

SUBSTITUTE SENATE BILL 5181

State of Washington 56th Legislature 1999 Regular Session

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

Read first time 01/27/1999.

1 AN ACT Relating to fiscal matters; amending RCW 72.09.050; amending
2 1997 c 149 ss 140, 143, 305, 713, and 802 (uncodified); amending 1997
3 c 235 s 501 (uncodified); amending 1997 c 454 s 509 (uncodified);
4 amending 1998 c 346 ss 101, 102, 105, 106, 107, 110, 111, 113, 114,
5 115, 118, 121, 128, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210,
6 211, 212, 213, 214, 217, 218, 219, 220, 222, 302, 304, 307, 308, 401,
7 402, 502, 503, 504, 505, 507, 508, 509, 510, 511, 512, 513, 514, 515,
8 601, 603, 604, 605, 606, 607, 608, 609, 610, 701, 702, 704, 705, 706,
9 707, 710, 714, 801, and 803 (uncodified); amending 1998 c 347 s 53
10 (uncodified); adding new sections to 1997 c 149 (uncodified); making
11 appropriations; and declaring an emergency.

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

PART I

GENERAL GOVERNMENT

15 **Sec. 101.** 1998 c 346 s 101 (uncodified) is amended to read as
16 follows:

17 **FOR THE HOUSE OF REPRESENTATIVES**

18 General Fund Appropriation (FY 1998) \$ 24,221,000

1	General Fund Appropriation (FY 1999)	\$	((25,907,000))
2			<u>25,889,000</u>
3	Department of Retirement Systems Expense		
4	Account Appropriation	\$	25,000
5	TOTAL APPROPRIATION	\$	((50,153,000))
6			<u>50,135,000</u>

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

9 (1) \$75,000 of the general fund fiscal year 1998 appropriation and
10 \$75,000 of the general fund fiscal year 1999 appropriation are provided
11 solely for the independent operations of the legislative ethics board.
12 Expenditure decisions of the board, including employment of staff,
13 shall be independent of the senate and house of representatives.

14 (2) The department of retirement systems expense account
15 appropriation is provided solely to implement the provisions relating
16 to the actuarial audit of the pension contribution rates in Substitute
17 House Bill No. 2544 (funding state retirement systems). If the bill is
18 not enacted by June 30, 1998, the appropriation shall lapse.

19 (3) \$125,000 of the general fund--state appropriation for fiscal
20 year 1999 is provided solely for a review of the memorandum of
21 agreement signed between the United States environmental protection
22 agency and the department of ecology. The agreement requires the
23 department to conduct total maximum daily loads on polluted water
24 bodies as defined by the federal clean water act. The review may
25 include but is not limited to the department's program for implementing
26 the settlement, an examination of the decisions that affect how water
27 quality problems are defined, the causes of those problems, and the
28 means by which solutions to these problems are to be developed and
29 implemented.

30 **Sec. 102.** 1998 c 346 s 102 (uncodified) is amended to read as
31 follows:

32 **FOR THE SENATE**

33	General Fund Appropriation (FY 1998)	\$	19,357,000
34	General Fund Appropriation (FY 1999)	\$	((20,838,000))
35			<u>20,826,000</u>
36	Department of Retirement Systems Expense Account		
37	Appropriation	\$	25,000
38	TOTAL APPROPRIATION	\$	((40,220,000))

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

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

9 (2) \$100,000 of the general fund appropriation for fiscal year 1998
10 is provided solely for a study of financial aid and tuition by the
11 senate committee on ways and means and the house of representatives
12 committee on appropriations.

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

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

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

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

37 (5) \$125,000 of the general fund--state appropriation for fiscal
38 year 1999 is provided solely for a review of the memorandum of
39 agreement signed between the United States environmental protection

1 agency and the department of ecology. The agreement requires the
2 department to conduct total maximum daily loads on polluted water
3 bodies as defined by the federal clean water act. The review may
4 include but is not limited to the department's program for implementing
5 the settlement, an examination of the decisions that affect how water
6 quality problems are defined, the causes of those problems, and the
7 means by which solutions to these problems are to be developed and
8 implemented.

9 **Sec. 103.** 1998 c 346 s 105 (uncodified) is amended to read as
10 follows:

11 **FOR THE COURT OF APPEALS**

12	General Fund Appropriation (FY 1998)	. . . . . \$	10,340,000
13	General Fund Appropriation (FY 1999)	. . . . . \$	((10,307,000))
14			<u>10,318,000</u>
15	TOTAL APPROPRIATION	. . . . . \$	((20,647,000))
16			<u>20,658,000</u>

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

19 (1) \$271,000 of the general fund fiscal year 1999 appropriation is
20 provided solely for an additional judge position and related support
21 staff in division I in King county, effective July 1, 1998.

22 (2) \$490,000 of the general fund fiscal year 1998 appropriation is
23 provided solely for remodeling existing space in division I court
24 facilities to house additional staff.

25 **Sec. 104.** 1998 c 346 s 106 (uncodified) is amended to read as
26 follows:

27 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

28	General Fund Appropriation (FY 1998)	. . . . . \$	692,000
29	General Fund Appropriation (FY 1999)	. . . . . \$	((714,000))
30			<u>719,000</u>
31	TOTAL APPROPRIATION	. . . . . \$	((1,406,000))
32			<u>1,411,000</u>

33 **Sec. 105.** 1998 c 346 s 107 (uncodified) is amended to read as
34 follows:

35 **FOR THE ADMINISTRATOR FOR THE COURTS**

36	General Fund Appropriation (FY 1998) \$	12,723,000
----	--------------------------------------	--------------	------------

1	General Fund Appropriation (FY 1999)	\$	((12,770,000))
2			<u>12,217,000</u>
3	Public Safety and Education Account		
4	Appropriation	\$	((27,709,000))
5			<u>27,876,000</u>
6	Judicial Information Systems Account		
7	Appropriation	\$	((17,489,000))
8			<u>17,486,000</u>
9	TOTAL APPROPRIATION	\$	((70,691,000))
10			<u>70,302,000</u>

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

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

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

31 (3) \$3,255,000 of the public safety and education account
32 appropriation is provided solely for the continuation of treatment
33 alternatives to street crimes (TASC) programs in Pierce, Snohomish,
34 Clark, King, Spokane, and Yakima counties.

35 (4) \$125,000 of the public safety and education account
36 appropriation is provided solely for the workload associated with the
37 increase in state cases filed in Thurston county superior court.

38 (5) \$223,000 of the public safety and education account
39 appropriation is provided solely for the gender and justice commission.

1 (6) \$308,000 of the public safety and education account
2 appropriation is provided solely for the minority and justice
3 commission.

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

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

14 (9) \$100,000 of the general fund fiscal year 1998 appropriation is
15 provided solely for the Snohomish county preprosecution diversion
16 program.

17 (10) \$175,000 of the general fund appropriation for fiscal year
18 1999 is provided solely for costs associated with the publication and
19 distribution of a judicial voter pamphlet for the 1998 primary
20 election.

21 **Sec. 106.** 1998 c 346 s 110 (uncodified) is amended to read as
22 follows:

23 **FOR THE PUBLIC DISCLOSURE COMMISSION**

24	General Fund Appropriation (FY 1998)	. . . . . \$	1,568,000
25	General Fund Appropriation (FY 1999)	. . . . . \$	((1,262,000))
26			<u>1,519,000</u>
27	TOTAL APPROPRIATION	. . . . . \$	((2,830,000))
28			<u>3,087,000</u>

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

31 (1) \$306,000 of the general fund fiscal year 1998 appropriation and
32 \$72,000 of the general fund fiscal year 1999 appropriation are provided
33 solely for technology for customer service improvements.

34 (2) \$111,000 of the fiscal year 1998 general fund appropriation is
35 provided for attorney general services for the public disclosure
36 commission's investigations of the Washington education association and
37 the building industry association of Washington, and other cases.

1 **Sec. 107.** 1998 c 346 s 111 (uncodified) is amended to read as
2 follows:

3 **FOR THE SECRETARY OF STATE**

4	General Fund Appropriation (FY 1998)	\$	7,970,000
5	General Fund Appropriation (FY 1999)	\$	((7,899,000))
6			<u>7,889,000</u>
7	Archives & Records Management Account--State		
8	Appropriation	\$	((4,032,000))
9			<u>4,030,000</u>
10	Archives & Records Management Account--Private/Local		
11	Appropriation	\$	2,833,000
12	Department of Personnel Service Account		
13	Appropriation	\$	663,000
14	TOTAL APPROPRIATION	\$	((23,397,000))
15			<u>23,385,000</u>

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

18 (1) \$2,255,000 of the general fund appropriation for fiscal year
19 1998 is provided solely to reimburse counties for the state's share of
20 primary and general election costs and the costs of conducting
21 mandatory recounts on state measures.

22 (2) \$2,011,000 of the general fund appropriation for fiscal year
23 1998 and \$2,536,000 of the general fund appropriation for fiscal year
24 1999 are provided solely for the verification of initiative and
25 referendum petitions, maintenance of related voter registration
26 records, and the publication and distribution of the voters and
27 candidates pamphlet.

28 (3) \$99,000 of the general fund appropriation is provided solely
29 for the state's participation in the United States census block
30 boundary suggestion program.

31 (4) \$125,000 of the fiscal year 1998 general fund appropriation is
32 provided solely for legal advertising of state measures under RCW
33 29.27.072.

34 (5) \$45,000 of the general fund fiscal year 1998 appropriation is
35 provided solely for an economic feasibility study of a state horse
36 park.

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

1 (7)(a) \$1,850,000 of the general fund appropriation for fiscal year
2 1999 is provided solely for contracting with a nonprofit organization
3 to produce gavel-to-gavel television coverage of state government
4 deliberations and other events of state-wide significance during fiscal
5 year 1999. An eligible nonprofit organization must be formed solely
6 for the purpose of, and be experienced in, providing gavel-to-gavel
7 television coverage of state government deliberations and other events
8 of state-wide significance and must have received a determination of
9 tax-exempt status under section 501(c)(3) of the federal internal
10 revenue code.

11 (b) The legislature finds that the commitment of on-going funding
12 is necessary to ensure continuous, autonomous, and independent coverage
13 of public affairs. For that purpose, the secretary of state shall
14 enter into a four-year contract with the nonprofit organization to
15 provide public affairs coverage through June 30, 2002. The funding
16 level for each year of the contract shall be based on the amount
17 provided in this subsection and adjusted to reflect the implicit price
18 deflator for the previous year. The nonprofit organization shall be
19 required to raise contributions or commitments to make contributions,
20 in cash or in kind, in an amount equal to forty percent of the state
21 contribution.

22 (c) The nonprofit organization shall prepare an annual independent
23 audit, an annual financial statement, and an annual report, including
24 benchmarks that measure the success of the nonprofit organization in
25 meeting the intent of the program.

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

28 (i) Attempting to influence the passage or defeat of any
29 legislation by the legislature of the state of Washington, by any
30 county, city, town, or other political subdivision of the state of
31 Washington, or by the congress, or the adoption or rejection of any
32 rule, standard, rate, or other legislative enactment of any state
33 agency;

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

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

37 (8) \$280,000 of the archives and records management account--
38 private/local appropriation is provided solely for preserving and
39 restoring security microfilm.

1 **Sec. 108.** 1998 c 346 s 113 (uncodified) is amended to read as
2 follows:

3 **FOR THE STATE AUDITOR**

4	General Fund Appropriation (FY 1998)	\$	688,000
5	General Fund Appropriation (FY 1999)	\$	1,193,000
6	State Auditing Services Revolving Account		
7	Appropriation	\$	((12,373,000))
8			<u>12,370,000</u>
9	TOTAL APPROPRIATION	\$	((14,254,000))
10			<u>14,251,000</u>

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

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

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

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

34 (4) The state auditor shall develop recommendations and curricula
35 for preventing instances of improper governmental actions as defined in
36 chapter 42.20 RCW, the state whistleblower act. In developing these
37 recommendations and curricula, the state auditor shall involve the
38 office of financial management, office of the attorney general,
39 executive ethics board, department of personnel, employee

1 organizations, and other interested parties. These recommendations
2 shall be submitted to the governor and the legislature by June 30,
3 1998.

4 (5) \$120,000 of the auditing services revolving fund appropriation
5 is provided solely to implement Engrossed Second Substitute House Bill
6 No. 2881 (auditing state contractors). If the bill is not enacted by
7 June 30, 1998, the amount provided in this subsection shall lapse.

8 (6) \$25,000 of the general fund fiscal year 1999 appropriation is
9 provided solely to implement Engrossed Second Substitute House Bill No.
10 2831 (a joint report to the legislature on the results of cost studies
11 and service quality and reliability reports from electric utilities).
12 If the bill is not enacted by June 30, 1998, the amount provided in
13 this subsection shall lapse. No fee may be collected from the electric
14 utilities for this joint report.

15 (7) \$10,000 of the general fund fiscal year 1998 appropriation and
16 \$490,000 of the general fund fiscal year 1999 appropriation are
17 provided solely for staff and related costs to: Verify the accuracy of
18 reported school district data submitted for state funding purposes or
19 program audits of state funded public school programs; and establish
20 the specific amount of funds to be recovered whenever the amount is not
21 firmly established in the course of any public school audits conducted
22 by the state auditor's office. The results of the audits shall be
23 submitted to the superintendent of public instruction for corrections
24 of data and adjustments of funds.

25 **Sec. 109.** 1998 c 346 s 114 (uncodified) is amended to read as
26 follows:

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

28	General Fund Appropriation (FY 1998)	. . . . . \$	11,000
29	General Fund Appropriation (FY 1999)	. . . . . \$	((63,000))
30			<u>144,000</u>
31	TOTAL APPROPRIATION	. . . . . \$	((74,000))
32			<u>155,000</u>

33 **Sec. 110.** 1998 c 346 s 115 (uncodified) is amended to read as
34 follows:

35 **FOR THE ATTORNEY GENERAL**

36	General Fund--State Appropriation (FY 1998)	. . . \$	4,161,000
37	General Fund--State Appropriation (FY 1999)	. . . \$	((3,831,000))

1		<u>3,916,000</u>
2	General Fund--Federal Appropriation \$	2,248,000
3	Public Safety and Education Account	
4	Appropriation \$	1,291,000
5	New Motor Vehicle Arbitration Account	
6	Appropriation \$	1,094,000
7	Legal Services Revolving Account	
8	Appropriation \$	((125,758,000))
9		<u>129,192,000</u>
10	TOTAL APPROPRIATION \$	((138,383,000))
11		<u>141,902,000</u>

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)) and \$63,000 of the fiscal year 1999 general fund--
33 state appropriation are provided for a comprehensive assessment of
34 environmental and public health impacts and for other costs related to
35 pursuing remedies for pollution in the Spokane river basin.

36 (4) \$440,000 of the fiscal year 1998 general fund--state
37 appropriation and \$410,000 of the fiscal year 1999 general fund--state
38 appropriation are provided solely to implement the supervision
39 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.

3 **Sec. 111.** 1998 c 346 s 118 (uncodified) is amended to read as
4 follows:

5 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

6	General Fund--State Appropriation (FY 1998) . . . \$	10,626,000
7	General Fund--State Appropriation (FY 1999) . . . \$	((11,160,000))
8		<u>11,155,000</u>
9	General Fund--Federal Appropriation \$	23,331,000
10	General Fund--Local Appropriation \$	190,000
11	TOTAL APPROPRIATION \$	((45,307,000))
12		<u>45,302,000</u>

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

15 (1) The office of financial management, in cooperation with the
16 higher education coordinating board and the state board for community
17 and technical colleges, shall develop long-term higher education
18 enrollment forecasting models for consideration by the legislature. To
19 the extent possible, the pilot models shall incorporate trends in
20 demography, higher education applications, K-12 graduation rates, labor
21 market needs, and state and national higher education policy and
22 economic considerations. The public institutions of education shall
23 cooperate in the development of models by providing any necessary data
24 in a timely and organized manner. The private education institutions
25 of the state are encouraged to participate in this effort. A
26 preliminary report shall be provided to the appropriate committees of
27 the legislature by November 1, 1998, and a final report shall be
28 provided by January 15, 1999.

29 (2) \$139,000 of the general fund--state appropriation for fiscal
30 year 1999 is provided solely to implement Engrossed Second Substitute
31 House Bill No. 2880 (task force on vendor contracting practices). If
32 the bill is not enacted by June 30, 1998, the amount provided in this
33 subsection shall lapse.

34 (3) \$250,000 of the general fund--state appropriation for fiscal
35 year 1999 is provided solely to (a) contract with an outside management
36 consultant to review the department of fish and wildlife's financial
37 operations and management practices and (b) contract with an outside

1 consultant to develop a strategic information technology plan for the
2 department.

3 (4) \$25,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$50,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely for the legislature and the office
6 of financial management to contract jointly for a performance review of
7 the state long-term care system. The review shall result in
8 recommendations by October 1, 1998, on strategies for increasing the
9 long-term affordability and cost-effectiveness of the system, and shall
10 include a review of topics such as methods for matching service levels
11 to recipient needs, options for managing growth in entitlement
12 caseloads, and techniques for projecting the number of persons in need
13 of publicly funded services.

14 **Sec. 112.** 1998 c 346 s 121 (uncodified) is amended to read as
15 follows:

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

17 Dependent Care Administrative Account

18 Appropriation \$ 357,000

19 Department of Retirement Systems Expense Account

20 Appropriation \$ 34,481,000

21 TOTAL APPROPRIATION \$ 34,838,000

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

24 (1) (~~(\$1,373,000)~~) \$527,000 of the department of retirement systems
25 expense account appropriation is provided solely for the information
26 systems project known as the electronic document image management
27 system. Authority to expend this amount is conditioned on compliance
28 with section 902 of this act.

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

34 (3) The department of retirement systems shall complete a study
35 examining whether it would be cost-effective to contract out the
36 administration functions for the dependent care assistance program and
37 shall report to the fiscal committees of the legislature by December
38 15, 1997.

1 (4) \$118,000 of the department of retirement systems expense
2 account appropriation is provided solely to implement Engrossed
3 Substitute House Bill No. 2491 (TRS/PERS plan I gain sharing). If the
4 bill is not enacted by June 30, 1998, the amount provided in this
5 subsection shall lapse.

6 (5) \$920,000 of the department of retirement systems expense
7 account appropriation is provided solely to implement Substitute Senate
8 Bill No. 6306 (creating the Washington school employees' retirement
9 system). If the bill is not enacted by June 30, 1998, the amount
10 provided in this subsection shall lapse.

11 (6) \$42,000 of the department of retirement systems expense account
12 appropriation is provided solely for the implementation of Engrossed
13 Senate Bill No. 6305 (death benefits for port and university police).
14 If the bill is not enacted by June 30, 1998, the amount provided in
15 this subsection shall lapse.

16 **Sec. 113.** 1997 c 149 s 140 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

19	General Fund--State Appropriation (FY 1998) . . . \$	1,302,000
20	General Fund--State Appropriation (FY 1999) . . . \$	((1,278,000))
21		<u>1,223,000</u>
22	General Fund--Federal Appropriation \$	2,402,000
23	General Fund--Private/Local Appropriation \$	400,000
24	Motor Transport Account Appropriation \$	14,120,000
25	Air Pollution Control Account Appropriation \$	391,000
26	General Administration Facilities and Services	
27	Revolving Account Appropriation \$	22,299,000
28	Central Stores Revolving Account	
29	Appropriation \$	3,306,000
30	Energy Efficiency Services Account	
31	Appropriation \$	180,000
32	Risk Management Account Appropriation \$	2,328,000
33	TOTAL APPROPRIATION \$	((48,006,000))
34		<u>47,951,000</u>

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

37 (1) \$1,200,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$1,200,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for the purchase of food for
2 distribution to the state's food assistance network and related
3 expenses.

4 (2) \$25,000 of the general fund--state appropriation for fiscal
5 year 1998 is provided solely for the World War II memorial on the
6 condition that the currently approved design for the World War II
7 memorial be sited on the location selected by the World War II advisory
8 committee and approved and recommended by the capitol campus design
9 advisory committee. This site is immediately south of the Columbia
10 street and 11th avenue axial on the west capitol campus.

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

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

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

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

29 **Sec. 114.** 1997 c 149 s 143 (uncodified) is amended to read as
30 follows:

31 **FOR THE BOARD OF ACCOUNTANCY**

32 Certified Public Accountants' Account

33 Appropriation \$ ((978,000))
34 1,001,000

35 The appropriation in this section is subject to the following
36 conditions and limitations: \$22,000 of the certified public
37 accountants' account appropriation is provided solely for the
38 implementation of Engrossed House Bill No. 3901 (implementing welfare

1 reform). If the bill is not enacted by June 30, 1997, the amount
2 provided shall lapse.

3 **Sec. 115.** 1998 c 346 s 128 (uncodified) is amended to read as
4 follows:

5 **FOR THE MILITARY DEPARTMENT**

6	General Fund--State Appropriation (FY 1998) . . . \$	8,602,000
7	General Fund--State Appropriation (FY 1999) . . . \$	((9,390,000))
8		<u>14,533,000</u>
9	General Fund--Federal Appropriation \$	((34,314,000))
10		<u>34,304,000</u>
11	General Fund--Private/Local Appropriation \$	238,000
12	Flood Control Assistance Account Appropriation . \$	3,000,000
13	Enhanced 911 Account Appropriation \$	((26,782,000))
14		<u>29,392,000</u>
15	Disaster Response Account--State Appropriation . \$	((25,487,000))
16		<u>29,810,000</u>
17	Disaster Response Account--Federal Appropriation \$	((10,812,000))
18		<u>139,285,000</u>
19	TOTAL APPROPRIATION \$	((218,625,000))
20		<u>259,164,000</u>

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

23 (1) \$365,000 of the general fund--state appropriation for fiscal
24 year 1998, ~~((1,145,000))~~ \$5,468,000 of the general fund--state
25 appropriation for fiscal year 1999, \$3,000,000 of the flood control
26 assistance account appropriation, and \$6,197,000 of the general fund--
27 federal appropriation are provided solely for deposit in the disaster
28 response account to cover costs pursuant to subsection (2) of this
29 section.

30 (2) ~~((25,122,000))~~ \$27,996,000 of the disaster response account--
31 state appropriation is provided solely for the state share of response
32 and recovery costs associated with federal emergency management agency
33 (FEMA) disaster number 1079 (November/December 1995 storms), FEMA
34 disaster 1100 (February 1996 floods), FEMA disaster 1152 (November 1996
35 ice storm), FEMA disaster 1159 (December 1996 holiday storm), FEMA
36 disaster 1172 (March 1997 floods), FEMA disaster 1252 (1998 northeast
37 counties floods), FEMA disaster 1255 (1998 Kelso landslide), or the
38 state share of response and recovery costs associated with FEMA

1 declared disasters occurring between February 1, 1999, and June 30,
2 1999, and to assist local governmental entities with the matching funds
3 necessary to earn FEMA funds for FEMA disaster 1100 (February 1996
4 floods). ((~~\$356,000~~) \$1,805,000 of the disaster response account--
5 state appropriation is provided solely for fire mobilization costs.
6 \$9,000 of the disaster response account--state appropriation is
7 provided solely for costs associated with FEMA disaster 1182 (Pend
8 Oreille county 1997 spring flood).

9 (3) \$100,000 of the general fund--state fiscal year 1998
10 appropriation and \$100,000 of the general fund--state fiscal year 1999
11 appropriation are provided solely for the implementation of a
12 conditional scholarship program pursuant to chapter 28B.103 RCW.

13 (4) \$35,000 of the general fund--state fiscal year 1998
14 appropriation and \$35,000 of the general fund--state fiscal year 1999
15 appropriation are provided solely for the north county emergency
16 medical service.

17 (5) \$36,000 of the general fund--state fiscal year 1998
18 appropriation and \$72,000 of the general fund--state fiscal year 1999
19 appropriation are provided solely for emergency worker claims pursuant
20 to chapter 38.52 RCW.

21 (6) \$825,000 of the general fund--state appropriation for fiscal
22 year 1999 is provided solely for reimbursement of costs associated with
23 activation of the Washington national guard for preserving the peace at
24 the July 1998 Makah days celebration.

25 (7) \$2,610,000 of the enhanced 911 account appropriation is
26 provided solely for salary assistance to counties with populations
27 under seventy-five thousand in conformance with chapter 304, Laws of
28 1998 (Substitute House Bill No. 1126). The military department, in
29 consultation with the enhanced 911 advisory committee, shall develop
30 criteria for providing salary assistance which shall be based on, but
31 not limited to, the following: (a) The additional staffing costs
32 incurred by public safety answering points directly related to
33 providing enhanced 911 services; (b) disproportionate fiscal impact
34 relative to the county budget for providing enhanced 911 services; and
35 (c) the most efficient and cost-effective way to provide enhanced 911
36 service.

37 (End of part)

1 ~~general fund state appropriations from the economic services program~~
2 ~~for the 1997-99 fiscal biennium.))~~

3 (b) After May 1, 1999, after approval by the director of financial
4 management and unless specifically prohibited by this act, the
5 department may transfer moneys among programs, including federal moneys
6 that are provided solely for a specified purpose. However, the
7 department shall not transfer state moneys that are provided solely for
8 a specified purpose except as expressly provided in subsection (3)(d)
9 of this section.

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

17 ~~((e))~~ (d) To the extent that transfers under subsection (3)(b) of
18 this section are insufficient to fund actual expenditures in excess of
19 fiscal year 1999 caseload forecasts and utilization assumptions in the
20 medical assistance, long term care, foster care, and adoption support
21 programs, the department may transfer state moneys that are provided
22 solely for a specified purpose after approval by the director of
23 financial management.

24 (e) The director of financial management shall notify the
25 appropriate fiscal committees of the senate and house of
26 representatives in writing prior to approving any allotment
27 modifications.

28 **Sec. 202.** 1998 c 346 s 202 (uncodified) is amended to read as
29 follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**
31 **SERVICES PROGRAM**

32	General Fund--State Appropriation (FY 1998) . . . \$	201,453,000
33	General Fund--State Appropriation (FY 1999) . . . \$	((213,035,000))
34		<u>201,149,000</u>
35	General Fund--Federal Appropriation \$	((252,300,000))
36		<u>293,509,000</u>
37	General Fund--Private/Local Appropriation \$	400,000
38	Violence Reduction and Drug Enforcement Account	

1	Appropriation	\$	4,332,000
2	TOTAL APPROPRIATION	\$	((671,520,000))
3			<u>700,843,000</u>

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~~
8 ~~for fiscal year 1999 are~~) is provided solely for purposes consistent
9 with the maintenance of effort requirements under the federal temporary
10 assistance for needy families program established under P.L. 104-193.

11 (2) \$4,332,000 of the violence reduction and drug enforcement
12 account appropriation and \$3,733,000 of the general fund--federal
13 appropriation are provided solely for the operation of the family
14 policy council, the community public health and safety networks, and
15 delivery of services authorized under the federal family preservation
16 and support act. Within the funds provided, the family policy council
17 shall contract for an evaluation of the community networks with the
18 institute for public policy and shall provide for audits of ten
19 networks. Within the funds provided, the family policy council may
20 build and maintain a geographic information system database tied to
21 community network geography.

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

36 (4) \$481,000 of the general fund--state fiscal year 1998
37 appropriation and \$481,000 of the general fund--state fiscal year 1999
38 appropriation are provided solely for up to three nonfacility-based
39 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 Second Substitute Senate
12 Bill No. 5710 (juvenile care and treatment), including section 2 of the
13 bill. Amounts provided in this subsection to implement Second
14 Substitute Senate Bill No. 5710 must be used to serve families who are
15 screened from the child protective services risk assessment process.
16 Services shall be provided through contracts with community-based
17 organizations. If neither bill is enacted by June 30, 1997, the
18 amounts provided in this subsection shall lapse.

19 (6) \$594,000 of the general fund--state appropriation for fiscal
20 year 1998, \$556,000 of the general fund--state appropriation for fiscal
21 year 1999, and \$290,000 of the general fund--federal appropriation are
22 provided solely to fund the provisions of Engrossed Second Substitute
23 House Bill No. 2046 (foster parent liaison). The department shall
24 establish a foster parent liaison in each department of social and
25 health services region of the state and contract with a private
26 provider to implement a recruitment and retention program for foster
27 parents and adoptive families. The department shall provide a minimum
28 of two hundred additional adoptive and foster home placements by June
29 30, 1998. If the bill is not enacted by June 30, 1997, the amounts in
30 this subsection shall lapse.

31 (7) \$433,000 of the fiscal year 1998 general fund--state
32 appropriation, \$395,000 of the fiscal year 1999 general fund--state
33 appropriation, and \$894,000 of the general fund--federal appropriation
34 are provided solely to increase the rate paid to private child-placing
35 agencies.

36 (8) \$580,000 of the general fund--state appropriation for fiscal
37 year 1998 and \$580,000 of the general fund--state appropriation for
38 fiscal year 1999 are provided solely for development and expansion of
39 child care training requirements and optional training programs. The

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

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

24 (10) \$100,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$100,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely for legal costs associated with
27 the defense of vendors operating a secure treatment facility, for
28 actions arising from the good faith performance of treatment services
29 for behavioral difficulties or needs.

30 (11) \$2,745,000 of the fiscal year 1998 general fund--state
31 appropriation, \$2,745,000 of the fiscal year 1999 general fund--state
32 appropriation, and \$1,944,000 of the general fund--federal
33 appropriation are provided solely for the category of services titled
34 "intensive family preservation services."

35 (12) \$1,642,000 of the fiscal year 1998 general fund--state
36 appropriation and \$1,207,000 of the fiscal year 1999 general fund--
37 state appropriation and \$1,551,000 of the general fund--federal
38 appropriation are provided solely to continue existing continuum of
39 care and street youth projects.

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

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

28 (b) Each quarter during the 1997-1999 fiscal biennium, each county
29 shall report the number of petitions processed and the total costs of
30 processing the petitions in each of the following categories: Truancy,
31 children in need of services, and at-risk youth. Counties shall submit
32 the reports to the department no later than 45 days after the end of
33 the quarter. The department shall forward this information to the
34 chair and ranking minority member of the house appropriations committee
35 and the senate ways and means committee no later than 60 days after a
36 quarter ends. These reports are deemed informational in nature and are
37 not for the purpose of distributing funds.

1 (15) \$70,000 of the fiscal year 1999 general fund--state
2 appropriation is provided solely for foster parent intervention support
3 teams.

4 (16) \$255,000 of the general fund--state appropriation for fiscal
5 year 1999 and \$67,000 of the general fund--federal appropriation are
6 provided solely for implementation of Substitute House Bill No. 2556
7 (child abuse prevention and treatment). If the bill is not enacted by
8 June 30, 1998, the amounts provided in this subsection shall lapse.

9 (17) The department and the attorney general shall jointly make
10 recommendations to the legislature to reduce or limit the state's
11 liability for damages in child welfare cases, including shelter care
12 and dependency proceedings. The recommendations shall be submitted to
13 the appropriate committees of the legislature by December 1, 1998.

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

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

21 **Sec. 203.** 1998 c 346 s 203 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
24 **REHABILITATION PROGRAM**

25 (1) COMMUNITY SERVICES

26	General Fund--State Appropriation (FY 1998) . . . \$	35,894,000
27	General Fund--State Appropriation (FY 1999) . . . \$	((35,522,000))
28		<u>34,855,000</u>
29	General Fund--Federal Appropriation \$	((13,365,000))
30		<u>8,772,000</u>
31	General Fund--Private/Local Appropriation \$	378,000
32	Violence Reduction and Drug Enforcement Account	
33	Appropriation \$	14,080,000
34	TOTAL APPROPRIATION \$	((99,239,000))
35		<u>93,979,000</u>

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

1 (a) \$527,000 of the violence reduction and drug enforcement account
2 appropriation is provided solely for deposit in the county criminal
3 justice assistance account solely for costs to the criminal justice
4 system associated with the implementation of Engrossed Third Substitute
5 House Bill No. 3900 (revising the juvenile code). If Engrossed Third
6 Substitute House Bill No. 3900 is not enacted by June 30, 1997, the
7 amount provided in this subsection shall lapse. The amount provided in
8 this subsection is intended to provide funding for county adult court
9 costs associated with the implementation of Engrossed Third Substitute
10 House Bill No. 3900 and shall be distributed in accordance with RCW
11 82.14.310.

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

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

30 (d) \$1,221,000 of the violence reduction and drug enforcement
31 appropriation is provided solely to implement alcohol and substance
32 abuse treatment for locally committed offenders. The juvenile
33 rehabilitation administration shall award these moneys on a competitive
34 basis to counties that have submitted a plan for the provision of
35 treatment services approved by the division of alcohol and substance
36 abuse. The juvenile rehabilitation administration shall develop
37 criteria for evaluation of plans submitted and a timeline for awarding
38 funding and shall assist counties in creating and submitting plans for
39 evaluation. If Engrossed Third Substitute House Bill No. 3900

1 (juvenile code revisions) is not enacted by June 30, 1997, the amount
2 provided in this subsection shall lapse.

3 (e) \$100,000 of the general fund--state fiscal year 1998
4 appropriation and \$100,000 of the general fund--state fiscal year 1999
5 appropriation are provided solely for the juvenile rehabilitation
6 administration to contract with the institute for public policy for the
7 responsibilities assigned in Engrossed Third Substitute House Bill No.
8 3900 (juvenile code revisions). If the bill is not enacted by June 30,
9 1997, the amounts provided in this subsection shall lapse.

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

20 (g) \$150,000 of the general fund--state fiscal year 1998
21 appropriation and \$150,000 of the general fund--state fiscal year 1999
22 appropriation are provided solely for a contract to expand the services
23 of the teamchild project to additional sites. Priority use of these
24 funds shall be to provide teamchild service to early repeat offenders
25 to help ensure they receive appropriate child welfare and educational
26 services.

27 (h) \$2,700,000 of the violence reduction and drug enforcement
28 account appropriation is provided solely to implement community
29 juvenile accountability grants pursuant to chapter 338, Laws of 1997
30 (juvenile justice). Funds provided in this subsection may be used
31 solely for community juvenile accountability grants, administration of
32 the grants, and evaluations of programs funded by the grants.

33 (i) (~~(\$2,175,000)~~) \$1,185,000 of the general fund--state
34 appropriation for fiscal year 1999 is provided solely for the
35 implementation of Second Substitute Senate Bill No. 6445 (child
36 community facility placement). If the bill is not enacted by June 30,
37 1998, the amounts provided in this subsection shall lapse. The funds
38 are intended to improve the security of state-operated and privately
39 contracted group homes. By June 30, 1999, the juvenile rehabilitation

1 administration shall report to the appropriate policy and fiscal
2 committees of the legislature on the specific actions, and the cost of
3 each action, taken to improve security at both state-operated and
4 contracted group homes.

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

8 (2) INSTITUTIONAL SERVICES

9	General Fund--State Appropriation (FY 1998)	\$	43,909,000
10	General Fund--State Appropriation (FY 1999)	\$	((45,977,000))
11			<u>42,912,000</u>
12	General Fund--Private/Local Appropriation	\$	727,000
13	Violence Reduction and Drug Enforcement Account		
14	Appropriation	\$	15,281,000
15	TOTAL APPROPRIATION	\$	((105,894,000))
16			<u>102,829,000</u>

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

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

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

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

32 (3) PROGRAM SUPPORT

33	General Fund--State Appropriation (FY 1998)	\$	1,930,000
34	General Fund--State Appropriation (FY 1999)	\$	1,654,000
35	General Fund--Federal Appropriation	\$	156,000
36	Violence Reduction and Drug Enforcement Account		
37	Appropriation	\$	421,000
38	TOTAL APPROPRIATION	\$	4,161,000

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

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

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

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

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

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

31 **Sec. 204.** 1998 c 346 s 204 (uncodified) is amended to read as
32 follows:

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

34 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

35 General Fund--State Appropriation (FY 1998) . . . \$	170,940,000
36 General Fund--State Appropriation (FY 1999) . . . \$	((173,645,000))
37	<u>170,216,000</u>
38 General Fund--Federal Appropriation \$	((299,651,000))

1		<u>287,989,000</u>
2	General Fund--Private/Local Appropriation \$	4,000,000
3	TOTAL APPROPRIATION \$	((648,236,000))
4		<u>633,145,000</u>

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

7 (a) Regional support networks shall use portions of the general
8 fund--state appropriation for implementation of working agreements with
9 the vocational rehabilitation program which will maximize the use of
10 federal funding for vocational programs.

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

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

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

33 (e) \$533,000 of the general fund--state appropriation for fiscal
34 year 1999 and \$587,000 of the general fund--federal appropriation are
35 provided solely for the implementation of the Second Substitute Senate
36 Bill No. 6214 (mentally ill commitment). If the bill is not enacted by
37 June 30, 1998, the amounts provided in this subsection shall lapse.

38 (2) INSTITUTIONAL SERVICES

1	General Fund--State Appropriation (FY 1998) . . .	\$	62,368,000
2	General Fund--State Appropriation (FY 1999) . . .	\$	((60,698,000))
3			<u>63,543,000</u>
4	General Fund--Federal Appropriation	\$	((133,504,000))
5			<u>133,631,000</u>
6	General Fund--Private/Local Appropriation	\$	((25,007,000))
7			<u>26,597,000</u>
8	TOTAL APPROPRIATION	\$	((281,577,000))
9			<u>286,139,000</u>

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

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

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

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

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

37 (e) \$1,700,000 of the general fund--state fiscal year 1998
38 appropriation is provided solely for replacing lost federal revenues in
39 fiscal year 1998 due to a changed definition of discharge for medicare

1 reimbursement purposes. The mental health division must aggressively
2 pursue the prompt resolution of issues resulting in this loss of
3 revenues with the federal health care financing administration. In the
4 event any or all of the lost federal revenues are restored, an equal
5 amount of the general fund--state fiscal year 1998 appropriation shall
6 lapse.

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

13 (g) \$1,508,000 of the general fund--state appropriation for fiscal
14 year 1999, \$92,000 of the general fund--federal appropriation, and
15 \$107,000 of the general fund private/local appropriation are provided
16 solely for the implementation of the Second Substitute Senate Bill No.
17 6214 (mentally ill commitment). If the bill is not enacted by June 30,
18 1998, the amounts provided in this subsection shall lapse.

19 (3) CIVIL COMMITMENT

20	General Fund Appropriation (FY 1998)	. . . . . \$	7,174,000
21	General Fund Appropriation (FY 1999)	. . . . . \$	((7,779,000))
22			<u>8,079,000</u>
23	TOTAL APPROPRIATION	. . . . . \$	((14,953,000))
24			<u>15,253,000</u>

25 The appropriations in this subsection are subject to the following
26 conditions and limitations: ~~((a))~~ \$2,088,000 of the general fund--
27 state fiscal year 1998 appropriation and \$2,415,000 of the general
28 fund--state fiscal year 1999 appropriation are provided solely for
29 court-related costs for residents at the special commitment center.

30 (4) SPECIAL PROJECTS

31	General Fund--State Appropriation (FY 1998)	. . . \$	50,000
32	General Fund--State Appropriation (FY 1999)	. . . \$	450,000
33	General Fund--Federal Appropriation	. . . . . \$	3,826,000
34	TOTAL APPROPRIATION	. . . . . \$	4,326,000

35 The appropriations in this subsection are subject to the following
36 conditions and limitations: \$50,000 of the general fund--state
37 appropriation for fiscal year 1998 and \$450,000 of the general fund--

1 state appropriation for fiscal year 1999 are provided solely for
2 development and operation of the pilot project for mentally ill
3 offenders described in Substitute Senate Bill No. 6002 (mentally ill
4 offenders). If the bill is not enacted by June 30, 1997, the amounts
5 provided shall lapse.

6 (5) PROGRAM SUPPORT

7	General Fund--State Appropriation (FY 1998) . . . \$	2,537,000
8	General Fund--State Appropriation (FY 1999) . . . \$	2,569,000
9	General Fund--Federal Appropriation \$	3,085,000
10	TOTAL APPROPRIATION \$	8,191,000

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

13 (a) \$60,000 of the general fund--state appropriation for fiscal
14 year 1998 is provided solely to increase the department's capacity to
15 carry out legislative intent set forth in RCW 71.24.400 through
16 71.24.415. To facilitate this activity, the secretary shall appoint an
17 oversight committee of project stakeholders including representatives
18 from: Service providers, mental health regional support networks, the
19 department's mental health division, the department's division of
20 alcohol and substance abuse, the department's division of children and
21 family services, and the department's medical assistance
22 administration. The oversight group shall continue to seek ways to
23 streamline service delivery as set forth in RCW 71.24.405 until at
24 least July 1, 1998.

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

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

36 **Sec. 205.** 1998 c 346 s 205 (uncodified) is amended to read as
37 follows:

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
2 **DISABILITIES PROGRAM**

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

9 (1) COMMUNITY SERVICES

10	General Fund--State Appropriation (FY 1998) . . . \$	147,757,000
11	General Fund--State Appropriation (FY 1999) . . . \$	((166,773,000))
12		<u>168,172,000</u>
13	General Fund--Federal Appropriation \$	((226,737,000))
14		<u>226,606,000</u>
15	Health Services Account Appropriation \$	((639,000))
16		<u>226,000</u>
17	TOTAL APPROPRIATION \$	((541,906,000))
18		<u>542,761,000</u>

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

21 (a) The health services account appropriation and ~~(((\$692,000))~~
22 \$243,000 of the general fund--federal appropriation are provided solely
23 for the enrollment in the basic health plan of home care workers with
24 family incomes below 200 percent of the federal poverty level who are
25 employed through state contracts. Enrollment in the basic health plan
26 for home care workers with family incomes at or above 200 percent of
27 poverty shall be covered with general fund--state and matching general
28 fund--federal revenues that were identified by the department to have
29 been previously appropriated for health benefits coverage, to the
30 extent that these funds had not been contractually obligated for worker
31 wage increases prior to March 1, 1996.

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

37 ~~(c) ~~(((\$24,399,000 of the general fund--state appropriation for~~~~
38 ~~fiscal year 1998 and \$28,729,000 of the general fund--state~~

1 appropriation for fiscal year 1999 are provided solely to deliver
2 personal care services. Within these amounts, sufficient funding is
3 provided to restore funding for medicaid personal care exceptional
4 rates to the fiscal year 1997 level. If the secretary of social and
5 health services determines that total expenditures are likely to exceed
6 these appropriated amounts, the secretary shall take action as required
7 by RCW 74.09.520 to adjust either functional eligibility standards or
8 service levels or both sufficiently to maintain expenditures within
9 appropriated levels. Such action may include the adoption of emergency
10 rules and may not be taken to the extent that projected over-
11 expenditures are offset by under expenditures elsewhere within the
12 program's general fund state appropriation. Prior to making
13 eligibility changes which would terminate all services to some persons,
14 the secretary should first exercise all opportunities to manage the
15 average cost per person served, through methods such as promoting the
16 use of informal care; assuring that local offices are effectively and
17 consistently authorizing the least expensive level of care which can
18 meet recipient needs; and reducing on a sliding scale basis the amount
19 of service authorized per functional need level, with smaller
20 reductions for greater levels of need.

21 (d)) \$144,000 of the general fund--state appropriation for fiscal
22 year 1998, \$453,000 of the general fund--state appropriation for fiscal
23 year 1999, and \$654,000 of the general fund--federal appropriation are
24 provided solely to continue operation of the united cerebral palsy
25 residential center during the period in which its residents are phasing
26 into new community residences.

27 ((e)) (d) \$197,000 of the general fund--state appropriation for
28 fiscal year 1998 and \$197,000 of the general fund--state appropriation
29 for fiscal year 1999 are provided solely to contract with the
30 Washington initiative for supported employment for the purpose of
31 continuing the promotion of supported employment services for persons
32 with disabilities.

33 ((g)) (e) \$2,151,000 of the general fund--state appropriation for
34 fiscal year 1998, \$5,782,000 of the general fund--state appropriation
35 for fiscal year 1999, and \$8,362,000 of the general fund--federal
36 appropriation are provided solely to develop and operate secure
37 residential and day program placements for persons who seem likely to
38 present a significant risk to the public safety if their current
39 residential arrangement were to continue.

1 appropriation are provided solely for a nursing community outreach
2 project at Yakima valley school. Registered nursing staff are to
3 provide nursing assessments, consulting services, training, and quality
4 assurance on behalf of individuals residing in central Washington.

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

12 (3) PROGRAM SUPPORT

13	General Fund--State Appropriation (FY 1998)	\$	2,530,000
14	General Fund--State Appropriation (FY 1999)	\$	2,501,000
15	General Fund--Federal Appropriation	\$	1,637,000
16	TOTAL APPROPRIATION	\$	6,668,000

17 (4) SPECIAL PROJECTS

18	General Fund--Federal Appropriation	\$	12,030,000
----	---	----	------------

19 **Sec. 206.** 1998 c 346 s 206 (uncodified) is amended to read as
20 follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
22 **SERVICES PROGRAM**

23	General Fund--State Appropriation (FY 1998)	\$	409,469,000
24	General Fund--State Appropriation (FY 1999)	\$	((425,130,000))
25			<u>421,468,000</u>
26	General Fund--Federal Appropriation	\$	((910,685,000))
27			<u>900,570,000</u>
28	General Fund--Local Appropriation	\$	((1,781,000))
29			<u>1,757,000</u>
30	Health Services Account Appropriation	\$	((2,232,000))
31			<u>1,940,000</u>
32	TOTAL APPROPRIATION	\$	((1,749,297,000))
33			<u>1,735,204,000</u>

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

36 (1) The entire health services account appropriation (~~and~~
37 ~~\$2,175,000 of the general fund--federal appropriation are~~) is provided

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

10 (2) \$1,277,000 of the general fund--state appropriation for fiscal
11 year 1998 and \$1,277,000 of the general fund--state appropriation for
12 fiscal year 1999 are provided solely for operation of the volunteer
13 chore program.

14 (3) (~~(\$113,534,000 of the general fund--state appropriation for~~
15 ~~fiscal year 1998, \$125,310,000 of the general fund--state appropriation~~
16 ~~for fiscal year 1999, of which no less than forty-nine percent shall be~~
17 ~~allotted for expenditure during the first six months of fiscal year~~
18 ~~1999, and \$7,374,000 of the general fund--federal social services block~~
19 ~~grant appropriation, are provided solely to deliver chore, COPES, and~~
20 ~~medicaid personal care services. If the secretary of social and health~~
21 ~~services determines that total expenditures are likely to exceed these~~
22 ~~amounts, the secretary shall take action as required by RCW 74.09.520,~~
23 ~~74.39A.120, and 74.09.530 to adjust functional eligibility standards~~
24 ~~and/or service levels sufficiently to maintain expenditures within~~
25 ~~appropriated levels. Such action may include the adoption of emergency~~
26 ~~rules, and shall not be taken to the extent that projected over-~~
27 ~~expenditures are offset by under expenditures resulting from lower than~~
28 ~~budgeted nursing home caseloads. Prior to making eligibility changes~~
29 ~~which would terminate all services to some persons, the secretary~~
30 ~~should first exercise all opportunities to manage the average cost per~~
31 ~~person served, through methods such as promoting the use of informal~~
32 ~~care; assuring that local offices are effectively and consistently~~
33 ~~authorizing the least expensive level of care that can meet recipient~~
34 ~~needs; using waiting lists for individuals with lower levels of need in~~
35 ~~order to limit monthly growth; and reducing on a sliding scale basis~~
36 ~~the amount of service authorized per functional need level, with~~
37 ~~smaller reductions for greater levels of need.~~

38 (4) \$1,080,000 of the general fund--state appropriation for fiscal
39 year 1999 is provided to maintain service eligibility for persons

1 ~~receiving services through the chore, COPES, or medicaid personal care~~
2 ~~programs in the event eligibility adjustments may be necessary or are~~
3 ~~made in accordance with subsection (3) of this section. The department~~
4 ~~may use seventy five percent of amounts not needed for that purpose to~~
5 ~~implement quality of care enhancements.~~

6 ~~(5))~~ \$26,000 of the general fund--state appropriation for fiscal
7 year 1998, \$59,000 of the general fund--state appropriation for fiscal
8 year 1999, and \$85,000 of the general fund--federal appropriation are
9 provided solely to employ registered nurses rather than social workers
10 to fill six of the new field positions to be filled in fiscal year 1998
11 and seven more of the new positions to be filled in fiscal year 1999.
12 These registered nurses shall conduct assessments, develop and monitor
13 service plans, and consult with social work staff to assure that
14 persons with medical needs are placed in and receive the appropriate
15 level of care.

16 ~~((6))~~ (4) \$425,000 of the general fund--state appropriation for
17 fiscal year 1998 and \$882,000 of the general fund--state appropriation
18 for fiscal year 1999 are provided solely to implement Second Substitute
19 Senate Bill No. 5179 (nursing facility reimbursement). If the bill is
20 not enacted by June 30, 1997, the amounts provided in this subsection
21 shall lapse.

22 ~~((7))~~ (5) \$242,000 of the general fund--state appropriation for
23 fiscal year 1998, \$212,000 of the general fund--state appropriation for
24 fiscal year 1999, and \$498,000 of the general fund--federal
25 appropriation are provided solely for operation of a system for
26 investigating allegations of staff abuse and neglect in nursing homes,
27 as provided in Second Substitute House Bill No. 1850 (long-term care
28 standards of care).

29 ~~((8))~~ (6) For purposes of implementing ~~((Second Substitute House~~
30 ~~Bill No. 2935))~~ chapter 322, Laws of 1998 (nursing ~~((facility))~~ home
31 payment rates), the weighted average nursing facility payment rate for
32 fiscal year 1999 shall be no more than ~~((117.36))~~ \$115.75, excluding
33 nurse's aide training. Each nursing facility's July 1 through
34 September 30, 1998, medicaid payment rate shall be its June 30, 1998,
35 rate increased by 2.0 percent, except for the property and return on
36 investment component rates, which shall not be increased. Beginning
37 October 1, 1998, component rates rebased on 1996 costs shall be
38 adjusted for economic trends and conditions by 5.18 percent.

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

12 ~~((10))~~ (8) \$506,000 of the general fund--state appropriation for
 13 fiscal year 1998, \$502,000 of the general fund--state appropriation for
 14 fiscal year 1999, and \$1,095,000 of the general fund--federal
 15 appropriation are provided solely for an increase in the state payment
 16 rates for adult residential care and enhanced adult residential care.

17 ~~((11) \$274,000 of the general fund--state appropriation for fiscal
 18 year 1998, \$1,357,000 of the general fund--state appropriation for
 19 fiscal year 1999, and the entire general fund--local appropriation are
 20 provided solely for boarding home licensure and quality assurance by
 21 the department of social and health services only if Engrossed House
 22 Bill No. 2410 (boarding home administration) is enacted by June 30,
 23 1998. If the bill is not enacted, the amounts provided in this
 24 subsection shall be allocated to the department of health, which will
 25 manage the boarding home licensure and quality assurance program.)~~

26 **Sec. 207.** 1998 c 346 s 207 (uncodified) is amended to read as
 27 follows:

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

30	General Fund--State Appropriation (FY 1998)	\$	508,243,000
31	General Fund--State Appropriation (FY 1999)	\$	((512,200,000))
32			<u>519,193,000</u>
33	General Fund--Federal Appropriation	\$	((951,615,000))
34			<u>876,653,000</u>
35	TOTAL APPROPRIATION	\$	((1,972,058,000))
36			<u>1,904,089,000</u>

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

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

9 (2) \$485,000 of the general fund--state fiscal year 1998
10 appropriation, \$3,186,000 of the general fund--state fiscal year 1999
11 appropriation, and \$3,168,000 of the general fund--federal
12 appropriation are provided solely to continue to implement the
13 previously competitively procured electronic benefits transfer system
14 through the western states EBT alliance for distribution of cash grants
15 and food stamps so as to meet the requirements of P.L. 104-193.

16 (3) \$50,000 of the fiscal year 1998 general fund--state
17 appropriation is provided solely for a study of child care
18 affordability as directed in section 403 of Engrossed House Bill No.
19 3901 (implementing welfare reform). The study shall be performed by
20 the Washington institute for public policy. If the bill is not enacted
21 by June 30, 1997, the amount provided in this subsection shall lapse.

22 (4) \$500,000 of the fiscal year 1998 general fund--state
23 appropriation and \$500,000 of the fiscal year 1999 general fund--state
24 appropriation are provided solely for an evaluation of the WorkFirst
25 program as directed in section 705 of Engrossed House Bill No. 3901
26 (implementing welfare reform). The study shall be performed by the
27 joint legislative audit and review committee. If the bill is not
28 enacted by June 30, 1997, the amount provided in this subsection shall
29 lapse.

30 (5) \$73,129,000 of the general fund--federal appropriation is
31 provided ((solely)) for child care assistance for low-income families
32 in the WorkFirst program and for low-income working families as
33 authorized in Engrossed House Bill No. 3901 (implementing welfare
34 reform). All child care assistance provided shall be subject to a
35 monthly copay to be paid by the family receiving the assistance.

36 (6) \$7,624,000 of the fiscal year 1998 general fund--state
37 appropriation, ((\$18,489,000)) \$11,730,000 of the fiscal year 1999
38 general fund--state appropriation, and \$29,781,000 of the general
39 fund--federal appropriation are provided solely for implementation of

1 Engrossed House Bill No. 3901 (implementing welfare reform), including
2 sections 404 and 405. If the bill is not enacted by June 30, 1997, the
3 amounts provided in this subsection shall lapse. The level of benefits
4 in the food program for legal immigrants authorized in the bill shall
5 be equivalent to benefits provided by the federal food stamp program.

6 (7) \$56,461,000 of the fiscal year 1998 general fund--state
7 appropriation and (~~(\$59,393,000)~~) \$51,673,000 of the fiscal year 1999
8 general fund--state appropriation are provided (~~(solely)~~) for cash
9 assistance to recipients in the general assistance--unemployable
10 program. The department shall take any and all actions necessary to
11 maintain expenditures within these amounts.

12 (8) \$55,995,000 of the fiscal year 1998 general fund--state
13 appropriation, (~~(\$55,995,000)~~) \$44,146,000 of the fiscal year 1999
14 general fund--state appropriation, and (~~(\$184,510,000)~~) \$121,821,000 of
15 the general fund--federal appropriation are provided (~~(solely)~~) to
16 administer a low-income child care program as authorized in Engrossed
17 House Bill No. 3901 (implementing welfare reform). (~~The child care~~
18 ~~program funds shall be allotted as follows:~~

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

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

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

30 (~~10~~)) (9) Within the amounts provided in this section, the
31 department shall implement the study requirements of Engrossed
32 Substitute House Bill No. 2900 (pro rata calculation of temporary
33 assistance for needy families grants).

34 **Sec. 208.** 1998 c 346 s 208 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE**
37 **ABUSE PROGRAM**

38 General Fund--State Appropriation (FY 1998) . . . \$ 15,459,000

1	General Fund--State Appropriation (FY 1999)	\$	((15,330,000))
2			<u>15,620,000</u>
3	General Fund--Federal Appropriation	\$	((81,112,000))
4			<u>81,132,000</u>
5	General Fund--Private/Local Appropriation	\$	630,000
6	Public Safety and Education Account		
7	Appropriation	\$	3,210,000
8	Violence Reduction and Drug Enforcement Account		
9	Appropriation	\$	74,889,000
10	TOTAL APPROPRIATION	\$	((190,630,000))
11			<u>190,940,000</u>

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

14 (1) \$2,062,000 of the general fund--federal appropriation and
15 \$7,482,000 of the violence reduction and drug enforcement account
16 appropriation are provided solely for the grant programs for school
17 districts and educational service districts set forth in RCW
18 28A.170.080 through 28A.170.100, including state support activities, as
19 administered through the office of the superintendent of public
20 instruction.

21 (2) \$1,902,000 of the general fund--state fiscal year 1998
22 appropriation, \$1,902,000 of the general fund--state fiscal year 1999
23 appropriation, and \$1,592,000 of the general fund--federal
24 appropriation are provided solely for alcohol and substance abuse
25 assessment, treatment, including treatment for drug affected infants
26 and toddlers, and child care services for clients of the division of
27 children and family services. Assessment shall be provided by approved
28 chemical dependency treatment programs as requested by child protective
29 services personnel in the division of children and family services.
30 Child care shall be provided as deemed necessary by the division of
31 children and family services while parents requiring alcohol and
32 substance abuse treatment are attending treatment programs.

33 (3) \$760,000 of the fiscal year 1998 general fund--state
34 appropriation and \$760,000 of the fiscal year 1999 general fund--state
35 appropriation are provided solely to fund a program serving mothers of
36 children affected by fetal alcohol syndrome and related conditions,
37 known as the birth-to-three program. The program may be operated in
38 two cities in the state.

1 (4) \$3,210,000 of the public safety and education account
2 appropriation is provided solely for the continuation of treatment
3 alternatives to street crimes (TASC) programs in Pierce, Snohomish,
4 Clark, King, Spokane, and Yakima counties.

5 **Sec. 209.** 1998 c 346 s 209 (uncodified) is amended to read as
6 follows:

7 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
8 **PROGRAM**

9	General Fund--State Appropriation (FY 1998)	\$	666,815,000
10	General Fund--State Appropriation (FY 1999)	\$	((681,372,000))
11			<u>685,912,000</u>
12	General Fund--Federal Appropriation	\$	((2,086,149,000))
13			<u>2,116,567,000</u>
14	General Fund--Private/Local Appropriation	\$	((306,601,000))
15			<u>312,762,000</u>
16	Health Services Account Appropriation	\$	254,506,000
17	Emergency Medical and Trauma Care Services		
18	Account Appropriation	\$	4,600,000
19	TOTAL APPROPRIATION	\$	((4,000,043,000))
20			<u>4,041,162,000</u>

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

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

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

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

35 (4) \$1,622,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$1,622,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided for treatment of low-income kidney
38 dialysis patients.

1 (5) \$80,000 of the general fund--state appropriation for fiscal
2 year 1998, \$80,000 of the general fund--state appropriation for fiscal
3 year 1999, and \$160,000 of the general fund--federal appropriation are
4 provided solely for the prenatal triage clearinghouse to provide access
5 and outreach to reduce infant mortality.

6 ~~(6) ((The department shall employ the managed care contracting and
7 negotiation strategies defined in Substitute Senate Bill No. 5125 to
8 assure that the average per recipient cost of managed care services for
9 temporary assistance to needy families and expansion populations
10 increases by no more than two percent per year in calendar years 1998
11 and 1999.~~

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

18 ~~((+8))~~ (7) \$325,000 of the general fund--state appropriation for
19 fiscal year 1998 and \$325,000 of the general fund--state appropriation
20 for fiscal year 1999 are provided solely to increase rates paid for air
21 ambulance services.

22 ~~((+9) \$1,468,000 of the general fund state appropriation for
23 fiscal year 1999 is to be expended solely to the extent necessary
24 because the federal government has not approved the department's
25 request to require certain recipients to pay ten dollars per month
26 toward the cost of their medical assistance.~~

27 ~~(+10))~~ (8) By November 1, 1998, the department shall report to the
28 health care and fiscal committees of the legislature on the estimated
29 average monthly number of nongrant medical assistance recipients who do
30 not meet the earned income eligibility standards that were in effect
31 prior to November 1997.

32 **Sec. 210.** 1998 c 346 s 210 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
35 **REHABILITATION PROGRAM**

36	General Fund--State Appropriation (FY 1998) . . . \$	9,046,000
37	General Fund--State Appropriation (FY 1999) . . . \$	((8,603,000))
38		<u>8,903,000</u>

1	General Fund--Federal Appropriation	\$	((79,080,000))
2			<u>78,577,000</u>
3	General Fund--Private/Local Appropriation	\$	2,904,000
4	TOTAL APPROPRIATION	\$	((99,633,000))
5			<u>99,430,000</u>

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

8 (1) The division of vocational rehabilitation shall negotiate
9 cooperative interagency agreements with local organizations, including
10 higher education institutions, mental health regional support networks,
11 and county developmental disabilities programs to improve and expand
12 employment opportunities for people with severe disabilities served by
13 those local agencies.

14 (2) \$363,000 of the general fund--state appropriation for fiscal
15 year 1998, \$506,000 of the general fund--state appropriation for fiscal
16 year 1999, and \$3,208,000 of the general fund--federal appropriation
17 are provided solely for vocational rehabilitation services for
18 individuals enrolled for services with the developmental disabilities
19 program who complete their high school curriculum in 1997 or 1998.

20 **Sec. 211.** 1998 c 346 s 211 (uncodified) is amended to read as
21 follows:

22 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
23 **SUPPORTING SERVICES PROGRAM**

24	General Fund--State Appropriation (FY 1998)	\$	25,818,000
25	General Fund--State Appropriation (FY 1999)	\$	((25,744,000))
26			<u>23,779,000</u>
27	General Fund--Federal Appropriation	\$	((43,037,000))
28			<u>44,633,000</u>
29	General Fund--Private/Local Appropriation	\$	270,000
30	TOTAL APPROPRIATION	\$	((94,869,000))
31			<u>94,500,000</u>

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

34 (1) The department may transfer up to \$1,289,000 of the general
35 fund--state appropriation for fiscal year 1998, \$1,757,000 of the
36 general fund--state appropriation for fiscal year 1999, and \$2,813,000
37 of the general fund--federal appropriation to the administration and

1 supporting services program from various other programs to implement
2 administrative reductions.

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

10 (3) \$60,000 of the general fund--state appropriation for fiscal
11 year 1998 is provided solely for a welfare fraud pilot program as
12 described by House Bill No. 1822 (welfare fraud investigation).

13 (4) \$55,000 of the fiscal year 1998 general fund--state
14 appropriation, \$64,000 of the fiscal year 1999 general fund--state
15 appropriation, and \$231,000 of the general fund--federal appropriation
16 are provided solely for implementation of Engrossed House Bill No. 3901
17 (implementing welfare reform). If the bill is not enacted by June 30,
18 1997, the amounts provided in this subsection shall lapse.

19 ~~((+6))~~ (5) The department shall report on the allowance for
20 clothing, personal maintenance, and necessary incidentals provided to
21 persons who receive services funded by state and federal moneys under
22 Title XIX of the social security act. The report shall discuss the
23 range of allowances granted for different populations and programs and
24 compare the allowances to those provided to similar populations in
25 other western states. The report shall also evaluate the need for a
26 uniform amount provided to all populations and, if a uniform allowance
27 is provided, at what level that allowance should be set. In compiling
28 the report, the department shall consult with affected parties and
29 divisions. The report shall be submitted by December 1, 1998, to the
30 chairs and the ranking minority members of the appropriate committees
31 of the legislature.

32 **Sec. 212.** 1998 c 346 s 212 (uncodified) is amended to read as
33 follows:

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

35 General Fund--State Appropriation (FY 1998) . . . \$	21,344,000
36 General Fund--State Appropriation (FY 1999) . . . \$	((20,965,000))
37	<u>22,909,000</u>
38 General Fund--Federal Appropriation \$	((145,321,000))

1		<u>150,869,000</u>
2	General Fund--Private/Local Appropriation \$	((32,673,000))
3		<u>30,802,000</u>
4	TOTAL APPROPRIATION \$	((220,303,000))
5		<u>225,924,000</u>

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

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

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

20 (3) \$305,000 of the general fund--state fiscal year 1998
21 appropriation, \$494,000 of the general fund--state fiscal year 1999
22 appropriation, and \$1,408,000 of the general fund--federal
23 appropriation are provided solely to implement Engrossed House Bill No.
24 3901 (implementing welfare reform). If the bill is not enacted by June
25 30, 1997, the amounts provided in this subsection shall lapse.

26 **Sec. 213.** 1998 c 346 s 213 (uncodified) is amended to read as
27 follows:

28 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
29 **AGENCIES PROGRAM**

30	General Fund--State Appropriation (FY 1998) . . . \$	25,292,000
31	General Fund--State Appropriation (FY 1999) . . . \$	((24,792,000))
32		<u>24,991,000</u>
33	General Fund--Federal Appropriation \$	((18,966,000))
34		<u>19,767,000</u>
35	TOTAL APPROPRIATION \$	((69,050,000))
36		<u>70,050,000</u>

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

3 (1) \$263,000 of the fiscal year 1998 general fund--state
4 appropriation, \$349,000 of the fiscal year 1999 general fund--state
5 appropriation, and \$1,186,000 of the general fund--federal
6 appropriation are provided solely for implementation of Engrossed House
7 Bill No. 3901 (implementing welfare reform). If the bill is not
8 enacted by June 30, 1997, the amounts provided in this subsection shall
9 lapse.

10 (2) \$113,000 of the fiscal year 1999 general fund--state
11 appropriation and \$31,000 of the general fund--federal appropriation
12 are provided solely for the implementation of Substitute House Bill No.
13 2556 (child abuse prevention and treatment). If this bill is not
14 enacted by June 30, 1998, the amounts provided in this subsection shall
15 lapse.

16 **Sec. 214.** 1998 c 346 s 214 (uncodified) is amended to read as
17 follows:

18 **FOR THE STATE HEALTH CARE AUTHORITY**

19	General Fund--State Appropriation (FY 1998)	\$	6,316,000
20	General Fund--State Appropriation (FY 1999)	\$	6,317,000
21	State Health Care Authority Administration		
22	Account Appropriation	\$	((14,969,000))
23			<u>14,965,000</u>
24	Health Services Account Appropriation	\$	((341,800,000))
25			<u>334,355,000</u>
26	TOTAL APPROPRIATION	\$	((369,402,000))
27			<u>361,953,000</u>

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

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

32 (2) Within funds appropriated in this section and sections 205 and
33 206 of chapter 149, Laws of 1997, the health care authority shall
34 continue to provide an enhanced basic health plan subsidy option for
35 foster parents licensed under chapter 74.15 RCW and workers in state-
36 funded homecare programs. Under this enhanced subsidy option, foster
37 parents and homecare workers with family incomes below 200 percent of

1 the federal poverty level shall be allowed to enroll in the basic
2 health plan at a cost of ten dollars per covered worker per month.

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

8 (b) Effective July 1998, the health care authority shall require
9 organizations and individuals which are paid to deliver basic health
10 plan services and which choose to sponsor enrollment in the subsidized
11 basic health plan to pay the following: (i) A minimum of fifteen
12 dollars per enrollee per month for persons below 100 percent of the
13 federal poverty level; and (ii) a minimum of twenty dollars per
14 enrollee per month for persons whose family income is 100 percent to
15 200 percent of the federal poverty level.

16 (4) (~~(\$150,000 of the health services account appropriation is~~
17 ~~provided solely to implement health care savings accounts. If~~
18 ~~legislation requiring a pilot project of such accounts is not enacted~~
19 ~~by June 30, 1997, the amount provided in this subsection shall lapse.~~

20 ~~(5))~~ \$270,000 of the health services account appropriation is
21 provided solely to pay commissions to agents and brokers in accordance
22 with RCW 70.47.015(5) for application assistance provided to persons on
23 the reservation list as of June 30, 1997, who enroll in the subsidized
24 basic health plan on or after July 1, 1997.

25 ~~((6))~~ (5) \$250,000 of the state health care authority
26 administrative account appropriation is provided solely to process
27 claims arising from the settlement in *Retired State Employees v. State*
28 *of Washington* (Thurston county superior court cause no. 92-2-01294-1).

29 ~~((7))~~ (6) The health care authority administrator is directed to
30 pay claims resulting from a court-approved stipulated settlement in
31 *Retired State Employees et al. v. State of Washington* (Thurston county
32 superior court cause no. 92-2-01294-1) using funds in the public
33 employees' and retirees' insurance account. The legislature recognizes
34 that payment of these claims may reduce premium stabilization reserves
35 below target levels on an interim basis. It is the legislature's
36 intent that the viability of health care authority-administered
37 programs be preserved and that the benefit levels for health care
38 authority-administered programs not be reduced in the event premium
39 stabilization reserves are used to pay such claims.

1 ~~((+8))~~ (7) \$330,000 of the health services account appropriation
 2 is provided solely to implement Substitute House Bill No. 3109 (basic
 3 health plan enrollee income verification). If the bill is not enacted
 4 by June 30, 1998, the amount provided in this subsection shall lapse.

5 **Sec. 215.** 1998 c 346 s 217 (uncodified) is amended to read as
 6 follows:

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

8	General Fund Appropriation (FY 1998)	\$	6,805,000
9	General Fund Appropriation (FY 1999)	\$	((7,069,000))
10			<u>7,013,000</u>
11	Public Safety and Education Account--		
12	State Appropriation	\$	((16,082,000))
13			<u>16,077,000</u>
14	Public Safety and Education Account--		
15	Federal Appropriation	\$	6,002,000
16	Public Safety and Education Account--		
17	Private/Local Appropriation	\$	2,178,000
18	Electrical License Account Appropriation	\$	((22,542,000))
19			<u>22,506,000</u>
20	Farm Labor Revolving Account Appropriation	\$	28,000
21	Worker and Community Right-to-Know Account		
22	Appropriation	\$	2,187,000
23	Public Works Administration Account		
24	Appropriation	\$	1,975,000
25	Accident Account--State Appropriation	\$	((151,634,000))
26			<u>151,867,000</u>
27	Accident Account--Federal Appropriation	\$	9,112,000
28	Medical Aid Account--State Appropriation	\$	((154,142,000))
29			<u>154,502,000</u>
30	Medical Aid Account--Federal Appropriation	\$	1,592,000
31	Plumbing Certificate Account Appropriation	\$	947,000
32	Pressure Systems Safety Account Appropriation	\$	2,106,000
33	TOTAL APPROPRIATION	\$	((384,401,000))
34			<u>384,897,000</u>

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

37 (1) Expenditures of funds appropriated in this section for the
 38 information systems projects identified in agency budget requests as

1 "claims service delivery", "electrical permitting and inspection
2 system", and "credentialing information system" are conditioned upon
3 compliance with section 902 of this act.

4 (2) Pursuant to RCW 7.68.015, the department shall operate the
5 crime victims compensation program within the public safety and
6 education account funds appropriated in this section. In the event
7 that cost containment measures are necessary, the department may (a)
8 institute copayments for services; (b) develop preferred provider and
9 managed care contracts; (c) coordinate with the department of social
10 and health services to use the public safety and education account as
11 matching funds for federal Title XIX reimbursement, to the extent this
12 maximizes total funds available for services to crime victims.

13 (3) \$54,000 of the general fund appropriation for fiscal year 1998
14 and \$54,000 of the general fund appropriation for fiscal year 1999 are
15 provided solely for an interagency agreement to reimburse the board of
16 industrial insurance appeals for crime victims appeals.

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

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

27 (6) \$101,000 of the plumbing certificate account appropriation is
28 provided solely for the implementation of Substitute Senate Bill No.
29 5749 (pipe installer). If the bill is not enacted by June 30, 1997,
30 the amount provided shall lapse.

31 (7) \$56,000 of the medical aid account appropriation and \$52,000 of
32 the accident account appropriation are provided solely for evaluating
33 agency operational improvements.

34 (8) \$593,000 of nonappropriated funds from the medical aid account
35 shall be provided solely for allocation to the joint legislative audit
36 and review committee for a performance audit and operations review of
37 the state workers' compensation system pursuant to Substitute Senate
38 Bill No. 6030.

1 (9) \$170,000 of the accident account--state appropriation and
2 \$170,000 of the medical aid account--state appropriation are provided
3 solely for payment to the office of the attorney general for legal
4 services provided in the 1995-97 biennium.

5 (10) \$686,000 of the accident account appropriation and \$686,000 of
6 the medical aid account appropriation for fiscal year 1999 are provided
7 solely to fund 24 claims manager positions in fiscal year 1999 (12
8 worker compensation adjudicator 2 and 12 worker compensation
9 adjudicator 3 positions). With these new positions, the department is
10 expected to reduce time-loss duration in claims by 5 percent by June
11 30, 2000, and an additional 2.5 percent by June 30, 2001. The average
12 caseload for level 2 claims managers should also drop to approximately
13 190 by June 30, 2000. The director of the department shall report to
14 the appropriate fiscal and policy committees of the legislature and the
15 office of financial management by June 30, 1998, and every year
16 thereafter, on the measurable progress made toward attaining these
17 goals. The 1998 report shall indicate the baseline figures from July
18 1, 1997. If substantial progress has not been achieved by June 30,
19 2000, the 24 claims manager positions and the funding associated with
20 these positions shall be discontinued.

21 **Sec. 216.** 1998 c 346 s 218 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

24 (1) HEADQUARTERS

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

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

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

7	(3) INSTITUTIONAL SERVICES	
8	General Fund--State Appropriation (FY 1998) . . .	\$ 6,576,000
9	General Fund--State Appropriation (FY 1999) . . .	\$ ((5,522,000))
10		<u>5,336,000</u>
11	General Fund--Federal Appropriation	\$ ((18,950,000))
12		<u>19,186,000</u>
13	General Fund--Private/Local Appropriation	\$ ((14,561,000))
14		<u>14,475,000</u>
15	TOTAL APPROPRIATION	\$ ((45,609,000))
16		<u>45,573,000</u>

17 **Sec. 217.** 1998 c 346 s 219 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF HEALTH**

20	General Fund--State Appropriation (FY 1998) . . .	\$ 63,189,000
21	General Fund--State Appropriation (FY 1999) . . .	\$ ((73,170,000))
22		<u>72,465,000</u>
23	General Fund--Federal Appropriation	\$ ((262,504,000))
24		<u>262,483,000</u>
25	General Fund--Private/Local Appropriation	\$ ((23,578,000))
26		<u>24,356,000</u>
27	Hospital Commission Account Appropriation	\$ 3,089,000
28	Health Professions Account Appropriation	\$ ((36,255,000))
29		<u>35,522,000</u>
30	Emergency Medical and Trauma Care Services Account	
31	Appropriation	\$ ((21,042,000))
32		<u>5,857,000</u>
33	Safe Drinking Water Account Appropriation	\$ 2,494,000
34	Death Investigations Account Appropriation	\$ 650,000
35	Drinking Water Assistance Account--Federal	
36	Appropriation	\$ 5,385,000
37	Waterworks Operator Certification Appropriation	\$ 588,000
38	Water Quality Account Appropriation	\$ 3,065,000

1	Violence Reduction and Drug Enforcement	
2	Account Appropriation	\$ 469,000
3	State Toxics Control Account Appropriation . . .	\$ 2,854,000
4	Medical Test Site Licensure Account	
5	Appropriation	\$ 1,624,000
6	Youth Tobacco Prevention Account Appropriation .	\$ 1,812,000
7	Health Services Account Appropriation	\$ 6,115,000
8	TOTAL APPROPRIATION	\$ (507,883,000)
9		<u>492,017,000</u>

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

12 (1) \$2,134,000 of the health professions account appropriation is
13 provided solely for the development and implementation of a licensing
14 and disciplinary management system. Expenditures are conditioned upon
15 compliance with section 902 of this act. These funds shall not be
16 expended without appropriate project approval by the department of
17 information systems.

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

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

30 (4) \$1,526,000 of the general fund--state fiscal year 1998
31 appropriation and \$1,741,000 of the general fund--state fiscal year
32 1999 appropriation are provided solely for the implementation of the
33 Puget Sound water work plan and agency action items, DOH-01, DOH-02,
34 DOH-03, DOH-04, DOH-05, DOH-06, DOH-07, DOH-08, DOH-09, DOH-10, DOH-11,
35 and DOH-12.

36 (5) (~~(\$10,000,000)~~) \$6,115,000 of the health services account
37 appropriation is provided solely for distribution to local health
38 departments for distribution on a per capita basis. Prior to
39 distributing these funds, the department shall adopt rules and

1 procedures to ensure that these funds are not used to replace current
2 local support for public health programs.

3 (6) \$500,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$500,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely for operation of a youth suicide
6 prevention program at the state level, including a state-wide public
7 educational campaign to increase knowledge of suicide risk and ability
8 to respond and provision of twenty-four hour crisis hotlines, staffed
9 to provide suicidal youth and caregivers a source of instant help.

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

26 (8) \$259,000 of the health professions account appropriation is
27 provided solely to implement Engrossed House Bill No. 3901
28 (implementing welfare reform). If the bill is not enacted by June 30,
29 1997, the amounts provided in this subsection shall lapse.

30 (9) \$150,000 of the general fund--state fiscal year 1998
31 appropriation and \$150,000 of the general fund--state fiscal year 1999
32 appropriation are provided solely for community-based oral health
33 grants that may fund sealant programs, education, prevention, and other
34 oral health interventions. The grants may be awarded to state or
35 federally funded community and migrant health centers, tribal clinics,
36 or public health jurisdictions. Priority shall be given to communities
37 with established oral health coalitions. Grant applications for oral
38 health education and prevention grants shall include (a) an assessment
39 of the community's oral health education and prevention needs; (b)

1 identification of the population to be served; and (c) a description of
2 the grant program's predicted outcomes.

3 (10) (~~(\$21,042,000)~~) \$5,857,000 of the emergency medical and trauma
4 care services account appropriation is provided solely for
5 implementation of Substitute Senate Bill No. 5127 (trauma care
6 services). If the bill is not enacted by June 30, 1997, the amount
7 provided in this subsection shall lapse.

8 (11) \$500,000 of the general fund--state appropriation for fiscal
9 year 1998 and \$500,000 of the general fund--state appropriation for
10 fiscal year 1999 are provided solely for family support and provider
11 training services for children with special health care needs.

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

22 (13) \$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 for the implementation of Second
25 Substitute House Bill No. 1191 (mandated health benefit review). If
26 the bill is not enacted by June 30, 1997, the amounts provided in this
27 section shall lapse.

28 (14) \$100,000 of the general fund--state appropriation for fiscal
29 year 1998 and \$100,000 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely for the volunteer retired provider
31 program. Funds shall be used to increase children's access to dental
32 care services in rural and underserved communities by paying
33 malpractice insurance and professional licensing fees for retired
34 dentists participating in the program.

35 (15) \$852,000 of the drinking water assistance account--federal
36 appropriation is provided solely for an interagency agreement with the
37 department of community, trade, and economic development to administer,
38 in cooperation with the public works board, loans to local governments

1 and public water systems for projects and activities to protect and
2 improve the state's drinking water facilities and resources.

3 (16) \$3,347,000 of the fiscal year 1998 general fund--state
4 appropriation and (~~(\$3,347,000)~~) \$2,600,000 of the fiscal year 1999
5 general fund--state appropriation are provided solely for the AIDS
6 prescription drug program and HIV intervention program. The department
7 shall operate the program within total appropriations. The department
8 shall take such actions as are necessary to control expenditures,
9 including administrative efficiencies such as reductions to provider
10 reimbursement rates, modifications to financial eligibility,
11 modifications to the scope of services, and client cost sharing
12 mechanisms. The department shall identify program policy changes
13 required to manage within the amounts provided.

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

17 (18) \$2,075,000 of the fiscal year 1998 general fund--state
18 appropriation and \$2,075,000 of the fiscal year 1999 general fund--
19 state appropriation are provided solely for the Washington poison
20 center.

21 (19) \$650,000 of the death investigations account appropriation is
22 provided solely for the implementation of state-wide child mortality
23 reviews. Local health jurisdictions shall coordinate child mortality
24 reviews for children from birth to eighteen years of age, develop local
25 child mortality review protocols, and serve as the appointing authority
26 and lead agency for local child death review teams. The department of
27 health shall develop standard aggregate data elements, collect and
28 analyze local child mortality review data, provide technical assistance
29 to local child mortality review teams, and approve local child death
30 review protocols. If House Bill No. 1269 (death investigations
31 account) is not enacted by June 30, 1997, the amount provided in this
32 subsection shall lapse.

33 (20) \$1,125,000 of the fiscal year 1998 general fund--state
34 appropriation and \$1,125,000 of the fiscal year 1999 general fund--
35 state appropriation are provided solely for deposit in the county
36 public health account.

37 (21) \$60,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$60,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely for attorney general services and

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

5 (22) \$250,000 of the fiscal year 1998 general fund--state
6 appropriation \$250,000 of the fiscal year 1999 general fund--state
7 appropriation are provided solely for operation of a naturopathic
8 health clinic constructed in 1996.

9 (23) \$60,000 of the general fund--state appropriation for fiscal
10 year 1999 is provided solely for the implementation of Second
11 Substitute Senate Bill No. 6168 (temporary worker housing). If the
12 bill is not enacted by June 30, 1998, the amount provided in this
13 subsection shall lapse.

14 (24) \$250,000 of the general fund--federal appropriation is
15 provided solely to conduct monitoring for thyroid diseases for eligible
16 people exposed to radiation from Hanford between 1945 and 1951, and is
17 contingent upon the execution of an agreement with the state of Oregon
18 that the state of Washington will function as a subrecipient for the
19 Hanford medical monitoring program grant. If such an agreement is not
20 executed by September 30, 1998, the amount provided in this subsection
21 shall lapse.

22 ~~(25) ((\$730,000 of the health professions account appropriation is~~
23 ~~provided solely for the purposes of the impaired physician program. If~~
24 ~~Second Substitute House Bill No. 1618 (impaired physician program) or~~
25 ~~substantially similar legislation is enacted by June 30, 1998, the~~
26 ~~amounts provided in this subsection shall lapse.~~

27 ~~(26))~~ \$1,000,000 of the general fund--state appropriation for
28 fiscal year 1999 is provided solely for the breast and cervical cancer
29 screening program.

30 ~~((27))~~ (26) Within existing resources, the department shall
31 maintain funding support for neurodevelopmental centers and in no case
32 shall that support in fiscal year 1999 be reduced below the total sum
33 awarded by contract to neurodevelopmental centers in fiscal year 1998.

34 ~~((29))~~ (27) \$300,000 of the general fund--state appropriation is
35 provided solely for the implementation of a hepatitis A emergency
36 vaccination program. This entire amount shall be passed through to
37 county health districts that have employed a public education effort
38 and have infection rates in excess of 100 per 100,000 population.

1 **Sec. 218.** 1998 c 346 s 220 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF CORRECTIONS**

4 The appropriations to the department of corrections in chapter 454,
5 Laws of 1997, as amended, shall be expended for the programs and in the
6 amounts specified therein. However, after April 1, (~~1998~~) 1999,
7 unless specifically prohibited by this act, the department may transfer
8 general fund--state appropriations for fiscal year (~~1998~~) 1999
9 between the institutional services and community corrections programs
10 after approval by the director of the office of financial management.
11 The director of the office of financial management shall notify the
12 appropriate fiscal committees of the senate and house of
13 representatives in writing prior to approving any deviations from
14 appropriation levels.

15 (1) ADMINISTRATION AND PROGRAM SUPPORT

16	General Fund Appropriation (FY 1998)	\$	13,926,000
17	General Fund Appropriation (FY 1999)	\$	13,910,000
18	Violence Reduction and Drug Enforcement Account		
19	Appropriation	\$	500,000
20	TOTAL APPROPRIATION	\$	28,336,000

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

23 (a) \$187,000 of the general fund fiscal year 1998 appropriation and
24 \$155,000 of the general fund fiscal year 1999 appropriation are
25 provided solely for implementation of Substitute Senate Bill No. 5759
26 (risk classification). If the bill is not enacted by July 1, 1997, the
27 amounts provided shall lapse.

28 (b) \$500,000 of the violence reduction and drug enforcement account
29 appropriation is provided solely for a feasibility study regarding the
30 replacement of the department's offender based tracking system. This
31 appropriation is conditioned on the department satisfying the
32 requirements of section 902, chapter 149, Laws of 1997.

33 (2) INSTITUTIONAL SERVICES

34	General Fund--State Appropriation (FY 1998)	\$	289,665,000
35	General Fund--State Appropriation (FY 1999)	\$	((303,830,000))
36			<u>305,569,000</u>
37	General Fund--Federal Appropriation	\$	((18,097,000))
38			<u>16,123,000</u>

1	Industrial Insurance Premium Rebate Account	
2	Appropriation	\$ 673,000
3	Violence Reduction and Drug Enforcement Account	
4	Appropriation	\$ 1,614,000
5	TOTAL APPROPRIATION	\$ ((613,879,000))
6		<u>613,644,000</u>

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

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

12 (b) \$3,978,000 of the general fund--state fiscal year 1998
13 appropriation and \$5,381,000 of the general fund--state fiscal year
14 1999 appropriation are provided solely for the criminal justice costs
15 associated with the implementation of Engrossed Third Substitute House
16 Bill No. 3900 (revising the juvenile code). If Engrossed Third
17 Substitute House Bill No. 3900 is not enacted by June 30, 1997, the
18 amounts provided shall lapse.

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

24 (d) \$296,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$297,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely to increase payment rates for
27 contracted education providers. It is the legislature's intent that
28 these amounts shall be used primarily to increase compensation for
29 persons employed in direct, front-line service delivery.

30 (e) The department may expend funds generated by contractual
31 agreements entered into for mitigation of severe overcrowding in local
32 jails. If any funds are generated in excess of actual costs, they
33 shall be deposited in the state general fund. Expenditures shall not
34 exceed revenue generated by such agreements and shall be treated as
35 recovery of costs.

36 (f) \$70,000 of the general fund--state fiscal year 1999
37 appropriation is provided solely for the implementation of Senate Bill
38 No. 6139 (amphetamine crimes). If the bill is not enacted by June 30,
39 1998, the amount provided in this subsection shall lapse.

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

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

9 (3) COMMUNITY CORRECTIONS

10	General Fund Appropriation (FY 1998)	. . . . . \$	88,830,000
11	General Fund Appropriation (FY 1999)	. . . . . \$	((90,670,000))
12			<u>89,696,000</u>
13	TOTAL APPROPRIATION	. . . . . \$	((179,500,000))
14			<u>178,526,000</u>

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

17 (a) \$27,000 of the general fund fiscal year 1998 appropriation and
18 \$185,000 of the general fund fiscal year 1999 appropriation are
19 provided solely for the criminal justice costs associated with the
20 implementation of Engrossed Third Substitute House Bill No. 3900
21 (revising the juvenile code). If Engrossed Third Substitute House Bill
22 No. 3900 is not enacted by June 30, 1997, the amounts provided shall
23 lapse.

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

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

36 (d) \$45,000 of the general fund--state fiscal year 1999
37 appropriation is provided solely for the implementation of Substitute
38 Senate Bill No. 5760 (mentally ill offenders). If the bill is not

1 enacted by June 30, 1998, the amount provided in this subsection shall
2 lapse.

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

7 (4) CORRECTIONAL INDUSTRIES

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

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

13 (a) \$100,000 of the general fund fiscal year 1998 appropriation and
14 \$100,000 of the general fund fiscal year 1999 appropriation are
15 provided solely for transfer to the jail industries board. The board
16 shall use the amounts provided only for administrative expenses,
17 equipment purchases, and technical assistance associated with advising
18 cities and counties in developing, promoting, and implementing
19 consistent, safe, and efficient offender work programs.

20 (b) \$50,000 of the general fund appropriation for fiscal year 1998
21 and \$50,000 of the general fund appropriation for fiscal year 1999 are
22 provided solely for the correctional industries board of directors to
23 hire one staff person, responsible directly to the board, to assist the
24 board in fulfilling its duties.

25 (5) INTERAGENCY PAYMENTS

26	General Fund Appropriation (FY 1998)	. . . . .	\$	6,851,000
27	General Fund Appropriation (FY 1999)	. . . . .	\$	((6,538,000))
28				<u>6,788,000</u>
29	TOTAL APPROPRIATION	. . . . .	\$	((13,389,000))
30				<u>13,639,000</u>

31 **Sec. 219.** 1998 c 346 s 222 (uncodified) is amended to read as
32 follows:

33 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

34	General Fund--State Appropriation (FY 1998)	. . . . .	\$	1,260,000
35	General Fund--State Appropriation (FY 1999)	. . . . .	\$	1,261,000
36	General Fund--Federal Appropriation	. . . . .	\$	((198,628,000))
37				<u>178,472,000</u>

1	General Fund--Private/Local Appropriation	\$	28,650,000
2	Unemployment Compensation Administration Account--		
3	Federal Appropriation	\$	182,312,000
4	Administrative Contingency Account		
5	Appropriation	\$	13,527,000
6	Employment Service Administrative Account		
7	Appropriation	\$	14,500,000
8	Employment & Training Trust Account		
9	Appropriation	\$	600,000
10	TOTAL APPROPRIATION	\$	((440,738,000))
11			<u>420,582,000</u>

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

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

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

22 (3) \$1,126,000 of the general fund--federal appropriation is
23 provided solely for the continuation of job placement centers colocated
24 on community and technical college campuses.

25 (4) The employment security department shall spend no more than
26 \$25,049,511 of the unemployment compensation administration account--
27 federal appropriation for the general unemployment insurance
28 development effort (GUIDE) project, except that the department may
29 exceed this amount by up to \$2,600,000 to offset the cost associated
30 with any vendor-caused delay. The additional spending authority is
31 contingent upon the department fully recovering these moneys from any
32 project vendors failing to perform in full. Authority to spend the
33 amount provided by this subsection is conditioned on compliance with
34 section 902 of this act.

35 (5) \$60,000 of the general fund--state fiscal year 1998
36 appropriation and \$61,000 of the general fund--state fiscal year 1999
37 appropriation are provided solely for the King county reemployment
38 support center.

PART III
NATURAL RESOURCES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

Sec. 301. 1998 c 346 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation		
(FY 1998)	\$	((26,013,000))
		<u>23,513,000</u>
General Fund--State Appropriation		
(FY 1999)	\$	((25,860,000))
		<u>23,348,000</u>
General Fund--Federal Appropriation	\$	((46,240,000))
		<u>46,229,000</u>
General Fund--Private/Local Appropriation	\$	1,200,000
Special Grass Seed Burning Research Account		
Appropriation	\$	71,000
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
State and Local Improvements Revolving Account		
(Water Supply Facilities)		
Appropriation	\$	1,366,000
Basic Data Account Appropriation	\$	182,000
Vehicle Tire Recycling Account		
Appropriation	\$	((357,000))
		<u>401,000</u>
Water Quality Account Appropriation	\$	2,892,000
Wood Stove Education and Enforcement Account		
Appropriation	\$	848,000

1	Worker and Community Right-to-Know Account		
2	Appropriation	\$	469,000
3	State Toxics Control Account		
4	Appropriation	\$	((53,715,000))
5			<u>53,703,000</u>
6	Local Toxics Control Account		
7	Appropriation	\$	4,759,000
8	Water Quality Permit Account		
9	Appropriation	\$	20,378,000
10	Underground Storage Tank Account		
11	Appropriation	\$	2,638,000
12	Solid Waste Management Account		
13	Appropriation	\$	971,000
14	Hazardous Waste Assistance Account		
15	Appropriation	\$	3,615,000
16	Air Pollution Control Account		
17	Appropriation	\$	16,224,000
18	Oil Spill Administration Account		
19	Appropriation	\$	6,998,000
20	Air Operating Permit Account		
21	Appropriation	\$	3,808,000
22	Freshwater Aquatic Weeds Account		
23	Appropriation	\$	1,829,000
24	Oil Spill Response Account		
25	Appropriation	\$	7,078,000
26	Metals Mining Account Appropriation	\$	42,000
27	Water Pollution Control Revolving Account--State		
28	Appropriation	\$	349,000
29	Water Pollution Control Revolving Account--Federal		
30	Appropriation	\$	1,726,000
31	Biosolids Permit Account Appropriation	\$	567,000
32	Environmental Excellence Account		
33	Appropriation	\$	247,000
34	TOTAL APPROPRIATION	\$	((248,969,000))
35			<u>243,978,000</u>

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

38 (1) \$3,211,000 of the general fund--state appropriation for fiscal
39 year 1998, \$3,211,000 of the general fund--state appropriation for

1 fiscal year 1999, \$394,000 of the general fund--federal appropriation,
2 \$2,017,000 of the oil spill administration account, \$819,000 of the
3 state toxics control account appropriation, and \$3,591,000 of the water
4 quality permit fee account are provided solely for the implementation
5 of the Puget Sound work plan and agency action items DOE-01, DOE-02,
6 DOE-03, DOE-04, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

7 (2) \$2,000,000 of the state toxics control account appropriation is
8 provided solely for the following purposes:

9 (a) To conduct remedial actions for sites for which there are no
10 potentially liable persons, for which potentially liable persons cannot
11 be found, or for which potentially liable persons are unable to pay for
12 remedial actions; and

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

16 (c) To conduct remedial actions for sites for which potentially
17 liable persons have refused to conduct remedial actions required by the
18 department; and

19 (d) To contract for services as necessary to support remedial
20 actions.

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

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

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

1 (6) The merger of the office of marine safety into the department
2 of ecology shall be accomplished in a manner that will maintain a
3 priority focus on oil spill prevention, as well as maintain a strong
4 oil spill response capability. The merged program shall be established
5 to provide a high level of visibility and ensure that there shall not
6 be a diminution of the existing level of effort from the merged
7 programs.

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

15 (8) \$200,000 of the freshwater aquatic weeds account appropriation
16 is provided solely to address saltcedar weed problems.

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

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

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

1 (12) \$60,000 of the freshwater aquatic weeds account appropriation
2 is provided solely for a grant to the department of fish and wildlife
3 to control and eradicate purple loosestrife using the most cost-
4 effective methods available, including chemical control where
5 appropriate.

6 (13) \$250,000 of the flood control assistance account appropriation
7 is provided solely as a reappropriation to complete the Skokomish
8 valley flood reduction plan. The amount provided in this subsection
9 shall be reduced by the amount expended from this account for the
10 Skokomish valley flood reduction plan during the biennium ending June
11 30, 1997.

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

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

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

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

36 (18) \$500,000 of the general fund--state appropriation for fiscal
37 year 1998 and \$500,000 of the general fund--state appropriation for
38 fiscal year 1999 are provided solely for the continuation of the
39 southwest Washington coastal erosion study.

1 (~~(21)~~) (19) \$195,000 of the underground storage tank account
2 appropriation is provided solely for the implementation of Substitute
3 Senate Bill No. 6130 (underground storage tanks). If the bill is not
4 enacted by June 30, 1998, the amount provided in this subsection shall
5 lapse.

6 (~~(22)~~) (20) \$417,000 of the local toxics control account
7 appropriation is provided solely to implement Substitute Senate Bill
8 No. 6474 (fertilizer regulation). If the bill is not enacted by June
9 30, 1998, the amount provided in this subsection shall lapse.

10 (~~(23)~~) (21) Using up to \$19,000 of the special grass seed burning
11 research account appropriation the department shall provide funding to
12 Washington State University to conduct a grass burning emissions study.

13 (~~(24)~~) (22) Within the amounts provided in this section, the
14 department shall conduct a demonstration project on the effectiveness
15 of the state-registered herbicide "Navigate" for the control of
16 Eurasian water milfoil in Loon Lake in Stevens county. The department
17 shall provide a grant to the Stevens county weed board to cover fifty
18 percent of the cost of application of the herbicide. A local match of
19 fifty percent of the cost of application of the herbicide is required.
20 Permits and approvals necessary to implement the demonstration project
21 may be conditioned by the department to protect public health and the
22 environment, but approval may not be withheld.

23 (~~(25)~~) (23) Within the amounts provided in this section, the
24 department shall provide funds to Yakima county superior court for
25 staff and associated costs to support the Yakima river basin water
26 rights adjudication.

27 **Sec. 302.** 1998 c 346 s 304 (uncodified) is amended to read as
28 follows:

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

30	General Fund--State Appropriation (FY 1998) . . . \$	20,489,000
31	General Fund--State Appropriation (FY 1999) . . . \$	((20,595,000))
32		<u>20,573,000</u>
33	General Fund--Federal Appropriation \$	3,122,000
34	General Fund--Private/Local Appropriation \$	59,000
35	Winter Recreation Program Account	
36	Appropriation \$	((779,000))
37		<u>759,000</u>
38	Off Road Vehicle Account Appropriation \$	251,000

1	Snowmobile Account Appropriation	\$	((3,260,000))
2			<u>3,240,000</u>
3	Aquatic Lands Enhancement Account Appropriation .	\$	321,000
4	Public Safety and Education Account		
5	Appropriation	\$	48,000
6	Industrial Insurance Premium Refund		
7	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		
12	Appropriation	\$	((25,894,000))
13			<u>25,863,000</u>
14	TOTAL APPROPRIATION	\$	((74,876,000))
15			<u>74,783,000</u>

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

18 (1) \$189,000 of the aquatic lands enhancement account appropriation
19 is provided solely for the implementation of the Puget Sound work plan
20 agency action items P&RC-01 and P&RC-03.

21 (2) \$264,000 of the general fund--federal appropriation is provided
22 for boater programs state-wide and for implementation of the Puget
23 Sound work plan.

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

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

1 (5) \$48,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$202,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely for development of underwater park
4 programs and facilities. The department shall work with the underwater
5 parks program task force to develop specific plans for the use of these
6 funds.

7 (6) Fees approved by the state parks and recreation commission in
8 1997 for camping, snow parks, wood debris collection, and Fort Worden
9 state park are authorized to exceed the fiscal growth factor under RCW
10 43.135.055.

11 (~~((7) \$20,000 of the winter recreation program account
12 appropriation and \$20,000 of the snowmobile account appropriation are
13 provided solely for a grant for the operation of the Northwest
14 avalanche center.))~~)

15 **Sec. 303.** 1997 c 149 s 305 (uncodified) is amended to read as
16 follows:

17 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

18	General Fund Appropriation (FY 1998)	. . . . .	\$	780,000
19	General Fund Appropriation (FY 1999)	. . . . .	\$	((773,000))
20				<u>817,000</u>
21	TOTAL APPROPRIATION	. . . . .	\$	((1,553,000))
22				<u>1,597,000</u>

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

31 **Sec. 304.** 1998 c 346 s 307 (uncodified) is amended to read as
32 follows:

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

34	General Fund--State Appropriation (FY 1998)	. . . . .	\$	35,857,000
35	General Fund--State Appropriation (FY 1999)	. . . . .	\$	((44,998,000))
36				<u>44,902,000</u>
37	General Fund--Federal Appropriation	. . . . .	\$	((75,037,000))

1		<u>74,972,000</u>
2	General Fund--Private/Local Appropriation \$	26,983,000
3	Off Road Vehicle Account Appropriation \$	488,000
4	Aquatic Lands Enhancement Account	
5	Appropriation \$	5,593,000
6	Public Safety and Education Account	
7	Appropriation \$	586,000
8	Industrial Insurance Premium Refund	
9	Appropriation \$	120,000
10	Recreational Fisheries Enhancement	
11	Appropriation \$	((2,387,000))
12		<u>2,787,000</u>
13	Warm Water Game Fish Account Appropriation . . . \$	2,419,000
14	Wildlife Account Appropriation \$	((44,122,000))
15		<u>46,158,000</u>
16	Game Special Wildlife Account--State	
17	Appropriation \$	1,911,000
18	Game Special Wildlife Account--Federal	
19	Appropriation \$	10,844,000
20	Game Special Wildlife Account--Private/Local	
21	Appropriation \$	350,000
22	Oil Spill Administration Account Appropriation . \$	843,000
23	Environmental Excellence Account Appropriation . \$	20,000
24	Eastern Washington Pheasant Enhancement Account	
25	Appropriation \$	547,000
26	Regional Fisheries Enhancement--Federal	
27	Appropriation \$	750,000
28	TOTAL APPROPRIATION \$	((253,855,000))
29		<u>256,130,000</u>

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

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

37 (2) \$188,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$155,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely for a maintenance and inspection

1 program for department-owned dams. The department shall submit a
2 report to the governor and the appropriate legislative committees by
3 October 1, 1998, on the status of department-owned dams. This report
4 shall provide a recommendation, including a cost estimate, on whether
5 each facility should continue to be maintained or should be
6 decommissioned.

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

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

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

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

26 (7) \$193,000 of the general fund--state appropriation for fiscal
27 year 1998, \$194,000 of the general fund--state appropriation for fiscal
28 year 1999, and \$300,000 of the wildlife account appropriation are
29 provided solely for the design and development of an automated license
30 system.

31 (8) The department is directed to offer for sale its Cessna 421
32 aircraft by June 30, 1998. Proceeds from the sale shall be deposited
33 in the wildlife account.

34 (9) \$500,000 of the general fund--state appropriation for fiscal
35 year 1998 and \$500,000 of the general fund--state appropriation for
36 fiscal year 1999 are provided solely to continue the department's
37 habitat partnerships program during the 1997-99 biennium.

38 (10) \$350,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$350,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for purchase of monitoring
2 equipment necessary to fully implement mass marking of coho salmon.

3 (11) \$238,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$219,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely for the implementation of
6 Substitute House Bill No. 1985 (landscape management plans). If the
7 bill is not enacted by June 30, 1997, the amounts provided in this
8 subsection shall lapse.

9 (12) \$150,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$150,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely for a contract with the United
12 States department of agriculture to carry out animal damage control
13 projects throughout the state related to cougars, bears, and coyotes.

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

18 (14) \$170,000 of the general fund--state appropriation for fiscal
19 year 1998, \$170,000 of the general fund--state appropriation for fiscal
20 year 1999, and \$360,000 of the wildlife account appropriation are
21 provided solely to hire additional enforcement officers to address
22 problem wildlife throughout the state.

23 (15) \$133,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$133,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely to implement Substitute Senate
26 Bill No. 5442 (flood control permitting). If the bill is not enacted
27 by June 30, 1997, the amounts provided in this subsection shall lapse.

28 (16) \$100,000 of the aquatic lands enhancement account
29 appropriation is provided solely for grants to the regional fisheries
30 enhancement groups.

31 (17) \$547,000 of the eastern Washington pheasant enhancement
32 account appropriation is provided solely for implementation of
33 Substitute Senate Bill No. 5104 (pheasant enhancement program). If the
34 bill is not enacted by June 30, 1997, the amounts provided in this
35 subsection shall lapse.

36 (18) \$150,000 of the general fund--state appropriation for fiscal
37 year 1998 and \$150,000 of the general fund--state appropriation for
38 fiscal year 1999 are provided solely to hire Washington conservation
39 corps crews to maintain department-owned and managed lands.

1 (19) The entire environmental excellence account appropriation is
2 provided solely for implementation of Engrossed Second Substitute House
3 Bill No. 1866 (environmental excellence). If the bill is not enacted
4 by June 30, 1997, the entire appropriation is null and void.

5 (20) \$156,000 of the recreational fisheries enhancement
6 appropriation is provided solely for Substitute Senate Bill No. 5102
7 (fishing license surcharge). If the bill is not enacted by June 30,
8 1997, the amount provided in this subsection shall lapse.

9 (21) \$25,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$25,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely for staffing and operation of the
12 Tennant Lake interpretive center.

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

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

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

1 committee lead entity for administrative activities in the Snake river
2 evolutionarily significant unit.

3 (25) \$50,000 of the general fund--state appropriation for fiscal
4 year 1999 is provided solely for operation of the independent science
5 panel in accordance with section 6 of Engrossed Substitute House Bill
6 No. 2496 (salmon recovery planning). If this section of the bill is
7 not enacted by June 30, 1998, the amount provided in this subsection
8 shall lapse.

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

18 (27) \$250,000 of the general fund--state appropriation for fiscal
19 year 1999 is provided solely for excessive deer and elk damage claims.

20 (28) \$393,000 of the general fund--state appropriation for fiscal
21 year 1999 is provided solely for the implementation of Substitute
22 Senate Bill No. 6324 (fish remote site incubators). If the bill is not
23 enacted by June 30, 1998, the amount provided in this subsection shall
24 lapse.

25 (29) \$1,000,000 of the general fund--state appropriation for fiscal
26 year 1999, \$400,000 of the general fund--federal appropriation, and
27 \$225,000 of the general fund--local appropriation are provided solely
28 to contract for the mass marking of all appropriate state-wide
29 department chinook salmon hatchery production in accordance with Second
30 Substitute Senate Bill No. 6264 (chinook salmon mass marking). If the
31 bill is not enacted by June 30, 1998, the amount provided in this
32 subsection shall lapse.

33 (30) \$3,500,000 of the general fund--state appropriation for fiscal
34 year 1999 is provided solely for salmon restoration projects funded
35 according to sections 7 through 10 of Second Substitute House Bill No.
36 2496 (salmon recovery planning). Of this amount, \$500,000 is provided
37 solely for a block grant to the conservation districts located in the
38 Snake river evolutionarily significant unit for habitat restoration

1 projects. If any of these sections of the bill are not enacted by June
2 30, 1998, the amounts provided in this subsection shall lapse.

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

7 (32) \$5,000 of the general fund--state appropriation for fiscal
8 year 1998 and \$40,000 of the general fund--state appropriation for
9 fiscal year 1999 are provided solely for implementation of Substitute
10 Senate Bill No. 6114 (nonindigenous aquatic species). If the bill is
11 not enacted by June 30, 1998, the amount provided in this subsection
12 shall lapse.

13 (33) \$1,000,000 of the general fund--state appropriation for fiscal
14 year 1999 is provided solely for purchasing computer equipment to
15 support implementation of Second Substitute Senate Bill No. 6330 (fish
16 and wildlife licenses). If the bill is not enacted by June 30, 1998,
17 the amount provided in this subsection shall lapse.

18 (34) \$39,000 of the general fund--state appropriation for fiscal
19 year 1999 is provided solely for improvements to business practices
20 within the agency.

21 **Sec. 305.** 1998 c 346 s 308 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

24	General Fund--State Appropriation (FY 1998) \$	23,767,000
25	General Fund--State Appropriation (FY 1999) \$	((24,410,000))
26		<u>30,980,000</u>
27	General Fund--Federal Appropriation \$	((1,156,000))
28		<u>1,244,000</u>
29	General Fund--Private/Local Appropriation \$	422,000
30	Forest Development Account Appropriation \$	((49,963,000))
31		<u>49,895,000</u>
32	Off Road Vehicle Account Appropriation \$	3,628,000
33	Surveys and Maps Account Appropriation \$	2,088,000
34	Aquatic Lands Enhancement Account	
35	Appropriation \$	4,869,000
36	Resource Management Cost Account	
37	Appropriation \$	((89,769,000))
38		<u>89,667,000</u>

1	Waste Reduction/Recycling/Litter Control	
2	Appropriation	\$ 450,000
3	Surface Mining Reclamation Account	
4	Appropriation	\$ 1,420,000
5	Aquatic Land Dredged Material Disposal Site Account	
6	Appropriation	\$ 751,000
7	Natural Resources Conservation Areas Stewardship	
8	Account Appropriation	\$ 77,000
9	Air Pollution Control Account Appropriation	\$ 890,000
10	Metals Mining Account Appropriation	\$ 62,000
11	TOTAL APPROPRIATION	\$ ((204,472,000))
12		<u>210,210,000</u>

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

15 (1) \$7,017,000 of the general fund--state appropriation for fiscal
16 year 1998 and ((~~\$6,900,000~~)) \$13,290,000 of the general fund--state
17 appropriation for fiscal year 1999 are provided solely for emergency
18 fire suppression.

19 (2) \$18,000 of the general fund--state appropriation for fiscal
20 year 1998, \$18,000 of the general fund--state appropriation for fiscal
21 year 1999, and \$957,000 of the aquatic lands enhancement account
22 appropriation are provided solely for the implementation of the Puget
23 Sound work plan agency action items DNR-01, DNR-02, and DNR-04.

24 (3) \$300,000 of the general fund--state appropriation for fiscal
25 year 1999 is provided solely for design and implementation of revisions
26 to the department's geographic system hydrography data layer.

27 (4) \$450,000 of the resource management cost account appropriation
28 is provided solely for the control and eradication of class B designate
29 weeds on state lands. The department shall use the most cost-effective
30 methods available, including chemical control where appropriate, and
31 report to the appropriate committees of the legislature by January 1,
32 1998, on control methods, costs, and acres treated during the previous
33 year.

34 ((+4)) (5) \$1,332,000 of the general fund--state appropriation for
35 fiscal year 1998 and \$1,713,000 of the general fund--state
36 appropriation for fiscal year 1999 are provided solely for fire
37 protection activities.

38 ((+5)) (6) \$541,000 of the general fund--state appropriation for
39 fiscal year 1998 and \$549,000 of the general fund--state appropriation

1 for fiscal year 1999 are provided solely for the stewardship of natural
2 area preserves, natural resource conservation areas, and the operation
3 of the natural heritage program.

4 ~~((+6))~~ (7) \$2,300,000 of the aquatic lands enhancement account
5 appropriation is provided for the department's portion of the Eagle
6 Harbor settlement.

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

13 ~~((+8))~~ (9) \$600,000 of the general fund--state appropriation for
14 fiscal year 1998 and \$600,000 of the general fund--state appropriation
15 for fiscal year 1999 are provided solely for the cooperative
16 monitoring, evaluation, and research projects related to implementation
17 of the timber-fish-wildlife agreement.

18 ~~((+9))~~ (10) \$6,568,000 of the forest development account
19 appropriation is provided solely for silviculture activities on forest
20 board lands. To the extent that forest board counties apply for
21 reconveyance of lands pursuant to Substitute Senate Bill No. 5325
22 (county land transfers), the amount provided in this subsection shall
23 be reduced by an amount equal to the estimated silvicultural
24 expenditures planned in each county that applies for reconveyance.

25 ~~((+12))~~ (11) \$71,000 of the resource management cost account
26 appropriation is provided solely for a study of the current method for
27 determining water-dependent rents in accordance with Second Substitute
28 Senate Bill No. 6156 (state aquatic lands leases). If the bill is not
29 enacted by June 30, 1998, the amount provided in this subsection shall
30 lapse.

31 ~~((+13))~~ (12) \$117,000 of the general fund--state appropriation for
32 fiscal year 1999 is provided solely for a geographic information
33 systems inventory of Washington sand, gravel, and construction rock
34 resources.

35 ~~((+14))~~ (13) \$50,000 of the resource management cost account
36 appropriation is provided solely for a field study of biological
37 control methods for eradication of spartina.

38 ~~((+15))~~ (14) \$50,000 of the general fund--state appropriation for
39 fiscal year 1999 is provided solely for a study of potential finfish

1 net-pen aquaculture sites in the Strait of Juan de Fuca and along the
2 Pacific coast.

3 (End of part)

PART IV
TRANSPORTATION

Sec. 401. 1998 c 346 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund Appropriation (FY 1998)	\$	4,686,000
General Fund Appropriation (FY 1999)	\$	((4,717,000))
		<u>4,912,000</u>
Architects' License Account Appropriation	\$	829,000
Cemetery Account Appropriation	\$	197,000
Professional Engineers' Account Appropriation	\$	((2,700,000))
		<u>2,699,000</u>
Real Estate Commission Account Appropriation	\$	((7,062,000))
		<u>7,060,000</u>
Master License Account Appropriation	\$	((6,963,000))
		<u>6,961,000</u>
Uniform Commercial Code Account Appropriation	\$	((3,521,000))
		<u>3,520,000</u>
Real Estate Education Account Appropriation	\$	606,000
Funeral Directors And Embalmers Account Appropriation	\$	418,000
TOTAL APPROPRIATION	\$	((31,699,000))
		<u>31,888,000</u>

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

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

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

(3) \$229,000 of the general fund fiscal year 1998 appropriation and \$195,000 of the general fund fiscal year 1999 appropriation are

1 provided solely for the implementation of Senate Bill No. 5997
2 (cosmetology inspections). If the bill is not enacted by June 30,
3 1997, the amount provided in this subsection shall lapse.

4 (4) \$31,000 of the general fund fiscal year 1998 appropriation,
5 \$1,000 of the general fund fiscal 1999 appropriation, \$7,000 of the
6 architects' license account appropriation, \$18,000 of the professional
7 engineers' account appropriation, \$14,000 of the real estate commission
8 account appropriation, \$40,000 of the master license account
9 appropriation, and \$3,000 of the funeral directors and embalmers
10 account appropriation are provided solely for the implementation of
11 Engrossed House Bill No. 3901 (implementing welfare reform). If the
12 bill is not enacted by June 30, 1997, the amounts provided in this
13 subsection shall lapse.

14 (5) \$17,000 of the professional engineers' account appropriation is
15 provided solely to implement Senate Bill No. 5266 (engineers/land
16 surveyors). If the bill is not enacted by June 30, 1997, the amount
17 provided in this subsection shall lapse.

18 (6) \$110,000 of the general fund fiscal year 1998 appropriation is
19 provided solely to implement Senate Bill No. 5998 (cosmetology advisory
20 board). If the bill is not enacted by June 30, 1997, the amount
21 provided in this subsection shall lapse.

22 (7) \$11,000 of the general fund fiscal year 1998 appropriation and
23 \$2,000 of the general fund fiscal year 1999 appropriation are provided
24 solely to implement Substitute House Bill No. 1748 or Substitute Senate
25 Bill No. 5513 (vessel registration). If neither bill is enacted by
26 June 30, 1997, the amount provided in this subsection shall lapse.

27 (8)(a) Pursuant to RCW 43.135.055, during the 1997-99 fiscal
28 biennium, the department may increase fees in excess of the fiscal
29 growth factor in the appraisers and camp resorts programs; however,
30 such increases shall not exceed an annual increase of eight percent.

31 (b) Pursuant to RCW 43.135.055, during the 1997-99 fiscal biennium,
32 the department may increase fees in excess of the fiscal growth factor
33 in the professional athletics, employment agencies, and security guards
34 programs to the extent necessary to defray the costs of the
35 administration of these programs as set forth in RCW 43.24.086.

36 (c) Before raising fees in excess of the fiscal growth factor
37 pursuant to this subsection, the department shall notify the chairs and
38 ranking minority members of the appropriate fiscal committees of the
39 legislature.

1 (9) Within the amounts provided in this section, the department
 2 shall provide information detailing each specific component of the
 3 overhead costs allocated to each program within the business and
 4 professions division. The department shall establish procedures to
 5 allow each program within the business and professions division to
 6 review and modify its business processes in order to reduce
 7 administrative costs. The department of licensing shall provide a
 8 report to the fiscal committees of the legislature by October 1, 1998,
 9 detailing the specific procedures established pursuant to the
 10 requirements of this subsection.

11 (10) \$110,000 of the general fund fiscal year 1999 appropriation is
 12 provided solely for the implementation of the Substitute Senate Bill
 13 No. 6507 (cosmetology advisory board). If the bill is not enacted by
 14 June 30, 1998, the amount provided in this subsection shall lapse.

15 (11) \$75,000 of the general fund fiscal year 1999 appropriation is
 16 provided solely for costs associated with fully implementing chapter
 17 178, Laws of 1997 (cosmetology inspections).

18 (12) \$200,000 of the general fund fiscal year 1999 appropriation is
 19 provided solely for deposit in the impaired driving safety account.

20 **Sec. 402.** 1998 c 346 s 402 (uncodified) is amended to read as
 21 follows:

22 **FOR THE STATE PATROL**

23	General Fund--State Appropriation (FY 1998) . . . \$	8,312,000
24	General Fund--State Appropriation (FY 1999) . . . \$	((21,791,000))
25		<u>21,855,000</u>
26	General Fund--Federal Appropriation \$	5,784,000
27	General Fund--Private/Local Appropriation \$	341,000
28	Public Safety and Education Account	
29	Appropriation \$	4,483,000
30	County Criminal Justice Assistance Account	
31	Appropriation \$	3,905,000
32	Municipal Criminal Justice Assistance Account	
33	Appropriation \$	1,573,000
34	Fire Service Trust Account Appropriation \$	92,000
35	Fire Service Training Account Appropriation . . . \$	2,295,000
36	State Toxics Control Account Appropriation . . . \$	439,000
37	Violence Reduction and Drug Enforcement Account	
38	Appropriation \$	570,000

1	Fingerprint Identification Account	
2	Appropriation	\$ 3,220,000
3	TOTAL APPROPRIATION	\$ ((52,805,000))
4		<u>52,869,000</u>

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

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

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

30 (3) Pursuant to chapter 43.135 RCW, during the 1997-99 fiscal
31 biennium, the Washington state patrol is authorized to raise existing
32 fees charged for background fingerprint checks on current and potential
33 school district and educational service district employees by six
34 dollars.

35 (4) \$166,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$499,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely as state matching funds required
38 to complete changes to the WACIC and WASIS systems.

1 (5) To address year 2000 concerns about the automated fingerprint
2 identification system (AFIS), the Washington state patrol may contract
3 with an intergovernmental consortium for the use of a year 2000
4 compatible AFIS system. Under this approach, the state patrol would
5 begin paying a monthly usage fee starting in fiscal year 2000.

6 (6) \$58,000 of the general fund--state appropriation for fiscal
7 year 1999 is provided solely to implement House Bill No. 1172 (sex
8 offender registration). If the bill is not enacted by June 30, 1998,
9 the amount provided in this subsection shall lapse.

10

(End of part)

PART V
EDUCATION

Sec. 501. 1998 c 346 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STATE ADMINISTRATION

General Fund--State Appropriation (FY 1998)	\$	20,423,000
General Fund--State Appropriation (FY 1999)	\$	((58,171,000))
		<u>58,314,000</u>
General Fund--Federal Appropriation	\$	49,439,000
Public Safety and Education Account		
Appropriation	\$	2,598,000
Violence Reduction and Drug Enforcement Account		
Appropriation	\$	3,672,000
Education Savings Account Appropriation	\$	39,312,000
TOTAL APPROPRIATION	\$	((173,615,000))
		<u>173,758,000</u>

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

(1) AGENCY OPERATIONS

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

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

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

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

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

23 (d) \$50,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$50,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely to implement Substitute Senate
26 Bill No. 5394 (school audit resolutions).

27 (e) The superintendent shall conduct a study and make
28 recommendations to the 1999 legislature regarding a definition of and
29 standards for skills centers. The standards shall be related to the
30 cost differential of skills centers as compared to secondary vocational
31 education allocations provided in the appropriations act and other
32 relevant factors. The study shall also address proposals for new
33 skills centers known as of August 31, 1998, and compare and analyze,
34 insofar as possible, the proposals with the recommended standards. The
35 study shall be submitted to the governor and the appropriate committees
36 of the legislature by November 25, 1998.

37 (f) The superintendent shall prepare a study which compares the
38 state's administrative and statutory requirements to provide special
39 education with the requirements of federal law. A preliminary report

1 shall be provided to the policy and fiscal committees of the
2 legislature by October 15, 1998, and a final report shall be provided
3 by December 15, 1998.

4 (2) STATE-WIDE PROGRAMS

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

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

10 (c) \$2,754,000 of the general fund--state appropriation is provided
11 for educational centers, including state support activities. \$100,000
12 of this amount is provided to help stabilize funding through
13 distribution among existing education centers that are currently funded
14 by the state at an amount less than \$100,000 a biennium.

15 (d) \$100,000 of the general fund--state appropriation is provided
16 for an organization in southwest Washington that received funding from
17 the Spokane educational center in the 1995-97 biennium and provides
18 educational services to students who have dropped out.

19 (e) \$2,148,000 of the general fund--state fiscal year 1998
20 appropriation and \$2,151,000 of the general fund--state fiscal year
21 1999 appropriation are provided solely for implementation of reading
22 initiatives to improve reading in early grades as enacted by the 1997
23 legislature. Of this amount, \$4,300,000 is provided solely to
24 implement Engrossed Substitute House Bill No. 2042. Funds shall be
25 used solely for the selection and purchase of the second grade reading
26 tests in accordance with section 2 of the bill, scoring costs
27 associated with the administration of the tests in the 1998-99 school
28 year in accordance with section 5 of the bill, and grants to school
29 districts in accordance with sections 4 and 7 of the bill.

30 (f) \$3,672,000 of the violence reduction and drug enforcement
31 account appropriation and \$2,250,000 of the public safety education
32 account appropriation are provided solely for matching grants to
33 enhance security in schools. Not more than seventy-five percent of a
34 district's total expenditures for school security in any school year
35 may be paid from a grant under this subsection. The grants shall be
36 expended solely for the costs of employing or contracting for building
37 security monitors in schools during school hours and school events. Of
38 the amount provided in this subsection, at least \$2,850,000 shall be
39 spent for grants to districts that, during the 1988-89 school year,

1 employed or contracted for security monitors in schools during school
2 hours. However, these grants may be used only for increases in school
3 district expenditures for school security over expenditure levels for
4 the 1988-89 school year.

5 (g) \$200,000 of the general fund--state appropriation for fiscal
6 year 1998, \$200,000 of the general fund--state appropriation for fiscal
7 year 1999, and \$400,000 of the general fund--federal appropriation
8 transferred from the department of health are provided solely for a
9 program that provides grants to school districts for media campaigns
10 promoting sexual abstinence and addressing the importance of delaying
11 sexual activity, pregnancy, and childbearing until individuals are
12 ready to nurture and support their children. Grants to the school
13 districts shall be for projects that are substantially designed and
14 produced by students. The grants shall require a local private sector
15 match equal to one-half of the state grant, which may include in-kind
16 contribution of technical or other assistance from consultants or firms
17 involved in public relations, advertising broadcasting, and graphics or
18 video production or other related fields.

19 (h) \$1,500,000 of the general fund--state appropriation for fiscal
20 year 1998 and \$1,500,000 of the general fund--state appropriation for
21 fiscal year 1999 are provided solely for school district petitions to
22 juvenile court for truant students as provided in RCW 28A.225.030 and
23 28A.225.035. Allocation of this money to school districts shall be
24 based on the number of petitions filed.

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

27 (j)(i) \$19,656,000 of the education savings account appropriation
28 for fiscal year 1998 and \$19,656,000 of the education savings account
29 appropriation for fiscal year 1999 are provided solely for matching
30 grants and related state activities to provide school district
31 consortia with programs utilizing technology to improve learning. A
32 maximum of \$150,000 each fiscal year of this amount is provided for
33 administrative support and oversight of the K-20 network by the
34 superintendent of public instruction. The superintendent of public
35 instruction shall convene a technology grants committee representing
36 private sector technology, school districts, and educational service
37 districts to recommend to the superintendent grant proposals that have
38 the best plans for improving student learning through innovative
39 curriculum using technology as a learning tool and evaluating the

1 effectiveness of the curriculum innovations. After considering the
2 technology grants committee recommendations, the superintendent shall
3 make matching grant awards, including granting at least fifteen percent
4 of funds on the basis of criteria in (ii)(A) through (C) of this
5 subsection (2)(j).

6 (ii) Priority for award of funds will be to (A) school districts
7 most in need of assistance due to financial limits, (B) school
8 districts least prepared to take advantage of technology as a means of
9 improving student learning, and (C) school districts in economically
10 distressed areas. The superintendent of public instruction, in
11 consultation with the technology grants committee, shall propose
12 options to the committee for identifying and prioritizing districts
13 according to criteria in (i) and (ii) of this subsection (2)(j).

14 (iii) Options for review criteria to be considered by the
15 superintendent of public instruction include, but are not limited to,
16 free and reduced lunches, levy revenues, ending fund balances,
17 equipment inventories, and surveys of technology preparedness. An
18 "economically distressed area" is (A) a county with an unemployment
19 rate that is at least twenty percent above the state-wide average for
20 the previous three years; (B) a county that has experienced sudden and
21 severe or long-term and severe loss of employment, or erosion of its
22 economic base resulting in decline of its dominant industries; or (C)
23 a district within a county which (I) has at least seventy percent of
24 its families and unrelated individuals with incomes below eighty
25 percent of the county's median income for families and unrelated
26 individuals; and (II) has an unemployment rate which is at least forty
27 percent higher than the county's unemployment rate.

28 (k) \$50,000 of the general fund--state appropriations is provided
29 as matching funds for district contributions to provide analysis of the
30 efficiency of school district business practices. The superintendent
31 of public instruction shall establish criteria, make awards, and
32 provide a report to the fiscal committees of the legislature by
33 December 15, 1997, on the progress and details of analysis funded under
34 this subsection (2)(k).

35 (l) (~~(\$19,797,000)~~) \$19,694,000 of the general fund--state
36 appropriation for fiscal year 1999 is provided solely for the purchase
37 of classroom instructional materials and supplies. The superintendent
38 shall allocate the funds at a maximum rate of \$20.82 per full-time
39 equivalent student, beginning September 1, 1998, and ending June 30,

1 1999. The expenditure of the funds shall be determined at each school
2 site by the individual teacher. School districts shall distribute all
3 funds received to school buildings without deduction.

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

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

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

17 (p) \$1,000,000 of the general fund--state appropriation is provided
18 for state administrative costs and start-up grants for alternative
19 programs and services that improve instruction and learning for at-risk
20 and expelled students consistent with the objectives of Engrossed House
21 Bill No. 1581 (disruptive students/offenders). Each grant application
22 shall contain proposed performance indicators and an evaluation plan to
23 measure the success of the program and its impact on improved student
24 learning. Applications shall contain the applicant's plan for
25 maintaining the program and/or services after the grant period, shall
26 address the needs of students who cannot be accommodated within the
27 framework of existing school programs or services and shall address how
28 the applicant will serve any student within the proposed program's
29 target age range regardless of the reason for truancy, suspension,
30 expulsion, or other disciplinary action. Up to \$50,000 per year may be
31 used by the superintendent of public instruction for grant
32 administration. The superintendent shall submit an evaluation of the
33 alternative program start-up grants provided under this section, and
34 section 501(2)(q), chapter 283, Laws of 1996, to the fiscal and
35 education committees of the legislature by November 15, 1998. Grants
36 shall be awarded to applicants showing the greatest potential for
37 improved student learning for at-risk students including:

38 (i) Students who have been suspended, expelled, or are subject to
39 other disciplinary actions;

1 (ii) Students with unexcused absences who need intervention from
2 community truancy boards or family support programs;

3 (iii) Students who have left school; and

4 (iv) Students involved with the court system.

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

12 (q) \$1,600,000 of the general fund--state appropriation is provided
13 for grants for magnet schools to be distributed as recommended by the
14 superintendent of public instruction pursuant to chapter 232, section
15 516(13), Laws of 1992.

16 (r) \$4,300,000 of the general fund--state appropriation is provided
17 for complex need grants. Grants shall be provided according to amounts
18 shown in LEAP Document 30C as developed on April 27, 1997, at 03:00
19 hours.

20 (s) \$17,000,000 of the general fund--state appropriation for fiscal
21 year 1999 is provided solely to implement Engrossed Second Substitute
22 Senate Bill No. 6509 (successful readers act). Of this amount,
23 \$9,000,000 is provided solely for beginning reading instructional
24 programs pursuant to section 2(1) of the bill and \$8,000,000 is
25 provided solely for volunteer tutor and mentor programs pursuant to
26 section 2(2) of the bill. The superintendent shall notify districts of
27 the availability of the funds by April 15th, 1998, and shall include in
28 the notification limitations on rates for stipends and other cost
29 factors. Stipends authorized under section 2(5) of the bill shall not
30 exceed five days per program at a rate not to exceed \$222 per five-hour
31 day, including fringe benefits. The superintendent shall establish
32 allocation guidelines for other cost factors associated with providing
33 the programs. If the bill is not enacted by June 30, 1998, the amounts
34 provided in this subsection shall lapse.

35 (t) \$15,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$100,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for a study and recommendations
38 related to education of offenders prosecuted as adults in accordance
39 with Engrossed Substitute Senate Bill No. 6600 (correctional facilities

1 education program). If the bill is not enacted by June 30, 1998, the
2 amount provided in this subsection shall lapse.

3 (u) \$375,000 of the general fund--state appropriation for fiscal
4 year 1999 is provided solely for increased costs of providing a norm-
5 referenced test to all third grade students and retests of certain
6 third grade students and other costs in accordance with Second
7 Substitute House Bill No. 2849 (student achievement). If the bill is
8 not enacted by June 30, 1998, the amount provided in this subsection
9 shall lapse.

10 (v) \$50,000 of the general fund--state appropriation for fiscal
11 year 1999 is provided solely for development and operation of a skills
12 center in Port Angeles, contingent on meeting the standard for
13 qualifying for skills center funding as developed by the superintendent
14 of public instruction in subsection (1)(e) of this section.

15 (w) \$400,000 of the fiscal year 1999 general fund--state
16 appropriation is provided solely for matching funds to improve the
17 fiscal and student data capabilities of the Washington school
18 information processing cooperative. The funds shall be allocated only
19 if at least 267 school districts remain members of the cooperative for
20 the 1998-99 school year.

21 (x) \$120,000 of the general fund--state appropriation for fiscal
22 year 1999 is provided solely for allocation to the Olympia school
23 district for operation of the legislative page school. \$46,000 of this
24 amount may be expended only if the Olympia school district is not
25 permitted to report the page school enrollment for apportionment
26 purposes for the 1997-98 school year. The remainder of this amount is
27 for operation of the page school in the 1998-99 school year and shall
28 be based on the state average basic education apportionment amount per
29 student multiplied by the number of full-time equivalent students.

30 **Sec. 502.** 1998 c 346 s 503 (uncodified) is amended to read as
31 follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**
33 **(BASIC EDUCATION)**

34	General Fund Appropriation (FY 1998)	. . . . . \$	3,405,645,000
35	General Fund Appropriation (FY 1999)	. . . . . \$	((3,473,603,000))
36			<u>3,448,679,000</u>
37	TOTAL APPROPRIATION	. . . . . \$	((6,879,248,000))
38			<u>6,854,324,000</u>

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

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

5 (2) Allocations for certificated staff salaries for the 1997-98 and
6 1998-99 school years shall be determined using formula-generated staff
7 units calculated pursuant to this subsection. Staff allocations for
8 small school enrollments in (d) through (f) of this subsection shall be
9 reduced for vocational full-time equivalent enrollments. Staff
10 allocations for small school enrollments in grades K-6 shall be the
11 greater of that generated under (a) of this subsection, or under (d)
12 and (e) of this subsection. Certificated staffing allocations shall be
13 as follows:

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

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

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

22 (iii) An additional 5.3 certificated instructional staff units for
23 grades K-3. Any funds allocated for these additional certificated
24 units shall not be considered as basic education funding;

25 (A) Funds provided under this subsection (2)(a)(iii) in excess of
26 the amount required to maintain the statutory minimum ratio established
27 under RCW 28A.150.260(2)(b) shall be allocated only if the district
28 documents an actual ratio equal to or greater than 54.3 certificated
29 instructional staff per thousand full-time equivalent students in
30 grades K-3. For any school district documenting a lower certificated
31 instructional staff ratio, the allocation shall be based on the
32 district's actual grades K-3 certificated instructional staff ratio
33 achieved in that school year, or the statutory minimum ratio
34 established under RCW 28A.150.260(2)(b), if greater;

35 (B) Districts at or above 51.0 certificated instructional staff per
36 one thousand full-time equivalent students in grades K-3 may dedicate
37 up to 1.3 of the 54.3 funding ratio to employ additional classified
38 instructional assistants assigned to basic education classrooms in
39 grades K-3. For purposes of documenting a district's staff ratio under

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

7 (C) Any district maintaining a ratio equal to or greater than 54.3
8 certificated instructional staff per thousand full-time equivalent
9 students in grades K-3 may use allocations generated under this
10 subsection (2)(a)(iii) in excess of that required to maintain the
11 minimum ratio established under RCW 28A.150.260(2)(b) to employ
12 additional basic education certificated instructional staff or
13 classified instructional assistants in grades 4-6. Funds allocated
14 under this subsection (2)(a)(iii) shall only be expended to reduce
15 class size in grades K-6. No more than 1.3 of the certificated
16 instructional funding ratio amount may be expended for provision of
17 classified instructional assistants; and

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

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

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

28 (i) Vocational education programs approved by the superintendent of
29 public instruction, a maximum of 0.92 certificated instructional staff
30 units and 0.08 certificated administrative staff units for each 18.3
31 full-time equivalent vocational students for the 1997-98 school year
32 and for each 19.5 full-time equivalent vocational students in the 1998-
33 99 school year. Beginning with the 1998-99 school year, districts
34 documenting staffing ratios of less than 1 certificated staff per 19.5
35 students shall be allocated the greater of the total ratio in
36 subsections (2)(a)(i) and (iv) of this section or the actual documented
37 ratio;

38 (ii) Skills center programs approved by the superintendent of
39 public instruction for skills centers approved prior to September 1,

1 1997, 0.92 certificated instructional staff units and 0.08 certificated
2 administrative units for each 16.67 full-time equivalent vocational
3 students;

4 (iii) Indirect cost charges, as defined by the superintendent of
5 public instruction, to vocational-secondary programs shall not exceed
6 10 percent; and

7 (iv) Vocational full-time equivalent enrollment shall be reported
8 on the same monthly basis as the enrollment for students eligible for
9 basic support, and payments shall be adjusted for reported vocational
10 enrollments on the same monthly basis as those adjustments for
11 enrollment for students eligible for basic support.

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

18 (i) For those enrolling no students in grades 7 and 8, 1.76
19 certificated instructional staff units and 0.24 certificated
20 administrative staff units for enrollment of not more than five
21 students, plus one-twentieth of a certificated instructional staff unit
22 for each additional student enrolled; and

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

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

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

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

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

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

10 (ii) For all other small high schools under this subsection, nine
11 certificated instructional staff units and one-half of a certificated
12 administrative staff unit for the first sixty average annual full time
13 equivalent students, and additional staff units based on a ratio of
14 0.8732 certificated instructional staff units and 0.1268 certificated
15 administrative staff units per each additional forty-three and one-half
16 average annual full time equivalent students.

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

21 (g) For each nonhigh school district having an enrollment of more
22 than seventy annual average full-time equivalent students and less than
23 one hundred eighty students, operating a grades K-8 program or a grades
24 1-8 program, an additional one-half of a certificated instructional
25 staff unit; and

26 (h) For each nonhigh school district having an enrollment of more
27 than fifty annual average full-time equivalent students and less than
28 one hundred eighty students, operating a grades K-6 program or a grades
29 1-6 program, an additional one-half of a certificated instructional
30 staff unit.

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

34 (a) For enrollments generating certificated staff unit allocations
35 under subsection (2)(d) through (h) of this section, one classified
36 staff unit for each three certificated staff units allocated under such
37 subsections;

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

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

8 (4) Fringe benefit allocations shall be calculated at a rate of
9 20.22 percent in the 1997-98 and 1998-99 school years for certificated
10 salary allocations provided under subsection (2) of this section, and
11 a rate of 18.65 percent in the 1997-98 and 1998-99 school years for
12 classified salary allocations provided under subsection (3) of this
13 section.

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

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

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

25 (6)(a) For nonemployee-related costs associated with each
26 certificated staff unit allocated under subsection (2)(a), (b), and (d)
27 through (h) of this section, there shall be provided a maximum of
28 \$7,950 per certificated staff unit in the 1997-98 school year and a
29 maximum of \$8,053 per certificated staff unit in the 1998-99 school
30 year.

31 (b) For nonemployee-related costs associated with each vocational
32 certificated staff unit allocated under subsection (2)(c)(i) of this
33 section, there shall be provided a maximum of \$15,147 per certificated
34 staff unit in the 1997-98 school year and a maximum of \$19,775 per
35 certificated staff unit in the 1998-99 school year.

36 (c) For nonemployee-related costs associated with each vocational
37 certificated staff unit allocated under subsection (2)(c)(ii) of this
38 section, there shall be provided a maximum of \$15,147 per certificated

1 staff unit in the 1997-98 school year and a maximum of \$15,344 per
2 certificated staff unit in the 1998-99 school year.

3 (7) Allocations for substitute costs for classroom teachers shall
4 be distributed at a maintenance rate of \$354.64 per allocated classroom
5 teachers exclusive of salary increase amounts provided in section 504
6 of this act. Solely for the purposes of this subsection, allocated
7 classroom teachers shall be equal to the number of certificated
8 instructional staff units allocated under subsection (2) of this
9 section, multiplied by the ratio between the number of actual basic
10 education certificated teachers and the number of actual basic
11 education certificated instructional staff reported state-wide for the
12 1996-97 school year.

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

22 (9) The superintendent may distribute a maximum of \$6,114,000
23 outside the basic education formula during fiscal years 1998 and 1999
24 as follows:

25 (a) For fire protection for school districts located in a fire
26 protection district as now or hereafter established pursuant to chapter
27 52.04 RCW, a maximum of \$447,000 may be expended in fiscal year 1998
28 and a maximum of \$453,000 may be expended in fiscal year 1999;

29 (b) For summer vocational programs at skills centers, a maximum of
30 \$1,948,000 may be expended each fiscal year;

31 (c) A maximum of \$318,000 may be expended for school district
32 emergencies; and

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

1 (10) For the purposes of RCW 84.52.0531, the increase per full-time
2 equivalent student in state basic education appropriations provided
3 under this act, including appropriations for salary and benefits
4 increases, is 2.5 percent from the 1996-97 school year to the 1997-98
5 school year, and 1.1 percent from the 1997-98 school year to the
6 1998-99 school year.

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

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

15 (b) For the fourth through eighth school years following
16 consolidation, the difference between the basic education formula staff
17 units received by the districts for the school year prior to
18 consolidation and the basic education formula staff units after
19 consolidation pursuant to subsection (2)(a) through (h) of this section
20 shall be reduced in increments of twenty percent per year.

21 **Sec. 503.** 1998 c 346 s 504 (uncodified) is amended to read as
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
24 **COMPENSATION ADJUSTMENTS**

25	General Fund Appropriation (FY 1998)	. . . . . \$	79,412,000
26	General Fund Appropriation (FY 1999)	. . . . . \$	((115,187,000))
27			<u>114,660,000</u>
28	TOTAL APPROPRIATION	. . . . . \$	((194,599,000))
29			<u>194,072,000</u>

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

32 (1) ((~~\$174,999,000~~)) \$174,540,000 is provided for a cost of living
33 adjustment of 3.0 percent effective September 1, 1997, for state
34 formula staff units. The appropriations include associated incremental
35 fringe benefit allocations at rates of 19.58 percent for certificated
36 staff and 15.15 percent for classified staff.

37 (a) The appropriations in this section include the increased
38 portion of salaries and incremental fringe benefits for all relevant

1 state-funded school programs in part V of this act. Salary adjustments
2 for state employees in the office of superintendent of public
3 instruction and the education reform program are provided in part VII
4 of this act. Increases for general apportionment (basic education) are
5 based on the salary allocation schedules and methodology in section 502
6 of this act. Increases for special education result from increases in
7 each district's basic education allocation per student. Increases for
8 educational service districts and institutional education programs are
9 determined by the superintendent of public instruction using the
10 methodology for general apportionment salaries and benefits in section
11 502 of this act.

12 (b) The appropriations in this section provide salary increase and
13 incremental fringe benefit allocations based on formula adjustments as
14 follows:

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

18 (ii) For education of highly capable students, an increase of \$6.81
19 per formula student for the 1997-98 school year and maintained for the
20 1998-99 school year; and

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

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

27 (c) The appropriations in this section include (~~(\$903,000)~~)
28 \$901,000 for salary increase adjustments for substitute teachers at a
29 rate of \$10.64 per unit in the 1997-98 school year and maintained in
30 the 1998-99 school year.

31 (2) (~~(\$19,600,000)~~) \$19,532,000 is provided for adjustments to
32 insurance benefit allocations. The maintenance rate for insurance
33 benefit allocations is \$314.51 per month for the 1997-98 and 1998-99
34 school years. The appropriations in this section provide for a rate
35 increase to \$317.34 per month for the 1997-98 school year and \$335.75
36 per month for the 1998-99 school year at the following rates:

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

1 (b) For education of highly capable students, an increase of \$0.20
2 per formula student for the 1997-98 school year and \$1.35 for the 1998-
3 99 school year;

4 (c) For transitional bilingual education, an increase of \$.46 per
5 eligible bilingual student for the 1997-98 school year and \$3.44 for
6 the 1998-99 school year; and

7 (d) For learning assistance, an increase of \$.36 per funded unit
8 for the 1997-98 school year and \$2.70 for the 1998-99 school year.

9 (3) The rates specified in this section are subject to revision
10 each year by the legislature.

11 (4) For the 1997-98 school year, the superintendent shall prepare
12 a report showing the allowable derived base salary for certificated
13 instructional staff in accordance with RCW 28A.400.200 and LEAP
14 Document 12D, and the actual derived base salary paid by each school
15 district as shown on the S-275 report and shall make the report
16 available to the fiscal committees of the legislature no later than
17 February 15, 1998.

18 **Sec. 504.** 1998 c 346 s 505 (uncodified) is amended to read as
19 follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

21 General Fund Appropriation (FY 1998)	\$	175,168,000
22 General Fund Appropriation (FY 1999)	\$	((179,439,000))
23		<u>188,402,000</u>
24 TOTAL APPROPRIATION	\$	((354,607,000))
25		<u>363,570,000</u>

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

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

30 (2) A maximum of \$1,441,000 may be expended for regional
31 transportation coordinators and related activities. The transportation
32 coordinators shall ensure that data submitted by school districts for
33 state transportation funding shall, to the greatest extent practical,
34 reflect the actual transportation activity of each district.

35 (3) \$30,000 of the fiscal year 1998 appropriation and \$40,000 of
36 the fiscal year 1999 appropriation are provided solely for the
37 transportation of students enrolled in "choice" programs.

1 Transportation shall be limited to low-income students who are
2 transferring to "choice" programs solely for educational reasons.

3 (4) Allocations for transportation of students shall be based on
4 reimbursement rates of \$34.47 per weighted mile in the 1997-98 school
5 year and \$34.61 per weighted mile in the 1998-99 school year exclusive
6 of salary and benefit adjustments provided in section 504 of this act.
7 Allocations for transportation of students transported more than one
8 radius mile shall be based on weighted miles as determined by
9 superintendent of public instruction times the per mile reimbursement
10 rates for the school year pursuant to the formulas adopted by the
11 superintendent of public instruction. Allocations for transportation
12 of students living within one radius mile shall be based on the number
13 of enrolled students in grades kindergarten through five living within
14 one radius mile of their assigned school times the per mile
15 reimbursement rate for the school year times 1.29.

16 (5) \$12,782,000 of the fiscal year 1999 appropriation is provided
17 to accelerate the bus depreciation for 18 year buses down to 17 years,
18 and 13 year buses down to 12 years.

19 **Sec. 505.** 1998 c 346 s 507 (uncodified) is amended to read as
20 follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
22 **PROGRAMS**

23	General Fund--State Appropriation (FY 1998) . . . \$	371,687,000
24	General Fund--State Appropriation (FY 1999) . . . \$	((378,405,000))
25		<u>378,226,000</u>
26	General Fund--Federal Appropriation \$	143,106,000
27	TOTAL APPROPRIATION \$	((893,198,000))
28		<u>893,019,000</u>

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

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

33 (2) The superintendent of public instruction shall distribute state
34 funds to school districts based on two categories, the optional birth
35 through age two program for special education eligible developmentally
36 delayed infants and toddlers, and the mandatory special education
37 program for special education eligible students ages three to twenty-
38 one. A "special education eligible student" means a student receiving

1 specially designed instruction in accordance with a properly formulated
2 individualized education program.

3 (3) For the 1997-98 and 1998-99 school years, the superintendent
4 shall distribute state funds to each district based on the sum of:

5 (a) A district's annual average headcount enrollment of
6 developmentally delayed infants and toddlers ages birth through two,
7 times the district's average basic education allocation per full-time
8 equivalent student, times 1.15; and

9 (b) A district's annual average full-time equivalent basic
10 education enrollment times the funded enrollment percent determined
11 pursuant to subsection (4)(c) of this section, times the district's
12 average basic education allocation per full-time equivalent student
13 times 0.9309.

14 (4) The definitions in this subsection apply throughout this
15 section.

16 (a) "Average basic education allocation per full-time equivalent
17 student" for a district shall be based on the staffing ratios required
18 by RCW 28A.150.260 (i.e., 49/1000 certificated instructional staff in
19 grades K-3, and 46/1000 in grades 4-12) and shall not include
20 enhancements for K-3, secondary vocational education, or small schools.

21 (b) "Annual average full-time equivalent basic education
22 enrollment" means the resident enrollment including students enrolled
23 through choice (RCW 28A.225.225) and students from nonhigh districts
24 (RCW 28A.225.210) and excluding students residing in another district
25 enrolled as part of an interdistrict cooperative program (RCW
26 28A.225.250).

27 (c) "Enrollment percent" means the district's resident special
28 education annual average enrollment including those students counted
29 under the special education demonstration projects, excluding the birth
30 through age two enrollment, as a percent of the district's annual
31 average full-time equivalent basic education enrollment. For the 1997-
32 98 and the 1998-99 school years, each district's funded enrollment
33 percent shall be:

34 (i) For districts whose enrollment percent for 1994-95 was at or
35 below 12.7 percent, the lesser of the district's actual enrollment
36 percent for the school year for which the allocation is being
37 determined or 12.7 percent.

38 (ii) For districts whose enrollment percent for 1994-95 was above
39 12.7 percent, the lesser of:

1 (A) The district's actual enrollment percent for the school year
2 for which the special education allocation is being determined; or

3 (B) The district's actual enrollment percent for the school year
4 immediately prior to the school year for which the special education
5 allocation is being determined if greater than 12.7 percent; or

6 (C) For 1997-98, the 1994-95 enrollment percent reduced by 75
7 percent of the difference between the district's 1994-95 enrollment
8 percent and 12.7 percent and for 1998-99, 12.7 percent.

9 (5) At the request of any interdistrict cooperative of at least 15
10 districts in which all excess cost services for special education
11 students of the districts are provided by the cooperative, the maximum
12 enrollment percent shall be 12.7, and shall be calculated in the
13 aggregate rather than individual district units. For purposes of this
14 subsection (4) of this section, the average basic education allocation
15 per full-time equivalent student shall be calculated in the aggregate
16 rather than individual district units.

17 (6) A maximum of \$12,000,000 of the general fund--state
18 appropriation for fiscal year 1998 and a maximum of \$12,000,000 of the
19 general fund--state appropriation for fiscal year 1999 are provided as
20 safety net funding for districts with demonstrated needs for state
21 special education funding beyond the amounts provided in subsection (3)
22 of this section. Safety net funding shall be awarded by the state
23 safety net oversight committee.

24 (a) The safety net oversight committee shall first consider the
25 needs of districts adversely affected by the 1995 change in the special
26 education funding formula. Awards shall be based on the amount
27 required to maintain the 1994-95 state special education excess cost
28 allocation to the school district in aggregate or on a dollar per
29 funded student basis.

30 (b) The committee shall then consider unusual needs of districts
31 due to a special education population which differs significantly from
32 the assumptions of the state funding formula. Awards shall be made to
33 districts that convincingly demonstrate need due to the concentration
34 and/or severity of disabilities in the district. Differences in
35 program costs attributable to district philosophy or service delivery
36 style are not a basis for safety net awards.

37 (7) Prior to June 1st of each year, the superintendent shall make
38 available to each school district from available data the district's
39 maximum funded enrollment percent for the coming school year.

1 (8) The superintendent of public instruction may adopt such rules
2 and procedures as are necessary to administer the special education
3 funding and safety net award process. Prior to revising any standards,
4 procedures, or rules in place for the 1996-97 school year, the
5 superintendent shall consult with the office of financial management
6 and the fiscal committees of the legislature.

7 (9) The safety net oversight committee appointed by the
8 superintendent of public instruction shall consist of:

9 (a) Staff of the office of superintendent of public instruction;

10 (b) Staff of the office of the state auditor;

11 (c) Staff from the office of ((the)) financial management; and

12 (d) One or more representatives from school districts or
13 educational service districts knowledgeable of special education
14 programs and funding.

15 (10) A maximum of \$4,500,000 of the general fund--federal
16 appropriation shall be expended for safety net funding to meet the
17 extraordinary needs of one or more individual special education
18 students.

19 (11) A maximum of \$678,000 may be expended from the general fund--
20 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
21 full-time equivalent aides at children's orthopedic hospital and
22 medical center. This amount is in lieu of money provided through the
23 home and hospital allocation and the special education program.

24 (12) A maximum of \$1,000,000 of the general fund--federal
25 appropriation is provided for projects to provide special education
26 students with appropriate job and independent living skills, including
27 work experience where possible, to facilitate their successful
28 transition out of the public school system. The funds provided by this
29 subsection shall be from federal discretionary grants.

30 (13) A school district may carry over up to 10 percent of general
31 fund--state funds allocated under this program; however, carry over
32 funds shall be expended in the special education program.

33 (14) Beginning in the 1997-98 school year, the superintendent shall
34 increase the percentage of federal flow-through to school districts to
35 at least 84 percent. In addition to other purposes, school districts
36 may use increased federal funds for high cost students, for purchasing
37 regional special education services from educational service districts,
38 and for staff development activities particularly relating to inclusion
39 issues.

1 (15) Up to one percent of the general fund--federal appropriation
2 shall be expended by the superintendent for projects related to use of
3 inclusion strategies by school districts for provision of special
4 education services. The superintendent shall prepare an information
5 database on laws, best practices, examples of programs, and recommended
6 resources. The information may be disseminated in a variety of ways,
7 including workshops and other staff development activities.

8 (16) Amounts appropriated within this section are sufficient to
9 fund the provisions of House Bill No. 2682 (school medicaid incentive
10 payments).

11 **Sec. 506.** 1998 c 346 s 508 (uncodified) is amended to read as
12 follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**
14 **EDUCATION PROGRAMS**

15 Public Safety and Education Account

16 Appropriation \$ ((~~16,883,000~~))
17 16,235,000

18 The appropriation in this section is subject to the following
19 conditions and limitations:

20 (1) The appropriation includes such funds as are necessary for the
21 remaining months of the 1996-97 school year.

22 (2) A maximum of \$507,000 shall be expended for regional traffic
23 safety education coordinators.

24 (3) The maximum basic state allocation per student completing the
25 program shall be \$137.16 in the 1997-98 and 1998-99 school years.

26 (4) Additional allocations to provide tuition assistance for
27 students from low-income families who complete the program shall be a
28 maximum of \$66.81 per eligible student in the 1997-98 and 1998-99
29 school years.

30 **Sec. 507.** 1998 c 346 s 509 (uncodified) is amended to read as
31 follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
33 **ASSISTANCE**

34 General Fund Appropriation (FY 1998) \$ 82,079,000
35 General Fund Appropriation (FY 1999) \$ ((~~86,272,000~~))
36 83,253,000
37 TOTAL APPROPRIATION \$ ((~~168,351,000~~))

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

Sec. 508. 1998 c 346 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund--State Appropriation (FY 1998) . . . \$	16,897,000
General Fund--State Appropriation (FY 1999) . . . \$	((18,596,000))
	<u>18,911,000</u>
General Fund--Federal Appropriation \$	8,548,000
TOTAL APPROPRIATION \$	((44,041,000))
	<u>44,356,000</u>

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

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

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) \$1,196,000 of the fiscal year 1999 general fund--state appropriation is provided to implement Engrossed Substitute Senate Bill No. 6600 (correctional facilities education programs). If Engrossed Substitute Senate Bill No. 6600 is enacted, beginning in the 1998-99 school year, the funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided for education programs in delinquent institutions under the department of social and health services. If the bill is not enacted by June 30, 1998, the amounts provided in this subsection shall lapse.

Sec. 509. 1998 c 346 s 511 (uncodified) is amended to read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
2 **CAPABLE STUDENTS**

3	General Fund Appropriation (FY 1998)	. . . . . \$	5,701,000
4	General Fund Appropriation (FY 1999)	. . . . . \$	((6,121,000))
5			<u>6,094,000</u>
6	TOTAL APPROPRIATION	. . . . . \$	((11,822,000))
7			<u>11,795,000</u>

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

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

12 (2) Allocations for school district programs for highly capable
13 students shall be distributed at a maximum rate of \$311.12 per funded
14 student for the 1997-98 school year and \$311.35 per funded student for
15 the 1998-99 school year, exclusive of salary and benefit adjustments
16 pursuant to section 504 of this act. The number of funded students
17 shall be a maximum of two percent of each district's full-time
18 equivalent basic education enrollment.

19 (3) \$350,000 of the appropriation is for the centrum program at
20 Fort Worden state park.

21 (4) \$186,000 of the appropriation is for the odyssey of the mind
22 and future problem-solving programs.

23 **Sec. 510.** 1998 c 346 s 512 (uncodified) is amended to read as
24 follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

26	General Fund Appropriation (FY 1998)	. . . . . \$	18,605,000
27	General Fund Appropriation (FY 1999)	. . . . . \$	((22,017,000))
28			<u>21,967,000</u>
29	TOTAL APPROPRIATION	. . . . . \$	((40,622,000))
30			<u>40,572,000</u>

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

33 (1) ~~((17,153,000))~~ \$17,103,000 is provided for the operation of
34 the commission on student learning and the development and
35 implementation of student assessments. The commission shall cooperate
36 with the superintendent of public instruction in defining measures of
37 student achievement to be included in the student record system

1 developed by the superintendent pursuant to section 501(1)(b) of this
2 act.

3 (2) \$2,190,000 is provided solely for training of paraprofessional
4 classroom assistants and certificated staff who work with classroom
5 assistants as provided in RCW 28A.415.310.

6 (3) \$2,970,000 is provided for mentor teacher assistance, including
7 state support activities, under RCW 28A.415.250 and 28A.415.260. Funds
8 for the teacher assistance program shall be allocated to school
9 districts based on the number of beginning teachers.

10 (4) \$4,050,000 is provided for improving technology infrastructure,
11 monitoring and reporting on school district technology development,
12 promoting standards for school district technology, promoting statewide
13 coordination and planning for technology development, and providing
14 regional educational technology support centers, including state
15 support activities, under chapter 28A.650 RCW.

16 (5) \$7,200,000 is provided for grants to school districts to
17 provide a continuum of care for children and families to help children
18 become ready to learn. Grant proposals from school districts shall
19 contain local plans designed collaboratively with community service
20 providers. If a continuum of care program exists in the area in which
21 the school district is located, the local plan shall provide for
22 coordination with existing programs to the greatest extent possible.
23 Grant funds shall be allocated pursuant to RCW 70.190.040.

24 (6) \$5,000,000 is provided solely for the meals for kids program
25 under RCW 28A.235.145 through 28A.235.155.

26 (7) \$1,260,000 is provided for technical assistance related to
27 education reform through the office of the superintendent of public
28 instruction, in consultation with the commission on student learning,
29 as specified in RCW 28A.300.130 (center for the improvement of student
30 learning).

31 (8) \$799,000 of the fiscal year 1999 appropriation is provided
32 solely for the leadership internship program for superintendents,
33 principals, and program administrators. The purpose of the program is
34 to provide funds to school districts to provide partial release time
35 for district employees in an internship with an appropriate mentor.
36 The funds shall be distributed by the superintendent to school
37 districts subject to the following conditions and limitations:

38 (i) The superintendent with the assistance of an advisory board
39 that includes school administrators and higher education

1 representatives shall select internship participants giving priority to
2 candidates who intend to serve in school districts where finding
3 qualified applicants has been difficult.

4 (ii) Candidates if accepted in the internship program must agree to
5 seek employment in Washington after receiving certification,
6 participate in education improvement training activities, and
7 participate in evaluations of the effectiveness of the internship
8 program.

9 (iii) The maximum amount of state funding for each internship shall
10 not exceed the daily rate of providing a substitute teacher for the
11 equivalent of up to forty-five days and the funds shall be used to pay
12 for partial release time while the school district employee is
13 completing the internship.

14 (iv) The superintendent may withhold a maximum of seven percent of
15 the funds for costs of implementing the program.

16 **Sec. 511.** 1998 c 346 s 513 (uncodified) is amended to read as
17 follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
19 **BILINGUAL PROGRAMS**

20	General Fund Appropriation (FY 1998)	. . . . . \$	30,711,000
21	General Fund Appropriation (FY 1999)	. . . . . \$	((32,185,000))
22			<u>33,026,000</u>
23	TOTAL APPROPRIATION	. . . . . \$	((62,896,000))
24			<u>63,737,000</u>

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

27 (1) The appropriation for fiscal year 1998 provides such funds as
28 are necessary for the remaining months of the 1996-97 school year.

29 (2) The superintendent of public instruction shall study the
30 formula components proposed for the 1998-99 school year and prepare a
31 report to the legislature no later than January 15, 1998.

32 (3) The superintendent shall distribute a maximum of \$643.78 per
33 eligible bilingual student in the 1997-98 and 1998-99 school years,
34 exclusive of salary and benefit adjustments provided in section 503 of
35 this act.

36 **Sec. 512.** 1998 c 346 s 514 (uncodified) is amended to read as
37 follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
2 **ASSISTANCE PROGRAM**

3	General Fund Appropriation (FY 1998)	. . . . . \$	60,224,000
4	General Fund Appropriation (FY 1999)	. . . . . \$	((61,000,000))
5			<u>60,420,000</u>
6	TOTAL APPROPRIATION	. . . . . \$	((121,224,000))
7			<u>120,644,000</u>

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

10 (1) The appropriation for fiscal year 1998 provides such funds as
11 are necessary for the remaining months of the 1996-97 school year.

12 (2) For making the calculation of the percentage of students
13 scoring in the lowest quartile as compared with national norms,
14 beginning with the 1991-92 school year, the superintendent shall
15 multiply each school district's 4th and 8th grade test results by 0.86.

16 (3) Funding for school district learning assistance programs shall
17 be allocated at maximum rates of \$378.33 per funded unit for the 1997-
18 98 school year and \$378.88 per funded unit for the 1998-99 school year
19 exclusive of salary and benefit adjustments provided in section 504 of
20 this act. School districts may carryover up to 10 percent of funds
21 allocated under this program; however, carryover funds shall be
22 expended for the learning assistance program.

23 (a) A school district's funded units for the 1997-98 and 1998-99
24 school years shall be the sum of the following:

25 (i) The district's full-time equivalent enrollment in kindergarten
26 through 6th grade, times the 5-year average 4th grade test result as
27 adjusted pursuant to subsection (2) of this section, times 0.92; and

28 (ii) The district's full-time equivalent enrollment in grades 7
29 through 9, times the 5-year average 8th grade test result as adjusted
30 pursuant to subsection (2) of this section, times 0.92; and

31 (iii) If in the prior school year the district's percentage of
32 October headcount enrollment in grades K-12 eligible for free and
33 reduced price lunch exceeded the state average, subtract the state
34 average percentage of students eligible for free and reduced price
35 lunch from the district's percentage and multiply the result by the
36 district's K-12 annual average full-time equivalent enrollment for the
37 current school year times 22.30 percent.

1 **Sec. 513.** 1998 c 346 s 515 (uncodified) is amended to read as
2 follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

4	General Fund Appropriation (FY 1998)	\$	49,493,000
5	General Fund Appropriation (FY 1999)	\$	((55,659,000))
6			<u>55,459,000</u>
7	TOTAL APPROPRIATION	\$	((105,152,000))
8			<u>104,952,000</u>

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

11 (1) A maximum of ((~~\$50,418,000~~)) \$50,312,000 is provided for
12 learning improvement allocations to school districts to enhance the
13 ability of instructional staff to teach and assess the essential
14 academic learning requirements for reading, writing, communication, and
15 math in accordance with the timelines and requirements established
16 under RCW 28A.630.885. However, special emphasis shall be given to the
17 successful teaching of reading. Allocations under this section shall
18 be subject to the following conditions and limitations:

19 (a) In accordance with the timetable for the implementation of the
20 assessment system by the commission on student learning, the
21 allocations for the 1997-98 and 1998-99 school years shall be at a
22 maximum annual rate per full-time equivalent student of \$36.69 for
23 students enrolled in grades K-4, \$30.00 for students enrolled in grades
24 5-7, and \$22.95 for students enrolled in grades 8-12. Allocations
25 shall be made on the monthly apportionment schedule provided in RCW
26 28A.510.250.

27 (b) A district receiving learning improvement allocations shall:

28 (i) Develop and keep on file at each building a student learning
29 improvement plan to achieve the student learning goals and essential
30 academic learning requirements and to implement the assessment system
31 as it is developed. The plan shall delineate how the learning
32 improvement allocations will be used to accomplish the foregoing. The
33 plan shall be made available to the public upon request;

34 (ii) Maintain a policy regarding the involvement of school staff,
35 parents, and community members in instructional decisions;

36 (iii) File a report by October 1, 1998, and October 1, 1999, with
37 the office of the superintendent of public instruction, in a format
38 developed by the superintendent that: Enumerates the activities funded
39 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) (~~(\$54,734,000)~~) \$54,640,000 is provided for local education
15 program enhancements to meet educational needs as identified by the
16 school 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 school year shall be at a
19 maximum annual rate of \$29.86 per full-time equivalent student and
20 \$28.81 per full-time equivalent student for the 1998-99 school year as
21 determined pursuant to subsection (3) of this section. Allocations
22 shall be made on the monthly apportionment payment schedule provided in
23 RCW 28A.510.250.

24 (3) Allocations provided under this section shall be based on
25 school district annual average full-time equivalent enrollment in
26 grades kindergarten through twelve: PROVIDED, That for school
27 districts enrolling not more than one hundred average annual full-time
28 equivalent students, and for small school plants within any school
29 district designated as remote and necessary schools, the allocations
30 shall be as follows:

31 (a) Enrollment of not more than 60 average annual full-time
32 equivalent students in grades kindergarten through six shall generate
33 funding based on sixty full-time equivalent students;

34 (b) Enrollment of not more than 20 average annual full-time
35 equivalent students in grades seven and eight shall generate funding
36 based on twenty full-time equivalent students; and

37 (c) Enrollment of not more than 60 average annual full-time
38 equivalent students in grades nine through twelve shall generate
39 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. 514.** 1997 c 454 s 509 (uncodified) is amended to read as
14 follows:

15 **FOR THE STATE BOARD OF EDUCATION--COMMON SCHOOL CONSTRUCTION**

16 General Fund Appropriation (FY 1999) to the

17 Common School Construction Account \$ 48,250,000

18 Education Savings Account Appropriation to the

19 Common School Construction Account \$ ((~~12,621,000~~))

20 78,916,000

21 TOTAL APPROPRIATION \$ 127,166,000

22 **Sec. 515.** 1997 c 235 s 501 (uncodified) is amended to read as
23 follows:

24 **FOR THE STATE BOARD OF EDUCATION**

25 **Public school building construction (98-2-001)**

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

28 (1) From the appropriation in this section the state board shall
29 fund one hundred percent of the cost for a required standard value
30 engineering study on all projects exceeding 50,000 gross square feet in
31 size. On an annual basis, the board shall report to the legislative
32 fiscal committees and the office of financial management the results of
33 these studies including but not limited to the amounts of each study
34 and the accepted savings achieved due to the studies.

1 (2) No more than \$138,000,000 of this appropriation, excluding
2 reappropriations, may be obligated in fiscal year 1998 for school
3 district project design and construction.

4 (3) Total cash disbursed from the common school construction fund
5 may not exceed the available cash balance.

6 (4) The reappropriation from the state building construction
7 account shall serve as full compensation to the common school trust for
8 the transfer of land to the Washington State University Lind Dryland
9 Research Unit under Substitute House Bill No. 1016 or Senate Bill No.
10 5174.

11 (5) No more than \$7,110,000 of this appropriation may be allocated
12 by the state board to provide up to ninety percent of the total project
13 cost for the renovation of facilities operating as interdistrict
14 cooperative centers providing vocational skill programs. The remaining
15 portion of the project cost shall be a match from local sources. As a
16 condition to receiving an allocation from this appropriation or any
17 other appropriation for a vocational skill center provided after
18 calendar year 1996, the recipient facility must maintain a separate
19 capital account, into which the participating districts make deposits,
20 to pay for all future minor repair and renovation costs for the
21 vocational skill center. For purposes of this subsection, a future
22 minor repair and renovation cost is a capital project costing less than
23 forty percent of the value of the building.

24 **Reappropriation:**

25	St Bldg Constr Acct--State . . . \$	18,329,671
26	Common School Constr Fund--State \$	109,115,719
27		-----
28	Subtotal Reappropriation . . \$	127,445,390

29 **Appropriation:**

30	Common School Constr Fund--	
31	State \$	((275,798,712))
32		<u>289,548,712</u>
33	Prior Biennia (Expenditures) . . \$	((302,821,218))
34		<u>719,815,320</u>
35	Future Biennia (Projected Costs) \$	801,600,000
36		-----
37	TOTAL \$	((1,507,665,320))
38		<u>1,521,415,320</u>

1 (c) Each institution of higher education receiving appropriations
2 under sections 604 through 609 of this act may provide to instructional
3 and research faculty, exempt professional staff, academic
4 administrators, academic librarians, counselors, teaching and research
5 assistants, as classified by the office of financial management, and
6 all other nonclassified staff, but not including employees under RCW
7 28B.16.015, an additional average salary increase of 1.0 percent on
8 July 1, 1997, and an average salary increase of 2.0 percent on July 1,
9 1998. Any salary increases authorized under this subsection (2)(c)
10 shall not be included in an institution's salary base. It is the
11 intent of the legislature that general fund--state support for an
12 institution shall not increase during the current or any future
13 biennium as a result of any salary increases authorized under this
14 subsection (2)(c).

15 (d) Specific salary increases authorized in sections 603 through
16 609 of this act are in addition to any salary increase provided in this
17 subsection.

18 (3)(a) Each institution receiving appropriations under sections 604
19 through 609 of this act shall submit plans for achieving measurable and
20 specific improvements in academic years 1997-98 and 1998-99 to the
21 higher education coordinating board. The plans, to be prepared at the
22 direction of the board, shall be submitted by August 15, 1997 (for
23 academic year 1997-98) and June 30, 1998 (for academic year 1998-99).
24 The following measures and goals will be used for the 1997-99 biennium:

	Goal
(i) Undergraduate graduation efficiency index:	
For students beginning as freshmen	95
For transfer students	90
(ii) Undergraduate student retention, defined as the percentage of all undergraduate students who return for the next year at the same institution, measured from fall to fall:	
Research universities	95%
Comprehensive universities and college	90%
(iii) Graduation rates, defined as the percentage of an entering freshmen class at each institution that graduates within five years:	
Research universities	65%
Comprehensive universities and college	55%

1 (iv) A measure of faculty productivity, with goals and targets in
2 accord with the legislative intent to achieve measurable and specific
3 improvements, to be determined by the higher education coordinating
4 board, in consultation with the institutions receiving appropriations
5 under sections 604 through 609 of this act.

6 (v) An additional measure and goal to be selected by the higher
7 education coordinating board for each institution, in consultation with
8 each institution.

9 (b) Academic year 1995-96 shall be the baseline year against which
10 performance in academic year 1997-98 shall be measured. Academic year
11 1997-98 shall be the baseline year against which performance in
12 academic year 1998-99 shall be measured. The difference between each
13 institution's baseline year and the state-wide performance goals shall
14 be calculated and shall be the performance gap for each institution for
15 each measure for each year. The higher education coordinating board
16 shall set performance targets for closing the performance gap for each
17 measure for each institution. Performance targets shall be set at
18 levels that reflect meaningful and substantial progress towards the
19 state-wide performance goals. Each institution shall report to the
20 higher education coordinating board on its actual performance
21 achievement for each measure for academic year 1997-98 by November 1,
22 1998.

23 (4) The state board for community and technical colleges shall
24 develop an implementation plan for measurable and specific improvements
25 in productivity, efficiency, and student retention in academic years
26 1997-98 and 1998-99 consistent with the performance management system
27 developed by the work force training and education coordinating board
28 and for the following long-term performance goals:

	Goal
29 (a) Hourly wages for vocational graduates	\$12/hour
30 (b) Academic students transferring to Washington	
31 higher education institutions	67%
32 (c) Core course completion rates	85%
33 (d) Graduation efficiency index	95

34 (5) The state's public institutions of higher education
35 increasingly are being called upon to become more efficient in
36 conducting the business operations necessary to support the carrying
37 out of their academic missions. The legislature recognizes that state
38

1 laws and regulations may have the unintended effect of acting as
 2 barriers to efficient operation in some instances, and desires to
 3 encourage the institutions of higher education to think beyond the
 4 constraints of current law in identifying opportunities for improved
 5 efficiency. Accordingly, the legislature requests that the
 6 institutions of higher education, working together through the council
 7 of presidents' office and the state board for community and technical
 8 colleges, identify opportunities for changes in state law that would
 9 form the basis for a new efficiency compact with the state, for
 10 consideration no later than the 1999 legislative session.

11 (6) Pursuant to RCW 43.135.055, institutions of higher education
 12 receiving appropriations under sections 603 through 609 of this act are
 13 authorized to increase summer term tuition in excess of the fiscal
 14 growth factor during the 1997-99 fiscal biennium. Tuition levels
 15 increased pursuant to this subsection shall not exceed the per credit
 16 hour rate calculated from the academic year tuition levels established
 17 by the legislature in RCW 28B.15.067.

18 **Sec. 602.** 1998 c 346 s 603 (uncodified) is amended to read as
 19 follows:

20 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

21	General Fund--State Appropriation (FY 1998)	\$	380,445,000
22	General Fund--State Appropriation (FY 1999)	\$	((421,647,000))
23			<u>421,050,000</u>
24	General Fund--Federal Appropriation	\$	11,404,000
25	Employment and Training Trust Account		
26	Appropriation	\$	29,114,000
27	TOTAL APPROPRIATION	\$	((842,610,000))
28			<u>842,013,000</u>

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

31 (1) \$2,718,000 of the general fund--state appropriation for fiscal
 32 year 1998 and \$4,079,000 of the general fund--state appropriation for
 33 fiscal year 1999 shall be held in reserve by the board. These funds
 34 are provided for improvements in productivity, efficiency, and student
 35 retention. The board may approve the fiscal year 1998 allocation of
 36 funds under this subsection upon completion of an implementation plan.
 37 The implementation plan shall be submitted by the board to the
 38 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) \$28,546,000 of the general fund--state appropriation for fiscal
11 year 1999 and the entire employment and training trust account
12 appropriation are provided solely as special funds for training and
13 related support services, including financial aid, child care, and
14 transportation, as specified in chapter 226, Laws of 1993 (employment
15 and training for unemployed workers) and Substitute House Bill No.
16 2214.

17 (a) Funding is provided to support up to 7,200 full-time equivalent
18 students in each fiscal year.

19 (b) The state board for community and technical colleges shall
20 submit a plan for the allocation of the full-time equivalent students
21 provided in this subsection to the workforce training and education
22 coordinating board for review and approval.

23 (3) \$1,441,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$1,441,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for 500 FTE enrollment slots to
26 implement RCW 28B.50.259 (timber-dependent communities).

27 (4) \$1,862,500 of the general fund--state appropriation for fiscal
28 year 1998 and \$1,862,500 of the general fund--state appropriation for
29 fiscal year 1999 are provided solely for assessment of student outcomes
30 at community and technical colleges.

31 (5) \$706,000 of the general fund--state appropriation for fiscal
32 year 1998 and \$706,000 of general fund--state appropriation for fiscal
33 year 1999 are provided solely to recruit and retain minority students
34 and faculty.

35 (6) Up to \$1,035,000 of the general fund--state appropriation for
36 fiscal year 1998 and up to \$2,102,000 of the general fund--state
37 appropriation for fiscal year 1999 may be used in combination with
38 salary and benefit savings from faculty turnover to provide faculty
39 salary increments and associated benefits. To the extent general

1 salary increase funding is used to pay faculty increments, the general
2 salary increase shall be reduced by the same amount.

3 (7) To address part-time faculty salary disparities and to increase
4 the ratio of full-time to part-time faculty instructors, the board
5 shall provide salary increases to part-time instructors or hire
6 additional full-time instructional staff under the following conditions
7 and limitations: (a) The amount used for such purposes shall not
8 exceed an amount equivalent to an additional salary increase of 1.0
9 percent on July 1, 1997, and an additional salary increase of 2.0
10 percent on July 1, 1998, for instructional faculty as classified by the
11 office of financial management; and (b) at least \$2,934,000 shall be
12 spent for the purposes of this subsection.

13 (8) \$83,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$867,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided for personnel and expenses to develop
16 curricula, library resources, and operations of Cascadia Community
17 College. It is the legislature's intent to use the opportunity
18 provided by the establishment of the new institution to conduct a pilot
19 project of budgeting based on instructional standards and outcomes.
20 The college shall use a portion of the available funds to develop a set
21 of measurable standards and outcomes as the basis for budget
22 development in the 1999-01 biennium.

23 (9) The technical colleges may increase tuition and fees to conform
24 with the percentage increase in community college operating fees
25 enacted by the 1997 legislature. The community colleges may charge up
26 to the maximum level authorized for services and activities fees in RCW
27 28B.15.069.

28 (10) Community and technical colleges with below-average faculty
29 salaries may use funds identified by the state board in the 1997-98 and
30 1998-99 operating allocations to increase faculty salaries no higher
31 than the system-wide average.

32 (11) \$1,000,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$1,000,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely for tuition support for students
35 enrolled in work-based learning programs.

36 (12) \$700,000 of the general fund--state appropriation for fiscal
37 year 1999 is provided solely for a technology equipment matching
38 program for community and technical colleges. Each college district

1 shall match its allocation of this appropriation with an equal amount
2 of cash donations from private sources.

3 (13) (~~(\$125,000 of the general fund--state appropriation for fiscal~~
4 ~~year 1999 is provided solely to pay the increased employer funding rate~~
5 ~~resulting from the settlement in *Burbage et al. v. State of Washington*~~
6 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~
7 ~~in section 707(1)(c) of this act. If the stipulated settlement is not~~
8 ~~approved by the court by August 1, 1998, the amount provided in this~~
9 ~~subsection shall lapse.~~

10 (~~14~~)) \$669,000 of the general fund--state appropriation for fiscal
11 year 1999 is provided solely to pay the increased employer funding rate
12 resulting from the settlement in *Retired State Employees et al. v.*
13 *State of Washington* (Thurston county superior court cause no. 92-2-
14 01294-1), as referenced in section 707(1)(d) of this act. If the
15 stipulated settlement is not approved by the court by August 1, 1998,
16 the amount provided in this subsection shall lapse.

17 **Sec. 603.** 1998 c 346 s 604 (uncodified) is amended to read as
18 follows:

19 **FOR UNIVERSITY OF WASHINGTON**

20	General Fund Appropriation (FY 1998)	. . . . . \$	283,923,000
21	General Fund Appropriation (FY 1999)	. . . . . \$	((293,988,000))
22			<u>295,988,000</u>
23	Death Investigations Account Appropriation	. . . \$	((2,162,000))
24			<u>2,342,000</u>
25	Industrial Insurance Premium Refund Account		
26	Appropriation	. . . . . \$	514,000
27	Accident Account Appropriation	. . . . . \$	4,969,000
28	Medical Aid Account Appropriation	. . . . . \$	4,989,000
29	TOTAL APPROPRIATION	. . . . . \$	((590,545,000))
30			<u>592,725,000</u>

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

33 (1) \$2,019,000 of the general fund appropriation for fiscal year
34 1998 and \$3,029,000 of the general fund appropriation for fiscal year
35 1999 shall be placed in reserve. The office of financial management
36 shall approve the allotment of amounts under this subsection upon
37 notification by the higher education coordinating board. These amounts
38 are provided for the preparation of plans and for the achievement of

1 measurable and specific improvements towards performance and
2 accountability goals as outlined in section 601(3) of this act.

3 (2) \$800,000 of the general fund appropriation for fiscal year 1998
4 and \$1,896,000 of the general fund appropriation for fiscal year 1999
5 are provided solely to support additional upper-division and graduate
6 level enrollments at the Tacoma branch campus above the 1996-97
7 budgeted FTE level.

8 (3) \$593,000 of the general fund appropriation for fiscal year 1998
9 and \$1,547,000 of the general fund appropriation for fiscal year 1999
10 are provided solely to support additional upper-division and graduate
11 level enrollments at the Bothell branch campus above the 1996-97
12 budgeted FTE level.

13 (4) \$186,000 of the general fund appropriation for fiscal year 1998
14 and \$186,000 of the general fund appropriation for fiscal year 1999 are
15 provided solely for assessment of student outcomes.

16 (5) \$324,000 of the general fund appropriation for fiscal year 1998
17 and \$324,000 of the general fund appropriation for fiscal year 1999 are
18 provided solely to recruit and retain minority students and faculty.

19 (6) \$130,000 of the general fund appropriation for fiscal year 1998
20 and \$130,000 of the general fund appropriation for fiscal year 1999 are
21 provided solely for the implementation of the Puget Sound work plan
22 agency action item UW-01.

23 (7) \$1,200,000 of the general fund appropriation for fiscal year
24 1998 and \$1,200,000 of the general fund appropriation for fiscal year
25 1999 are provided solely for competitively offered faculty recruitment
26 and retention salary adjustments. The university shall provide a
27 report in their 1999-01 biennial operating budget request submittal on
28 the effective expenditure of funds for the purposes of this subsection.

29 (8) \$47,000 of the fiscal year 1998 general fund appropriation and
30 \$47,000 of the fiscal year 1999 general fund appropriation are provided
31 solely to employ a fossil preparator/educator in the Burke Museum. The
32 entire amounts provided in this subsection shall be provided directly
33 to the Burke Museum.

34 (9) \$75,000 of the general fund appropriation for fiscal year 1998
35 and \$75,000 of the general fund appropriation for fiscal year 1999 are
36 provided solely for enhancements to research capabilities at the
37 Olympic natural resources center.

1 (10) \$150,000 of the general fund appropriation for fiscal year
2 1999 is provided solely for remodeling and equipment necessary to
3 accommodate enrollment growth at the Bothell branch campus.

4 (11) \$560,000 of the general fund appropriation for fiscal year
5 1999 is provided solely for the disabilities, opportunities,
6 internetworking, and technology program.

7 (12) (~~(\$3,000,000)~~) \$6,538,000 of the general fund appropriation
8 for fiscal year 1999 is provided solely to establish a high speed
9 internet-2 hub.

10 (13) \$150,000 of the general fund appropriation for fiscal year
11 1999 is provided solely to support the physicians assistant program in
12 Spokane.

13 (14) \$352,000 of the death investigations account appropriation is
14 provided solely for staff and equipment for the state toxicology
15 laboratory to support implementation of quality control procedures and
16 laboratory certification, and for enhanced screening of sexual assault
17 victims, blood alcohol and volatile intoxicants analysis, and blood
18 tests for marijuana in driving cases.

19 ~~(15) (~~(\$74,000 of the general fund--state appropriation for fiscal~~~~
20 ~~year 1999 is provided solely to pay the increased employer funding rate~~
21 ~~resulting from the settlement in Burbage et al. v. State of Washington~~
22 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~
23 ~~in section 707(1)(c) of this act. If the stipulated settlement is not~~
24 ~~approved by the court by August 1, 1998, the amount provided in this~~
25 ~~subsection shall lapse.~~

26 ~~(16))~~ \$397,000 of the general fund--state appropriation for fiscal
27 year 1999 is provided solely to pay the increased employer funding rate
28 resulting from the settlement in Retired State Employees et al. v.
29 State of Washington (Thurston county superior court cause no. 92-2-
30 01294-1), as referenced in section 707(1)(d) of this act. If the
31 stipulated settlement is not approved by the court by August 1, 1998,
32 the amount provided in this subsection shall lapse.

33 (16) \$180,000 of the death investigations account appropriation is
34 provided for the forensic pathologist fellowship program.

35 **Sec. 604.** 1998 c 346 s 605 (uncodified) is amended to read as
36 follows:

37 **FOR WASHINGTON STATE UNIVERSITY**

38 General Fund Appropriation (FY 1998) \$ 169,894,000

1	General Fund Appropriation (FY 1999)	\$	((171,125,000))
2			<u>170,180,000</u>
3	Air Pollution Control Account Appropriation . . .	\$	206,000
4	TOTAL APPROPRIATION	\$	((341,225,000))
5			<u>340,280,000</u>

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

8 (1) \$1,204,000 of the general fund appropriation for fiscal year
9 1998 and \$1,807,000 of the general fund appropriation for fiscal year
10 1999 shall be placed in reserve. The office of financial management
11 shall approve the allotment of amounts under this subsection upon
12 notification by the higher education coordinating board. These amounts
13 are provided for the preparation of plans and for the achievement of
14 measurable and specific improvements towards performance and
15 accountability goals as outlined in section 601(3) of this act.

16 (2) \$1,059,000 of the general fund appropriation for fiscal year
17 1999 is provided solely to support additional upper-division and
18 graduate level enrollments at the Vancouver branch campus above the
19 1996-97 budgeted FTE level.

20 (3) \$263,000 of the general fund appropriation for fiscal year 1998
21 and \$263,000 of the general fund appropriation for fiscal year 1999 are
22 provided solely to support additional upper-division and graduate level
23 enrollments at the Tri-Cities branch campus above the 1996-97 budgeted
24 FTE level.

25 (4) \$971,000 of the general fund appropriation for fiscal year 1999
26 is provided solely to support additional upper-division and graduate
27 level enrollments at the Spokane branch campus above the 1996-97
28 budgeted FTE level.

29 (5) \$186,000 of the general fund appropriation for fiscal year 1998
30 and \$186,000 of the general fund appropriation for fiscal year 1999 are
31 provided solely for assessment of student outcomes.

32 (6) \$140,000 of the general fund appropriation for fiscal year 1998
33 and \$140,000 of the general fund appropriation for fiscal year 1999 are
34 provided solely to recruit and retain minority students and faculty.

35 (7) \$157,000 of the general fund appropriation for fiscal year 1998
36 and \$157,000 of the general fund appropriation for fiscal year 1999 are
37 provided solely for the implementation of the Puget Sound work plan
38 agency action item WSU-01.

1 (8) \$600,000 of the general fund appropriation for fiscal year 1998
2 and \$600,000 of the general fund appropriation for fiscal year 1999 are
3 provided solely for competitively offered faculty recruitment and
4 retention salary adjustments. The university shall provide a report in
5 their 1999-01 biennial operating budget request submittal on the
6 effective expenditure of funds for the purposes of this subsection.

7 (9) \$50,000 of the general fund appropriation for fiscal year 1998
8 and \$50,000 of the general fund appropriation for fiscal year 1999 are
9 provided solely for yellow star thistle research.

10 (10) \$55,000 of the general fund appropriation for fiscal year 1998
11 and \$55,000 of the general fund appropriation for fiscal year 1999 are
12 provided solely for the Goldendale distance learning center.

13 (11) \$3,250,000 of the general fund appropriation for fiscal year
14 1998 is provided solely for legal costs and settlement payments
15 associated with construction claims for the Vancouver branch campus and
16 the veterinary teaching hospital capital projects.

17 (12) \$590,000 of the general fund appropriation for fiscal year
18 1999 is provided solely for the management of the Spokane riverpoint
19 campus as provided in Substitute Senate Bill No. 6655.

20 (13) \$100,000 of the fiscal year 1999 general fund appropriation is
21 provided solely for the aquatic animal health diagnostic center to
22 accommodate an unanticipated caseload increase.

23 ~~(14) ((\$43,000 of the general fund--state appropriation for fiscal~~
24 ~~year 1999 is provided solely to pay the increased employer funding rate~~
25 ~~resulting from the settlement in *Burbage et al. v. State of Washington*~~
26 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~
27 ~~in section 707(1)(c) of this act. If the stipulated settlement is not~~
28 ~~approved by the court by August 1, 1998, the amount provided in this~~
29 ~~subsection shall lapse.~~

30 ~~(15))~~ \$228,000 of the general fund--state appropriation for fiscal
31 year 1999 is provided solely to pay the increased employer funding rate
32 resulting from the settlement in *Retired State Employees et al. v.*
33 *State of Washington* (Thurston county superior court cause no. 92-2-
34 01294-1), as referenced in section 707(1)(d) of this act. If the
35 stipulated settlement is not approved by the court by August 1, 1998,
36 the amount provided in this subsection shall lapse.

37 **Sec. 605.** 1998 c 346 s 606 (uncodified) is amended to read as
38 follows:

1 **FOR EASTERN WASHINGTON UNIVERSITY**

2	General Fund Appropriation (FY 1998)	. . . . . \$	39,211,000
3	General Fund Appropriation (FY 1999)	. . . . . \$	((39,563,000))
4			<u>39,460,000</u>
5	TOTAL APPROPRIATION	. . . . . \$	((78,774,000))
6			<u>78,671,000</u>

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

9 (1) \$285,000 of the general fund appropriation for fiscal year 1998
10 and \$428,000 of the general fund appropriation for fiscal year 1999
11 shall be placed in reserve. The office of financial management shall
12 approve the allotment of amounts under this subsection upon
13 notification by the higher education coordinating board. These amounts
14 are provided for the preparation of plans and for the achievement of
15 measurable and specific improvements towards performance and
16 accountability goals as outlined in section 601(3) of this act.

17 (2) \$186,000 of the general fund appropriation for fiscal year 1998
18 and \$186,000 of the general fund appropriation for fiscal year 1999 are
19 provided solely for assessment of student outcomes.

20 (3) \$93,000 of the general fund appropriation for fiscal year 1998
21 and \$93,000 of the general fund appropriation for fiscal year 1999 are
22 provided solely to recruit and retain minority students and faculty.

23 (4) \$53,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$54,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for competitively offered faculty
26 recruitment and retention salary adjustments. The university shall
27 provide a report in their 1999-01 biennial operating budget request
28 submittal on the effective expenditure of funds for the purposes of
29 this subsection.

30 (5) \$3,188,000 of the general fund appropriation for fiscal year
31 1998 and \$3,188,000 of the general fund appropriation for fiscal year
32 1999 shall be placed in reserve pending attainment of budgeted
33 enrollments of 6,942 FTEs. The office of financial management shall
34 approve the allotment of funds under this subsection at the annual rate
35 of \$4,000 for annual student FTEs in excess of 6,942 based on tenth day
36 quarterly enrollment and the office of financial management's quarterly
37 budget driver report. In addition, allotments of reserve funds in this
38 section shall be approved by the office of financial management upon
39 approval by the higher education coordinating board for (a) actions

1 that will result in additional enrollment growth, and (b) contractual
2 obligations in fiscal year 1998 to the extent such funds are required.

3 (6) Pursuant to section 904 of this act and within current
4 appropriation levels, the waiver limit for Eastern Washington
5 University is increased from 11 percent to 14 percent during the 1997-
6 99 fiscal biennium. Eastern Washington University shall report by
7 December 15, 1998, to the appropriate committees of the legislature,
8 the office of financial management, and the higher education
9 coordinating board on its implementation of the increased waiver limit.

10 (7) (~~(\$12,000 of the general fund state appropriation for fiscal~~
11 ~~year 1999 is provided solely to pay the increased employer funding rate~~
12 ~~resulting from the settlement in *Burbage et al. v. State of Washington*~~
13 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~
14 ~~in section 707(1)(c) of this act. If the stipulated settlement is not~~
15 ~~approved by the court by August 1, 1998, the amount provided in this~~
16 ~~subsection shall lapse.~~

17 (~~8~~)) \$62,000 of the general fund--state appropriation for fiscal
18 year 1999 is provided solely to pay the increased employer funding rate
19 resulting from the settlement in *Retired State Employees et al. v.*
20 *State of Washington* (Thurston county superior court cause no. 92-2-
21 01294-1), as referenced in section 707(1)(d) of this act. If the
22 stipulated settlement is not approved by the court by August 1, 1998,
23 the amount provided in this subsection shall lapse.

24 **Sec. 606.** 1998 c 346 s 607 (uncodified) is amended to read as
25 follows:

26 **FOR CENTRAL WASHINGTON UNIVERSITY**

27	General Fund Appropriation (FY 1998)	. . . . . \$	37,244,000
28	General Fund Appropriation (FY 1999)	. . . . . \$	((38,749,000))
29			<u>38,767,000</u>
30	TOTAL APPROPRIATION	. . . . . \$	((75,993,000))
31			<u>76,011,000</u>

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

34 (1) \$269,000 of the general fund appropriation for fiscal year 1998
35 and \$403,000 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
38 notification by the higher education coordinating board. These amounts

1 are provided for the preparation of plans and for the achievement of
2 measurable and specific improvements towards performance and
3 accountability goals as outlined in section 601(3) of this act.

4 (2) \$186,000 of the general fund appropriation for fiscal year 1998
5 and \$186,000 of the general fund appropriation for fiscal year 1999 are
6 provided solely for assessment of student outcomes.

7 (3) \$70,000 of the general fund appropriation for fiscal year 1998
8 and \$70,000 of the general fund appropriation for fiscal year 1999 are
9 provided solely to recruit and retain minority students and faculty.

10 (4) \$51,000 of the general fund appropriation for fiscal year 1998
11 and \$51,000 of the general fund appropriation for fiscal year 1999 are
12 provided solely for competitively offered faculty recruitment and
13 retention salary adjustments. The college shall provide a report in
14 their 1999-01 biennial operating budget request submittal on the
15 effective expenditure of funds for the purposes of this subsection.

16 (5) (~~(\$11,000 of the general fund state appropriation for fiscal~~
17 ~~year 1999 is provided solely to pay the increased employer funding rate~~
18 ~~resulting from the settlement in *Burbage et al. v. State of Washington*~~
19 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~
20 ~~in section 707(1)(c) of this act. If the stipulated settlement is not~~
21 ~~approved by the court by August 1, 1998, the amount provided in this~~
22 ~~subsection shall lapse.~~

23 ~~(6))~~ \$62,000 of the general fund--state appropriation for fiscal
24 year 1999 is provided solely to pay the increased employer funding rate
25 resulting from the settlement in *Retired State Employees et al. v.*
26 *State of Washington* (Thurston county superior court cause no. 92-2-
27 01294-1), as referenced in section 707(1)(d) of this act. If the
28 stipulated settlement is not approved by the court by August 1, 1998,
29 the amount provided in this subsection shall lapse.

30 **Sec. 607.** 1998 c 346 s 608 (uncodified) is amended to read as
31 follows:

32 **FOR THE EVERGREEN STATE COLLEGE**

33	General Fund Appropriation (FY 1998)	. . . . . \$	20,401,000
34	General Fund Appropriation (FY 1999)	. . . . . \$	((20,596,000))
35			<u>20,496,000</u>
36	TOTAL APPROPRIATION	. . . . . \$	((40,997,000))
37			<u>40,897,000</u>

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

3 (1) \$144,000 of the general fund appropriation for fiscal year 1998
4 and \$217,000 of the general fund appropriation for fiscal year 1999
5 shall be placed in reserve. The office of financial management shall
6 approve the allotment of amounts under this subsection upon
7 notification by the higher education coordinating board. These amounts
8 are provided for the preparation of plans and for the achievement of
9 measurable and specific improvements towards performance and
10 accountability goals as outlined in section 601(3) of this act.

11 (2) \$186,000 of the general fund appropriation for fiscal year 1998
12 and \$186,000 of the general fund appropriation for fiscal year 1999 are
13 provided solely for assessment of student outcomes.

14 (3) \$47,000 of the general fund appropriation for fiscal year 1998
15 and \$47,000 of the general fund appropriation for fiscal year 1999 are
16 provided solely to recruit and retain minority students and faculty.

17 (4) \$29,000 of the general fund appropriation for fiscal year 1998
18 and \$29,000 of the general fund appropriation for fiscal year 1999 are
19 provided solely for competitively offered faculty recruitment and
20 retention salary adjustments. The college shall provide a report in
21 their 1999-01 biennial operating budget request submittal on the
22 effective expenditure of funds for the purposes of this subsection.

23 (5) \$35,000 of the general fund appropriation for fiscal year 1999
24 is provided solely for the Washington institute for public policy to
25 conduct a study of college students' employment. The study shall
26 include, but need not be limited to, matching student enrollment
27 information with unemployment insurance information. The office of
28 financial management, higher education coordinating board, state board
29 for community and technical colleges, and the employment security
30 department shall assist the institute in the performance of the study.
31 Results of the study are to be reported to the legislature by January
32 15, 1999.

33 (6) \$250,000 of the general fund appropriation for fiscal year 1998
34 is provided solely for equipment and expenses necessary to accommodate
35 enrollment growth.

36 ~~(7) (\$7,000 of the general fund state appropriation for fiscal~~
37 ~~year 1999 is provided solely to pay the increased employer funding rate~~
38 ~~resulting from the settlement in *Burbage et al. v. State of Washington*~~
39 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~

1 in section 707(1)(c) of this act. If the stipulated settlement is not
2 approved by the court by August 1, 1998, the amount provided in this
3 subsection shall lapse.

4 (8)) \$36,000 of the general fund--state appropriation for fiscal
5 year 1999 is provided solely to pay the increased employer funding rate
6 resulting from the settlement in *Retired State Employees et al. v.*
7 *State of Washington* (Thurston county superior court cause no. 92-2-
8 01294-1), as referenced in section 707(1)(d) of this act. If the
9 stipulated settlement is not approved by the court by August 1, 1998,
10 the amount provided in this subsection shall lapse.

11 **Sec. 608.** 1998 c 346 s 609 (uncodified) is amended to read as
12 follows:

13 **FOR WESTERN WASHINGTON UNIVERSITY**

14	General Fund Appropriation (FY 1998)	. . . . . \$	47,822,000
15	General Fund Appropriation (FY 1999)	. . . . . \$	((48,951,000))
16			<u>48,703,000</u>
17	TOTAL APPROPRIATION	. . . . . \$	((96,773,000))
18			<u>96,525,000</u>

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

21 (1) \$342,000 of the general fund appropriation for fiscal year 1998
22 and \$514,000 of the general fund appropriation for fiscal year 1999
23 shall be placed in reserve. The office of financial management shall
24 approve the allotment of amounts under this subsection upon
25 notification by the higher education coordinating board. These amounts
26 are provided for the preparation of plans and for the achievement of
27 measurable and specific improvements towards performance and
28 accountability goals as outlined in section 601(3) of this act.

29 (2) \$186,000 of the general fund appropriation for fiscal year 1998
30 and \$186,000 of the general fund appropriation for fiscal year 1999 are
31 provided solely for assessment of student outcomes.

32 (3) \$93,000 of the general fund appropriation for fiscal year 1998
33 and \$93,000 of the general fund appropriation for fiscal year 1999 are
34 provided solely to recruit and retain minority students and faculty.

35 (4) \$66,000 of the general fund appropriation for fiscal year 1998
36 and \$67,000 of the general fund appropriation for fiscal year 1999 are
37 provided solely for competitively offered faculty recruitment and
38 retention salary adjustments. The university shall provide a report

1 in their 1999-01 biennial operating budget request submittal on the
2 effective expenditure of funds for the purposes of this subsection.

3 ~~(5) ((\$15,000 of the general fund state appropriation for fiscal~~
4 ~~year 1999 is provided solely to pay the increased employer funding rate~~
5 ~~resulting from the settlement in *Burbage et al. v. State of Washington*~~
6 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~
7 ~~in section 707(1)(c) of this act. If the stipulated settlement is not~~
8 ~~approved by the court by August 1, 1998, the amount provided in this~~
9 ~~subsection shall lapse.~~

10 ~~(6))~~ \$81,000 of the general fund--state appropriation for fiscal
11 year 1999 is provided solely to pay the increased employer funding rate
12 resulting from the settlement in *Retired State Employees et al. v.*
13 *State of Washington* (Thurston county superior court cause no. 92-2-
14 01294-1), as referenced in section 707(1)(d) of this act. If the
15 stipulated settlement is not approved by the court by August 1, 1998,
16 the amount provided in this subsection shall lapse.

17 **Sec. 609.** 1998 c 346 s 610 (uncodified) is amended to read as
18 follows:

19 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
20 **ADMINISTRATION**

21	General Fund--State Appropriation (FY 1998)	\$	2,809,000
22	General Fund--State Appropriation (FY 1999)	\$((3,604,000))	
23			<u>3,603,000</u>
24	General Fund--Federal Appropriation	\$	704,000
25	TOTAL APPROPRIATION	\$((7,117,000))	
26			<u>7,116,000</u>

27 The appropriations in this section are provided to carry out the
28 accountability, performance measurement, policy coordination, planning,
29 studies and administrative functions of the board and are subject to
30 the following conditions and limitations:

31 (1) The board shall set performance targets, review, recommend
32 changes if necessary, and approve plans defined in section 601(3)(a) of
33 this act for achieving measurable and specific improvements in academic
34 years 1997-98 and 1998-99. By October 1, 1997, the board shall notify
35 the office of financial management to allot institutions' fiscal year
36 1998 performance funds held in reserve, based upon the adequacy of
37 plans prepared by the institutions.

1 (2) The board shall develop criteria to assess institutions'
2 performance and shall use those criteria in determining the allotment
3 of performance and accountability funds. The board shall evaluate each
4 institution's achievement of performance targets for the 1997-98
5 academic year and, by November 15, 1998, the board shall notify the
6 office of financial management to allot institutions' fiscal year 1999
7 performance funds held in reserve, based upon each institution's
8 performance.

9 (3) By January, 1999, the board shall recommend to the office of
10 financial management and appropriate legislative committees any
11 recommended additions, deletions, or revisions to the performance and
12 accountability measures in sections 601(3) of this act as part of the
13 next master plan for higher education. The recommendations shall be
14 developed in consultation with the institutions of higher education and
15 may include additional performance indicators to measure successful
16 student learning and other student outcomes for possible inclusion in
17 the 1999-01 operating budget. The recommendations shall include
18 measures of performance demonstrating specific and measurable
19 improvements related to distance education and education provided
20 primarily through technology, to be determined by the board, in
21 consultation with the institutions of higher education.

22 (4) \$280,000 of the general fund--state appropriation for fiscal
23 year 1998 and \$280,000 of the general fund--state appropriation for
24 fiscal year 1999 are provided solely for enrollment to implement RCW
25 28B.80.570 through 28B.80.585 (rural natural resources impact areas).
26 The number of students served shall be 50 full-time equivalent students
27 per fiscal year. The board shall ensure that enrollments reported
28 under this subsection meet the criteria outlined in RCW 28B.80.570
29 through 28B.80.585.

30 (5) \$70,000 of the general fund--state appropriation for fiscal
31 year 1998 and \$70,000 of the general fund--state appropriation for
32 fiscal year 1999 are provided to develop a competency based admissions
33 system for higher education institutions. The board shall complete the
34 competency based admissions system and issue a report outlining the
35 competency based admissions system by January 1999.

36 (6) \$500,000 of the general fund--state appropriation for fiscal
37 year 1998 and \$500,000 of the general fund--state appropriation for
38 fiscal year 1999 are provided solely for activities related to higher
39 education facilities planning, project monitoring, and access issues

1 related to capital facilities. Of this amount, \$50,000 is provided for
2 a study of higher education needs of Okanogan county and surrounding
3 communities with consideration given to alternative approaches to
4 educational service delivery, facility expansion, relocation or
5 partnership, and long-term growth and future educational demands of the
6 region.

7 (7) \$150,000 of the general fund--state appropriation for fiscal
8 year 1998 is provided solely as one-time funding for computer upgrades.

9 (8) \$75,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$175,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely to conduct a higher education and
12 economic assessment of the Spokane area as described in Substitute
13 Senate Bill No. 6655.

14 (9) \$810,000 of the general fund--state appropriation for fiscal
15 year 1999 is provided solely to complete the cooperative library
16 project for the four-year public higher education institutions. Funds
17 shall be transferred to the University of Washington for one-time
18 equipment acquisition, ongoing support of the system, and acquisition
19 of shared electronic journals for use by all the member institutions.

20 ~~(10) ((\$1,000 of the general fund--state appropriation for fiscal~~
21 ~~year 1999 is provided solely to pay the increased employer funding rate~~
22 ~~resulting from the settlement in *Burbage et al. v. State of Washington*~~
23 ~~(Thurston county superior court cause no. 94-2-02560-8), as referenced~~
24 ~~in section 707(1)(c) of this act. If the stipulated settlement is not~~
25 ~~approved by the court by August 1, 1998, the amount provided in this~~
26 ~~subsection shall lapse.~~

27 ~~(11))~~ \$3,000 of the general fund--state appropriation for fiscal
28 year 1999 is provided solely to pay the increased employer funding rate
29 resulting from the settlement in *Retired State Employees et al. v.*
30 *State of Washington* (Thurston county superior court cause no. 92-2-
31 01294-1), as referenced in section 707(1)(d) of this act. If the
32 stipulated settlement is not approved by the court by August 1, 1998,
33 the amount provided in this subsection shall lapse.

34 (End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 1998 c 346 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL FUND BOND DEBT

General Fund Appropriation (FY 1998)	\$ 448,355,000
General Fund Appropriation (FY 1999)	((484,005,000))
	<u>478,444,000</u>
General Fund Bonds Subject to the Limit Bond	
Retirement Account Appropriation	((932,360,000))
	<u>926,799,000</u>
TOTAL APPROPRIATION	((1,864,720,000))
	<u>1,853,598,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the general fund bonds subject to the limit bond retirement account.

Sec. 702. 1998 c 346 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund Appropriation (FY 1998)	\$ 23,186,000
General Fund Appropriation (FY 1999)	((25,642,000))
	<u>25,626,000</u>
General Fund Bonds Excluded from the Limit	
Bond Retirement Account Appropriation	((48,828,000))
	<u>48,812,000</u>
Reimbursable Bonds Excluded from the Limit Bond	
Retirement Account Appropriation	\$ 104,933,000
Reimbursable Bonds Subject to the Limit Bond	
Retirement Account Appropriation	\$ 2,264,000
TOTAL APPROPRIATION	((204,853,000))
	<u>204,821,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations: The general fund appropriation is for
3 deposit into the general fund bonds excluded from the limit bond
4 retirement account.

5 NEW SECTION. **Sec. 703.** A new section is added to 1997 c 149
6 (uncodified) to read as follows:

7 **FOR THE DISASTER RESPONSE ACCOUNT.** The sum of three million
8 dollars is appropriated for the fiscal year ending June 30, 1999, from
9 the general fund to the disaster response account for the purpose of
10 creating a contingency pool to fund fire-related costs. Allocations
11 may be provided from the disaster response account for fire
12 mobilization costs or fire suppression costs in excess of the amounts
13 appropriated for these purposes.

14 NEW SECTION. **Sec. 704.** A new section is added to 1997 c 149
15 (uncodified) to read as follows:

16 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE-RELATED CONTINGENCY**
17 **COSTS.** The sum of three million dollars is appropriated from the
18 disaster response account for the purpose of making allocations for
19 fire mobilization costs or fire suppression costs in excess of the
20 amounts appropriated for these purposes.

21 NEW SECTION. **Sec. 705.** A new section is added to 1997 c 149
22 (uncodified) to read as follows:

23 **FOR THE COMMUNITY AND TECHNICAL COLLEGES CAPITAL PROJECTS ACCOUNT.**
24 The sum of fifteen million dollars is appropriated for the fiscal year
25 ending June 30, 1999, from the general fund to the community and
26 technical colleges capital projects account for system-wide minor
27 repairs and replacement of portable buildings.

28 NEW SECTION. **Sec. 706.** A new section is added to 1997 c 149
29 (uncodified) to read as follows:

30 **FOR THE FAIR FUND.** The sum of six million dollars is appropriated
31 for the fiscal year ending June 30, 1999, from the general fund to the
32 fair fund for the purposes set forth under RCW 15.76.115. Of this
33 amount, up to two million dollars shall be allotted from the fair fund
34 for each of the fiscal years ending June 30, 1999, June 30, 2000, and
35 June 30, 2001.

1 **Sec. 707.** 1998 c 346 s 704 (uncodified) is amended to read as
2 follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 ALLOCATIONS**

4	General Fund--Federal Appropriation	\$	2,883,000
5	Liquor Revolving Account Appropriation	\$	131,000
6	Health Care Authority Administrative Account		
7	Appropriation	\$	631,000
8	Accident Account Appropriation	\$	1,102,000
9	Medical Aid Account Appropriation	\$	1,102,000
10	Unemployment Compensation Administration Account--		
11	Federal Appropriation	\$	1,313,000
12	Employment Services Administrative Account		
13	Appropriation	\$	461,000
14	Forest Development Account Appropriation	\$	156,000
15	Off Road Vehicle Account Appropriation	\$	7,000
16	Surveys and Maps Account Appropriation	\$	1,000
17	Aquatic Lands Enhancement Account Appropriation	\$	8,000
18	Resource Management Cost Account Appropriation	\$	348,000
19	TOTAL APPROPRIATION	\$	8,143,000

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

22 (1) The appropriations will be allocated by the office of financial
23 management to agencies to complete Year 2000 date conversion
24 maintenance on their computer systems. Agencies shall submit their
25 estimated costs of conversion to the office of financial management by
26 July 1, 1997.

27 (2) Up to \$10,000,000 of the cash balance of the data processing
28 revolving account may be expended on agency Year 2000 date conversion
29 costs, embedded chips, and contingency activities. The \$10,000,000
30 will be taken from the cash balances of the data processing revolving
31 account's two major users, as follows: \$7,000,000 from the department
32 of information services and \$3,000,000 from the office of financial
33 management. The office of financial management in consultation with
34 the department of information services shall allocate these funds as
35 needed to complete the date conversion projects.

36 (3) Agencies receiving these allocations shall report at a minimum
37 to the information services board and to the governor every six months
38 on the progress of Year 2000 maintenance efforts.

1 **Sec. 708.** 1998 c 346 s 705 (uncodified) is amended to read as
2 follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 CONVERSION**

4	General Fund Appropriation (FY 1998)	\$	233,000
5	General Fund Appropriation (FY 1999)	\$	33,000
6	Hospital Commission Account Appropriation	\$	115,000
7	Architects' License Account Appropriation	\$	3,000
8	Professional Engineers' Account Appropriation	\$	9,000
9	Real Estate Commission Account Appropriation	\$	24,000
10	Health Professions Account Appropriation	\$	275,000
11	Master License Account Appropriation	\$	70,000
12	Safe Drinking Water Account Appropriation	\$	50,000
13	Uniform Commercial Code Account Appropriation	\$	11,000
14	Unemployment Compensation Administration Account--		
15	Federal Appropriation	\$	3,245,000
16	Department of Retirement Systems Expense Account		
17	Appropriation	\$	890,000
18	Health Services Account Appropriation	\$	254,000
19	TOTAL APPROPRIATION	\$	5,212,000

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

22 (1) The appropriations will be allocated by the office of financial
23 management to agencies to perform Year 2000 date conversion maintenance
24 on their computer systems, embedded chips, and contingency activities
25 and are provided solely for these purposes.

26 (2) Agencies receiving these allocations shall report at a minimum
27 to the information services board and to the governor every six months
28 on the progress of Year 2000 maintenance efforts.

29 **Sec. 709.** 1998 c 346 s 706 (uncodified) is amended to read as
30 follows:

31 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 CONTINGENCY POOL**

32	General Fund Appropriation (FY 1998)	\$	800,000
33	General Fund Appropriation (FY 1999)	\$	4,200,000
34	Year 2000 Contingency Revolving Account		
35	Appropriation	\$	5,000,000
36	TOTAL APPROPRIATION	\$	10,000,000

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

3 (1) The appropriations will be allocated by the office of financial
4 management, in consultation with the department of information systems
5 or the department of general administration, to agencies to perform
6 Year 2000 maintenance on their computer systems, embedded chips, and
7 contingency activities and are provided solely for these purposes.

8 (2) To facilitate the transfer of moneys from dedicated funds and
9 accounts, the state treasurer is directed to transfer sufficient moneys
10 from each dedicated fund or account to the Year 2000 contingency
11 revolving account, hereby created in the state treasury, in accordance
12 with schedules provided by the office of financial management for
13 additional Year 2000 maintenance on their computer systems.

14 (3) All agencies that receive these allocations will report upon
15 request throughout the biennium to the information services board and
16 to the governor on the progress of Year 2000 maintenance efforts.

17 **Sec. 710.** 1998 c 346 s 707 (uncodified) is amended to read as
18 follows:

19 **FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

20 General Fund--State Appropriation (FY 1998) . . . \$	823,000
21 General Fund--State Appropriation (FY 1999) . . . \$	((8,355,000))
22	<u>8,025,000</u>
23 General Fund--Federal Appropriation \$	((3,152,000))
24	<u>3,039,000</u>
25 General Fund--Private/Local Appropriation \$	((190,000))
26	<u>183,000</u>
27 Salary and Insurance Increase Revolving Account	
28 Appropriation \$	((7,081,000))
29	<u>6,827,000</u>
30 TOTAL APPROPRIATION \$	((19,601,000))
31	<u>18,897,000</u>

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

34 (1)(a) The monthly employer funding rate for insurance benefit
35 premiums shall not exceed \$312.35 per eligible employee for fiscal year
36 1998, and \$331.31 for fiscal year 1999.

1 (b) The monthly employer funding rate for the operating costs of
2 the health care authority shall not exceed \$4.99 per eligible employee
3 for fiscal year 1998, and \$4.67 for fiscal year 1999.

4 ~~(c) ((An additional \$1.12 per eligible employee shall be included
5 in the employer funding rate for fiscal year 1999 to increase life
6 insurance coverage in accordance with the stipulated settlement in
7 *Burbage et al. v. State of Washington* (Thurston county superior court
8 cause no. 94-2-02560-8). \$330,000 of the fiscal year 1999 general
9 fund--state appropriation, \$113,000 of the general fund--federal
10 appropriation, \$7,000 of the general fund--private/local appropriation,
11 and \$254,000 of the salary and insurance increase revolving account
12 appropriation are provided solely for the additional \$1.12 employer
13 funding rate. If the stipulated settlement is not approved by August
14 1, 1998, these amounts shall lapse.~~

15 ~~(d))~~ An additional \$5.77 per eligible employee shall be included
16 in the employer funding rate for fiscal year 1999 to begin repaying the
17 public employees' and retirees' insurance account for any claims paid
18 as a result of a court-approved stipulated settlement in *Retired State
19 Employees et al. v. State of Washington* (Thurston county superior court
20 cause no. 92-2-01294-1). \$1,768,000 of the fiscal year 1999 general
21 fund--state appropriation, \$608,000 of the general fund--federal
22 appropriation, \$37,000 of the general fund--private/local
23 appropriation, and \$1,362,000 of the salary and insurance increase
24 revolving account appropriation are provided solely for the additional
25 \$5.77 employer funding rate. If the stipulated settlement is not
26 approved by August 1, 1998, these amounts shall lapse.

27 ~~((e))~~ (d) Surplus moneys accruing to the public employees' and
28 retirees' insurance account due to lower-than-projected insurance costs
29 may not be reallocated by the health care authority to increase the
30 actuarial value of public employee insurance plans. Such funds shall
31 be held in reserve in the public employees' and retirees' insurance
32 account and may not be expended without prior legislative
33 authorization.

34 ~~((f))~~ (e) In order to achieve the level of funding provided for
35 health benefits, the public employees' benefits board may require
36 employee premium co-payments, increase point-of-service cost sharing,
37 and/or implement managed competition.

38 (2) To facilitate the transfer of moneys from dedicated funds and
39 accounts, the state treasurer is directed to transfer sufficient moneys

1 from each dedicated fund or account to the special fund salary and
2 insurance contribution increase revolving fund in accordance with
3 schedules provided by the office of financial management.

4 (3) The health care authority, subject to the approval of the
5 public employees' benefits board, shall provide subsidies for health
6 benefit premiums to eligible retired or disabled public employees and
7 school district employees who are eligible for parts A and B of
8 medicare, pursuant to RCW 41.05.085. From January 1, 1998, through
9 December 31, 1998, the subsidy shall be \$41.26 per month. Starting
10 January 1, 1999, the subsidy shall be \$43.16 per month.

11 (4) Technical colleges, school districts, and educational service
12 districts shall remit to the health care authority for deposit in the
13 public employees' and retirees' insurance account established in RCW
14 41.05.120:

15 (a) For each full-time employee, \$14.80 per month beginning
16 September 1, 1997;

17 (b) For each part-time employee who, at the time of the remittance,
18 is employed in an eligible position as defined in RCW 41.32.010 or
19 41.40.010 and is eligible for employer fringe benefit contributions for
20 basic benefits, \$14.80 each month beginning September 1, 1997, prorated
21 by the proportion of employer fringe benefit contributions for a full-
22 time employee that the part-time employee receives.

23 The remittance requirements specified in this subsection shall not
24 apply to employees of a technical college, school district, or
25 educational service district who purchase insurance benefits through
26 contracts with the health care authority.

27 (5) The salary and insurance increase revolving account
28 appropriation includes amounts sufficient to fund health benefits for
29 ferry workers at the premium levels specified in subsection (1) of this
30 section, consistent with the 1997-99 transportation appropriations act.

31 **Sec. 711.** 1998 c 346 s 710 (uncodified) is amended to read as
32 follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMPENSATION ACTIONS OF**
34 **PERSONNEL RESOURCES BOARD**

35	General Fund--State Appropriation (FY 1998)	\$	5,289,000
36	General Fund--State Appropriation (FY 1999)	\$	10,642,000
37	General Fund--Federal Appropriation	\$	((2,777,000))
38			<u>2,803,000</u>

1	Salary and Insurance Increase Revolving	
2	Account Appropriation	\$((6,085,000))
3		<u>6,059,000</u>
4	TOTAL APPROPRIATION	\$ 24,793,000

5 The appropriations in this section shall be expended solely for the
6 purposes designated in this section and are subject to the conditions
7 and limitations in this section.

8 (1) Funding is provided to fully implement the recommendations of
9 the Washington personnel resources board consistent with the provisions
10 of chapter 319, Laws of 1996.

11 (2) Implementation of the salary adjustments for the various
12 clerical classes, physicians, dental classifications, pharmacists,
13 maintenance custodians, medical records technicians, fish/wildlife
14 biologists, fish/wildlife enforcement, habitat technicians, and fiscal
15 technician classifications will be effective July 1, 1997.
16 Implementation of the salary adjustments for safety classifications,
17 park rangers, park aides, correctional officers/sergeants, community
18 corrections specialists, tax information specialists, industrial
19 relations specialists, electrical classifications at the department of
20 labor and industries, fingerprint technicians, some labor relations
21 classifications, health benefits specialists, foresters/land managers,
22 and liquor enforcement officers will be effective July 1, 1998.

23 **Sec. 712.** 1997 c 149 s 713 (uncodified) is amended to read as
24 follows:

25 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT**
26 **SYSTEMS**

27 The appropriations in this section are subject to the following
28 conditions and limitations: The ((appropriations)) state contributions
29 to the law enforcement officers' and fire fighters' retirement system
30 shall be made on a monthly basis consistent with chapter 41.45 RCW.

31 (1) There is appropriated for state contributions to the law
32 enforcement officers' and fire fighters' retirement system:

33	General Fund Appropriation (FY 1998)	\$ 68,350,000
34	General Fund Appropriation (FY 1999)	\$ ((72,750,000))
35		<u>71,350,000</u>

36 Of the appropriations in this subsection, \$50,000 of the general
37 fund fiscal year 1998 appropriation and \$50,000 of the general fund

1 fiscal year 1999 appropriation are provided solely for House Bill No.
2 1099 (LEOFF retirement plan I). If the bill is not enacted by June 30,
3 1997, these amounts shall lapse.

4 (2) There is appropriated for contributions to the judicial
5 retirement system:

6	General Fund Appropriation (FY 1998)	. . . . . \$	8,500,000
7	General Fund Appropriation (FY 1999)	. . . . . \$	8,500,000

8 (3) There is appropriated for contributions to the judges
9 retirement system:

10	General Fund Appropriation (FY 1998)	. . . . . \$	750,000
11	General Fund Appropriation (FY 1999)	. . . . . \$	750,000
12	TOTAL APPROPRIATION	. . . . . \$	((159,600,000))
13			<u>158,200,000</u>

14 NEW SECTION. **Sec. 713.** A new section is added to 1997 c 149
15 (uncodified) to read as follows:

16 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
17 be necessary, are appropriated from the general fund, unless otherwise
18 indicated, for relief of various individuals, firms, and corporations
19 for sundry claims. These appropriations are to be disbursed on
20 vouchers approved by the director of general administration, except as
21 otherwise provided, as follows:

22 (1) Reimbursement of criminal defendants acquitted on the basis of
23 self-defense, pursuant to RCW 9A.16.110:

24	(a) Heather S. Lausten, claim number SCJ 98-02	\$	2,089
25	(b) Michael A. McGee, claim number SCJ 98-03	\$	10,364
26	(c) Arthur Watkins, claim number SCJ 98-05	\$	2,767
27	(d) Lukes Markishtum, claim number SCJ 98-06	\$	3,832
28	(e) Francesco Cozza, claim number SCJ 98-07	\$	10,862
29	(f) Jason Brown, claim number SCJ 98-08	\$	21,093
30	(g) Darius Deshields, claim number SCJ 98-10	\$	4,000
31	(h) Justin D. Rogers, claim number SCJ 98-11	\$	52,114
32	(i) Justin Anderson, claim number SCJ 98-12	\$	3,769
33	(j) R. L. Heaverlo, claim number SCJ 98-13	\$	2,145
34	(k) James A. Patten, claim number SCJ 98-14	\$	6,963
35	(l) Robert S. Cain, claim number SCJ 98-15	\$	2,169
36	(m) Jason Near, claim number SCJ 98-16	\$	4,304
37	(n) Michael Fontana, claim number SCJ 98-17	\$	3,201

1 (o) Hillel Schwartz, claim number SCJ 98-18 \$ 5,758
2 (2) Payment from the state wildlife account for damage to crops by
3 wildlife, pursuant to RCW 77.36.040:
4 Gordon Sylvester, claim number SCG 98-03 \$ 6,925

5 **Sec. 714.** 1998 c 346 s 714 (uncodified) is amended to read as
6 follows:

7 **FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE**
8 **ACCOUNT**

9 Impaired Driving Safety Account Appropriation . . . \$ 480,000

10 The appropriation in this section is subject to the following
11 conditions and limitations:

12 (1) The amount appropriated in this section shall be distributed
13 ((in accordance with RCW 82.14.320)) to all cities ratably based on
14 population as last determined by the office of financial management.
15 The distributions to any city that substantially decriminalizes or
16 repeals its criminal code after July 1, 1990, and that does not
17 reimburse the county for costs associated with criminal cases under RCW
18 3.50.800 or 3.50.805(2), shall be made to the county in which the city
19 is located. \$240,000 of the appropriation shall be distributed in
20 January 1999 and the remaining \$240,000 of the appropriation shall be
21 distributed in April 1999. This funding is provided to cities for the
22 costs of implementing criminal justice legislation including, but not
23 limited to, Substitute House Bill No. 2885 (drunk driving penalties),
24 Second Substitute House Bill No. 3070 (DUI penalties), Second
25 Substitute House Bill No. 3089 (deferred prosecution), Engrossed Senate
26 Bill No. 6142 (DUI/license suspension), Engrossed Substitute Senate
27 Bill No. 6165 (ignition interlock violations), Engrossed Substitute
28 Senate Bill No. 6166 (DUI penalties), Engrossed Substitute Senate Bill
29 No. 6187 (DUI penalties), Engrossed Senate Bill No. 6257 (intoxication
30 levels lowered), and Engrossed Second Substitute Senate Bill No. 6293
31 (DUI penalties).

32 (2) To implement the 1999 amendments to this section, the state
33 treasurer shall determine the amount of the April 1999 distribution to
34 each city in the following manner:

35 (a) The state treasurer shall determine the amount of the total
36 appropriation that would have been distributed to each city if both the
37 January 1999 and April 1999 distributions were made ratably based on
38 population;

1 (b) The state treasurer shall deduct from the amounts calculated
2 under (a) of this subsection the amount received by each city in the
3 January 1999 distribution;

4 (c) The amount to be distributed to each city shall be the amount
5 calculated under subsection (b) of this section if that amount is
6 greater than zero; and

7 (d) If the appropriation in this section is inadequate to
8 distribute the amounts calculated under (c) of this subsection, the
9 amounts distributed to each city shall be ratably reduced.

10

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 1998 c 346 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance		
premiums distribution	\$	((6,617,250))
		<u>5,645,404</u>
General Fund Appropriation for public utility		
district excise tax distribution	\$	((35,183,803))
		<u>32,201,185</u>
General Fund Appropriation for prosecuting attorneys		
salaries	\$	((2,960,000))
		<u>2,879,908</u>
General Fund Appropriation for motor vehicle excise		
tax distribution	\$	((84,721,573))
		<u>60,839,289</u>
<u>City Police and Fire Protection Assistance Account</u>		
<u>Appropriation</u>	\$	<u>23,882,284</u>
General Fund Appropriation for local mass transit		
assistance	\$	((383,208,166))
		<u>284,666,379</u>
General Fund Appropriation for camper and travel		
trailer excise tax distribution	\$	((3,904,937))
		<u>3,779,292</u>
General Fund Appropriation for boating		
safety/education and law enforcement		
distribution	\$	((3,616,000))
		<u>3,750,381</u>
Aquatic Lands Enhancement Account Appropriation		
for harbor improvement revenue distribution .	\$	((142,000))
		<u>152,342</u>
Liquor Excise Tax Account Appropriation for liquor		
excise tax distribution	\$	((22,287,746))
		<u>24,134,742</u>
Liquor Revolving Fund Appropriation for liquor		

1	profits distribution	\$	((36,989,000))
2			<u>50,199,076</u>
3	Timber Tax Distribution Account Appropriation		
4	for distribution to "Timber" counties	\$	((107,146,000))
5			<u>85,930,224</u>
6	Municipal Sales and Use Tax Equalization Account		
7	Appropriation	\$	((66,860,014))
8			<u>67,308,480</u>
9	County Sales and Use Tax Equalization Account		
10	Appropriation	\$	((11,843,224))
11			<u>11,183,832</u>
12	Death Investigations Account Appropriation for		
13	distribution to counties for publicly funded		
14	autopsies	\$	((1,266,000))
15			<u>1,365,401</u>
16	County Criminal Justice Account Appropriation	\$	81,354,471
17	Municipal Criminal Justice Account		
18	Appropriation	\$	32,522,450
19	County Public Health Account Appropriation	\$	((44,279,086))
20			<u>49,012,899</u>
21	TOTAL APPROPRIATION	\$	((924,901,720))
22			<u>820,808,039</u>

23 The total expenditures from the state treasury under the
24 appropriations in this section shall not exceed the funds available
25 under statutory distributions for the stated purposes.

26 **Sec. 802.** 1997 c 149 s 802 (uncodified) is amended to read as
27 follows:

28 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**

29	Forest Reserve Fund Appropriation for federal forest		
30	reserve fund distribution	\$	((58,801,910))
31			<u>56,515,669</u>
32	General Fund Appropriation for federal flood control		
33	funds distribution	\$	4,000
34	General Fund Appropriation for federal grazing fees		
35	distribution	\$	((52,000))
36			<u>22,102</u>
37	General Fund Appropriation for distribution of		
38	federal funds to counties in conformance with		

1	P.L. 97-99 Federal Aid to Counties	\$	((885,916))
2			<u>1,629,491</u>
3	TOTAL APPROPRIATION	\$	((59,743,826))
4			<u>58,171,262</u>

5 The total expenditures from the state treasury under the
6 appropriations in this section shall not exceed the funds available
7 under statutory distributions for the stated purposes.

8 **Sec. 803.** 1998 c 346 s 803 (uncodified) is amended to read as
9 follows:

10 **FOR THE STATE TREASURER--TRANSFERS**

11	General Fund: For transfer to the Water Quality		
12	Account	\$	((28,595,900))
13			<u>29,379,600</u>
14	General Fund: For transfer to the Flood Control		
15	Assistance Account	\$	4,000,000
16	State Convention and Trade Center Account: For		
17	transfer to the State Convention and Trade		
18	Center Operations Account	\$	((3,877,000))
19			<u>0</u>
20	Water Quality Account: For transfer to the Water		
21	Pollution Control Account. Transfers shall be		
22	made at intervals coinciding with deposits of		
23	federal capitalization grant money into the		
24	account. The amounts transferred shall not		
25	exceed the match required for each federal		
26	deposit	\$	21,688,000
27	State Treasurer's Service Account: For transfer to		
28	the general fund on or before June 30, 1999 an		
29	amount up to \$3,600,000 in excess of the cash		
30	requirements of the State Treasurer's Service		
31	Account	\$	3,600,000
32	Public Works Assistance Account: For transfer to		
33	the Drinking Water Assistance Account	\$	9,949,000
34	County Sales and Use Tax Equalization Account:		
35	For transfer to the County Public Health		
36	Account	\$	((2,191,498))

1

2,146,222

2

(End of part)

1 county courthouse for use by the office of attorney general. The
2 department of general administration shall advise and assist the office
3 of attorney general on space and functional planning to improve the
4 efficient use of the facility.

5 (2) Liquor control board:

6 Enter into a long-term lease for a headquarters office in Thurston
7 County for approximately 46,000 square feet.

8 (3) Department of corrections:

9 (a) Enter into a long-term ground lease for (~~17 acres in the~~
10 ~~Tacoma tide flats property from the Puyallup Nation~~) approximately 12
11 acres with a purchase option for development of the 400-bed Tacoma
12 prerelease facility for approximately \$360,000 per annum. (~~Prior to~~
13 ~~entering into the lease, the department shall obtain written~~
14 ~~confirmation from the city of Tacoma and Pierce county that the~~
15 ~~prerelease facility planned for the site meets all land use,~~
16 ~~environmental protection, and community notification requirements that~~
17 ~~would apply to the facility if the land was not owned by the Puyallup~~
18 ~~nation.~~)

19 (b) Enter into a financing contract on behalf of the department of
20 corrections in the amount of \$14,736,900 plus financing expenses and
21 required reserves pursuant to chapter 39.94 RCW to construct a 400-bed
22 Tacoma prerelease facility. The department of corrections shall comply
23 with all land use, environmental protection, and community notification
24 statutes, regulations, and ordinances in the construction and operation
25 of this facility.

26 (c) Lease-develop with the option to purchase or lease-purchase
27 approximately 100 work release beds in facilities throughout the state
28 for \$5,000,000.

29 (d) Enter into a financing contract on behalf of the department of
30 corrections in the amount of \$396,369 plus financing expenses and
31 required reserves pursuant to chapter 39.94 RCW to construct a dairy
32 barn at the Monroe farm.

33 (e) Enter into a financing contract on behalf of the department of
34 corrections in the amount of \$2,100,000 plus financing expenses and
35 required reserves pursuant to chapter 39.94 RCW to purchase or
36 construct a correctional industries transportation services warehouse.

37 (4) Community and technical colleges:

38 (a) Enter into a financing contract on behalf of Whatcom Community
39 College in the amount of \$800,000 plus financing expenses and required

1 reserves pursuant to chapter 39.94 RCW to develop a childcare center
2 costing \$2,410,000. The balance of project cost will be a combination
3 of local capital funds and nonstate funds provided through private
4 gifts or contributions.

5 (b) Enter into a financing contract on behalf of Pierce College in
6 the amount of \$750,000 plus financing expenses and required reserves
7 pursuant to chapter 39.94 RCW to develop a new classroom building on
8 the Lakewood campus costing \$1,816,665. The balance of project cost
9 will be provided through a combination of local capital funds and
10 existing minor works appropriation to replace relocatable classrooms
11 that are at the end of their useful lives.

12 (c) Enter into a financing contract in behalf of Bellingham
13 Technical College in the amount of \$350,000 plus financing expenses and
14 required reserves pursuant to chapter 39.94 RCW for construction of a
15 new classroom addition to the diesel/heavy equipment instructional shop
16 costing \$411,309.

17 (d) Enter into a financing contract on behalf of Green River
18 Community College in the amount of \$1,526,150 plus financing expenses
19 and reserves pursuant to chapter 39.94 RCW for remodel of the Lindbloom
20 student center building.

21 (e) Enter into a financing contract on behalf of Edmonds Community
22 College in the amount of \$2,787,950 plus financing expenses and
23 required reserves pursuant to chapter 39.94 RCW to develop a 10,000
24 square foot music building on the college campus.

25 (f) Enter into a financing contract on behalf of Highline Community
26 College in the amount of \$2,070,613 plus financing and required
27 reserves pursuant to chapter 39.94 RCW for the purchase of the Federal
28 Way Center, currently being leased by the college.

29 (g) Enter into a financial contract on behalf of Green River
30 Community College in the amount of \$100,000 plus financing and required
31 reserves pursuant to chapter 39.94 RCW to purchase approximately 1.5
32 acres of land adjacent to the westside parking lot.

33 (h) Enter into a financial contract on behalf of South Puget Sound
34 Community College in the amount of \$619,210 plus financing and required
35 reserves pursuant to chapter 39.94 RCW to expand and redevelop the main
36 campus parking lot A.

37 (i) Enter into a financial contract on behalf of South Puget Sound
38 Community College in the amount of \$5,500,000 plus financing and

1 required reserves pursuant to chapter 39.94 RCW to develop a \$6,500,000
2 student union facility.

3 (j) Enter into a financial contract on behalf of Wenatchee Valley
4 College in the amount of \$500,000 plus financing and required reserves
5 pursuant to chapter 39.94 RCW to purchase two buildings and property
6 contiguous to the college campus.

7 (5) State parks and recreation:

8 Enter into a financing contract on behalf of state parks and
9 recreation in the amount of \$2,012,000 plus financing expenses and
10 required reserves pursuant to chapter 39.94 RCW, to construct cabin and
11 lodge facilities at Cama Beach, develop new campsite electrical
12 hookups, develop new recreational facilities, and expand campsites at
13 Ocean Beach/Grayland. It is the intent of the legislature that debt
14 service on all projects financed under this authority be paid from
15 operating revenues.

16 (6) Washington state patrol:

17 Enter into a financing contract for \$600,000 plus financing
18 expenses and required reserves pursuant to chapter 39.94 RCW to
19 purchase the Washington state patrol Port Angeles detachment office.

20 **Sec. 902.** RCW 72.09.050 and 1995 c 189 s 1 are each amended to
21 read as follows:

22 The secretary shall manage the department of corrections and shall
23 be responsible for the administration of adult correctional programs,
24 including but not limited to the operation of all state correctional
25 institutions or facilities used for the confinement of convicted
26 felons. In addition, the secretary shall have broad powers to enter
27 into agreements with any federal agency, or any other state, or any
28 Washington state agency or local government providing for the operation
29 of any correctional facility or program for persons convicted of
30 felonies or misdemeanors or for juvenile offenders. Such agreements
31 for counties with local law and justice councils shall be required in
32 the local law and justice plan pursuant to RCW 72.09.300. The
33 agreements may provide for joint operation or operation by the
34 department of corrections, alone, for by any of the other governmental
35 entities, alone. Beginning February 1, 1999, the secretary may expend
36 funds appropriated for the 1997-1999 biennium to enter into agreements
37 with any local government or private organization in any other state,
38 providing for the operation of any correctional facility or program for

1 persons convicted of felonies. The secretary may employ persons to aid
2 in performing the functions and duties of the department. The
3 secretary may delegate any of his or her functions or duties to
4 department employees, including the authority to certify and maintain
5 custody of records and documents on file with the department. The
6 secretary is authorized to promulgate standards for the department of
7 corrections within appropriation levels authorized by the legislature.

8 Pursuant to the authority granted in chapter 34.05 RCW, the
9 secretary shall adopt rules providing for inmate restitution when
10 restitution is determined appropriate as a result of a disciplinary
11 action.

12 **Sec. 903.** If any provision of this act or its application to any
13 person or circumstance is held invalid, the remainder of the act or the
14 application of the provision to other persons or circumstances is not
15 affected.

16 **Sec. 904.** This act is necessary for the immediate preservation of
17 the public peace, health, or safety, or support of the state government
18 and its existing public institutions, and takes effect immediately.

19 (End of part)

1	INDEX	PAGE #
2	ADMINISTRATOR FOR THE COURTS	4
3	ATTORNEY GENERAL	10
4	BOARD OF ACCOUNTANCY	15
5	CENTRAL WASHINGTON UNIVERSITY	131
6	CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS	10
7	COMMISSION ON JUDICIAL CONDUCT	4
8	COURT OF APPEALS	4
9	DEPARTMENT OF CORRECTIONS	59
10	DEPARTMENT OF ECOLOGY	65
11	DEPARTMENT OF FISH AND WILDLIFE	72
12	DEPARTMENT OF GENERAL ADMINISTRATION	14
13	DEPARTMENT OF HEALTH	53
14	DEPARTMENT OF LABOR AND INDUSTRIES	50
15	DEPARTMENT OF LICENSING	82
16	DEPARTMENT OF NATURAL RESOURCES	78
17	DEPARTMENT OF RETIREMENT SYSTEMS OPERATIONS	13, 145
18	DEPARTMENT OF SOCIAL AND HEALTH SERVICES 18, 19, 24, 28, 33, 36, 39,	
19		41, 43-47
20	DEPARTMENT OF VETERANS AFFAIRS	52
21	DISASTER RESPONSE ACCOUNT	139
22	EASTERN WASHINGTON UNIVERSITY	130
23	EMPLOYMENT SECURITY DEPARTMENT	62
24	ENVIRONMENTAL HEARINGS OFFICE	72
25	GOVERNOR COMPENSATION--INSURANCE BENEFITS	142
26	HIGHER EDUCATION COORDINATING BOARD POLICY COORDINATION AND	
27	ADMINISTRATION	135
28	HOUSE OF REPRESENTATIVES	1
29	MILITARY DEPARTMENT	16
30	OFFICE OF FINANCIAL MANAGEMENT	12, 139-141, 144
31	PUBLIC DISCLOSURE COMMISSION	6
32	SECRETARY OF STATE	7
33	SENATE	2
34	STATE AUDITOR	9
35	STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES	122
36	STATE BOARD OF EDUCATION COMMON SCHOOL CONSTRUCTION	116
37	STATE HEALTH CARE AUTHORITY	48
38	STATE PARKS AND RECREATION COMMISSION	70

1	STATE PATROL	84
2	STATE TREASURERBOND RETIREMENT AND INTEREST	138, 147, 149-151
3	SUNDRY CLAIMS	146
4	SUPERINTENDENT OF PUBLIC INSTRUCTIONSTATE ADMINISTRATION . .	87, 94,
5		101, 103, 104, 108-110, 112-114
6	THE EVERGREEN STATE COLLEGE	132
7	UNIVERSITY OF WASHINGTON	125
8	WASHINGTON STATE UNIVERSITY	127
9	WESTERN WASHINGTON UNIVERSITY	134

--- END ---