected and suitable safeguards of student
14 confidentiality and proper use of database records, with particular
15 attention to eliminating unnecessary and intrusive data about
16 nonacademic related information.

17 (c) \$348,000 of the public safety and education account
18 appropriation is provided solely for administration of the traffic
19 safety education program, including in-service training related to
20 instruction in the risks of driving while under the influence of
21 alcohol and other drugs.

22 (d) \$50,000 of the general fund--state appropriation for fiscal
23 year 1998 and \$50,000 of the general fund--state appropriation for
24 fiscal year 1999 are provided solely to implement Substitute Senate
25 Bill No. 5394 or Substitute House Bill No. 1776 (school audit
26 resolutions). If neither bill is enacted by June 30, 1997, the amounts
27 provided in this subsection shall lapse.

28 (e) The superintendent of public instruction shall not accept,
29 allocate, or expend any federal funds to implement the federal goals
30 2000 program.

31 (2) STATE-WIDE PROGRAMS

32 (a) \$2,174,000 of the general fund--state appropriation is provided
33 for in-service training and educational programs conducted by the
34 Pacific Science Center.

35 (b) \$63,000 of the general fund--state appropriation is provided
36 for operation of the Cispus environmental learning center.

37 (c) \$2,754,000 of the general fund--state appropriation is provided
38 for educational centers, including state support activities.

1 (d) \$2,500,000 of the general fund--state fiscal year 1998
2 appropriation and \$2,500,000 of the general fund--state fiscal year
3 1999 appropriation are for initiatives to improve reading in early
4 grades as identified in legislation enacted by the 1997 legislature,
5 including Second Substitute Senate Bill No. 5508 and Engrossed Second
6 Substitute House Bill No. 2042, including section 4 of the bill.
7 Amounts appropriated in this subsection 2(d) shall lapse unless both
8 bills are enacted as passed by the legislature.

9 (e) \$3,672,000 of the violence reduction and drug enforcement
10 account appropriation and \$2,250,000 of the public safety education
11 account appropriation are provided solely for matching grants to
12 enhance security in schools. Not more than seventy-five percent of a
13 district's total expenditures for school security in any school year
14 may be paid from a grant under this subsection. The grants shall be
15 expended solely for the costs of employing or contracting for building
16 security monitors in schools during school hours and school events. Of
17 the amount provided in this subsection, at least \$2,850,000 shall be
18 spent for grants to districts that, during the 1988-89 school year,
19 employed or contracted for security monitors in schools during school
20 hours. However, these grants may be used only for increases in school
21 district expenditures for school security over expenditure levels for
22 the 1988-89 school year.

23 (f) \$200,000 of the general fund--state appropriation for fiscal
24 year 1998, \$200,000 of the general fund--state appropriation for fiscal
25 year 1999, and \$400,000 of the general fund--federal appropriation
26 transferred from the department of health are provided solely for a
27 program that provides grants to school districts for media campaigns
28 promoting sexual abstinence and addressing the importance of delaying
29 sexual activity, pregnancy, and childbearing until individuals are
30 ready to nurture and support their children. Grants to the school
31 districts shall be for projects that are substantially designed and
32 produced by students. The grants shall require a local private sector
33 match equal to one-half of the state grant, which may include in-kind
34 contribution of technical or other assistance from consultants or firms
35 involved in public relations, advertising broadcasting, and graphics or
36 video production or other related fields.

37 (g) \$1,500,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$1,500,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely for school district petitions to

1 juvenile court for truant students as provided in RCW 28A.225.030 and
2 28A.225.035. Allocation of this money to school districts shall be
3 based on the number of petitions filed.

4 (h) \$300,000 of the general fund--state appropriation is provided
5 for alcohol and drug prevention programs pursuant to RCW 66.08.180.

6 (i)(i) \$5,000,000 of the general fund--state appropriation and
7 \$14,656,000 of the education savings account appropriation for fiscal
8 year 1998 and \$5,000,000 of the general fund--state appropriation and
9 \$14,656,000 of the education savings account appropriation for fiscal
10 year 1999 are provided solely for matching grants and related state
11 activities to provide school district consortia with programs utilizing
12 technology to improve learning. A maximum of \$100,000 each fiscal year
13 of this amount is provided for administrative support and oversight of
14 the K-20 network by the superintendent of public instruction. The
15 superintendent of public instruction shall convene a technology grants
16 committee representing private sector technology, school districts, and
17 educational service districts to recommend to the superintendent grant
18 proposals that have the best plans for improving student learning
19 through innovative curriculum using technology as a learning tool and
20 evaluating the effectiveness of the curriculum innovations. After
21 considering the technology grants committee recommendations, the
22 superintendent shall make matching grant awards, including granting at
23 least fifteen percent of funds on the basis of criteria in (ii)(A)
24 through (C) of this subsection (2)(h).

25 (ii) Priority for award of funds will be to (A) school districts
26 most in need of assistance due to financial limits, (B) school
27 districts least prepared to take advantage of technology as a means of
28 improving student learning, and (C) school districts in economically
29 distressed areas. The superintendent of public instruction, in
30 consultation with the technology grants committee, shall propose
31 options to the committee for identifying and prioritizing districts
32 according to criteria in (i) and (ii) of this subsection (2)(i).

33 (iii) Options for review criteria to be considered by the
34 superintendent of public instruction include, but are not limited to,
35 free and reduced lunches, levy revenues, ending fund balances,
36 equipment inventories, and surveys of technology preparedness. An
37 "economically distressed area" is (A) a county with an unemployment
38 rate that is at least twenty percent above the state-wide average for
39 the previous three years; (B) a county that has experienced sudden and

1 severe or long-term and severe loss of employment, or erosion of its
2 economic base resulting in decline of its dominant industries; or (C)
3 a district within a county which (I) has at least seventy percent of
4 its families and unrelated individuals with incomes below eighty
5 percent of the county's median income for families and unrelated
6 individuals; and (II) has an unemployment rate which is at least forty
7 percent higher than the county's unemployment rate.

8 (j) \$50,000 of the general fund--state appropriations is provided
9 as matching funds for district contributions to provide analysis of the
10 efficiency of school district business practices. The superintendent
11 of public instruction shall establish criteria, make awards, and
12 provide a report to the fiscal committees of the legislature by
13 December 15, 1997, on the progress and details of analysis funded under
14 this subsection (2)(j).

15 (k) \$1,816,000 of the general fund--state fiscal year 1998
16 appropriation and \$3,378,000 of the general fund--state fiscal year
17 1999 appropriation are provided solely to implement Engrossed Second
18 Substitute House Bill No. 2019, Substitute Senate Bill No. 5764, or
19 Senate Bill No. 7901 (charter schools). If none of the bills is
20 enacted by June 30, 1997, the amounts provided in this subsection shall
21 lapse.

22 (i) The fiscal year 1998 amount appropriated in this subsection is
23 provided for expenditure as follows:

24 (A) A maximum of \$300,000 for the appeals process;

25 (B) A maximum of \$75,000 for the study of charter schools;

26 (C) A maximum of \$530,000 for startup loans; and

27 (D) \$911,000 for apportionment to charter schools based on
28 enrollment and other workload factors.

29 (ii) The fiscal year 1999 amount appropriated in this subsection is
30 provided for expenditure as follows:

31 (A) A maximum of \$300,000 for the appeals process;

32 (B) A maximum of \$75,000 for the study of charter schools;

33 (C) A maximum of \$532,000 for startup loans; and

34 (D) \$2,471,000 for apportionment to charter schools based on
35 enrollment and other workload factors.

36 (l) \$19,977,000 of the general fund--state appropriation for fiscal
37 year 1999 is provided solely for the purchase of classroom
38 instructional materials and supplies. The superintendent shall
39 allocate the funds at a maximum rate of \$20.82 per full-time equivalent

1 student, beginning September 1, 1998, and ending June 30, 1999. The
2 expenditure of the funds shall be determined at each school site by the
3 school building staff, parents, and the community. School districts
4 shall distribute all funds received to school buildings without
5 deduction.

6 (m) \$15,000 of the general fund--state appropriation is provided
7 solely to assist local districts vocational education programs in
8 applying for low frequency FM radio licenses with the federal
9 communications commission.

10 (n) \$35,000 of the general fund--state appropriation is provided
11 solely to the state board of education to design a program to encourage
12 high school students and other adults to pursue careers as vocational
13 education teachers in the subject matter of agriculture.

14 (o) \$25,000 of the general fund--state appropriation for fiscal
15 year 1998 and \$25,000 of the general fund--state appropriation for
16 fiscal year 1999 are provided solely for allocation to the primary
17 coordinators of the state geographic alliance to improve the teaching
18 of geography in schools.

19 (p) \$1,000,000 of the general fund--state appropriation is provided
20 for state administrative costs and start-up grants for alternative
21 programs and services that improve instruction and learning for at-risk
22 students consistent with the objectives of Engrossed Substitute House
23 Bill No. 1378 (educational opportunities). Each grant application
24 shall contain proposed performance indicators and an evaluation plan to
25 measure the success of the program and its impact on improved student
26 learning. Applications shall contain the applicant's plan for
27 maintaining the program and/or services after the grant period, shall
28 address the needs of students who cannot be accommodated within the
29 framework of existing school programs or services and shall address how
30 the applicant will serve any student within the proposed program's
31 target age range regardless of the reason for truancy, suspension,
32 expulsion, or other disciplinary action. Up to \$50,000 per year may be
33 used by the superintendent of public instruction for grant
34 administration. The superintendent shall submit an evaluation of the
35 alternative program start-up grants provided under this section, and
36 section 501(2)(q), chapter 283, Laws of 1996, to the fiscal and
37 education committees of the legislature by November 15, 1998. Grants
38 shall be awarded to applicants showing the greatest potential for
39 improved student learning for at-risk students including:

- 1 (i) Students who have been suspended, expelled, or are subject to
- 2 other disciplinary actions;
- 3 (ii) Students with unexcused absences who need intervention from
- 4 community truancy boards or family support programs;
- 5 (iii) Students who have left school; and
- 6 (iv) Students involved with the court system.

7 The office of the superintendent of public instruction shall
 8 prepare a report describing student recruitment, program offerings,
 9 staffing practices, and available indicators of program effectiveness
 10 of alternative education programs funded with state and, to the extent
 11 information is available, local funds. The report shall contain a plan
 12 for conducting an evaluation of the educational effectiveness of
 13 alternative education programs.

14 *Sec. 501 was vetoed. See message at end of chapter.

15 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
 16 **INSTRUCTION--FOR GENERAL APPORTIONMENT (BASIC EDUCATION)**

17	General Fund Appropriation (FY 1998)	. . . . .	\$3,429,727,000
18	General Fund Appropriation (FY 1999)	. . . . .	\$3,511,157,000
19	TOTAL APPROPRIATION	. . . . .	\$6,940,884,000

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

22 (1) The appropriation for fiscal year 1998 includes such funds as
 23 are necessary for the remaining months of the 1996-97 school year.

24 (2) Allocations for certificated staff salaries for the 1997-98 and
 25 1998-99 school years shall be determined using formula-generated staff
 26 units calculated pursuant to this subsection. Staff allocations for
 27 small school enrollments in (d) through (f) of this subsection shall be
 28 reduced for vocational full-time equivalent enrollments. Staff
 29 allocations for small school enrollments in grades K-6 shall be the
 30 greater of that generated under (a) of this subsection, or under (d)
 31 and (e) of this subsection. Certificated staffing allocations shall be
 32 as follows:

33 (a) On the basis of each 1,000 average annual full-time equivalent
 34 enrollments, excluding full-time equivalent enrollment otherwise
 35 recognized for certificated staff unit allocations under (c) through
 36 (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) An additional 5.3 certificated instructional staff units for
6 grades K-3. Any funds allocated for these additional certificated
7 units shall not be considered as basic education funding;

8 (A) Funds provided under this subsection (2)(a)(iii) in excess of
9 the amount required to maintain the statutory minimum ratio established
10 under RCW 28A.150.260(2)(b) shall be allocated only if the district
11 documents an actual ratio equal to or greater than 54.3 certificated
12 instructional staff per thousand full-time equivalent students in
13 grades K-3. For any school district documenting a lower certificated
14 instructional staff ratio, the allocation shall be based on the
15 district's actual grades K-3 certificated instructional staff ratio
16 achieved in that school year, or the statutory minimum ratio
17 established under RCW 28A.150.260(2)(b), if greater;

18 (B) Districts at or above 51.0 certificated instructional staff per
19 one thousand full-time equivalent students in grades K-3 may dedicate
20 up to 1.3 of the 54.3 funding ratio to employ additional classified
21 instructional assistants assigned to basic education classrooms in
22 grades K-3. For purposes of documenting a district's staff ratio under
23 this section, funds used by the district to employ additional
24 classified instructional assistants shall be converted to a
25 certificated staff equivalent and added to the district's actual
26 certificated instructional staff ratio. Additional classified
27 instructional assistants, for the purposes of this subsection, shall be
28 determined using the 1989-90 school year as the base year;

29 (C) Any district maintaining a ratio equal to or greater than 54.3
30 certificated instructional staff per thousand full-time equivalent
31 students in grades K-3 may use allocations generated under this
32 subsection (2)(a)(iii) in excess of that required to maintain the
33 minimum ratio established under RCW 28A.150.260(2)(b) to employ
34 additional basic education certificated instructional staff or
35 classified instructional assistants in grades 4-6. Funds allocated
36 under this subsection (2)(a)(iii) shall only be expended to reduce
37 class size in grades K-6. No more than 1.3 of the certificated
38 instructional funding ratio amount may be expended for provision of
39 classified instructional assistants; and

1 (iv) Forty-six certificated instructional staff units per thousand
2 full-time equivalent students in grades 4-12;

3 (b) For school districts with a minimum enrollment of 250 full-time
4 equivalent students whose full-time equivalent student enrollment count
5 in a given month exceeds the first of the month full-time equivalent
6 enrollment count by 5 percent, an additional state allocation of 110
7 percent of the share that such increased enrollment would have
8 generated had such additional full-time equivalent students been
9 included in the normal enrollment count for that particular month;

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

11 (i) Vocational education programs approved by the superintendent of
12 public instruction, a maximum of 0.92 certificated instructional staff
13 units and 0.08 certificated administrative staff units for each 18.3
14 full-time equivalent vocational students. Beginning with the 1998-99
15 school year, districts documenting staffing ratios of less than 1
16 certificated staff per 18.3 students shall be allocated the greater of
17 the total ratio in subsections (2)(a)(i) and (iv) of this section or
18 the actual documented ratio;

19 (ii) Skills center programs approved by the superintendent of
20 public instruction, 0.92 certificated instructional staff units and
21 0.08 certificated administrative units for each 16.67 full-time
22 equivalent vocational students;

23 (iii) Indirect cost charges, as defined by the superintendent of
24 public instruction, to vocational-secondary programs shall not exceed
25 10 percent; and

26 (iv) Vocational full-time equivalent enrollment shall be reported
27 on the same monthly basis as the enrollment for students eligible for
28 basic support, and payments shall be adjusted for reported vocational
29 enrollments on the same monthly basis as those adjustments for
30 enrollment for students eligible for basic support.

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

37 (i) For those enrolling no students in grades 7 and 8, 1.76
38 certificated instructional staff units and 0.24 certificated
39 administrative staff units for enrollment of not more than five

1 students, plus one-twentieth of a certificated instructional staff unit
2 for each additional student enrolled; and

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

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

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

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

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

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

29 (ii) For all other small high schools under this subsection, nine
30 certificated instructional staff units and one-half of a certificated
31 administrative staff unit for the first sixty average annual full time
32 equivalent students, and additional staff units based on a ratio of
33 0.8732 certificated instructional staff units and 0.1268 certificated
34 administrative staff units per each additional forty-three and one-half
35 average annual full time equivalent students.

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

1 (g) For each nonhigh school district having an enrollment of more
2 than seventy annual average full-time equivalent students and less than
3 one hundred eighty students, operating a grades K-8 program or a grades
4 1-8 program, an additional one-half of a certificated instructional
5 staff unit; and

6 (h) For each nonhigh school district having an enrollment of more
7 than fifty annual average full-time equivalent students and less than
8 one hundred eighty students, operating a grades K-6 program or a grades
9 1-6 program, an additional one-half of a certificated instructional
10 staff unit.

11 (3) Allocations for classified salaries for the 1997-98 and 1998-99
12 school years shall be calculated using formula-generated classified
13 staff units determined as follows:

14 (a) For enrollments generating certificated staff unit allocations
15 under subsection (2) (d) through (h) of this section, one classified
16 staff unit for each three certificated staff units allocated under such
17 subsections;

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

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

25 (4) Fringe benefit allocations shall be calculated at a rate of
26 20.22 percent in the 1997-98 and 1998-99 school years for certificated
27 salary allocations provided under subsection (2) of this section, and
28 a rate of 18.65 percent in the 1997-98 and 1998-99 school years for
29 classified salary allocations provided under subsection (3) of this
30 section.

31 (5) Insurance benefit allocations shall be calculated at the
32 maintenance rate specified in section 504(2) of this act, based on the
33 number of benefit units determined as follows:

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

36 (b) The number of classified staff units determined in subsection
37 (3) of this section multiplied by 1.152. This factor is intended to
38 adjust allocations so that, for the purposes of distributing insurance
39 benefits, full-time equivalent classified employees may be calculated

1 on the basis of 1440 hours of work per year, with no individual
2 employee counted as more than one full-time equivalent.

3 (6)(a) For nonemployee-related costs associated with each
4 certificated staff unit allocated under subsection (2) (a), (b), and
5 (d) through (h) of this section, there shall be provided a maximum of
6 \$7,950 per certificated staff unit in the 1997-98 school year and a
7 maximum of \$8,165 per certificated staff unit in the 1998-99 school
8 year.

9 (b) For nonemployee-related costs associated with each vocational
10 certificated staff unit allocated under subsection (2)(c) of this
11 section, there shall be provided a maximum of \$15,147 per certificated
12 staff unit in the 1997-98 school year and a maximum of \$15,556 per
13 certificated staff unit in the 1998-99 school year.

14 (7) Allocations for substitute costs for classroom teachers shall
15 be distributed at a maintenance rate of \$354.64 per allocated classroom
16 teachers exclusive of salary increase amounts provided in section 504
17 of this act. Solely for the purposes of this subsection, allocated
18 classroom teachers shall be equal to the number of certificated
19 instructional staff units allocated under subsection (2) of this
20 section, multiplied by the ratio between the number of actual basic
21 education certificated teachers and the number of actual basic
22 education certificated instructional staff reported state-wide for the
23 1996-97 school year.

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

33 (9) The superintendent may distribute a maximum of \$6,124,000
34 outside the basic education formula during fiscal years 1998 and 1999
35 as follows:

36 (a) For fire protection for school districts located in a fire
37 protection district as now or hereafter established pursuant to chapter
38 52.04 RCW, a maximum of \$447,000 may be expended in fiscal year 1998
39 and a maximum of \$459,000 may be expended in fiscal year 1999;

1 (b) For summer vocational programs at skills centers, a maximum of
2 \$1,948,000 may be expended each fiscal year;

3 (c) A maximum of \$321,000 may be expended for school district
4 emergencies; and

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

11 (10) For the purposes of RCW 84.52.0531, the increase per full-time
12 equivalent student in state basic education appropriations provided
13 under this act, including appropriations for salary and benefits
14 increases, is 2.5 percent from the 1996-97 school year to the 1997-98
15 school year, and 1.1 percent from the 1997-98 school year to the
16 1998-99 school year.

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

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

25 (b) For the fourth through eighth school years following
26 consolidation, the difference between the basic education formula staff
27 units received by the districts for the school year prior to
28 consolidation and the basic education formula staff units after
29 consolidation pursuant to subsection (2) (a) through (h) of this
30 section shall be reduced in increments of twenty percent per year.

31 ***NEW SECTION. Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
32 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

33 (1) *The following calculations determine the salaries used in the*
34 *general fund allocations for certificated instructional, certificated*
35 *administrative, and classified staff units under section 502 of this*
36 *act:*

37 (a) *Salary allocations for certificated instructional staff units*
38 *shall be determined for each district by multiplying the district's*

1 certificated instructional derived base salary shown on LEAP Document
2 12D, by the district's average staff mix factor for basic education and
3 special education certificated instructional staff in that school year,
4 computed using LEAP Document 1A; and

5 (b) Salary allocations for certificated administrative staff units
6 and classified staff units for each district shall be based on the
7 district's certificated administrative and classified salary allocation
8 amounts shown on LEAP Document 12D.

9 (2) For the purposes of this section:

10 (a) "Basic education certificated instructional staff" is defined
11 as provided in RCW 28A.150.100 and "special education certificated
12 staff" means staff assigned to the state-supported special education
13 program pursuant to chapter 28A.155 RCW in positions requiring a
14 certificate;

15 (b) "LEAP Document 1A" means the computerized tabulation
16 establishing staff mix factors for certificated instructional staff
17 according to education and years of experience, as developed by the
18 legislative evaluation and accountability program committee on April 8,
19 1991, at 13:35 hours; and

20 (c) "LEAP Document 12D" means the computerized tabulation of 1997-
21 98 and 1998-99 school year salary allocations for basic education
22 certificated administrative staff and basic education classified staff
23 and derived base salaries for basic education certificated
24 instructional staff as developed by the legislative evaluation and
25 accountability program committee on March 21, 1997 at 16:37 hours.

26 (3) Incremental fringe benefit factors shall be applied to salary
27 adjustments at a rate of 19.58 percent for certificated staff and 15.15
28 percent for classified staff for both years of the biennium.

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

32 STATE-WIDE SALARY ALLOCATION SCHEDULE
33 FOR THE 1997-98 AND 1998-99 SCHOOL YEARS

34 Years of

35 Service	BA	BA+15	BA+30	BA+45	BA+90
36 0	22,950	23,570	24,212	24,855	26,920
37 1	23,702	24,342	25,005	25,690	27,816

1	2	24,469	25,129	25,812	26,563	28,725
2	3	25,275	25,955	26,657	27,450	29,650
3	4	26,095	26,818	27,540	28,375	30,632
4	5	26,953	27,695	28,437	29,336	31,629
5	6	27,847	28,586	29,370	30,333	32,661
6	7	28,756	29,513	30,316	31,341	33,727
7	8	29,678	30,477	31,299	32,408	34,827
8	9		31,475	32,337	33,487	35,962
9	10			33,388	34,621	37,129
10	11				35,788	38,351
11	12				36,918	39,605
12	13					40,890
13	14					42,182
14	15 or more					43,279

15	Years of				MA+90
16	Service	BA+135	MA	MA+45	or PHD
17	0	28,251	27,516	29,581	30,912
18	1	29,165	28,351	30,477	31,825
19	2	30,115	29,224	31,386	32,774
20	3	31,100	30,111	32,311	33,761
21	4	32,123	31,036	33,293	34,783
22	5	33,180	31,996	34,290	35,840
23	6	34,250	32,994	35,322	36,911
24	7	35,377	34,002	36,388	38,038
25	8	36,537	35,069	37,488	39,198
26	9	37,730	36,147	38,623	40,391
27	10	38,956	37,282	39,790	41,617
28	11	40,214	38,449	41,012	42,875
29	12	41,525	39,662	42,266	44,186
30	13	42,867	40,917	43,551	45,528
31	14	44,260	42,210	44,927	46,921
32	15 or more	45,411	43,307	46,095	48,141

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

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

5 (i) Credits earned since receiving the masters degree; and

6 (ii) Any credits in excess of forty-five credits that were earned
7 after the baccalaureate degree but before the masters degree.

8 (5) For the purposes of this section:

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

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

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

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

14 (e) "Credits" means college quarter hour credits and equivalent in-
15 service credits computed in accordance with RCW 28A.415.020.

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

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

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

24 (7)(a) Credits earned by certificated instructional staff after
25 September 1, 1995, shall be counted only if the content of the course:

26 (i) Is consistent with the school district's strategic plan for
27 improving student learning; (ii) is consistent with a school-based plan
28 for improving student learning as required by the annual school
29 performance report, under RCW 28A.320.205, for the school in which the
30 individual is assigned; (iii) pertains to the individual's current
31 assignment or expected assignment for the following school year; (iv)
32 is necessary for obtaining an endorsement as prescribed by the state
33 board of education; (v) is specifically required for obtaining advanced
34 levels of certification; or (vi) is included in a college or university
35 degree program that pertains to the individual's current assignment, or
36 potential future assignment, as a certificated instructional staff.

37 (b) Once credits earned by certificated instructional staff have
38 been determined to meet one or more of the criteria in (a) of this

1 subsection, the credits shall be counted even if the individual
2 transfers to other school districts.

3 (8) The salary allocation schedules established in this section are
4 for allocation purposes only except as provided in RCW 28A.400.200(2).

5 *Sec. 503 was vetoed. See message at end of chapter.

6 *NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC
7 INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

8	General Fund Appropriation (FY 1998)	. . . . .	\$ 79,975,000
9	General Fund Appropriation (FY 1999)	. . . . .	\$ 116,311,000
10	TOTAL APPROPRIATION	. . . . .	\$ 196,286,000

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

13 (1) \$176,535,000 is provided for a cost of living adjustment of 3.0
14 percent effective September 1, 1997, for state formula staff units.
15 The appropriations include associated incremental fringe benefit
16 allocations at rates of 19.58 percent for certificated staff and 15.15
17 percent for classified staff.

18 (a) The appropriations in this section include the increased
19 portion of salaries and incremental fringe benefits for all relevant
20 state-funded school programs in part V of this act. Salary adjustments
21 for state employees in the office of superintendent of public
22 instruction and the education reform program are provided in part VII
23 of this act. Increases for general apportionment (basic education) are
24 based on the salary allocation schedules and methodology in section 503
25 of this act. Increases for special education result from increases in
26 each district's basic education allocation per student. Increases for
27 educational service districts and institutional education programs are
28 determined by the superintendent of public instruction using the
29 methodology for general apportionment salaries and benefits in section
30 503 of this act.

31 (b) The appropriations in this section provide salary increase and
32 incremental fringe benefit allocations based on formula adjustments as
33 follows:

34 (i) For pupil transportation, an increase of \$0.60 per weighted
35 pupil-mile for the 1997-98 school year and maintained for the 1998-99
36 school year;

1 (ii) For education of highly capable students, an increase of \$6.81
2 per formula student for the 1997-98 school year and maintained for the
3 1998-99 school year; and

4 (iii) For transitional bilingual education, an increase of \$17.69
5 per eligible bilingual student for the 1997-98 school year and
6 maintained for the 1998-99 school year; and

7 (iv) For learning assistance, an increase of \$8.74 per entitlement
8 unit for the 1997-98 school year and maintained for the 1998-99 school
9 year.

10 (c) The appropriations in this section include \$912,000 for salary
11 increase adjustments for substitute teachers at a rate of \$10.64 per
12 unit in the 1997-98 school year and maintained in the 1998-99 school
13 year.

14 (2) \$19,751,000 is provided for adjustments to insurance benefit
15 allocations. The maintenance rate for insurance benefit allocations is
16 \$314.51 per month for the 1997-98 and 1998-99 school years. The
17 appropriations in this section provide increases of \$2.83 per month for
18 the 1997-98 school year and \$18.41 per month for the 1998-99 school
19 year at the following rates:

20 (a) For pupil transportation, an increase of \$0.03 per weighted
21 pupil-mile for the 1997-98 school year and \$0.19 for the 1998-99 school
22 year;

23 (b) For education of highly capable students, an increase of \$0.20
24 per formula student for the 1997-98 school year and \$1.35 for the 1998-
25 99 school year;

26 (c) For transitional bilingual education, an increase of \$.46 per
27 eligible bilingual student for the 1997-98 school year and \$3.44 for
28 the 1998-99 school year; and

29 (d) For learning assistance, an increase of \$.36 per funded unit
30 for the 1997-98 school year and \$2.70 for the 1998-99 school year.

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

33 (4)(a) For the 1997-98 school year, the superintendent shall
34 prepare a report showing the allowable derived base salary for
35 certificated instructional staff in accordance with RCW 28A.400.200 and
36 LEAP Document 12D, and the actual derived base salary paid by each
37 school district as shown on the S-275 report and shall make the report
38 available to the fiscal committees of the legislature no later than
39 February 15, 1998.

1 ***(b) For the 1998-99 school year, the superintendent shall reduce***
2 ***the percent of salary increase funds provided in section 504 of this***
3 ***act by the percentage by which a district exceeds the allowable derived***
4 ***base salary for certificated instructional staff as shown on LEAP***
5 ***Document 12D.***

6 ***(5) Cost-of-living funds provided to school districts under this***
7 ***section for classified staff shall be distributed to each and every***
8 ***formula funded employee at 3.0 percent, effective September 1, 1997.***

9 ****Sec. 504 was vetoed. See message at end of chapter.***

10 **NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
11 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

12	General Fund Appropriation (FY 1998)	\$ 174,344,000
13	General Fund Appropriation (FY 1999)	\$ 179,560,000
14	TOTAL APPROPRIATION	\$ 353,904,000

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

17 (1) The appropriation for fiscal year 1998 includes such funds as
18 are necessary for the remaining months of the 1996-97 school year.

19 (2) A maximum of \$1,451,000 may be expended for regional
20 transportation coordinators and related activities. The transportation
21 coordinators shall ensure that data submitted by school districts for
22 state transportation funding shall, to the greatest extent practical,
23 reflect the actual transportation activity of each district.

24 (3) \$30,000 of the fiscal year 1998 appropriation and \$40,000 of
25 the fiscal year 1999 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 \$34.47 per weighted mile in the 1997-98 school
31 year and \$34.76 per weighted mile in the 1998-99 school year exclusive
32 of salary and benefit adjustments provided in section 504 of this act.
33 Allocations for transportation of students transported more than one
34 radius mile shall be based on weighted miles as determined by
35 superintendent of public instruction times the per mile reimbursement
36 rates for the school year pursuant to the formulas adopted by the
37 superintendent of public instruction. Allocations for transportation

1 of students living within one radius mile shall be based on the number
2 of enrolled students in grades kindergarten through five living within
3 one radius mile of their assigned school times the per mile
4 reimbursement rate for the school year times 1.29.

5 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
6 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

7	General Fund--State Appropriation (FY 1998)	\$	3,075,000
8	General Fund--State Appropriation (FY 1999)	\$	3,075,000
9	General Fund--Federal Appropriation	\$	194,483,000
10	TOTAL APPROPRIATION	\$	200,633,000

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

13 (1) \$6,000,000 of the general fund--state appropriations are
14 provided for state matching money for federal child nutrition programs.

15 (2) \$150,000 of the general fund--state appropriations are provided
16 for summer food programs for children in low-income areas.

17 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

19	General Fund--State Appropriation (FY 1998)	\$	370,486,000
20	General Fund--State Appropriation (FY 1999)	\$	374,327,000
21	General Fund--Federal Appropriation	\$	135,106,000
22	TOTAL APPROPRIATION	\$	879,919,000

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

25 (1) The appropriation for fiscal year 1998 includes such funds as
26 are necessary for the remaining months of the 1996-97 school year.

27 (2) The superintendent of public instruction shall distribute state
28 funds to school districts based on two categories, the optional birth
29 through age two program for special education eligible developmentally
30 delayed infants and toddlers, and the mandatory special education
31 program for special education eligible students ages three to twenty-
32 one. A "special education eligible student" means a student receiving
33 specially designed instruction in accordance with a properly formulated
34 individualized education program.

1 (3) For the 1997-98 and 1998-99 school years, the superintendent
2 shall distribute state funds to each district based on the sum of:

3 (a) A district's annual average headcount enrollment of
4 developmentally delayed infants and toddlers ages birth through two,
5 times the district's average basic education allocation per full-time
6 equivalent student, times 1.15; and

7 (b) A district's annual average full-time equivalent basic
8 education enrollment times the funded enrollment percent determined
9 pursuant to subsection (4)(c) of this section, times the district's
10 average basic education allocation per full-time equivalent student
11 times 0.9309.

12 (4) The definitions in this subsection apply throughout this
13 section.

14 (a) "Average basic education allocation per full-time equivalent
15 student" for a district shall be based on the staffing ratios required
16 by RCW 28A.150.260 (i.e., 49/1000 certificated instructional staff in
17 grades K-3, and 46/1000 in grades 4-12) and shall not include
18 enhancements for K-3, secondary vocational education, or small schools.

19 (b) "Annual average full-time equivalent basic education
20 enrollment" means the resident enrollment including students enrolled
21 through choice (RCW 28A.225.225) and students from nonhigh districts
22 (RCW 28A.225.210) and excluding students residing in another district
23 enrolled as part of an interdistrict cooperative program (RCW
24 28A.225.250).

25 (c) "Enrollment percent" means the district's resident special
26 education annual average enrollment including those students counted
27 under the special education demonstration projects, excluding the birth
28 through age two enrollment, as a percent of the district's annual
29 average full-time equivalent basic education enrollment. For the 1997-
30 98 and the 1998-99 school years, each district's funded enrollment
31 percent shall be:

32 (i) For districts whose enrollment percent for 1994-95 was at or
33 below 12.7 percent, the lesser of the district's actual enrollment
34 percent for the school year for which the allocation is being
35 determined or 12.7 percent.

36 (ii) For districts whose enrollment percent for 1994-95 was above
37 12.7 percent, the lesser of:

38 (A) The district's actual enrollment percent for the school year
39 for which the special education allocation is being determined; or

1 (B) The district's actual enrollment percent for the school year
2 immediately prior to the school year for which the special education
3 allocation is being determined if greater than 12.7 percent; or

4 (C) For 1997-98, the 1994-95 enrollment percent reduced by 75
5 percent of the difference between the district's 1994-95 enrollment
6 percent and 12.7 percent and for 1998-99, 12.7 percent.

7 (5) At the request of any interdistrict cooperative of at least 15
8 districts in which all excess cost services for special education
9 students of the districts are provided by the cooperative, the maximum
10 enrollment percent shall be 12.7, and shall be calculated in the
11 aggregate rather than individual district units. For purposes of this
12 subsection (4) of this section, the average basic education allocation
13 per full-time equivalent student shall be calculated in the aggregate
14 rather than individual district units.

15 (6) A maximum of \$12,000,000 of the general fund--state
16 appropriation for fiscal year 1998 and a maximum of \$12,000,000 of the
17 general fund--state appropriation for fiscal year 1999 are provided as
18 safety net funding for districts with demonstrated needs for state
19 special education funding beyond the amounts provided in subsection (3)
20 of this section. Safety net funding shall be awarded by the state
21 safety net oversight committee.

22 (a) The safety net oversight committee shall first consider the
23 needs of districts adversely affected by the 1995 change in the special
24 education funding formula. Awards shall be based on the amount
25 required to maintain the 1994-95 state special education excess cost
26 allocation to the school district in aggregate or on a dollar per
27 funded student basis.

28 (b) The committee shall then consider unusual needs of districts
29 due to a special education population which differs significantly from
30 the assumptions of the state funding formula. Awards shall be made to
31 districts that convincingly demonstrate need due to the concentration
32 and/or severity of disabilities in the district. Differences in
33 program costs attributable to district philosophy or service delivery
34 style are not a basis for safety net awards.

35 (7) Prior to June 1st of each year, the superintendent shall make
36 available to each school district from available data the district's
37 maximum funded enrollment percent for the coming school year.

38 (8) The superintendent of public instruction may adopt such rules
39 and procedures as are necessary to administer the special education

1 funding and safety net award process. Prior to revising any standards,
2 procedures, or rules in place for the 1996-97 school year, the
3 superintendent shall consult with the office of financial management
4 and the fiscal committees of the legislature.

5 (9) The safety net oversight committee appointed by the
6 superintendent of public instruction shall consist of:

7 (a) Staff of the office of superintendent of public instruction;

8 (b) Staff of the office of the state auditor;

9 (c) Staff from the office of the financial management; and

10 (d) One or more representatives from school districts or
11 educational service districts knowledgeable of special education
12 programs and funding.

13 (10) A maximum of \$4,500,000 of the general fund--federal
14 appropriation shall be expended for safety net funding to meet the
15 extraordinary needs of one or more individual special education
16 students.

17 (11) A maximum of \$678,000 may be expended from the general fund--
18 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
19 full-time equivalent aides at children's orthopedic hospital and
20 medical center. This amount is in lieu of money provided through the
21 home and hospital allocation and the special education program.

22 (12) A maximum of \$1,000,000 of the general fund--federal
23 appropriation is provided for projects to provide special education
24 students with appropriate job and independent living skills, including
25 work experience where possible, to facilitate their successful
26 transition out of the public school system. The funds provided by this
27 subsection shall be from federal discretionary grants.

28 (13) A school district may carry over up to 10 percent of general
29 fund--state funds allocated under this program; however, carry over
30 funds shall be expended in the special education program.

31 (14) Beginning in the 1997-98 school year, the superintendent shall
32 increase the percentage of federal flow-through to school districts to
33 at least 84 percent. In addition to other purposes, school districts
34 may use increased federal funds for high cost students, for purchasing
35 regional special education services from educational service districts,
36 and for staff development activities particularly relating to inclusion
37 issues.

38 (15) Up to one percent of the general fund--federal appropriation
39 shall be expended by the superintendent for projects related to use of

1 inclusion strategies by school districts for provision of special
2 education services. The superintendent shall prepare an information
3 database on laws, best practices, examples of programs, and recommended
4 resources. The information may be disseminated in a variety of ways,
5 including workshops and other staff development activities.

6 (16) Amounts appropriated within this section are sufficient to
7 fund section 5 of Second Substitute House Bill No. 1709 (mandate on
8 school districts).

9 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
10 **INSTRUCTION--FOR TRAFFIC SAFETY EDUCATION PROGRAMS**

11 Public Safety and Education Account

12 Appropriation \$ 17,179,000

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

15 (1) The appropriation includes such funds as are necessary for the
16 remaining months of the 1996-97 school year.

17 (2) A maximum of \$507,000 shall be expended for regional traffic
18 safety education coordinators.

19 (3) The maximum basic state allocation per student completing the
20 program shall be \$137.16 in the 1997-98 and 1998-99 school years.

21 (4) Additional allocations to provide tuition assistance for
22 students from low-income families who complete the program shall be a
23 maximum of \$66.81 per eligible student in the 1997-98 and 1998-99
24 school years.

25 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
26 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

27 General Fund Appropriation (FY 1998) \$ 4,511,000

28 General Fund Appropriation (FY 1999) \$ 4,510,000

29 TOTAL APPROPRIATION \$ 9,021,000

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

32 (1) The educational service districts shall continue to furnish
33 financial services required by the superintendent of public instruction
34 and RCW 28A.310.190 (3) and (4).

1 (2) \$250,000 of the general fund appropriation for fiscal year 1998
2 and \$250,000 of the general fund appropriation for fiscal year 1999 are
3 provided solely for student teaching centers as provided in RCW
4 28A.415.100.

5 (3) A maximum of \$500,000 is provided for centers for the
6 improvement of teaching pursuant to RCW 28A.415.010.

7 ***NEW SECTION. Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
8 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

9 *General Fund Appropriation (FY 1998)* \$ 84,598,000
10 *General Fund Appropriation (FY 1999)* \$ 89,354,000
11 **TOTAL APPROPRIATION** \$ 173,952,000

12 *Sec. 510 was vetoed. See message at end of chapter.

13 **NEW SECTION. Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT**

15 General Fund--Federal Appropriation \$ 255,987,000

16 **NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
17 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

18 General Fund--State Appropriation (FY 1998) \$ 18,327,000
19 General Fund--State Appropriation (FY 1999) \$ 19,131,000
20 General Fund--Federal Appropriation \$ 8,548,000
21 **TOTAL APPROPRIATION** \$ 46,006,000

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

24 (1) The general fund--state appropriation for fiscal year 1998
25 includes such funds as are necessary for the remaining months of the
26 1996-97 school year.

27 (2) State funding provided under this section is based on salaries
28 and other expenditures for a 220-day school year. The superintendent
29 of public instruction shall monitor school district expenditure plans
30 for institutional education programs to ensure that districts plan for
31 a full-time summer program.

32 (3) State funding for each institutional education program shall be
33 based on the institution's annual average full-time equivalent student
34 enrollment. Staffing ratios for each category of institution shall
35 remain the same as those funded in the 1995-97 biennium.

1 (4) \$758,000 of the general fund--state fiscal year 1998
2 appropriation and \$704,000 of the general fund--state fiscal year 1999
3 appropriation are provided solely for the implementation of Engrossed
4 Third Substitute House Bill No. 3900 (revising the juvenile code). If
5 the bill is not enacted by June 30, 1997, the amounts provided in this
6 subsection shall lapse.

7 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
8 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

9	General Fund Appropriation (FY 1998)	. . . . .	\$	5,752,000
10	General Fund Appropriation (FY 1999)	. . . . .	\$	6,176,000
11	TOTAL APPROPRIATION	. . . . .	\$	11,928,000

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

14 (1) The appropriation for fiscal year 1998 includes such funds as
15 are necessary for the remaining months of the 1996-97 school year.

16 (2) Allocations for school district programs for highly capable
17 students shall be distributed at a maximum rate of \$311.12 per funded
18 student for the 1997-98 school year and \$311.58 per funded student for
19 the 1998-99 school year, exclusive of salary and benefit adjustments
20 pursuant to section 504 of this act. The number of funded students
21 shall be a maximum of two percent of each district's full-time
22 equivalent basic education enrollment.

23 (3) \$350,000 of the appropriation is for the centrum program at
24 Fort Worden state park.

25 (4) \$186,000 of the appropriation is for the odyssey of the mind
26 and future problem-solving programs.

27 *NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
28 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

29	General Fund Appropriation (FY 1998)	. . . . .	\$	18,905,000
30	General Fund Appropriation (FY 1999)	. . . . .	\$	21,868,000
31	TOTAL APPROPRIATION	. . . . .	\$	40,773,000

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

34 (1) \$18,103,000 is provided for the operation of the commission on
35 student learning and the development and implementation of student

1 assessments. The commission shall cooperate with the superintendent of
2 public instruction in defining measures of student achievement to be
3 included in the student record system developed by the superintendent
4 pursuant to section 501(1)(b) of this act. The timelines for
5 development of assessments are funded in accordance with the timelines
6 proposed in Engrossed Second Substitute House Bill No. 1777.

7 (2) \$2,190,000 is provided solely for training of paraprofessional
8 classroom assistants and certificated staff who work with classroom
9 assistants as provided in RCW 28A.415.310.

10 (3) \$2,970,000 is provided for mentor teacher assistance, including
11 state support activities, under RCW 28A.415.250 and 28A.415.260. Funds
12 for the teacher assistance program shall be allocated to school
13 districts based on the number of beginning teachers.

14 (4) \$4,050,000 is provided for improving technology infrastructure,
15 monitoring and reporting on school district technology development,
16 promoting standards for school district technology, promoting statewide
17 coordination and planning for technology development, and providing
18 regional educational technology support centers, including state
19 support activities, under chapter 28A.650 RCW.

20 (5) \$7,200,000 is provided for grants to school districts to
21 provide a continuum of care for children and families to help children
22 become ready to learn. Grant proposals from school districts shall
23 contain local plans designed collaboratively with community service
24 providers. If a continuum of care program exists in the area in which
25 the school district is located, the local plan shall provide for
26 coordination with existing programs to the greatest extent possible.
27 Grant funds shall be allocated pursuant to RCW 70.190.040.

28 (6) \$5,000,000 is provided solely for the meals for kids program
29 under RCW 28A.235.145 through 28A.235.155.

30 (7) \$1,260,000 is provided for technical assistance related to
31 education reform through the office of the superintendent of public
32 instruction, in consultation with the commission on student learning,
33 as specified in RCW 28A.300.130 (center for the improvement of student
34 learning).

35 (8) The superintendent of public instruction shall not accept,
36 allocate, or expend any federal funds to implement the federal goals
37 2000 program.

38 *Sec. 514 was vetoed. See message at end of chapter.

1	*NEW SECTION.	Sec. 515.	FOR THE SUPERINTENDENT OF PUBLIC
2	INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS		
3	General Fund Appropriation (FY 1998)	. . . . .	\$ 31,146,000
4	General Fund Appropriation (FY 1999)	. . . . .	\$ 33,414,000
5	TOTAL APPROPRIATION	. . . . .	\$ 64,560,000

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

8 (1) The appropriation for fiscal year 1998 provides such funds as
9 are necessary for the remaining months of the 1996-97 school year.

10 (2) The superintendent shall distribute a maximum of \$643.78 per
11 eligible bilingual student in the 1997-98 school year, exclusive of
12 salary and benefit adjustments provided in section 504 of this act.

13 (3) *A student shall be eligible for funding under this section if*
14 *the student is enrolled in grades K-12 pursuant to WAC 392-121-106 and*
15 *is receiving specialized instruction pursuant to chapter 28A.180 RCW.*

16 (4) *The superintendent shall distribute a maximum of \$643.78 per*
17 *eligible weighted bilingual student in the 1998-99 school year*
18 *exclusive of salary and benefit adjustments provided in section 504 of*
19 *this act.*

20 (5) *The following factors shall be used to calculate weightings for*
21 *the 1998-99 school year.*

22 (a) *Grades Level*

- 23 (i) *K-535*
- 24 (ii) *6-850*
- 25 (iii) *9-1272*

26 (b) *Time in Program*

- 27 (i) *Up to 1 year82*
- 28 (ii) *1 to 2 years62*
- 29 (iii) *2 to 3 years41*
- 30 (iv) *more than 3 years21*

31 (c) *The grade level weight and time in program weight shall be*
32 *summed for each eligible student and the result shall be multiplied by*
33 *the rate per weighted student specified in subsection (3) of this*
34 *section.*

1 (d) Time in program under (b) of this subsection shall be
2 calculated in accordance with WAC 392-160-035.

3 *Sec. 515 was partially vetoed. See message at end of chapter.

4 NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC
5 INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM

6	General Fund Appropriation (FY 1998)	. . . . .	\$	60,309,000
7	General Fund Appropriation (FY 1999)	. . . . .	\$	60,862,000
8	TOTAL APPROPRIATION	. . . . .	\$	121,171,000

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

11 (1) The appropriation for fiscal year 1998 provides such funds as
12 are necessary for the remaining months of the 1996-97 school year.

13 (2) For making the calculation of the percentage of students
14 scoring in the lowest quartile as compared with national norms,
15 beginning with the 1991-92 school year, the superintendent shall
16 multiply each school district's 4th and 8th grade test results by 0.86.

17 (3) Funding for school district learning assistance programs shall
18 be allocated at maximum rates of \$378.33 per funded unit for the 1997-
19 98 school year and \$379.47 per funded unit for the 1998-99 school year
20 exclusive of salary and benefit adjustments provided in section 504 of
21 this act. School districts may carryover up to 10 percent of funds
22 allocated under this program; however, carryover funds shall be
23 expended for the learning assistance program.

24 (a) A school district's funded units for the 1997-98 and 1998-99
25 school years shall be the sum of the following:

26 (i) The district's full-time equivalent enrollment in kindergarten
27 through 6th grade, times the 5-year average 4th grade test result as
28 adjusted pursuant to subsection (2) of this section, times 0.92; and

29 (ii) The district's full-time equivalent enrollment in grades 7
30 through 9, times the 5-year average 8th grade test result as adjusted
31 pursuant to subsection (2) of this section, times 0.92; and

32 (iii) If in the prior school year the district's percentage of
33 October headcount enrollment in grades K-12 eligible for free and
34 reduced price lunch exceeded the state average, subtract the state
35 average percentage of students eligible for free and reduced price
36 lunch from the district's percentage and multiply the result by the

1 district's K-12 annual average full-time equivalent enrollment for the
2 current school year times 22.30 percent.

3 *NEW SECTION. Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC
4 INSTRUCTION--LOCAL ENHANCEMENT FUNDS

5 General Fund Appropriation (FY 1998)	\$ 45,404,000
6 General Fund Appropriation (FY 1999)	\$ 51,375,000
7 TOTAL APPROPRIATION	\$ 96,779,000

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

10 (1) A maximum of \$40,841,000 is provided for learning improvement
11 allocations to school districts to enhance the ability of instructional
12 staff to teach and assess the essential academic learning requirements
13 for reading, writing, communication, and math in accordance with the
14 timelines and requirements established under RCW 28A.630.885. However,
15 special emphasis shall be given to the successful teaching of reading.
16 Allocations under this section shall be subject to the following
17 conditions and limitations:

18 (a) In accordance with the timetable for the implementation of the
19 assessment system by the commission on student learning, the
20 allocations for the 1997-98 and 1998-99 school years shall be at a
21 maximum annual rate per full-time equivalent student of \$30 for
22 students enrolled in grades K-4, \$24 for students enrolled in grades 5-
23 7, and \$18 for students enrolled in grades 8-12. Allocations shall be
24 made on the monthly apportionment schedule provided in RCW 28A.510.250.

25 (b) A district receiving learning improvement allocations shall:

26 (i) Develop and keep on file at each building a student learning
27 improvement plan to achieve the student learning goals and essential
28 academic learning requirements and to implement the assessment system
29 as it is developed. The plan shall delineate how the learning
30 improvement allocations will be used to accomplish the foregoing. The
31 plan shall be made available to the public upon request;

32 (ii) Maintain a policy regarding the involvement of school staff,
33 parents, and community members in instructional decisions;

34 (iii) File a report by October 1, 1998, and October 1, 1999, with
35 the office of the superintendent of public instruction, in a format
36 developed by the superintendent that: Enumerates the activities funded
37 by these allocations; the amount expended for each activity; describes

1 how the activity improved understanding, teaching, and assessment of
2 the essential academic learning requirements by instructional staff;
3 and identifies any amounts expended from this allocation for
4 supplemental contracts; and

5 (iv) Provide parents and the local community with specific
6 information on the use of this allocation by including in the annual
7 performance report required in RCW 28A.320.205, information on how
8 funds allocated under this subsection were spent and the results
9 achieved.

10 (c) The superintendent of public instruction shall compile and
11 analyze the school district reports and present the results to the
12 office of financial management and the appropriate committees of the
13 legislature no later than November 15, 1998, and November 15, 1999.

14 (2) \$55,937,000 is provided for local education program
15 enhancements to meet educational needs as identified by the school
16 district, including alternative education programs. This amount
17 includes such amounts as are necessary for the remainder of the 1996-97
18 school year. Allocations for the 1997-98 and 1998-99 school year shall
19 be at a maximum annual rate of \$29.86 per full-time equivalent student
20 as determined pursuant to subsection (3) of this section. Allocations
21 shall be made on the monthly apportionment payment schedule provided in
22 RCW 28A.510.250.

23 (3) Allocations provided under this section shall be based on
24 school district annual average full-time equivalent enrollment in
25 grades kindergarten through twelve: PROVIDED, That for school
26 districts enrolling not more than one hundred average annual full-time
27 equivalent students, and for small school plants within any school
28 district designated as remote and necessary schools, the allocations
29 shall be as follows:

30 (a) Enrollment of not more than 60 average annual full-time
31 equivalent students in grades kindergarten through six shall generate
32 funding based on sixty full-time equivalent students;

33 (b) Enrollment of not more than 20 average annual full-time
34 equivalent students in grades seven and eight shall generate funding
35 based on twenty full-time equivalent students; and

36 (c) Enrollment of not more than 60 average annual full-time
37 equivalent students in grades nine through twelve shall generate
38 funding based on sixty full-time equivalent students.

1 (4) Funding provided pursuant to this section does not fall within
2 the definition of basic education for purposes of Article IX of the
3 state Constitution and the state's funding duty thereunder.

4 (5) Receipt by a school district of one-fourth of the district's
5 allocation of funds under this section, shall be conditioned on a
6 finding by the superintendent that:

7 (a) The district is enrolled as a medicaid service provider and is
8 actively pursuing federal matching funds for medical services provided
9 through special education programs, pursuant to RCW 74.09.5241 through
10 74.09.5256 (Title XIX funding); and

11 (b) The district is filing truancy petitions as required under
12 chapter 312, Laws of 1995 and RCW 28A.225.030.

13 *Sec. 517 was vetoed. See message at end of chapter.

14 (End of part)

1 PART VI
2 HIGHER EDUCATION

3 *NEW SECTION. Sec. 601. The appropriations in sections 603
4 through 609 of this act are subject to the following conditions and
5 limitations:

6 (1) "Institutions" means the institutions of higher education
7 receiving appropriations under sections 603 through 609 of this act.

8 (2)(a) The salary increases provided or referenced in this
9 subsection shall be the allowable salary increases provided at
10 institutions of higher education, excluding increases associated with
11 normally occurring promotions and increases related to faculty and
12 professional staff retention, and excluding increases associated with
13 employees under the jurisdiction of chapter 41.56 RCW pursuant to the
14 provisions of RCW 28B.16.015.

15 (b) Each institution of higher education shall provide to each
16 classified staff employee as defined by the office of financial
17 management a salary increase of 3.0 percent on July 1, 1997. Each
18 institution of higher education shall provide to instructional and
19 research faculty, exempt professional staff, academic administrators,
20 academic librarians, counselors, teaching and research assistants as
21 classified by the office of financial management, and all other
22 nonclassified staff, including those employees under RCW 28B.16.015, an
23 average salary increase of 3.0 percent on July 1, 1997. For employees
24 under the jurisdiction of chapter 41.56 RCW pursuant to the provisions
25 of RCW 28B.16.015, distribution of the salary increases will be in
26 accordance with the applicable collective bargaining agreement.
27 However, an increase shall not be provided to any classified employee
28 whose salary is above the approved salary range maximum for the class
29 to which the employee's position is allocated. To collect consistent
30 data for use by the legislature, the office of financial management,
31 and other state agencies for policy and planning purposes, institutions
32 of higher education shall report personnel data to be used in the
33 department of personnel's human resource data warehouse in compliance
34 with uniform reporting procedures established by the department of
35 personnel.

1 (c) Each institution of higher education receiving appropriations
2 under sections 604 through 609 of this act may provide to instructional
3 and research faculty, exempt professional staff, academic
4 administrators, academic librarians, counselors, teaching and research
5 assistants, as classified by the office of financial management, and
6 all other nonclassified staff, but not including employees under RCW
7 28B.16.015, an additional average salary increase of 1.0 percent on
8 July 1, 1997, and an average salary increase of 2.0 percent on July 1,
9 1998. Any salary increases authorized under this subsection (2)(c)
10 shall not be included in an institution's salary base. It is the
11 intent of the legislature that general fund--state support for an
12 institution shall not increase during the current or any future
13 biennium as a result of any salary increases authorized under this
14 subsection (2)(c).

15 (d) Specific salary increases authorized in sections 603 through
16 609 of this act are in addition to any salary increase provided in this
17 subsection.

18 (3)(a) Each institution receiving appropriations under sections 604
19 through 609 of this act shall submit plans for achieving measurable and
20 specific improvements in academic years 1997-98 and 1998-99 to the
21 higher education coordinating board. The plans, to be prepared at the
22 direction of the board, shall be submitted by August 15, 1997 (for
23 academic year 1997-98) and August 15, 1998 (for academic year 1998-99).
24 The following measures and goals will be used for the 1997-99 biennium:

25 Goal

26 (i) Undergraduate graduation efficiency index:
27 For students beginning as freshmen 95
28 For transfer students 90

29 (ii) Undergraduate student retention, defined as the percentage of
30 all undergraduate students who return for the next year at the same
31 institution, measured from fall to fall:

32 Research universities 95%
33 Comprehensive universities and college 90%

34 (iii) Graduation rates, defined as the percentage of an entering
35 freshmen class at each institution that graduates within five years:
36 Research universities 65%

2 (iv) A measure of faculty productivity, with goals and targets in
3 accord with the legislative intent to achieve measurable and specific
4 improvements, to be determined by the higher education coordinating
5 board, in consultation with the institutions receiving appropriations
6 under sections 604 through 609 of this act.

7 (v) An additional measure and goal to be selected by the higher
8 education coordinating board for each institution, in consultation with
9 each institution.

10 (b) Academic year 1995-96 shall be the baseline year against which
11 performance in academic year 1997-98 shall be measured. Academic year
12 1997-98 shall be the baseline year against which performance in
13 academic year 1998-99 shall be measured. The difference between each
14 institution's baseline year and the state-wide performance goals shall
15 be calculated and shall be the performance gap for each institution for
16 each measure for each year. The plan for each institution shall set as
17 a performance target the closing of its performance gap for each
18 measure by ten percent in each year. Each institution shall report to
19 the higher education coordinating board on its actual performance
20 achievement for each measure for academic year 1997-98 by October 15,
21 1998.

22 (4) The state board for community and technical colleges shall
23 develop an implementation plan for measurable and specific improvements
24 in productivity, efficiency, and student retention in academic years
25 1997-98 and 1998-99 consistent with the performance management system
26 developed by the work force training and education coordinating board
27 and for the following long-term performance goals:

	<i>Goal</i>
28 (a) Hourly wages for vocational graduates	\$12/hour
29 (b) Academic students transferring to Washington	
30 higher education institutions	67%
31 (c) Core course completion rates	85%
32 (d) Graduation efficiency index	95

1 (5) The state's public institutions of higher education
 2 increasingly are being called upon to become more efficient in
 3 conducting the business operations necessary to support the carrying
 4 out of their academic missions. The legislature recognizes that state
 5 laws and regulations may have the unintended effect of acting as
 6 barriers to efficient operation in some instances, and desires to
 7 encourage the institutions of higher education to think beyond the
 8 constraints of current law in identifying opportunities for improved
 9 efficiency. Accordingly, the legislature requests that the
 10 institutions of higher education, working together through the council
 11 of presidents' office and the state board for community and technical
 12 colleges, identify opportunities for changes in state law that would
 13 form the basis for a new efficiency compact with the state, for
 14 consideration no later than the 1999 legislative session.

15 *Sec. 601 was vetoed. See message at end of chapter.

16 *NEW SECTION. Sec. 602. (1) The appropriations in sections 603
 17 through 609 of this act provide state general fund support or
 18 employment and training trust account support for full-time equivalent
 19 student enrollments at each institution of higher education. Listed
 20 below are the annual full-time equivalent student enrollments by
 21 institution assumed in this act.

	1997-98	1998-99
	Annual	Annual
	Average	Average
25 <i>University of Washington</i>		
26 <i>Main campus</i>	31,297	31,527
27 <i>Tacoma branch</i>	775	895
28 <i>Bothell branch</i>	847	992
29 <i>Washington State University</i>		
30 <i>Main campus</i>	17,403	17,723
31 <i>Spokane branch</i>	352	442
32 <i>Tri-Cities branch</i>	754	814
33 <i>Vancouver branch</i>	851	971

1	<i>Central Washington University</i>	7,346	7,446
2	<i>Eastern Washington University</i>	7,739	7,739
3	<i>The Evergreen State College</i>	3,496	3,576
4	<i>Western Washington University</i>	10,188	10,338
5	<i>State Board for Community and</i>		
6	<i>Technical Colleges</i>	116,426	118,526
7	<i>Higher Education Coordinating</i>		
8	<i>Board</i>	50	50

9 (2) *The legislature intends to reduce general fund--state support*
10 *for student enrollments by average instructional funding as calculated*
11 *by the higher education coordinating board for enrollments below the*
12 *budgeted levels in subsection (1) of this section, except that, for*
13 *campuses with less than 1,500 budgeted full-time equivalent (FTE)*
14 *student enrollments, enrollment targets shall be set at 95 percent of*
15 *the budgeted enrollment level, and except that underenrollment at*
16 *Eastern Washington University shall be administered in accordance with*
17 *section 606(5) of this act.*

18 *Sec. 602 was vetoed. See message at end of chapter.

19 *NEW SECTION. *Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND*
20 *TECHNICAL COLLEGES*

21	<i>General Fund--State Appropriation (FY 1998)</i>	. . . . .	\$	380,591,000
22	<i>General Fund--State Appropriation (FY 1999)</i>	. . . . .	\$	418,661,000
23	<i>General Fund--Federal Appropriation</i>	. . . . .	\$	11,404,000
24	<i>Employment and Training Trust Account</i>			
25	<i>Appropriation</i>	. . . . .	\$	26,346,000
26	TOTAL APPROPRIATION	. . . . .	\$	837,002,000

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

29 (1) *\$2,718,000 of the general fund--state appropriation for fiscal*
30 *year 1998 and \$4,079,000 of the general fund--state appropriation for*
31 *fiscal year 1999 shall be held in reserve by the board. These funds*
32 *are provided for improvements in productivity, efficiency, and student*
33 *retention. The board may approve the fiscal year 1998 allocation of*
34 *funds under this subsection upon completion of an implementation plan.*
35 *The implementation plan shall be submitted by the board to the*
36 *appropriate legislative committees and the office of financial*

1 management in accordance with section 601(4) of this act by September
2 1, 1997. The board may approve the fiscal year 1999 allocation of
3 funds under this subsection based on the board's evaluation of:

4 (a) College performance compared to the goals for productivity,
5 efficiency, and student retention as submitted in the plan required in
6 section 601(4) of this act; and

7 (b) The quality and effectiveness of the strategies the colleges
8 propose to achieve continued improvement in quality and efficiency
9 during the 1998-99 academic year.

10 (2) \$1,253,000 of the general fund--state appropriation for fiscal
11 year 1998, \$27,461,000 of the general fund--state appropriation for
12 fiscal year 1999, and the entire employment and training trust account
13 appropriation are provided solely as special funds for training and
14 related support services, including financial aid, child care, and
15 transportation, as specified in chapter 226, Laws of 1993 (employment
16 and training for unemployed workers) and Substitute House Bill No.
17 2214.

18 (a) Funding is provided to support up to 7,200 full-time equivalent
19 students in each fiscal year.

20 (b) The state board for community and technical colleges shall
21 submit a plan for the allocation of the full-time equivalent students
22 provided in this subsection to the workforce training and education
23 coordinating board for review and approval.

24 (3) \$1,441,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$1,441,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely for 500 FTE enrollment slots to
27 implement RCW 28B.50.259 (timber-dependent communities).

28 (4) \$1,862,500 of the general fund--state appropriation for fiscal
29 year 1998 and \$1,862,500 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely for assessment of student outcomes
31 at community and technical colleges.

32 (5) \$706,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$706,000 of general fund--state appropriation for fiscal
34 year 1999 are provided solely to recruit and retain minority students
35 and faculty.

36 (6) Up to \$1,035,000 of the general fund--state appropriation for
37 fiscal year 1998 and up to \$2,102,000 of the general fund--state
38 appropriation for fiscal year 1999 may be used in combination with
39 salary and benefit savings from faculty turnover to provide faculty

1 salary increments and associated benefits. To the extent general
2 salary increase funding is used to pay faculty increments, the general
3 salary increase shall be reduced by the same amount.

4 (7) To address part-time faculty salary disparities and to increase
5 the ratio of full-time to part-time faculty instructors, the board
6 shall provide salary increases to part-time instructors or hire
7 additional full-time instructional staff under the following conditions
8 and limitations: (a) The amount used for such purposes shall not
9 exceed an amount equivalent to an additional salary increase of 1.0
10 percent on July 1, 1997, and an additional salary increase of 2.0
11 percent on July 1, 1998, for instructional faculty as classified by the
12 office of financial management; and (b) at least \$2,934,000 shall be
13 spent for the purposes of this subsection.

14 (8) \$83,000 of the general fund--state appropriation for fiscal
15 year 1998 and \$1,567,000 of the general fund--state appropriation for
16 fiscal year 1999 are provided for personnel and expenses to develop
17 curricula, library resources, and operations of Cascadia Community
18 College. It is the legislature's intent to use the opportunity
19 provided by the establishment of the new institution to conduct a pilot
20 project of budgeting based on instructional standards and outcomes.
21 The college shall use a portion of the available funds to develop a set
22 of measurable standards and outcomes as the basis for budget
23 development in the 1999-01 biennium.

24 (9) The technical colleges may increase tuition and fees to conform
25 with the percentage increase in community college operating fees
26 enacted by the 1997 legislature. The community colleges may charge up
27 to the maximum level authorized for services and activities fees in RCW
28 28B.15.069.

29 (10) Community and technical colleges with below-average faculty
30 salaries may use funds identified by the state board in the 1997-98 and
31 1998-99 operating allocations to increase faculty salaries no higher
32 than the system-wide average.

33 *Sec. 603 was vetoed. See message at end of chapter.

34 *NEW SECTION. Sec. 604. FOR UNIVERSITY OF WASHINGTON
35 General Fund Appropriation (FY 1998) \$ 283,923,000
36 General Fund Appropriation (FY 1999) \$ 289,807,000
37 Death Investigations Account Appropriation \$ 1,810,000
38 Industrial Insurance Premium Refund Account

1	Appropriation	\$	514,000
2	Accident Account Appropriation	\$	4,969,000
3	Medical Aid Account Appropriation	\$	4,989,000
4	TOTAL APPROPRIATION	\$	586,012,000

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

7 (1) \$2,019,000 of the general fund appropriation for fiscal year
8 1998 and \$3,029,000 of the general fund appropriation for fiscal year
9 1999 shall be placed in reserve. The office of financial management
10 shall approve the allotment of amounts under this subsection upon
11 notification by the higher education coordinating board. These amounts
12 are provided for the preparation of plans and for the achievement of
13 measurable and specific improvements towards performance and
14 accountability goals as outlined in section 601(3) of this act.

15 (2) \$800,000 of the general fund appropriation for fiscal year 1998
16 and \$1,896,000 of the general fund appropriation for fiscal year 1999
17 are provided solely to support additional upper-division and graduate
18 level enrollments at the Tacoma branch campus above the 1996-97
19 budgeted FTE level.

20 (3) \$593,000 of the general fund appropriation for fiscal year 1998
21 and \$1,547,000 of the general fund appropriation for fiscal year 1999
22 are provided solely to support additional upper-division and graduate
23 level enrollments at the Bothell branch campus above the 1996-97
24 budgeted FTE level.

25 (4) \$186,000 of the general fund appropriation for fiscal year 1998
26 and \$186,000 of the general fund appropriation for fiscal year 1999 are
27 provided solely for assessment of student outcomes.

28 (5) \$324,000 of the general fund appropriation for fiscal year 1998
29 and \$324,000 of the general fund appropriation for fiscal year 1999 are
30 provided solely to recruit and retain minority students and faculty.

31 (6) \$130,000 of the general fund appropriation for fiscal year 1998
32 and \$130,000 of the general fund appropriation for fiscal year 1999 are
33 provided solely for the implementation of the Puget Sound work plan
34 agency action item UW-01.

35 (7) \$1,200,000 of the general fund appropriation for fiscal year
36 1998 and \$1,200,000 of the general fund appropriation for fiscal year
37 1999 are provided solely for competitively offered faculty recruitment
38 and retention salary adjustments. The university shall provide a

1 report in their 1999-01 biennial operating budget request submittal on
2 the effective expenditure of funds for the purposes of this subsection.

3 (8) \$47,000 of the fiscal year 1998 general fund appropriation and
4 \$47,000 of the fiscal year 1999 general fund appropriation are provided
5 solely to employ a fossil preparator/educator in the Burke Museum. The
6 entire amounts provided in this subsection shall be provided directly
7 to the Burke Museum.

8 (9) \$75,000 of the general fund appropriation for fiscal year 1998
9 and \$75,000 of the general fund appropriation for fiscal year 1999 are
10 provided solely for enhancements to research capabilities at the
11 Olympic natural resources center.

12 *Sec. 604 was vetoed. See message at end of chapter.

13 *NEW SECTION. Sec. 605. FOR WASHINGTON STATE UNIVERSITY

14	General Fund Appropriation (FY 1998)	. . . . .	\$ 166,644,000
15	General Fund Appropriation (FY 1999)	. . . . .	\$ 172,819,000
16	Air Pollution Control Account Appropriation	. . . . .	\$ 206,000
17	TOTAL APPROPRIATION	. . . . .	\$ 339,669,000

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

20 (1) \$1,204,000 of the general fund appropriation for fiscal year
21 1998 and \$1,807,000 of the general fund appropriation for fiscal year
22 1999 shall be placed in reserve. The office of financial management
23 shall approve the allotment of amounts under this subsection upon
24 notification by the higher education coordinating board. These amounts
25 are provided for the preparation of plans and for the achievement of
26 measurable and specific improvements towards performance and
27 accountability goals as outlined in section 601(3) of this act.

28 (2) \$1,059,000 of the general fund appropriation for fiscal year
29 1999 is provided solely to support additional upper-division and
30 graduate level enrollments at the Vancouver branch campus above the
31 1996-97 budgeted FTE level.

32 (3) \$263,000 of the general fund appropriation for fiscal year 1998
33 and \$789,000 of the general fund appropriation for fiscal year 1999 are
34 provided solely to support additional upper-division and graduate level
35 enrollments at the Tri-Cities branch campus above the 1996-97 budgeted
36 FTE level.

1 (4) \$971,000 of the general fund appropriation for fiscal year 1999
2 is provided solely to support additional upper-division and graduate
3 level enrollments at the Spokane branch campus above the 1996-97
4 budgeted FTE level.

5 (5) \$186,000 of the general fund appropriation for fiscal year 1998
6 and \$186,000 of the general fund appropriation for fiscal year 1999 are
7 provided solely for assessment of student outcomes.

8 (6) \$140,000 of the general fund appropriation for fiscal year 1998
9 and \$140,000 of the general fund appropriation for fiscal year 1999 are
10 provided solely to recruit and retain minority students and faculty.

11 (7) \$157,000 of the general fund appropriation for fiscal year 1998
12 and \$157,000 of the general fund appropriation for fiscal year 1999 are
13 provided solely for the implementation of the Puget Sound work plan
14 agency action item WSU-01.

15 (8) \$600,000 of the general fund appropriation for fiscal year 1998
16 and \$600,000 of the general fund appropriation for fiscal year 1999 are
17 provided solely for competitively offered faculty recruitment and
18 retention salary adjustments. The university shall provide a report in
19 their 1999-01 biennial operating budget request submittal on the
20 effective expenditure of funds for the purposes of this subsection.

21 (9) \$50,000 of the general fund appropriation for fiscal year 1998
22 and \$50,000 of the general fund appropriation for fiscal year 1999 are
23 provided solely for yellow star thistle research.

24 (10) \$55,000 of the general fund appropriation for fiscal year 1998
25 and \$55,000 of the general fund appropriation for fiscal year 1999 are
26 provided solely for the Goldendale distance learning center.

27 *Sec. 605 was vetoed. See message at end of chapter.

28 ***NEW SECTION. Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

29 General Fund Appropriation (FY 1998)	\$ 39,211,000
30 General Fund Appropriation (FY 1999)	\$ 39,489,000
31 TOTAL APPROPRIATION	\$ 78,700,000

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

34 (1) \$285,000 of the general fund appropriation for fiscal year 1998
35 and \$428,000 of the general fund appropriation for fiscal year 1999
36 shall be placed in reserve. The office of financial management shall
37 approve the allotment of amounts under this subsection upon

1 notification by the higher education coordinating board. These amounts
2 are provided for the preparation of plans and for the achievement of
3 measurable and specific improvements towards performance and
4 accountability goals as outlined in section 601(3) of this act.

5 (2) \$186,000 of the general fund appropriation for fiscal year 1998
6 and \$186,000 of the general fund appropriation for fiscal year 1999 are
7 provided solely for assessment of student outcomes.

8 (3) \$93,000 of the general fund appropriation for fiscal year 1998
9 and \$93,000 of the general fund appropriation for fiscal year 1999 are
10 provided solely to recruit and retain minority students and faculty.

11 (4) \$53,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$54,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided solely for competitively offered faculty
14 recruitment and retention salary adjustments. The university shall
15 provide a report in their 1999-01 biennial operating budget request
16 submittal on the effective expenditure of funds for the purposes of
17 this subsection.

18 (5) \$3,188,000 of the general fund appropriation for fiscal year
19 1998 and \$3,188,000 of the general fund appropriation for fiscal year
20 1999 shall be placed in reserve pending attainment of budgeted
21 enrollments of 6,942 FTEs. The office of financial management shall
22 approve the allotment of funds under this subsection at the annual rate
23 of \$4,000 for annual student FTEs in excess of 6,942 based on tenth day
24 quarterly enrollment and the office of financial management's quarterly
25 budget driver report. In addition, allotments of reserve funds in this
26 section shall be approved by the office of financial management upon
27 approval by the higher education coordinating board for (a) actions
28 that will result in additional enrollment growth, and (b) contractual
29 obligations in fiscal year 1998 to the extent such funds are required.

30 *Sec. 606 was vetoed. See message at end of chapter.

31 *NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY

32 General Fund Appropriation (FY 1998)	\$ 37,214,000
33 General Fund Appropriation (FY 1999)	\$ 38,616,000
34 TOTAL APPROPRIATION	\$ 75,830,000

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

1 (1) \$269,000 of the general fund appropriation for fiscal year 1998
2 and \$403,000 of the general fund appropriation for fiscal year 1999
3 shall be placed in reserve. The office of financial management shall
4 approve the allotment of amounts under this subsection upon
5 notification by the higher education coordinating board. These amounts
6 are provided for the preparation of plans and for the achievement of
7 measurable and specific improvements towards performance and
8 accountability goals as outlined in section 601(3) of this act.

9 (2) \$186,000 of the general fund appropriation for fiscal year 1998
10 and \$186,000 of the general fund appropriation for fiscal year 1999 are
11 provided solely for assessment of student outcomes.

12 (3) \$70,000 of the general fund appropriation for fiscal year 1998
13 and \$70,000 of the general fund appropriation for fiscal year 1999 are
14 provided solely to recruit and retain minority students and faculty.

15 (4) \$51,000 of the general fund appropriation for fiscal year 1998
16 and \$51,000 of the general fund appropriation for fiscal year 1999 are
17 provided solely for competitively offered faculty recruitment and
18 retention salary adjustments. The college shall provide a report in
19 their 1999-01 biennial operating budget request submittal on the
20 effective expenditure of funds for the purposes of this subsection.

21 *Sec. 607 was vetoed. See message at end of chapter.

22 ***NEW SECTION.** Sec. 608. FOR THE EVERGREEN STATE COLLEGE

23 General Fund Appropriation (FY 1998)	\$ 20,151,000
24 General Fund Appropriation (FY 1999)	\$ 20,518,000
25 TOTAL APPROPRIATION	\$ 40,669,000

26 The appropriations in this section is subject to the following
27 conditions and limitations:

28 (1) \$144,000 of the general fund appropriation for fiscal year 1998
29 and \$217,000 of the general fund appropriation for fiscal year 1999
30 shall be placed in reserve. The office of financial management shall
31 approve the allotment of amounts under this subsection upon
32 notification by the higher education coordinating board. These amounts
33 are provided for the preparation of plans and for the achievement of
34 measurable and specific improvements towards performance and
35 accountability goals as outlined in section 601(3) of this act.

1 (2) \$186,000 of the general fund appropriation for fiscal year 1998
2 and \$186,000 of the general fund appropriation for fiscal year 1999 are
3 provided solely for assessment of student outcomes.

4 (3) \$47,000 of the general fund appropriation for fiscal year 1998
5 and \$47,000 of the general fund appropriation for fiscal year 1999 are
6 provided solely to recruit and retain minority students and faculty.

7 (4) \$29,000 of the general fund appropriation for fiscal year 1998
8 and \$29,000 of the general fund appropriation for fiscal year 1999 are
9 provided solely for competitively offered faculty recruitment and
10 retention salary adjustments. The college shall provide a report in
11 their 1999-01 biennial operating budget request submittal on the
12 effective expenditure of funds for the purposes of this subsection.

13 *Sec. 608 was vetoed. See message at end of chapter.

14 *NEW SECTION. Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY

15	General Fund Appropriation (FY 1998)	. . . . .	\$	47,822,000
16	General Fund Appropriation (FY 1999)	. . . . .	\$	48,855,000
17	TOTAL APPROPRIATION	. . . . .	\$	96,677,000

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

20 (1) \$342,000 of the general fund appropriation for fiscal year 1998
21 and \$514,000 of the general fund appropriation for fiscal year 1999
22 shall be placed in reserve. The office of financial management shall
23 approve the allotment of amounts under this subsection upon
24 notification by the higher education coordinating board. These amounts
25 are provided for the preparation of plans and for the achievement of
26 measurable and specific improvements towards performance and
27 accountability goals as outlined in section 601(3) of this act.

28 (2) \$186,000 of the general fund appropriation for fiscal year 1998
29 and \$186,000 of the general fund appropriation for fiscal year 1999 are
30 provided solely for assessment of student outcomes.

31 (3) \$93,000 of the general fund appropriation for fiscal year 1998
32 and \$93,000 of the general fund appropriation for fiscal year 1999 are
33 provided solely to recruit and retain minority students and faculty.

34 (4) \$66,000 of the general fund appropriation for fiscal year 1998
35 and \$67,000 of the general fund appropriation for fiscal year 1999 are
36 provided solely for competitively offered faculty recruitment and
37 retention salary adjustments. The university shall provide a report

1 *in their 1999-01 biennial operating budget request submittal on the*
2 *effective expenditure of funds for the purposes of this subsection.*
3 **Sec. 609 was vetoed. See message at end of chapter.*

4 **NEW SECTION. Sec. 610. FOR THE HIGHER EDUCATION COORDINATING*
5 *BOARD--POLICY COORDINATION AND ADMINISTRATION*

6	General Fund--State Appropriation (FY 1998)	\$	2,734,000
7	General Fund--State Appropriation (FY 1999)	\$	2,615,000
8	General Fund--Federal Appropriation	\$	693,000
9	TOTAL APPROPRIATION	\$	6,042,000

10 The appropriations in this section are provided to carry out the
11 accountability, performance measurement, policy coordination, planning,
12 studies and administrative functions of the board and are subject to
13 the following conditions and limitations:

14 *(1) The board shall review, recommend changes if necessary, and*
15 *approve plans defined in section 601(3)(a) of this act for achieving*
16 *measurable and specific improvements in academic years 1997-98 and*
17 *1998-99. The plans shall be reported to the office of financial*
18 *management and the appropriate legislative committees by October of*
19 *each year. By October 1, 1997, the board shall notify the office of*
20 *financial management to allot institutions' fiscal year 1998*
21 *performance funds held in reserve, based upon the adequacy of plans*
22 *prepared by the institutions.*

23 *(2) The board shall develop criteria to assess institutions'*
24 *performance and shall use those criteria in determining the allotment*
25 *of performance and accountability funds. The board shall evaluate each*
26 *institution's achievement of performance targets for the 1997-98*
27 *academic year and, by December 1, 1998, the board shall notify the*
28 *office of financial management to allot institutions' fiscal year 1999*
29 *performance funds held in reserve, based upon each institution's*
30 *performance.*

31 *(3) By January, 1999, the board shall recommend to the office of*
32 *financial management and appropriate legislative committees any*
33 *recommended additions, deletions, or revisions to the performance and*
34 *accountability measures in sections 601(3) of this act as part of the*
35 *next master plan for higher education. The recommendations shall be*
36 *developed in consultation with the institutions of higher education and*
37 *may include additional performance indicators to measure successful*

1 *student learning and other student outcomes for possible inclusion in*
2 *the 1999-01 operating budget.*

3 (4) \$280,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$280,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely for enrollment to implement RCW
6 28B.80.570 through 28B.80.585 (rural natural resources impact areas).
7 The number of students served shall be 50 full-time equivalent students
8 per fiscal year. The board shall ensure that enrollments reported
9 under this subsection meet the criteria outlined in RCW 28B.80.570
10 through 28B.80.585.

11 (5) \$70,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$70,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided to develop a competency based admissions
14 system for higher education institutions. The board shall complete the
15 competency based admissions system and issue a report outlining the
16 competency based admissions system by January 1999.

17 (6) \$500,000 of the general fund--state appropriation for fiscal
18 year 1998 and \$500,000 of the general fund--state appropriation for
19 fiscal year 1999 are provided solely for activities related to higher
20 education facilities planning, project monitoring, and access issues
21 related to capital facilities. Of this amount, \$50,000 is provided for
22 a study of higher education needs of Okanogan county and surrounding
23 communities with consideration given to alternative approaches to
24 educational service delivery, facility expansion, relocation or
25 partnership, and long-term growth and future educational demands of the
26 region.

27 (7) \$150,000 of the general fund--state appropriation for fiscal
28 year 1998 is provided solely as one-time funding for computer upgrades.
29 *Sec. 610 was partially vetoed. See message at end of chapter.

30 ****NEW SECTION. Sec. 611. FOR THE HIGHER EDUCATION COORDINATING***
31 ***BOARD--FINANCIAL AID AND GRANT PROGRAMS***

32	<i>General Fund--State Appropriation (FY 1998)</i>	<i>.</i>	<i>\$</i>	<i>86,369,000</i>
33	<i>General Fund--State Appropriation (FY 1999)</i>	<i>.</i>	<i>\$</i>	<i>93,209,000</i>
34	<i>General Fund--Federal Appropriation</i>	<i>.</i>	<i>\$</i>	<i>8,255,000</i>
35	<i>TOTAL APPROPRIATION</i>	<i>.</i>	<i>\$</i>	<i>187,833,000</i>

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

1 (1) \$527,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$526,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely for the displaced homemakers
4 program.

5 (2) \$216,000 of the general fund--state appropriation for fiscal
6 year 1998 and \$220,000 of the general fund--state appropriation for
7 fiscal year 1999 are provided solely for the western interstate
8 commission for higher education.

9 (3) \$118,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$118,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely for the health personnel resources
12 plan.

13 (4) \$1,000,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$1,000,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for the scholarships and loans
16 program under chapter 28B.115 RCW, the health professional conditional
17 scholarship program. This amount shall be deposited to the health
18 professional loan repayment and scholarship trust fund to carry out the
19 purposes of the program.

20 (5) \$83,783,000 of the general fund--state appropriation for fiscal
21 year 1998 and \$90,728,000 of the general fund--state appropriation for
22 fiscal year 1999 are provided solely for student financial aid,
23 including all administrative costs. The amounts in (a), (b), and (c)
24 of this subsection are sufficient to implement Second Substitute House
25 Bill No. 1851 (higher education financial aid). Of these amounts:

26 (a) \$64,262,000 of the general fund--state appropriation for fiscal
27 year 1998 and \$70,964,000 of the general fund--state appropriation for
28 fiscal year 1999 are provided solely for the state need grant program.

29 (i) Unless an alternative method for distribution of the state need
30 grant is enacted which distributes grants based on tuition costs, for
31 the purposes of determination of eligibility for state need grants for
32 the 1998-99 academic year, the higher education coordinating board
33 shall establish family income equivalencies for independent students
34 having financial responsibility for children and independent students
35 with no financial responsibility for children, respectively, based on
36 the United States bureau of labor statistics' low budget standard for
37 persons in the 20-35 year age group, in accordance with the
38 recommendations of the 1996 student financial aid policy advisory
39 committee.

1 (ii) After April 1 of each fiscal year, up to one percent of the
2 annual appropriation for the state need grant program may be
3 transferred to the state work study program.

4 (b) \$15,350,000 of the general fund--state appropriation for fiscal
5 year 1998 and \$15,350,000 of the general fund--state appropriation for
6 fiscal year 1999 are provided solely for the state work study program.
7 After April 1 of each fiscal year, up to one percent of the annual
8 appropriation for the state work study program may be transferred to
9 the state need grant program;

10 (c) \$2,422,000 of the general fund--state appropriation for fiscal
11 year 1998 and \$2,422,000 of the general fund--state appropriation for
12 fiscal year 1999 are provided solely for educational opportunity
13 grants. For the purpose of establishing eligibility for the equal
14 opportunity grant program for placebound students under RCW
15 28B.101.020, Thurston county lies within the branch campus service area
16 of the Tacoma branch campus of the University of Washington;

17 (d) A maximum of 2.1 percent of the general fund--state
18 appropriation for fiscal year 1998 and 2.1 percent of the general
19 fund--state appropriation for fiscal year 1999 may be expended for
20 financial aid administration, excluding the four percent state work
21 study program administrative allowance provision;

22 (e) \$230,000 of the general fund--state appropriation for fiscal
23 year 1998 and \$201,000 of the general fund--state appropriation for
24 fiscal year 1999 are provided solely for the educator's excellence
25 awards. Any educator's excellence moneys not awarded by April 1st of
26 each year may be transferred by the board to either the Washington
27 scholars program or, in consultation with the workforce training and
28 education coordinating board, to the Washington award for vocational
29 excellence;

30 (f) \$1,012,000 of the general fund--state appropriation for fiscal
31 year 1998 and \$1,266,000 of the general fund--state appropriation for
32 fiscal year 1999 are provided solely to implement the Washington
33 scholars program. Any Washington scholars program moneys not awarded
34 by April 1st of each year may be transferred by the board to either the
35 educator's excellence awards or, in consultation with the workforce
36 training and education coordinating board, to the Washington award for
37 vocational excellence;

38 (g) \$456,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$474,000 of the general fund--state appropriation for

1 *fiscal year 1999 are provided solely to implement Washington award for*
2 *vocational excellence program. Any Washington award for vocational*
3 *program moneys not awarded by April 1st of each year may be transferred*
4 *by the board to either the educator's excellence awards or the*
5 *Washington scholars program;*

6 *(h) \$51,000 of the general fund--state appropriation for fiscal*
7 *year 1998 and \$51,000 of the general fund--state appropriation for*
8 *fiscal year 1999 are provided solely for community scholarship matching*
9 *grants of \$2,000 each. To be eligible for the matching grant, a*
10 *nonprofit community organization organized under section 501(c)(3) of*
11 *the internal revenue code must demonstrate that it has raised \$2,000 in*
12 *new moneys for college scholarships after the effective date of this*
13 *act. No organization may receive more than one \$2,000 matching grant;*
14 *and*

15 *(6) \$175,000 of the general fund--state appropriation for fiscal*
16 *year 1998 and \$175,000 of the general fund--state appropriation for*
17 *fiscal year 1999 are provided solely to implement Engrossed Second*
18 *Substitute House Bill No. 1372 or Second Substitute Senate Bill No.*
19 *5106 (Washington advanced college tuition payment program). If neither*
20 *Engrossed Second Substitute House Bill No. 1372 nor Second Substitute*
21 *Senate Bill No. 5106 is enacted by June 30, 1997, the amounts provided*
22 *in this subsection shall lapse.*

23 *(7) \$187,000 of the general fund--state appropriation for fiscal*
24 *year 1998 and \$188,000 of the general fund--state appropriation for*
25 *fiscal year 1999 are provided solely for a demonstration project in the*
26 *1997-99 biennium to provide undergraduate fellowships based upon the*
27 *graduate fellowship program.*

28 *(8) Funding is provided in this section for the development of*
29 *three models for tuition charges for distance learning programs.*
30 *Institutions involved in distance education or extended learning shall*
31 *provide information to the board on the usage, cost, and revenue*
32 *generated by such programs.*

33 **Sec. 611 was vetoed. See message at end of chapter.*

34 NEW SECTION. **Sec. 612. FOR THE JOINT CENTER FOR HIGHER EDUCATION**

35	General Fund Appropriation (FY 1998)	. . . . .	\$	1,469,000
36	General Fund Appropriation (FY 1999)	. . . . .	\$	1,470,000
37	TOTAL APPROPRIATION	. . . . .	\$	2,939,000

1 NEW SECTION. **Sec. 613. FOR THE WORK FORCE TRAINING AND EDUCATION**

2 **COORDINATING BOARD**

3	General Fund--State Appropriation (FY 1998)	\$	1,636,000
4	General Fund--State Appropriation (FY 1999)	\$	1,642,000
5	General Fund--Federal Appropriation	\$	34,378,000
6	TOTAL APPROPRIATION	\$	37,656,000

7 NEW SECTION. **Sec. 614. FOR WASHINGTON STATE LIBRARY**

8	General Fund--State Appropriation (FY 1998)	\$	7,483,000
9	General Fund--State Appropriation (FY 1999)	\$	7,281,000
10	General Fund--Federal Appropriation	\$	4,847,000
11	TOTAL APPROPRIATION	\$	19,611,000

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

14 (1) At least \$2,524,000 shall be expended for a contract with the
15 Seattle public library for library services for the Washington book and
16 braille library.

17 (2) \$198,000 of the general fund--state appropriation for fiscal
18 year 1998 is provided solely for the state library to continue the
19 government information locator service in accordance with chapter 171,
20 Laws of 1996. The state library, in consultation with interested
21 parties, shall prepare an evaluation of the government information
22 locator service by October 1, 1997. The evaluation shall include a
23 cost-benefit analysis, a determination of fiscal impacts to the state,
24 and programmatic information. The evaluation report shall be provided
25 to the appropriate legislative fiscal committees.

26 NEW SECTION. **Sec. 615. FOR THE WASHINGTON STATE ARTS COMMISSION**

27	General Fund--State Appropriation (FY 1998)	\$	2,015,000
28	General Fund--State Appropriation (FY 1999)	\$	2,013,000
29	General Fund--Federal Appropriation	\$	690,000
30	TOTAL APPROPRIATION	\$	4,718,000

31 NEW SECTION. **Sec. 616. FOR THE WASHINGTON STATE HISTORICAL**
32 **SOCIETY**

33	General Fund Appropriation (FY 1998)	\$	2,502,000
34	General Fund Appropriation (FY 1999)	\$	2,531,000
35	TOTAL APPROPRIATION	\$	5,033,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$216,200 of the general fund appropriation
3 for fiscal year 1998 and \$216,200 of the general fund appropriation for
4 fiscal year 1999 are provided solely for exhibit and educational
5 programming.

6 NEW SECTION. **Sec. 617. FOR THE EASTERN WASHINGTON STATE**
7 **HISTORICAL SOCIETY**

8	General Fund Appropriation (FY 1998)	. . . . .	\$	741,000
9	General Fund Appropriation (FY 1999)	. . . . .	\$	1,022,000
10	TOTAL APPROPRIATION	. . . . .	\$	1,763,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: \$275,000 of the general fund appropriation
13 for fiscal year 1999 is provided solely for exhibit design and
14 planning.

15 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE BLIND**

16	General Fund--State Appropriation (FY 1998)	. . . . .	\$	3,714,000
17	General Fund--State Appropriation (FY 1999)	. . . . .	\$	3,738,000
18	General Fund--Private/Local Appropriation	. . . . .	\$	192,000
19	TOTAL APPROPRIATION	. . . . .	\$	7,644,000

20 NEW SECTION. **Sec. 619. FOR THE STATE SCHOOL FOR THE DEAF**

21	General Fund Appropriation (FY 1998)	. . . . .	\$	6,458,000
22	General Fund Appropriation (FY 1999)	\$	6,459,000
23	TOTAL APPROPRIATION	\$	12,917,000

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**PART VII
SPECIAL APPROPRIATIONS**

**NEW SECTION. Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL FUND BOND DEBT**

General Fund Appropriation (FY 1998)	\$ 447,283,000
General Fund Appropriation (FY 1999)	\$ 485,077,000
General Fund Bonds Subject to the Limit Bond	
Retirement Account Appropriation	\$ 932,360,000
TOTAL APPROPRIATION	\$1,864,720,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the general fund bonds subject to the limit bond retirement account.

**NEW SECTION. Sec. 702. 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 & Trade Center Account	
Appropriation	\$ 34,081,000
Accident Account Appropriation	\$ 5,108,000
Medical Aid Account Appropriation	\$ 5,108,000
TOTAL APPROPRIATION	\$ 44,297,000

**NEW SECTION. Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund Appropriation (FY 1998)	\$ 23,096,000
General Fund Appropriation (FY 1999)	\$ 25,603,000
General Fund Bonds Excluded from the Limit	
Bond Retirement Account Appropriation	\$ 48,699,000
Reimbursable Bonds Excluded from the Limit Bond	
Retirement Account Appropriation	\$ 104,933,000
Reimbursable Bonds Subject to the Limit Bond	
Retirement Account Appropriation	\$ 402,000

1 TOTAL APPROPRIATION \$ 202,733,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: The general fund appropriation is for
4 deposit into the general fund bonds excluded from the limit bond
5 retirement account.

6 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
7 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
8 **DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE**

9 Revenue Bonds Excluded from the Limit Bond
10 Retirement Account Appropriation \$ 2,451,000

11 NEW SECTION. **Sec. 705. FOR THE STATE TREASURER--BOND RETIREMENT**
12 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
13 **BOND SALE EXPENSES**

14 General Fund Appropriation (FY 1998) \$ 475,000
15 General Fund Appropriation (FY 1999) \$ 475,000
16 Higher Education Construction Account Appropriation . \$ 215,000
17 State Building Construction Account Appropriation . . \$ 6,374,000
18 Public Safety Reimbursable Bond Account Appropriation \$ 8,000
19 TOTAL APPROPRIATION \$ 7,547,000

20 Total Bond Retirement and Interest Appropriations
21 contained in sections 701 through 705 of this
22 act \$2,121,748,000

23 NEW SECTION. **Sec. 706. FOR THE GOVERNOR--FOR TRANSFER TO THE TORT**
24 **CLAIMS REVOLVING FUND**

25 General Fund Appropriation (FY 1998) \$ 1,250,000
26 General Fund Appropriation (FY 1999) \$ 1,250,000
27 TOTAL APPROPRIATION \$ 2,500,000

28 NEW SECTION. **Sec. 707. FOR THE GOVERNOR--AMERICANS WITH**
29 **DISABILITIES ACT**

30 Americans with Disabilities Special Revolving Fund
31 Appropriation \$ 426,000

1 The appropriation in this section is subject to the following
2 conditions and limitations:

3 (1) The appropriation shall be used solely to fund requests from
4 state agencies complying with the program requirements of the federal
5 Americans with disabilities act. This appropriation will be
6 administered by the office of financial management and will be
7 apportioned to agencies meeting distribution criteria.

8 (2) To facilitate payment from special funds dedicated to agency
9 programs receiving allocations under this section, the state treasurer
10 is directed to transfer sufficient moneys from the special funds to the
11 Americans with disabilities special revolving fund, hereby created in
12 the state treasury, in accordance with schedules provided by the office
13 of financial management.

14 **NEW SECTION. Sec. 708. FOR THE GOVERNOR--TORT DEFENSE SERVICES**

15 General Fund Appropriation (FY 1998)	\$	1,257,000
16 General Fund Appropriation (FY 1999)	\$	1,257,000
17 Special Fund Agency Tort Defense Services		
18 Revolving Fund Appropriation	\$	2,513,000
19 TOTAL APPROPRIATION	\$	5,027,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: To facilitate payment of tort defense
22 services from special funds, the state treasurer is directed to
23 transfer sufficient moneys from each special fund to the special fund
24 agency tort defense services revolving fund, in accordance with
25 schedules provided by the office of financial management. The governor
26 shall distribute the moneys appropriated in this section to agencies to
27 pay for tort defense services.

28 **NEW SECTION. Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
29 **EMERGENCY FUND**

30 General Fund Appropriation (FY 1998)	\$	500,000
31 General Fund Appropriation (FY 1999)	\$	500,000
32 TOTAL APPROPRIATION	\$	1,000,000

33 The appropriation in this section is for the governor's emergency
34 fund for the critically necessary work of any agency.

1 NEW SECTION. **Sec. 710. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

2 **YEAR 2000 ALLOCATIONS**

3	General Fund--State Appropriation (FY 1998)	\$	3,380,000
4	General Fund--State Appropriation (FY 1999)	\$	1,960,000
5	General Fund--Federal Appropriation	\$	2,883,000
6	Liquor Revolving Account Appropriation	\$	131,000
7	Health Care Authority Administrative Account		
8	Appropriation	\$	631,000
9	Accident Account Appropriation	\$	1,102,000
10	Medical Aid Account Appropriation	\$	1,102,000
11	Unemployment Compensation Administration Account--		
12	Federal Appropriation	\$	1,313,000
13	Administrative Contingency Account Appropriation . .	\$	948,000
14	Employment Services Administrative Account		
15	Appropriation	\$	500,000
16	Forest Development Account Appropriation	\$	156,000
17	Off Road Vehicle Account Appropriation	\$	7,000
18	Surveys and Maps Account Appropriation	\$	1,000
19	Aquatic Lands Enhancement Account Appropriation . . .	\$	8,000
20	Resource Management Cost Account Appropriation . . .	\$	348,000
21	TOTAL APPROPRIATION	\$	14,470,000

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

24 (1) The appropriations will be allocated by the office of financial
25 management to agencies to complete Year 2000 date conversion
26 maintenance on their computer systems. Agencies shall submit their
27 estimated costs of conversion to the office of financial management by
28 July 1, 1997.

29 (2) Up to \$10,000,000 of the cash balance of the data processing
30 revolving account may be expended on agency Year 2000 date conversion
31 costs. The \$10,000,000 will be taken from the cash balances of the
32 data processing revolving account's two major users, as follows:
33 \$7,000,000 from the department of information services and \$3,000,000
34 from the office of financial management. The office of financial
35 management in consultation with the department of information services
36 shall allocate these funds as needed to complete the date conversion
37 projects.

1 (3) Agencies receiving these allocations shall report at a minimum
2 to the information services board and to the governor every six months
3 on the progress of Year 2000 maintenance efforts.

4 NEW SECTION. **Sec. 711. BELATED CLAIMS.** The agencies and
5 institutions of the state may expend moneys appropriated in this act,
6 upon approval of the office of financial management, for the payment of
7 supplies and services furnished to the agency or institution in prior
8 fiscal biennia.

9 NEW SECTION. **Sec. 712. FOR THE GOVERNOR--COMPENSATION--INSURANCE**
10 **BENEFITS**

11	General Fund--State Appropriation (FY 1998)	\$	823,000
12	General Fund--State Appropriation (FY 1999)	\$	6,257,000
13	General Fund--Federal Appropriation	\$	2,431,000
14	General Fund--Private/Local Appropriation	\$	146,000
15	Salary and Insurance Increase Revolving Account		
16	Appropriation	\$	5,465,000
17	TOTAL APPROPRIATION	\$	15,122,000

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

20 (1)(a) The monthly contribution for insurance benefit premiums
21 shall not exceed \$312.35 per eligible employee for fiscal year 1998,
22 and \$331.31 for fiscal year 1999.

23 (b) The monthly contribution for the operating costs of the health
24 care authority shall not exceed \$4.99 per eligible employee for fiscal
25 year 1998, and \$4.44 for fiscal year 1999.

26 (c) Surplus moneys accruing to the public employees' and retirees'
27 insurance account due to lower-than-projected insurance costs may not
28 be reallocated by the health care authority to increase the actuarial
29 value of public employee insurance plans. Such funds shall be held in
30 reserve in the public employees' and retirees' insurance account and
31 may not be expended without prior legislative authorization.

32 (d) In order to achieve the level of funding provided for health
33 benefits, the public employees' benefits board may require employee
34 premium co-payments, increase point-of-service cost sharing, and/or
35 implement managed competition.

1 (2) To facilitate the transfer of moneys from dedicated funds and
2 accounts, the state treasurer is directed to transfer sufficient moneys
3 from each dedicated fund or account to the special fund salary and
4 insurance contribution increase revolving fund in accordance with
5 schedules provided by the office of financial management.

6 (3) The health care authority, subject to the approval of the
7 public employees' benefits board, shall provide subsidies for health
8 benefit premiums to eligible retired or disabled public employees and
9 school district employees who are eligible for parts A and B of
10 medicare, pursuant to RCW 41.05.085. From January 1, 1998, through
11 December 31, 1998, the subsidy shall be \$41.26 per month. Starting
12 January 1, 1999, the subsidy shall be \$43.16 per month.

13 (4) Technical colleges, school districts, and educational service
14 districts shall remit to the health care authority for deposit in the
15 public employees' and retirees' insurance account established in RCW
16 41.05.120:

17 (a) For each full-time employee, \$14.80 per month beginning
18 September 1, 1997;

19 (b) For each part-time employee who, at the time of the remittance,
20 is employed in an eligible position as defined in RCW 41.32.010 or
21 41.40.010 and is eligible for employer fringe benefit contributions for
22 basic benefits, \$14.80 each month beginning September 1, 1997, prorated
23 by the proportion of employer fringe benefit contributions for a full-
24 time employee that the part-time employee receives.

25 The remittance requirements specified in this subsection shall not
26 apply to employees of a technical college, school district, or
27 educational service district who purchase insurance benefits through
28 contracts with the health care authority.

29 (5) The salary and insurance increase revolving account
30 appropriation includes amounts sufficient to fund health benefits for
31 ferry workers at the premium levels specified in subsection (1) of this
32 section, consistent with the 1997-99 transportation appropriations act.

33 NEW SECTION. **Sec. 713. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
34 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

35 The appropriations in this section are subject to the following
36 conditions and limitations: The appropriations shall be made on a
37 monthly basis consistent with chapter 41.45 RCW.

1 (1) There is appropriated for state contributions to the law
 2 enforcement officers' and fire fighters' retirement system:
 3 General Fund Appropriation (FY 1998) \$ 68,350,000
 4 General Fund Appropriation (FY 1999) \$ 72,750,000

5 Of the appropriations in this subsection, \$50,000 of the general
 6 fund fiscal year 1998 appropriation and \$50,000 of the general fund
 7 fiscal year 1999 appropriation are provided solely for House Bill No.
 8 1099 (LEOFF retirement plan I). If the bill is not enacted by June 30,
 9 1997, these amounts shall lapse.

10 (2) There is appropriated for contributions to the judicial
 11 retirement system:
 12 General Fund Appropriation (FY 1998) \$ 8,500,000
 13 General Fund Appropriation (FY 1999) \$ 8,500,000

14 (3) There is appropriated for contributions to the judges
 15 retirement system:
 16 General Fund Appropriation (FY 1998) \$ 750,000
 17 General Fund Appropriation (FY 1999) \$ 750,000
 18 TOTAL APPROPRIATION \$ 159,600,000

19 ****NEW SECTION. Sec. 714. SALARY COST OF LIVING ADJUSTMENT***
 20 *General Fund--State Appropriation (FY 1998) \$ 31,031,000*
 21 *General Fund--State Appropriation (FY 1999) \$ 31,421,000*
 22 *General Fund--Federal Appropriation \$ 17,578,000*
 23 *Salary and Insurance Increase Revolving Account*
 24 *Appropriation \$ 48,678,000*
 25 *TOTAL APPROPRIATION \$ 128,708,000*

26 *The appropriations in this section shall be expended solely for the*
 27 *purposes designated in this section and are subject to the conditions*
 28 *and limitations in this section:*

29 (1) *In addition to the purposes set forth in subsections (2) and*
 30 *(3) of this section, appropriations in this section are provided solely*
 31 *for a 3.0 percent salary increase effective July 1, 1997, for all*
 32 *classified employees, including those employees in the Washington*
 33 *management service, and exempt employees under the jurisdiction of the*
 34 *personnel resources board.*

1 (2) *The appropriations in this section are sufficient to fund a 3.0*
2 *percent salary increase effective July 1, 1997, for general government,*
3 *legislative, and judicial employees exempt from merit system rules*
4 *whose salaries are not set by the commission on salaries for elected*
5 *officials.*

6 (3) *The salary and insurance increase revolving account*
7 *appropriation in this section includes funds sufficient to fund a 3.0*
8 *percent salary increase effective July 1, 1997, for ferry workers*
9 *consistent with the 1997-99 transportation appropriations act.*

10 (4) *No salary increase may be paid under this section to any person*
11 *whose salary has been Y-rated pursuant to rules adopted by the*
12 *personnel resources board.*

13 *Sec. 714 was vetoed. See message at end of chapter.

14	<u>NEW SECTION.</u>	Sec. 715.	FOR THE ATTORNEY GENERAL--SALARY
15	ADJUSTMENTS		
16	General Fund Appropriation (FY 1998)	. . . . .	\$ 250,000
17	General Fund Appropriation (FY 1999)	. . . . .	\$ 250,000
18	Attorney General Salary Increase Revolving		
19	Account Appropriation	. . . . .	\$ 500,000
20	TOTAL APPROPRIATION	. . . . .	\$ 1,000,000

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

23 (1) The appropriations are provided solely for increases in
24 salaries and related benefits of assistant attorneys general. The
25 attorney general shall distribute these funds in a manner that will
26 maintain or increase the quality and experience of the attorney
27 general's staff. Market value, specialization, retention, and
28 performance (including billable hours) shall be the factors in
29 determining the distribution of these funds.

30 (2) To facilitate the transfer of moneys from dedicated funds and
31 accounts, state agencies are directed to transfer sufficient moneys
32 from each dedicated fund or account to the attorney general salary
33 increase revolving account, hereby created in the state treasury, in
34 accordance with schedules provided by the office of financial
35 management.

1 ***NEW SECTION.** *Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--*
2 *COMPENSATION ACTIONS OF PERSONNEL RESOURCES BOARD*

3	<i>General Fund Appropriation (FY 1998)</i>	<i>.</i>	<i>\$</i>	<i>5,289,000</i>
4	<i>General Fund Appropriation (FY 1999)</i>	<i>.</i>	<i>\$</i>	<i>10,642,000</i>
5	<i>Salary and Insurance Increase Revolving</i>			
6	<i>Account Appropriation</i>	<i>.</i>	<i>\$</i>	<i>8,862,000</i>
7	TOTAL APPROPRIATION	. . . . .	\$	24,793,000

8 *The appropriations in this section shall be expended solely for the*
9 *purposes designated in this section and are subject to the conditions*
10 *and limitations in this section.*

11 *(1) Funding is provided to fully implement the recommendations of*
12 *the Washington personnel resources board consistent with the provisions*
13 *of chapter 319, Laws of 1996.*

14 *(2) Implementation of the salary adjustments for the various*
15 *clerical classes, physicians, dental classifications, pharmacists,*
16 *maintenance custodians, medical records technicians, fish/wildlife*
17 *biologists, fish/wildlife enforcement, habitat technicians, and fiscal*
18 *technician classifications will be effective July 1, 1997.*
19 *Implementation of the salary adjustments for safety classifications,*
20 *park rangers, park aides, correctional officers/sergeants, community*
21 *corrections specialists, tax information specialists, industrial*
22 *relations specialists, electrical classifications at the department of*
23 *labor and industries, fingerprint technicians, some labor relations*
24 *classifications, health benefits specialists, foresters/land managers,*
25 *and liquor enforcement officers will be effective July 1, 1998.*

26 **Sec. 716 was vetoed. See message at end of chapter.*

27 **NEW SECTION.** **Sec. 717. INCENTIVE SAVINGS--FY 1998.** *The sum of*
28 *seventy-five million dollars or so much thereof as may be available on*
29 *June 30, 1998, from the total amount of unspent fiscal year 1998 state*
30 *general fund appropriations is appropriated for the purposes of House*
31 *Bill No. 2240 or Substitute Senate Bill No. 6045 in the manner provided*
32 *in this section.*

33 *(1) Of the total appropriated amount, one-half of that portion that*
34 *is attributable to incentive savings, not to exceed twenty-five million*
35 *dollars, is appropriated to the savings incentive account for the*
36 *purpose of improving the quality, efficiency, and effectiveness of*
37 *agency services, and credited to the agency that generated the savings.*

1 (2) The remainder of the total amount, not to exceed seventy
2 million dollars, is appropriated to the education savings account for
3 the purpose of common school construction projects and education
4 technology.

5 (3) For purposes of this section, the total amount of unspent state
6 general fund appropriations does not include the appropriations made in
7 this section or any amounts included in across-the-board allotment
8 reductions under RCW 43.88.110.

9 NEW SECTION. **Sec. 718. INCENTIVE SAVINGS--FY 1999.** The sum of
10 seventy-five million dollars or so much thereof as may be available on
11 June 30, 1999, from the total amount of unspent fiscal year 1999 state
12 general fund appropriations is appropriated for the purposes of House
13 Bill No. 2240 or Substitute Senate Bill No. 6045 in the manner provided
14 in this section.

15 (1) Of the total appropriated amount, one-half of that portion that
16 is attributable to incentive savings, not to exceed twenty-five million
17 dollars, is appropriated to the savings incentive account for the
18 purpose of improving the quality, efficiency, and effectiveness of
19 agency services, and credited to the agency that generated the savings.

20 (2) The remainder of the total amount, not to exceed seventy
21 million dollars, is appropriated to the education savings account for
22 the purpose of common school construction projects and education
23 technology.

24 (3) For purposes of this section, the total amount of unspent state
25 general fund appropriations does not include the appropriations made in
26 this section or any amounts included in across-the-board allotment
27 reductions under RCW 43.88.110.

28 *NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
29 **REGULATORY REFORM**

30	General Fund--State Appropriation (FY 1998)	\$	1,821,000
31	General Fund--State Appropriation (FY 1999)	\$	1,549,000
32	General Fund--Federal Appropriation	\$	475,000
33	General Fund--Private/Local Appropriation	\$	136,000
34	Insurance Commissioner's Regulatory Account		
35	Appropriation	\$	375,000
36	Accident Account Appropriation	\$	482,000
37	Medical Aid Account Appropriation	\$	520,000

1	Electrical License Account Appropriation	\$	123,000
2	Health Professions Account Appropriation	\$	581,000
3	Unemployment Compensation Administration Account--		
4	Federal Appropriation	\$	220,000
5	State toxics Control Account Appropriation	\$	164,000
6	Water Quality Permit Account Appropriation	\$	64,000
7	Air Pollution Control Account Appropriation	\$	54,000
8	Flood Control Assistance Account Appropriation	\$	33,000
9	Waste Reduction/Recycling/Litter Control		
10	Appropriation	\$	18,000
11	Oil Spill Administration Account Appropriation	\$	18,000
12	Water Quality Account Appropriation	\$	15,000
13	Air Operating Permit Account Appropriation	\$	15,000
14	Architects' License Account Appropriation	\$	46,000
15	Cemetery Account Appropriation	\$	31,000
16	Professional Engineers' Account Appropriation	\$	41,000
17	Real Estate Commission Account Appropriation	\$	71,000
18	Master License Account Appropriation	\$	59,000
19	Uniform Commercial Code Account Appropriation	\$	95,000
20	Funeral Directors And Embalmers Account		
21	Appropriation	\$	33,000
22	TOTAL APPROPRIATION	\$	7,039,000

23 *The appropriations in this section shall be expended solely for the*
24 *purposes designated in this section and are subject to the following*
25 *conditions and limitations in this section:*

26 (1) *The funds appropriated in this section are provided solely for*
27 *implementing the rules review provisions of Engrossed Second Substitute*
28 *House Bill No. 1032 (regulatory reform) and Engrossed Substitute Senate*
29 *Bill No. 5105 (state/federal rules).*

30 (2) *The office of financial management shall allocate the funds*
31 *provided in this section to agencies that are subject to the*
32 *significant legislative rule making requirements of RCW 34.05.328 as*
33 *amended by Engrossed Second Substitute House Bill No. 1032 (regulatory*
34 *reform).*

35 (3) *Agencies shall submit their expenditure plans for implementing*
36 *the rules review requirements of Engrossed Second Substitute House Bill*
37 *No. 1032 (regulatory reform) and Engrossed Substitute Senate Bill No.*
38 *5105 (state/federal rules) to the office of financial management by*

1 *July 1, 1997. Upon granting approval of the agency's plan, the office*
2 *of financial management shall allocate the funding necessary to carry*
3 *out the review of existing agency rules.*

4 *(4) If neither bill is enacted by June 30, 1997, the amounts*
5 *appropriated in this section shall lapse.*

6 **Sec. 719 was partially vetoed. See message at end of chapter.*

7 (End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES

FOR DISTRIBUTION

General Fund Appropriation for fire insurance		
premiums distribution	\$	6,617,250
General Fund Appropriation for public utility		
district excise tax distribution	\$	35,183,803
General Fund Appropriation for prosecuting attorneys		
salaries	\$	2,960,000
General Fund Appropriation for motor vehicle excise		
tax distribution	\$	84,721,573
General Fund Appropriation for local mass transit		
assistance	\$	383,208,166
General Fund Appropriation for camper and travel		
trailer excise tax distribution	\$	3,904,937
General Fund Appropriation for boating		
safety/education and law enforcement		
distribution	\$	3,616,000
Aquatic Lands Enhancement Account Appropriation		
for harbor improvement revenue distribution	\$	142,000
Liquor Excise Tax Account Appropriation for liquor		
excise tax distribution	\$	22,287,746
Liquor Revolving Fund Appropriation for liquor		
profits distribution	\$	36,989,000
Timber Tax Distribution Account Appropriation		
for distribution to "Timber" counties	\$	107,146,000
Municipal Sales and Use Tax Equalization Account		
Appropriation	\$	66,860,014
County Sales and Use Tax Equalization Account		
Appropriation	\$	11,843,224
Death Investigations Account Appropriation for		
distribution to counties for publicly funded		
autopsies	\$	1,266,000
County Criminal Justice Account Appropriation	\$	80,552,471
Municipal Criminal Justice Account Appropriation	\$	32,042,450

1	County Public Health Account Appropriation	\$	43,773,588
2	TOTAL APPROPRIATION	\$	923,114,222

3 The total expenditures from the state treasury under the
4 appropriations in this section shall not exceed the funds available
5 under statutory distributions for the stated purposes.

6 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FEDERAL REVENUES**
7 **FOR DISTRIBUTION**

8	Forest Reserve Fund Appropriation for federal forest		
9	reserve fund distribution	\$	58,801,910
10	General Fund Appropriation for federal flood control		
11	funds distribution	\$	4,000
12	General Fund Appropriation for federal grazing fees		
13	distribution	\$	52,000
14	General Fund Appropriation for distribution of		
15	federal funds to counties in conformance with		
16	P.L. 97-99 Federal Aid to Counties	\$	885,916
17	TOTAL APPROPRIATION	\$	59,743,826

18 The total expenditures from the state treasury under the
19 appropriations in this section shall not exceed the funds available
20 under statutory distributions for the stated purposes.

21 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--TRANSFERS**

22	General Fund: For transfer to the Water Quality		
23	Account	\$	26,607,000
24	General Fund: For transfer to the Flood Control		
25	Assistance Account	\$	4,000,000
26	State Convention and Trade Center Account: For		
27	transfer to the State Convention and Trade		
28	Center Operations Account	\$	3,877,000
29	Water Quality Account: For transfer to the Water		
30	Pollution Control Account. Transfers shall be		
31	made at intervals coinciding with deposits of		
32	federal capitalization grant money into the		
33	account. The amounts transferred shall not		
34	exceed the match required for each federal		
35	deposit	\$	21,688,000

1 State Treasurer's Service Account: For transfer to
2 the general fund on or before June 30, 1999 an
3 amount up to \$3,600,000 in excess of the cash
4 requirements of the State Treasurer's Service
5 Account \$ 3,600,000
6 Health Services Account: For transfer to the
7 County Public Health Account \$ 2,250,000
8 Public Works Assistance Account: For transfer to
9 the Drinking Water Assistance Account \$ 9,949,000

10 NEW SECTION. **Sec. 804. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
11 **TRANSFERS**

12 General Fund Appropriation: For transfer to the
13 department of retirement systems expense fund
14 for the administrative expenses of the judicial
15 retirement system \$ 16,000

16 (End of part)

1 **PART IX**
2 **MISCELLANEOUS**

3 NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS.** The
4 appropriations contained in this act are maximum expenditure
5 authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the
6 treasury on the basis of a formal loan agreement shall be recorded as
7 loans receivable and not as expenditures for accounting purposes. To
8 the extent that moneys are disbursed on a loan basis, the corresponding
9 appropriation shall be reduced by the amount of loan moneys disbursed
10 from the treasury during the 1997-99 biennium.

11 NEW SECTION. **Sec. 902. INFORMATION SYSTEMS PROJECTS.** Agencies
12 shall comply with the following requirements regarding information
13 systems projects when specifically directed to do so by this act.

14 (1) The agency shall produce a feasibility study for each
15 information systems project in accordance with published department of
16 information services instructions. In addition to department of
17 information services requirements, the study shall examine and evaluate
18 the costs and benefits of maintaining the status quo and the costs and
19 benefits of the proposed project. The study shall identify when and in
20 what amount any fiscal savings will accrue, and what programs or fund
21 sources will be affected.

22 (2) The agency shall produce a project management plan for each
23 project. The plan or plans shall address all factors critical to
24 successful completion of each project. The plan shall include, but is
25 not limited to, the following elements: A description of the problem
26 or opportunity that the information systems project is intended to
27 address; a statement of project objectives and assumptions; definition
28 of phases, tasks, and activities to be accomplished and the estimated
29 cost of each phase; a description of how the agency will facilitate
30 responsibilities of oversight agencies; a description of key decision
31 points in the project life cycle; a description of variance control
32 measures; a definitive schedule that shows the elapsed time estimated
33 to complete the project and when each task is to be started and
34 completed; and a description of resource requirements to accomplish the
35 activities within specified time, cost, and functionality constraints.

1 (3) A copy of each feasibility study and project management plan
2 shall be provided to the department of information services, the office
3 of financial management, and legislative fiscal committees. Authority
4 to expend any funds for individual information systems projects is
5 conditioned on approval of the relevant feasibility study and project
6 management plan by the department of information services and the
7 office of financial management.

8 (4) A project status report shall be submitted to the department of
9 information services, the office of financial management, and
10 legislative fiscal committees for each project prior to reaching key
11 decision points identified in the project management plan. Project
12 status reports shall examine and evaluate project management,
13 accomplishments, budget, action to address variances, risk management,
14 costs and benefits analysis, and other aspects critical to completion
15 of a project.

16 Work shall not commence on any task in a subsequent phase of a
17 project until the status report for the preceding key decision point
18 has been approved by the department of information services and the
19 office of financial management.

20 (5) If a project review is requested in accordance with department
21 of information services policies, the reviews shall examine and
22 evaluate: System requirements specifications; scope; system
23 architecture; change controls; documentation; user involvement;
24 training; availability and capability of resources; programming
25 languages and techniques; system inputs and outputs; plans for testing,
26 conversion, implementation, and postimplementation; and other aspects
27 critical to successful construction, integration, and implementation of
28 automated systems. Copies of project review written reports shall be
29 forwarded to the office of financial management and appropriate
30 legislative committees by the agency.

31 (6) A written postimplementation review report shall be prepared by
32 the agency for each information systems project in accordance with
33 published department of information services instructions. In addition
34 to the information requested pursuant to the department of information
35 services instructions, the postimplementation report shall evaluate the
36 degree to which a project accomplished its major objectives including,
37 but not limited to, a comparison of original cost and benefit estimates
38 to actual costs and benefits achieved. Copies of the
39 postimplementation review report shall be provided to the department of

1 information services, the office of financial management, and
2 appropriate legislative committees.

3 NEW SECTION. **Sec. 903. VIDEO TELECOMMUNICATIONS.** The department
4 of information services shall act as lead agency in coordinating video
5 telecommunications services for state agencies. As lead agency, the
6 department shall develop standards and common specifications for leased
7 and purchased telecommunications equipment and assist state agencies in
8 developing a video telecommunications expenditure plan. No agency may
9 spend any portion of any appropriation in this act for new video
10 telecommunication equipment, new video telecommunication transmission,
11 or new video telecommunication programming, or for expanding current
12 video telecommunication systems without first complying with chapter
13 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
14 without first submitting a video telecommunications expenditure plan,
15 in accordance with the policies of the department of information
16 services, for review and assessment by the department of information
17 services under RCW 43.105.052. Prior to any such expenditure by a
18 public school, a video telecommunications expenditure plan shall be
19 approved by the superintendent of public instruction. The office of
20 the superintendent of public instruction shall submit the plans to the
21 department of information services in a form prescribed by the
22 department. The office of the superintendent of public instruction
23 shall coordinate the use of video telecommunications in public schools
24 by providing educational information to local school districts and
25 shall assist local school districts and educational service districts
26 in telecommunications planning and curriculum development. Prior to
27 any such expenditure by a public institution of postsecondary
28 education, a telecommunications expenditure plan shall be approved by
29 the higher education coordinating board. The higher education
30 coordinating board shall coordinate the use of video telecommunications
31 for instruction and instructional support in postsecondary education,
32 including the review and approval of instructional telecommunications
33 course offerings.

34 NEW SECTION. **Sec. 904. EMERGENCY FUND ALLOCATIONS.** Whenever
35 allocations are made from the governor's emergency fund appropriation
36 to an agency that is financed in whole or in part by other than general
37 fund moneys, the director of financial management may direct the

1 repayment of such allocated amount to the general fund from any balance
2 in the fund or funds which finance the agency. No appropriation shall
3 be necessary to effect such repayment.

4 NEW SECTION. **Sec. 905. STATUTORY APPROPRIATIONS.** In addition to
5 the amounts appropriated in this act for revenues for distribution,
6 state contributions to the law enforcement officers' and fire fighters'
7 retirement system, and bond retirement and interest including ongoing
8 bond registration and transfer charges, transfers, interest on
9 registered warrants, and certificates of indebtedness, there is also
10 appropriated such further amounts as may be required or available for
11 these purposes under any statutory formula or under chapter 39.96 RCW
12 or any proper bond covenant made under law.

13 NEW SECTION. **Sec. 906. BOND EXPENSES.** In addition to such other
14 appropriations as are made by this act, there is hereby appropriated to
15 the state finance committee from legally available bond proceeds in the
16 applicable construction or building funds and accounts such amounts as
17 are necessary to pay the expenses incurred in the issuance and sale of
18 the subject bonds.

19 NEW SECTION. **Sec. 907. LEGISLATIVE FACILITIES.** Notwithstanding
20 RCW 43.01.090, the house of representatives, the senate, and the
21 permanent statutory committees shall pay expenses quarterly to the
22 department of general administration facilities and services revolving
23 fund for services rendered by the department for operations,
24 maintenance, and supplies relating to buildings, structures, and
25 facilities used by the legislature for the biennium beginning July 1,
26 1997.

27 NEW SECTION. **Sec. 908. AGENCY RECOVERIES.** Except as otherwise
28 provided by law, recoveries of amounts expended pursuant to an
29 appropriation, including but not limited to, payments for material
30 supplied or services rendered under chapter 39.34 RCW, may be expended
31 as part of the original appropriation of the fund to which such
32 recoveries belong, without further or additional appropriation. Such
33 expenditures shall be subject to conditions and procedures prescribed
34 by the director of financial management. The director may authorize
35 expenditure with respect to recoveries accrued but not received, in

1 accordance with generally accepted accounting principles, except that
2 such recoveries shall not be included in revenues or expended against
3 an appropriation for a subsequent fiscal period. This section does not
4 apply to the repayment of loans, except for loans between state
5 agencies.

6 NEW SECTION. **Sec. 909. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.**

7 The appropriations of moneys and the designation of funds and accounts
8 by this and other acts of the 1997 legislature shall be construed in a
9 manner consistent with legislation enacted by the 1985, 1987, 1989,
10 1991, 1993, and 1995 legislatures to conform state funds and accounts
11 with generally accepted accounting principles.

12 **Sec. 910.** RCW 43.08.250 and 1996 c 283 s 901 are each amended to
13 read as follows:

14 The money received by the state treasurer from fees, fines,
15 forfeitures, penalties, reimbursements or assessments by any court
16 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
17 deposited in the public safety and education account which is hereby
18 created in the state treasury. The legislature shall appropriate the
19 funds in the account to promote traffic safety education, highway
20 safety, criminal justice training, crime victims' compensation,
21 judicial education, the judicial information system, civil
22 representation of indigent persons, winter recreation parking, and
23 state game programs. During the fiscal biennium ending June 30,
24 ((1997)) 1999, the legislature may appropriate moneys from the public
25 safety and education account for purposes of appellate indigent
26 defense, the criminal litigation unit of the attorney general's office,
27 the treatment alternatives to street crimes program, crime victims
28 advocacy programs, justice information network telecommunication
29 planning, sexual assault treatment, operations of the office of
30 administrator for the courts, security in the common schools,
31 ((programs for alternative dispute resolution of farmworker employment
32 claims,)) criminal justice data collection, and Washington state patrol
33 criminal justice activities.

34 **Sec. 911.** RCW 82.44.110 and 1995 1st sp.s. c 15 s 2 and 1995 c 398
35 s 14 are each reenacted and amended to read as follows:

1 The county auditor shall regularly, when remitting license fee
2 receipts, pay over and account to the director of licensing for the
3 excise taxes collected under the provisions of this chapter. The
4 director shall forthwith transmit the excise taxes to the state
5 treasurer.

6 (1) The state treasurer shall deposit the excise taxes collected
7 under RCW 82.44.020(1) as follows:

8 (a) 1.60 percent into the motor vehicle fund to defray
9 administrative and other expenses incurred by the department in the
10 collection of the excise tax.

11 (b) 8.15 percent into the Puget Sound capital construction account
12 in the motor vehicle fund.

13 (c) 4.07 percent into the Puget Sound ferry operations account in
14 the motor vehicle fund.

15 (d) 5.88 percent into the general fund to be distributed under RCW
16 82.44.155.

17 (e) 4.75 percent into the municipal sales and use tax equalization
18 account in the general fund created in RCW 82.14.210.

19 (f) 1.60 percent into the county sales and use tax equalization
20 account in the general fund created in RCW 82.14.200.

21 (g) 62.6440 percent into the general fund through June 30, 1995,
22 and 57.6440 percent into the general fund beginning July 1, 1995.

23 (h) 5 percent into the transportation fund created in RCW 82.44.180
24 beginning July 1, 1995.

25 (i) 5.9686 percent into the county criminal justice assistance
26 account created in RCW 82.14.310.

27 (j) 1.1937 percent into the municipal criminal justice assistance
28 account for distribution under RCW 82.14.320.

29 (k) 1.1937 percent into the municipal criminal justice assistance
30 account for distribution under RCW 82.14.330.

31 (l) 2.95 percent into the county public health account created in
32 RCW 70.05.125.

33 Notwithstanding (i) through (k) of this subsection, no more than
34 sixty million dollars shall be deposited into the accounts specified in
35 (i) through (k) of this subsection for the period January 1, 1994,
36 through June 30, 1995. Not more than five percent of the funds
37 deposited to these accounts shall be available for appropriations for
38 enhancements to the state patrol crime laboratory system and the
39 continuing costs related to these enhancements. Motor vehicle excise

1 tax funds appropriated for such enhancements shall not supplant
2 existing funds from the state general fund. For the fiscal year ending
3 June 30, 1998, and for each fiscal year thereafter, the amounts
4 deposited into the accounts specified in (i) through (k) of this
5 subsection shall not increase by more than the amounts deposited into
6 those accounts in the previous fiscal year increased by the implicit
7 price deflator for the previous fiscal year. Any revenues in excess of
8 this amount shall be deposited into the ~~((general fund))~~ violence
9 reduction and drug enforcement account during the 1997-99 fiscal
10 biennium.

11 (2) The state treasurer shall deposit the excise taxes collected
12 under RCW 82.44.020(2) into the transportation fund.

13 (3) The state treasurer shall deposit the excise tax imposed by RCW
14 82.44.020(3) into the air pollution control account created by RCW
15 70.94.015.

16 **Sec. 912.** RCW 69.50.520 and 1995 2nd sp.s. c 18 s 919 are each
17 amended to read as follows:

18 The violence reduction and drug enforcement account is created in
19 the state treasury. All designated receipts from RCW 9.41.110(7),
20 66.24.210(4), 66.24.290(3), 69.50.505(h)(1), 82.08.150(5),
21 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989
22 shall be deposited into the account. Expenditures from the account may
23 be used only for funding services and programs under chapter 271, Laws
24 of 1989 and chapter 7, Laws of 1994 sp. sess., including state
25 incarceration costs. During the 1997-1999 biennium, funds from the
26 account may also be used to implement Engrossed Third Substitute House
27 Bill No. 3900 (juvenile code revisions), including local government
28 costs, and costs associated with conducting a feasibility study of the
29 department of corrections' offender-based tracking system. After July
30 1, ~~((1997))~~ 1999, at least seven and one-half percent of expenditures
31 from the account shall be used for providing grants to community
32 networks under chapter 70.190 RCW by the family policy council.

33 **Sec. 913.** RCW 79.24.580 and 1995 2nd sp.s. c 18 s 923 are each
34 amended to read as follows:

35 After deduction for management costs as provided in RCW 79.64.040
36 and payments to towns under RCW 79.92.110(2), all moneys received by
37 the state from the sale or lease of state-owned aquatic lands and from

1 the sale of valuable material from state-owned aquatic lands shall be
2 deposited in the aquatic lands enhancement account which is hereby
3 created in the state treasury. After appropriation, these funds shall
4 be used solely for aquatic lands enhancement projects; for the
5 purchase, improvement, or protection of aquatic lands for public
6 purposes; for providing and improving access to such lands; and for
7 volunteer cooperative fish and game projects. (~~During the fiscal~~
8 ~~biennium ending June 30, 1995, the funds may be appropriated for~~
9 ~~shellfish management, enforcement, and enhancement and for developing~~
10 ~~and implementing plans for population monitoring and restoration of~~
11 ~~native wild salmon stock.)) During the fiscal biennium ending June 30,~~
12 ~~((1997))~~ 1999, the funds may be appropriated for boating safety,
13 shellfish management, enforcement, and enhancement and for developing
14 and implementing plans for population monitoring and restoration of
15 native wild salmon stock.

16 **Sec. 914.** RCW 86.26.007 and 1996 c 283 s 903 are each amended to
17 read as follows:

18 The flood control assistance account is hereby established in the
19 state treasury. At the beginning of the 1997-99 fiscal biennium and
20 each biennium thereafter the state treasurer shall transfer four
21 million dollars from the general fund to the flood control assistance
22 account (~~(an amount of money which, when combined with money remaining~~
23 ~~in the account from the previous biennium, will equal four million~~
24 ~~dollars)).~~ Moneys in the flood control assistance account may be spent
25 only after appropriation for purposes specified under this chapter or,
26 during the (~~1995-97 biennium, for state and local response and~~
27 ~~recovery costs associated with federal emergency management agency~~
28 ~~(FEMA) disaster number 1079 (November/December 1995 storms), FEMA~~
29 ~~disaster number 1100 (February 1996 floods), and for prior biennia~~
30 ~~disaster recovery costs. To the extent that moneys in the flood~~
31 ~~control assistance account are not appropriated during the 1995-97~~
32 ~~fiscal biennium for flood control assistance, the legislature may~~
33 ~~direct their transfer to the state general fund)) 1997-99 fiscal
34 biennium, for transfer to the disaster response account.~~

35 NEW SECTION. **Sec. 915.** Within amounts appropriated in this act,
36 the following state agencies or institutions shall implement sections

1 3, 4, and 5 of Substitute Senate Bill No. 5077 (integrated pest
2 management):

3 (1) The department of agriculture;

4 (2) The state noxious weed control board;

5 (3) The department of ecology;

6 (4) The department of fish and wildlife;

7 (5) The parks and recreation commission;

8 (6) The department of natural resources;

9 (7) The department of corrections;

10 (8) The department of general administration; and

11 (9) Each state institution of higher education, for the
12 institution's own building and grounds maintenance.

13 ****NEW SECTION. Sec. 916. No funding appropriated in this act shall***
14 ***be expended to support the governor's council on environmental***
15 ***education.***

16 ****Sec. 916 was vetoed. See message at end of chapter.***

17 **NEW SECTION. Sec. 917.** If any provision of this act or its
18 application to any person or circumstance is held invalid, the
19 remainder of the act or the application of the provision to other
20 persons or circumstances is not affected.

21 **NEW SECTION. Sec. 918.** This act is necessary for the immediate
22 preservation of the public peace, health, or safety, or support of the
23 state government and its existing public institutions, and takes effect
24 July 1, 1997.

25 (End of part)

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Passed the Senate April 19, 1997.

Passed the House April 17, 1997.

Approved by the Governor April 23, 1997, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State April 23, 1997.

1 Note: Governor's explanation of partial veto is as follows:

2 "I am returning herewith, without my approval as to sections 125;
3 202; 203; 207(1); 207(6); 211(3); 212(2); 213(1); 214; 222(2); 301;
4 302(3); 302(4); 302(5); 302(6); 302(17); 302(19); 302(20); 302(21);
5 302(22); 307; 501; 503; 504; 510; 514; 515(3); 515(4); 515(5); 517;
6 601; 602; 603; 604; 605; 606; 607; 608; 609; 610(1); 610(2); 610(3);
7 611; 714; 716; 719(lines 6-26); and 916, Substitute Senate Bill No.
8 6062 entitled:

9 "AN ACT Relating to fiscal matters;"

10 On April 20 the Legislature approved Substitute Senate Bill 6062
11 providing a state operating budget for the 1997-99 Biennium. Today,
12 with my partial veto, I am returning that budget for further
13 deliberation.

14 In March, I proposed a \$19.2 billion state operating budget
15 designed to create a world class education system, protect working
16 families and the environment, and increase accountability in all areas
17 of government. By controlling growth in many programs and eliminating
18 others altogether, the budget I proposed made hard choices that held
19 growth in state spending to its lowest percentage in 25 years, and
20 stayed within the spending limits established by Initiative 601.

21 Significant parts of the Legislature's budget match the priorities
22 expressed in my budget proposal, while other sections represent
23 reasonable compromises that ensure the efficient delivery of quality
24 services to the citizens of Washington. However, the Legislature's
25 budget is different in two important ways. First, it falls short in
26 providing the excellence we all want for our education system. And
27 secondly, it unnecessarily reduces funding for critical services that
28 help working families, protect abused and neglected children, and
29 safeguard our environment and our economy.

30 The Legislature has taken the unprecedented action of sending me
31 this budget with sufficient time remaining in the session so that we
32 may resolve our differences and adjourn within the 105 days of this
33 regular session. In the exercise of my veto authority I have acted
34 swiftly, but in a restrained and constructive manner to preserve that
35 opportunity for a timely adjournment.

36 The issues in contention are limited and can be resolved quickly if
37 the Legislature so chooses. I have focused my attention, and my veto,
38 on several high priorities that I have emphasized from the beginning of
39 my administration: public education, support for working families,
40 services for children and other vulnerable populations, juvenile
41 justice funding, the environment, and fair compensation for teachers
42 and other government employees.

43 **K-12 Education**

44 The state's education reform effort is left without sufficient
45 funding for student learning improvement grants or federal Goals 2000
46 programs. We are asking teachers to teach to a higher standard and to
47 rigorously assess student achievement by those standards. These funds
48 are a critical component of successful implementation of reform. In
49 addition, the Legislature eliminated support for several targeted state

1 programs that are part of ongoing education reform, including school-
2 to-work grants and funding for internships for principals and
3 superintendents.

4 The Legislature's proposal increases state matching assistance for
5 property-poor school districts (levy equalization) by only about \$4.5
6 million per year, and only for some of the districts now eligible for
7 that assistance. This is not a sufficient enhancement in assistance
8 for school districts whose ability to raise local levies is hindered by
9 high property tax rates.

10 The Legislature also eliminated funding for several programs
11 targeted to serve students in school districts with culturally diverse
12 student populations or special learning needs. It eliminates funding
13 for language instruction for preschool students from homes where
14 English is not the primary language, and proposes a new way to
15 distribute funds for bilingual education without adequate evaluation of
16 the possible impacts of such a change. Eliminating funds for students
17 with special needs forces schools and teachers to divert resources from
18 other students.

19 Therefore, I have vetoed targeted sections of the Superintendent of
20 Public Instruction budget so that the Legislature can improve its level
21 of funding commitment to K-12 education programs in these and other
22 areas.

23 **Higher Education**

24 While I applaud the Legislature's commitment to access through
25 increased enrollment at colleges and universities, another critical
26 element of accessibility is affordability. This budget provides
27 insufficient funding to increase financial aid for the state's growing
28 higher education population and threatens to limit access to a public
29 higher education by students with low incomes and limited resources.

30 To recruit and retain quality personnel for the critical mission of
31 educating our state's population into the twenty-first century, the
32 operating budget should include state funding to raise university
33 faculty salaries to levels competitive with peer institutions, mitigate
34 salary disparities for community and technical college part-time
35 faculty, and provide adequate cost-of-living increases for all
36 education employees.

37 The Legislature needs to create a more effective approach to
38 accountability for higher education institutions. Performance
39 measures, numeric goals and annual improvement targets should not be
40 established through a political process, but with careful deliberation
41 and collaboration between higher education institutions and the Higher
42 Education Coordinating Board and State Board for Community and
43 Technical Colleges. The Legislature's timeline for release of
44 incentive funds is unworkable.

45 I remain strongly committed to holding institutions of higher
46 education accountable, including financial incentives for improved
47 performance, and I look forward to working with the Legislature to
48 develop a strong but realistic policy.

1 Finally, while I support the notion of holding institutions
2 financially accountable for meeting a reasonable enrollment target, the
3 sanction proposed by the Legislature is unworkable.

4 In order to address these and other issues, funding for each
5 institution must be altered, and therefore I have vetoed most sections
6 of the higher education budget.

7 **Support for Working Families**

8 The budget provides low levels of financial aid and support
9 services for dislocated and unemployed workers and for low-income
10 students in work-based learning programs. Community and technical
11 colleges must continue to improve opportunities and assistance for
12 parents who need to get off welfare and low-wage workers who need to
13 improve their job skills.

14 The Basic Health Plan budget does not provide reasonable access to
15 affordable health insurance for Washington's low-income working
16 families. The budget would continue the current freeze on enrollment
17 levels. Premium increases in the budget will make this insurance
18 program unaffordable to many families. By increasing the cost of
19 financial sponsorship (by community groups, family members and others
20 who pay premiums on behalf of the previously uninsured) the budget
21 would eliminate coverage for many current enrollees. The Legislature
22 needs to improve funding for the Plan to keep the commitment made by
23 members of both parties when much of the state's health reform act was
24 repealed.

25 **Meeting Our Responsibilities for Children and Others in Need**

26 While I appreciate and applaud the improvements in children's
27 services funding in the conference budget, compared to the original
28 legislative budgets, one key issue still needs to be addressed: I urge
29 the Legislature to add additional field staff for Children and Family
30 Services. My budget included funding to ensure that the minimum legal
31 and policy requirements would be met as the agency works to protect
32 children from abuse and neglect.

33 The Legislature's budget also requires that General Assistance-
34 Unemployable recipients needing alcohol or drug treatment be assigned
35 a protective payee to protect their cash assistance. While I support
36 the concept of protective payees in this program, the legislative
37 budget proposes unnecessarily deep reductions in the General Assistance
38 program. I cannot support policy changes that increase administrative
39 costs when basic cash and medical assistance benefits are not
40 adequately funded. We should be able to devise a final budget that
41 provides increased accountability while meeting our responsibility to
42 those unable to participate in the workforce.

43 Affordable child care is a crucial part of successfully moving
44 people from welfare to work. I will work with the Legislature to
45 devise a workable co-payment schedule for low income working parents
46 supported by adequate funding in the budget.

47 **Water and the Columbia River Gorge Commission**

48 Water is critical for the state's economy, our fish and our quality
49 of life. Funding for water issues in the Dept. of Ecology is not

1 adequate. In addition, no funding is included for progress on water
2 issues in the Departments of Health, Fish and Wildlife, and Community,
3 Trade, and Economic Development. In order to break the water resources
4 impasse, these agencies must have adequate funding for water resource
5 management.

6 Although I have vetoed funding for water-related legislation that
7 has not yet passed, my administration will continue to work with
8 legislators to reach agreement on these bills and a funding package.
9 My intent is to keep our options for progress open. As water
10 legislation reaches my desk, only adequately funded measures will be
11 considered for approval.

12 The funding provided for the Columbia River Gorge Commission is
13 inadequate to meet state and federal obligations under the National
14 Scenic Area Act (P.L. 99-663) and the Scenic Area Compact (RCW 43.97).
15 Failure to restore full funding is likely to result in the U.S.
16 Secretary of Agriculture assuming direct control of all permitting
17 within the scenic area under Section 14(e) of the act.

18 **Juvenile Justice**

19 The Department of Corrections and the Juvenile Rehabilitation
20 Administration within DSHS are affected by the Juvenile Justice
21 legislation currently being considered. I have been encouraged by the
22 good faith efforts of the fiscal chairs to fully fund the legislation.
23 At least one version currently under consideration would require a
24 reallocation of resources among agencies without increasing the total
25 funding. My vetoes are intended to take advantage of the opportunity
26 to reallocate the funds to match the final bill.

27 **Teacher and Other Compensation**

28 K-12 teachers, Higher Education faculty and staff, certain vendors,
29 and state employees have had one 4 percent cost of living adjustment in
30 four years. The Legislature's budget proposes to provide one 3 percent
31 increase in two years. In the past, teachers and other public
32 employees have shared the burden of economic tough periods in budgets
33 that provided no salary increases. This is not such a time. We have
34 granted tax cuts and continue to have ongoing revenue we can spend
35 under the Initiative 601 limit. By barely covering the one-half of the
36 anticipated cost of inflation in the next two years, we risk losing our
37 best teachers, faculty and other public servants. The legislative
38 budget also lags implementation of SB 6767 salary adjustments. We can
39 and must do better.

40 For these reasons, I have vetoed the following sections of the
41 budget:

42 Section 125, pages 12-16 (Department of Community, Trade, and
43 Economic Development);

44 Section 202, pages 27-31 (Department of Social and Health Services
45 « Children and Family Services Program);

46 Section 203, pages 31-34 (Department of Social and Health Services
47 « Juvenile Rehabilitation Administration);

48 Section 207 (1), page 43, General Assistance-Unemployable Program
49 (Department of Social and Health Services « Economic Services Program);

50 Section 207 (6), pages 43-44, Child Care (Department of Social and
51 Health Services « Economic Services Program);

1 Section 213 (1), page 49, Vendor Rate Increases (Department of
2 Social and Health Services);
3 Section 214, pages 50-51 (State Health Care Authority);
4 Section 222 (2), pages 59-60 (Department of Corrections,
5 Institutional Services);
6 Section 301, page 64 (Columbia River Gorge Commission);
7 Section 302 (3), (4), (5), and (6), pages 66-67; and (19), (20),
8 (21), and (22), page 69, provisos relating to water bills (Department
9 of Ecology);
10 Section 307, pages 72-75 (Department of Fish and Wildlife);
11 Section 501, pages 82-88, For State Administration (Superintendent
12 of Public Instruction);
13 Section 503, pages 94-97, For Basic Education Employee Compensation
14 (Superintendent of Public Instruction);
15 Section 504, pages 98-100, For School Employee Compensation
16 (Superintendent of Public Instruction);
17 Section 510, pages 105-106, For Local Effort Assistance
18 (Superintendent of Public Instruction);
19 Section 514, pages 107-108, Education Reform Programs
20 (Superintendent of Public Instruction);
21 Section 515 (3), (4), (5), pages 109, For Transitional Bilingual
22 Programs (Superintendent of Public Instruction);
23 Section 517, pages 110-112, Local Enhancement Funds (Superintendent
24 of Public Instruction);
25 Section 601 through 609, pages 113-125 (Higher Education);
26 Section 610 (1), (2), (3), pages 125-126 (Higher Education
27 Coordinating Board « Policy Coordination and Administration);
28 Section 611, pages 127-130 (Higher Education Coordinating Board «
29 Financial Aid and Grant Programs);
30 Section 714, page 138 (Salary Cost of Living Adjustment); and
31 Section 716, pages 139-140 (Compensation Actions of Personnel
32 Resources Board).

33 **Other Issues Needing Resolution**

34 While I have chosen to use my veto authority selectively to address
35 major issues presented by the Legislature's budget, I am also concerned
36 about several other areas of the budget. These include the level of
37 funding for the Growth Management Hearings Boards, the Office of
38 Financial Management, agencies for Health Policy, the Department of
39 Natural Resources, and the State Patrol.

40 Of particular concern are reductions in the Department of Health
41 budget and for the General Assistance-Unemployable program.

42 In the Department of Health, additional funding is required for the
43 AIDS Prescription Drug Program to continue to make available successful
44 drug therapies both for current enrollees and anticipated demand.
45 These drugs are proving very beneficial in improving the health and
46 life expectancy of people with HIV.

47 In addition, I continue to place a priority on establishing a
48 comprehensive Child Death Review system. Other states, including
49 Oregon, have found real benefits for children in understanding the
50 causes of all child deaths in their states. I urge the Legislature to
51 make this additional investment in our children's health and safety.

1 Finally, in the Department of Health, the 70 percent reduction in
2 current funding levels for the pesticide program will harm the ability
3 of farmers, workers and the public to use pesticides safely.

4 Reductions to the General Assistance-Unemployable program will
5 result in discontinuation of cash and medical assistance for 4,000
6 disabled people in communities throughout the state. Besides the human
7 cost of this reduction, local governments, merchants, and social
8 services agencies will bear the brunt of this reduction.

9 Budget discussions over the remaining days of the legislative
10 session are an opportunity for us to resolve these important issues as
11 well.

12 **Additional Vetoes**

13 In addition to the items above, I have also vetoed a number of
14 items for the reasons set out below:

15 **Section 211 (3), page 47, (Department of Social and Health Services «** 16 **Administration and Supporting Services)**

17 Consistent with my opposition to any measure which is divisive,
18 hurtful or disrespectful of our fellow Washingtonians, I have vetoed
19 this proviso.

20 **Section 212 (2), page 48, Child Support Waiver (Department of Social** 21 **and Health Services « Child Support Program)**

22 This proviso requires the Department of Social and Health Services
23 (DSHS) to request a waiver from federal support enforcement regulations
24 to replace current program audit criteria with performance measures
25 based on program outcomes. The federal government has already replaced
26 its process-based audit criteria with performance-based criteria. DSHS
27 currently operates under a performance-based agreement with the federal
28 government. There is no need for a waiver, therefore I have vetoed
29 this proviso.

30 **Section 302 (17), page 68, Restriction on the purchase of special** 31 **purpose (four-wheel drive) vehicles (Department of Ecology)**

32 Section 302 (17) requires the Department of Ecology (DOE) to reduce
33 its fleet of special purpose vehicles by 50 percent by June 30, 1999.
34 In addition, DOE is required to replace the special purpose vehicles
35 with fuel efficient vehicles or not replace them at all, depending on
36 the agency's vehicle requirements. This restriction will severely
37 impair DOE's ability to reach remote areas to attain water quality
38 samples, respond to oil and hazardous materials spills, and support the
39 Washington Conservation Corps program.

40 **Section 719, page 142, Lines 6-26 (For the Office of Financial** 41 **Management « Regulatory Reform)**

42 This section makes appropriations to the Office of Financial
43 Management for allocations to agencies for the implementation of
44 Engrossed Second Substitute House Bill 1032 (regulatory reform) and
45 Engrossed Substitute Senate Bill 5105 (state/federal rules). This
46 funding is based on estimated impacts of an earlier version of House
47 Bill 1032. It is not clear that the amount is sufficient for the

1 current version of the bill, which reduces certain costs but adds
2 provisions that will impact a wider group of agencies. I am also
3 concerned to find that no additional funding is provided to implement
4 Engrossed Substitute Senate Bill 5105, which also requires agencies to
5 review their rules, but on a different schedule and with different
6 criteria than the ones required under the House bill. On March 25,
7 1997, I signed an Executive Order requiring agencies to implement key
8 features of regulatory reform, including a review of their major rules;
9 however, I do not expect agencies to be able to absorb the costs of
10 doing multiple comprehensive reviews of their rules. For these reasons
11 I have vetoed this proviso, to give the Office of Financial Management
12 greater flexibility and will work with the Legislature to perfect
13 funding levels and language in the final budget.

14 **Section 916, page 154, Prohibition on expenditures for the Governor's**
15 **Council on Environmental Education**

16 Section 916 prohibits the use of funds in the omnibus
17 appropriations act on the Governor's Council on Environmental
18 Education. There are eleven state agencies that work with the state's
19 environmental community and federal agencies on environmental education
20 related activities. Funding for the Council is necessary to promote
21 efficient and coordinated efforts in this area.

22 With the exception of sections 125; 202; 203; 207 (1); 207 (6); 211
23 (3); 212 (2); 213 (1); 214; 222 (2); 301; 302 (3); 302 (4); 302 (5);
24 302 (6); 302 (17); 302 (19); 302 (20); 302 (21); 302 (22); 307; 501;
25 503; 504; 510; 514; 515 (3); 515 (4); 515 (5); 517; 601; 602; 603; 604;
26 605; 606; 607; 608; 609; 610 (1); 610 (2); 610 (3); 611; 714; 716; 719
27 (lines 6-26); and 916, Substitute Senate Bill 6062 is approved."