

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 6153

Chapter 7, Laws of 2001
(partial veto)
57th Legislature
2001 Second Special Session

FISCAL MATTERS

EFFECTIVE DATE: 6/26/01 - Except section 911, which becomes effective 7/1/01.

Passed by the Senate June 20, 2001
YEAS 26 NAYS 14

BRAD OWEN

President of the Senate

Passed by the House June 15, 2001
YEAS 50 NAYS 44

FRANK CHOPP

**Speaker of the
House of Representatives**

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved June 26, 2001, with the exception of sections 2; 123(3); 203(1)(s); 217(4); 302(15); 302(16); 302(17); 308(6); 402(5); 514(12)(a); 603(12); 710; 912 and 921, which are vetoed.

GARY LOCKE

Governor of the State of Washington

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6153** as passed by the Senate and the House of Representatives on the dates hereon set forth.

TONY M. COOK

Secretary

FILED

June 26, 2001 - 11:44 a.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 6153

AS AMENDED BY THE HOUSE

Passed Legislature - 2001 2nd Special Session

State of Washington 57th Legislature 2001 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senator Brown)

READ FIRST TIME 06/08/2001.

1 AN ACT Relating to fiscal matters; amending RCW 43.320.110,
2 76.12.110, 49.70.170, 43.08.250, 82.14.310, 43.72.902, 43.79.465,
3 46.10.040, 72.11.040, 69.50.520, 79A.05.070, and 70.146.030; amending
4 2000 2nd sp.s. c 1 s 603 (uncodified); creating new sections; making
5 appropriations; providing an effective date; and declaring an
6 emergency.

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

8 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
9 to the provisions set forth in the following sections, the several
10 amounts specified in parts I through VIII of this act, or so much
11 thereof as shall be sufficient to accomplish the purposes designated,
12 are hereby appropriated and authorized to be incurred for salaries,
13 wages, and other expenses of the agencies and offices of the state and
14 for other specified purposes for the fiscal biennium beginning July 1,
15 2001, and ending June 30, 2003, except as otherwise provided, out of
16 the several funds of the state hereinafter named.

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

1 (a) "Fiscal year 2002" or "FY 2002" means the fiscal year ending
2 June 30, 2002.

3 (b) "Fiscal year 2003" or "FY 2003" means the fiscal year ending
4 June 30, 2003.

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

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

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

13 ***NEW SECTION.** *Sec. 2. If at any time during the 2001-2003 fiscal*
14 *biennium the state general fund is projected to have a cash deficit as*
15 *defined by RCW 43.88.050:*

16 (1) *The governor shall first exercise his or her authority to make*
17 *across the board allotment reductions pursuant to RCW 43.88.110.*

18 (2) *The governor, in preparing any supplemental budget requests,*
19 *after making any program reductions, shall first propose expenditure of*
20 *emergency reserve funds to respond to any remaining general fund cash*
21 *deficit prior to proposing any general fund tax increase.*

22 (3) *The legislature, in adopting any supplemental budget, after*
23 *making any program reductions, shall first make appropriations from the*
24 *emergency reserve fund to respond to any remaining general fund cash*
25 *deficit prior to authorizing any general fund tax increase.*

26 *Sec. 2 was vetoed. See message at end of chapter.

27 **PART I**
28 **GENERAL GOVERNMENT**

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

30	General Fund--State Appropriation (FY 2002) . . . \$	28,313,000
31	General Fund--State Appropriation (FY 2003) . . . \$	28,497,000
32	Department of Retirement Systems Expense Account--	
33	State Appropriation \$	45,000
34	TOTAL APPROPRIATION \$	56,855,000

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

3 (1) \$25,000 of the general fund--state appropriation is provided
4 solely for allocation to Project Citizen, a program of the national
5 conference of state legislatures to promote student civic involvement.

6 (2) \$15,000 of the general fund--state appropriation for fiscal
7 year 2002 is provided for the legislature to continue the services of
8 expert counsel on legal and policy issues relating to services for
9 persons with developmental disabilities.

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

11	General Fund--State Appropriation (FY 2002) . . . \$	22,863,000
12	General Fund--State Appropriation (FY 2003) . . . \$	23,999,000
13	Department of Retirement Systems Expense Account--	
14	State Appropriation \$	45,000
15	TOTAL APPROPRIATION \$	46,907,000

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

18 (1) \$25,000 of the general fund--state appropriation is provided
19 solely for allocation to Project Citizen, a program of the national
20 conference of state legislatures to promote student civic involvement.

21 (2) \$15,000 of the general fund--state appropriation for fiscal
22 year 2002 is provided for the legislature to continue the services of
23 expert counsel on legal and policy issues relating to services for
24 persons with developmental disabilities.

25 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
26 **COMMITTEE**

27	General Fund--State Appropriation (FY 2002) . . . \$	2,436,000
28	General Fund--State Appropriation (FY 2003) . . . \$	1,938,000
29	TOTAL APPROPRIATION \$	4,374,000

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

32 (1) \$150,000 of the general fund--state appropriation for fiscal
33 year 2002 and \$75,000 of the general fund--state appropriation for
34 fiscal year 2003 are provided solely for the joint legislative audit
35 and review committee to conduct an evaluation of the client outcomes of

1 the high school transition program operated by the department of social
2 and health services division of developmental disabilities. The study
3 shall identify the different approaches that have been used in
4 providing transition services and whether some approaches are more or
5 less successful in helping young adults with developmental disabilities
6 achieve greater levels of independence. The study shall evaluate how
7 transition programs reduce the level of support provided to clients as
8 they achieve greater levels of independence, and shall be submitted to
9 the appropriate committees of the legislature by December 1, 2002.

10 (2) \$50,000 of the general fund--state appropriation for fiscal
11 year 2002 is provided solely for the joint legislative audit and review
12 committee to conduct a capacity planning study of the capital
13 facilities of the state school for the deaf. The committee's study
14 shall be carried out in conjunction with the study of educational
15 service delivery models conducted by the state institute for public
16 policy. The study shall be submitted to the fiscal committees of the
17 legislature by September 30, 2002.

18 (3) \$35,000 of the general fund--state appropriation for fiscal
19 year 2002 is provided solely for the joint legislative audit and review
20 committee to conduct a review of water conservancy boards. The review
21 shall include an assessment of the operating costs of existing boards;
22 the sources of funding for board operations; sources of in-kind support
23 for board operations; assessment of the value of water rights subject
24 to change or transfer decisions; the range of costs of processing water
25 right transfer applications by the boards as well as by the department
26 of ecology for applications filed directly with the department; the
27 costs to the department of training, assistance, and review of board
28 recommendations on applications; board membership and board
29 recordkeeping; and public participation procedures for both the water
30 conservancy boards and the department of ecology. The committee shall
31 submit its review by January 1, 2003, to the appropriate policy and
32 fiscal committees of the legislature.

33 (4) \$40,000 of the general fund--state appropriation for fiscal
34 year 2002 is provided solely for a follow-up review to report number
35 98-3, the performance audit of the department of corrections. The
36 follow-up study shall include but not be limited to a review of:

- 37 (a) Community supervision activities performed by the department;
- 38 (b) The implementation of risk-based classification and community
39 placement models;

1 (c) The early implementation of the offender accountability act;
2 and

3 (d) The cost impacts of the risk-based models and the offender
4 accountability act.

5 The committee shall consult with the Washington state institute for
6 public policy regarding data and findings from the institute's current
7 studies on these issues. A report of the follow-up study shall be
8 submitted to the relevant policy and fiscal committees of the
9 legislature by December 21, 2001. Upon the completion of the follow-up
10 review, the committee shall make a determination whether an additional
11 phase of study is needed. If further study is indicated, the committee
12 shall submit to the relevant policy and fiscal committees of the
13 legislature its plan and cost estimate for such study by March 29,
14 2002.

15 (5) \$140,000 of the general fund--state appropriation for fiscal
16 year 2002 is provided for a study of children's mental health in
17 Washington. The study shall include but not be limited to:

18 (a) A review of plans and services for children, including those
19 for early periodic screening, diagnosis, and treatment;

20 (b) A review of the implementation of the plans;

21 (c) A review of the availability and reliability of fiscal,
22 program, and outcome data relating to mental health services provided
23 to children; and

24 (d) A survey of mental health services for children among the
25 state's regional support networks.

26 The committee shall make recommendations, as appropriate, for the
27 improvement of services and system performance, including the need for
28 performance and client outcome measures. The committee may contract
29 for consulting services in conducting the study. The committee shall
30 submit a report to the appropriate policy and fiscal committees of the
31 legislature by July 1, 2002.

32 (6) Within the amounts provided in this section, the joint
33 legislative audit and review committee shall conduct a study of the
34 Washington management service. The study shall include findings
35 regarding (a) growth in the number of positions in the Washington
36 management service, (b) growth in salary levels and structure since the
37 Washington management service's inception, and (c) other compensation
38 practices used within the Washington management service. The
39 department of personnel shall cooperate with the committee in

1 conducting the study and provide information as requested by the
2 committee. The committee shall provide a report to the fiscal
3 committees of the legislature by December 31, 2001.

4 (7) Within the amounts provided in this section, the joint
5 legislative audit and review committee shall review all aspects of the
6 mental health prevalence study completed in accordance with section 204
7 of this act, including but not limited to the contractor selection
8 process, if any; the study design and workplan; the implementation of
9 the study; and the draft and final reports.

10 (8) The committee shall study and report on pipeline safety as
11 provided in section 149 of this act.

12 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
13 **ACCOUNTABILITY PROGRAM COMMITTEE**

14	General Fund--State Appropriation (FY 2002) . . . \$	1,329,000
15	General Fund--State Appropriation (FY 2003) . . . \$	1,462,000
16	Public Works Assistance Account--State	
17	Appropriation \$	203,000
18	TOTAL APPROPRIATION \$	2,994,000

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

20	Department of Retirement Systems Expense Account--	
21	State Appropriation \$	1,923,000

22 The appropriation in this section is subject to the following
23 conditions and limitations: The joint committee on pension policy, in
24 collaboration with various interested parties, shall study issues of
25 pension governance and recommend legislation for consideration in the
26 2002 legislative session.

27 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
28 **COMMITTEE**

29	General Fund--State Appropriation (FY 2002) . . . \$	6,421,000
30	General Fund--State Appropriation (FY 2003) . . . \$	7,043,000
31	TOTAL APPROPRIATION \$	13,464,000

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

33	General Fund--State Appropriation (FY 2002) . . . \$	3,909,000
34	General Fund--State Appropriation (FY 2003) . . . \$	4,038,000

1 TOTAL APPROPRIATION \$ 7,947,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: \$41,000 of the general fund fiscal year
4 2002 appropriation and \$43,000 of the general fund fiscal year 2003
5 appropriation are provided solely for the uniform legislation
6 commission.

7 NEW SECTION. Sec. 108. LEGISLATIVE AGENCIES. In order to achieve
8 operating efficiencies within the financial resources available to the
9 legislative branch, the executive rules committee of the house of
10 representatives and the facilities and operations committee of the
11 senate by joint action may transfer funds among the house of
12 representatives, senate, joint legislative audit and review committee,
13 legislative evaluation and accountability program committee,
14 legislative transportation committee, office of the state actuary,
15 joint legislative systems committee, and statute law committee.

16 NEW SECTION. Sec. 109. FOR THE SUPREME COURT
17 General Fund--State Appropriation (FY 2002) . . . \$ 5,423,000
18 General Fund--State Appropriation (FY 2003) . . . \$ 5,510,000
19 TOTAL APPROPRIATION \$ 10,933,000

20 NEW SECTION. Sec. 110. FOR THE LAW LIBRARY
21 General Fund--State Appropriation (FY 2002) . . . \$ 1,982,000
22 General Fund--State Appropriation (FY 2003) . . . \$ 1,983,000
23 TOTAL APPROPRIATION \$ 3,965,000

24 NEW SECTION. Sec. 111. FOR THE COURT OF APPEALS
25 General Fund--State Appropriation (FY 2002) . . . \$ 12,746,000
26 General Fund--State Appropriation (FY 2003) . . . \$ 12,878,000
27 TOTAL APPROPRIATION \$ 25,624,000

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

30 (1) \$505,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$606,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for lease increases associated
33 with the division I facility. Within the funds provided in this

1 subsection, the court of appeals shall conduct a space planning study
2 exploring options dealing with remodeling existing space to accommodate
3 needs and evaluating the cost and benefits of moving to another
4 location.

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

14 NEW SECTION. **Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

15	General Fund--State Appropriation (FY 2002) . . . \$	955,000
16	General Fund--State Appropriation (FY 2003) . . . \$	969,000
17	TOTAL APPROPRIATION \$	1,924,000

18 NEW SECTION. **Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS**

19	General Fund--State Appropriation (FY 2002) . . . \$	14,247,000
20	General Fund--State Appropriation (FY 2003) . . . \$	14,386,000
21	Public Safety and Education Account--State	
22	Appropriation \$	29,634,000
23	Judicial Information Systems Account--State	
24	Appropriation \$	27,758,000
25	TOTAL APPROPRIATION \$	86,025,000

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

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

33 (2) No moneys appropriated in this section may be expended by the
34 administrator for the courts for payments in excess of fifty percent of
35 the employer contribution on behalf of superior court judges for
36 insurance and health care plans and federal social security and

1 medicare and medical aid benefits. As required by Article IV, section
2 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,
3 it is the intent of the legislature that the costs of these employer
4 contributions shall be shared equally between the state and county or
5 counties in which the judges serve. The administrator for the courts
6 shall continue to implement procedures for the collection and
7 disbursement of these employer contributions. During each fiscal year
8 in the 2001-03 biennium, the office of the administrator for the courts
9 shall send written notice to the office of community development in the
10 department of community, trade, and economic development when each
11 county pays its fifty percent share for the year.

12 (3) \$223,000 of the public safety and education account
13 appropriation is provided solely for the gender and justice commission.

14 (4) \$308,000 of the public safety and education account
15 appropriation is provided solely for the minority and justice
16 commission.

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

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

36 (7) \$750,000 of the public safety and education account--state
37 appropriation is provided solely for judicial program enhancements.
38 Within the funding provided in this subsection, the administrator for
39 the courts, in consultation with the supreme court, shall determine the

1 program or programs to receive an enhancement. Among the programs that
2 may be funded from the amount provided in this subsection are unified
3 family courts.

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

13 NEW SECTION. **Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE**

14	General Fund--State Appropriation (FY 2002) . . . \$	600,000
15	Public Safety and Education Account--State	
16	Appropriation \$	12,626,000
17	TOTAL APPROPRIATION \$	13,226,000

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

20 (1) \$233,000 of the public safety and education account
21 appropriation is provided solely to increase the reimbursement for
22 private attorneys providing constitutionally mandated indigent defense
23 in nondeath penalty cases.

24 (2) \$51,000 of the public safety and education account
25 appropriation is provided solely for the implementation of chapter 303,
26 Laws of 1999 (court funding).

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

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

33 (a) The goal of the pilot program shall be to enhance the quality
34 of legal representation in dependency and termination hearings, thereby
35 reducing the number of continuances requested by contract attorneys,
36 including those based on the unavailability of defense counsel. To
37 meet the goal, the pilot shall include the following components:

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

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

9 (iii) Use of investigative and expert services in appropriate
10 cases; and

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

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

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

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

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

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

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

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

33 (5) \$50,000 of the public safety and education account--state
34 appropriation is provided solely for the evaluation required in chapter
35 92, Laws of 2000 (DNA testing).

36 (6) \$235,000 of the public safety and education account--state
37 appropriation is provided solely for the office of public defense to
38 contract with an existing public defender association to establish a
39 capital defense assistance center.

1 NEW SECTION. **Sec. 115. FOR THE OFFICE OF THE GOVERNOR**

2	General Fund--State Appropriation (FY 2002) . . . \$	4,537,000
3	General Fund--State Appropriation (FY 2003) . . . \$	4,524,000
4	General Fund--Federal Appropriation \$	219,000
5	Water Quality Account--State	
6	Appropriation \$	3,908,000
7	TOTAL APPROPRIATION \$	13,188,000

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

10 (1) \$3,908,000 of the water quality account appropriation and
11 \$219,000 of the general fund--federal appropriation are provided solely
12 for the Puget Sound water quality action team to implement the Puget
13 Sound work plan and agency action items PSAT-01 through PSAT-05.

14 (2) \$100,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$100,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely for the salmon recovery office to
17 support the efforts of the independent science panel.

18 NEW SECTION. **Sec. 116. FOR THE LIEUTENANT GOVERNOR**

19	General Fund--State Appropriation (FY 2002) . . . \$	449,000
20	General Fund--State Appropriation (FY 2003) . . . \$	451,000
21	TOTAL APPROPRIATION \$	900,000

22 NEW SECTION. **Sec. 117. FOR THE PUBLIC DISCLOSURE COMMISSION**

23	General Fund--State Appropriation (FY 2002) . . . \$	1,910,000
24	General Fund--State Appropriation (FY 2003) . . . \$	1,903,000
25	TOTAL APPROPRIATION \$	3,813,000

26 NEW SECTION. **Sec. 118. FOR THE SECRETARY OF STATE**

27	General Fund--State Appropriation (FY 2002) \$	10,513,000
28	General Fund--State Appropriation (FY 2003) \$	8,707,000
29	Archives and Records Management Account--State	
30	Appropriation \$	7,295,000
31	Archives and Records Management Account--Private/	
32	Local Appropriation \$	3,860,000
33	Department of Personnel Service Account	
34	Appropriation \$	719,000
35	TOTAL APPROPRIATION \$	31,094,000

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

3 (1) \$2,296,000 of the general fund--state appropriation for fiscal
4 year 2002 is provided solely to reimburse counties for the state's
5 share of primary and general election costs and the costs of conducting
6 mandatory recounts on state measures. Counties shall be reimbursed
7 only for those odd-year election costs that the secretary of state
8 validates as eligible for reimbursement.

9 (2) \$2,193,000 of the general fund--state appropriation for fiscal
10 year 2002 and \$2,712,000 of the general fund--state appropriation for
11 fiscal year 2003 are provided solely for the verification of initiative
12 and referendum petitions, maintenance of related voter registration
13 records, and the publication and distribution of the voters and
14 candidates pamphlet.

15 (3) \$125,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$125,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided solely for legal advertising of state
18 measures under RCW 29.27.072.

19 (4)(a) \$1,944,004 of the general fund--state appropriation for
20 fiscal year 2002 and \$1,986,772 of the general fund--state
21 appropriation for fiscal year 2003 are provided solely for contracting
22 with a nonprofit organization to produce gavel-to-gavel television
23 coverage of state government deliberations and other events of
24 statewide significance during the 2001-2003 biennium. An eligible
25 nonprofit organization must be formed solely for the purpose of, and be
26 experienced in, providing gavel-to-gavel television coverage of state
27 government deliberations and other events of statewide significance and
28 must have received a determination of tax-exempt status under section
29 501(c)(3) of the federal internal revenue code. The funding level for
30 each year of the contract shall be based on the amount provided in this
31 subsection and adjusted to reflect the implicit price deflator for the
32 previous year. The nonprofit organization shall be required to raise
33 contributions or commitments to make contributions, in cash or in kind,
34 in an amount equal to forty percent of the state contribution. The
35 office of the secretary of state may make full or partial payment once
36 all criteria in (a) and (b) of this subsection have been satisfactorily
37 documented.

38 (b) The legislature finds that the commitment of on-going funding
39 is necessary to ensure continuous, autonomous, and independent coverage

1 of public affairs. For that purpose, the secretary of state shall
2 enter into a four-year contract with the nonprofit organization to
3 provide public affairs coverage through June 30, 2006.

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

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

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

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

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

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

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

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

29 (b) \$613,879 of the archives and records management--state
30 appropriation and \$463,102 of the archives and records management--
31 private/local appropriation are provided solely for the design and
32 establishment of an electronic data archive, including the acquisition
33 of hardware and software. The amounts provided in this subsection
34 shall lapse if:

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

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

1 (6) If the financing contract for expansion of the state records
2 center is not authorized in the capital budget for fiscal biennium
3 2001-03, then \$641,000 of the archives and records management account--
4 state appropriation shall lapse.

5 (7) \$867,000 of the archives and records management account--state
6 appropriation is provided solely for operation of the central
7 microfilming bureau under RCW 40.14.020(8).

8 NEW SECTION. **Sec. 119. FOR THE GOVERNOR'S OFFICE OF INDIAN**
9 **AFFAIRS**

10	General Fund--State Appropriation (FY 2002) . . . \$	269,000
11	General Fund--State Appropriation (FY 2003) . . . \$	282,000
12	TOTAL APPROPRIATION \$	551,000

13 NEW SECTION. **Sec. 120. FOR THE COMMISSION ON ASIAN-AMERICAN**
14 **AFFAIRS**

15	General Fund--State Appropriation (FY 2002) . . . \$	233,000
16	General Fund--State Appropriation (FY 2003) . . . \$	233,000
17	TOTAL APPROPRIATION \$	466,000

18 NEW SECTION. **Sec. 121. FOR THE STATE TREASURER**

19	State Treasurer's Service Account--State	
20	Appropriation \$	12,870,000

21 NEW SECTION. **Sec. 122. FOR THE REDISTRICTING COMMISSION**

22	General Fund--State Appropriation (FY 2002) . . . \$	856,000
23	General Fund--State Appropriation (FY 2003) . . . \$	20,000
24	TOTAL APPROPRIATION \$	876,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: On January 1, 2003, any unspent portions
27 of this appropriation shall be deposited in the common school
28 construction fund.

29 *NEW SECTION. **Sec. 123. FOR THE STATE AUDITOR**

30	General Fund--State Appropriation (FY 2002) . . . \$	1,078,000
31	General Fund--State Appropriation (FY 2003) . . . \$	1,324,000
32	State Auditing Services Revolving Account--State	
33	Appropriation \$	13,540,000

1 TOTAL APPROPRIATION \$ 15,942,000

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

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

9 (2) \$910,000 of the general fund--state appropriation for fiscal
10 year 2002 and \$910,000 of the general fund--state appropriation for
11 fiscal year 2003 are provided solely for staff and related costs to
12 verify the accuracy of reported school district data submitted for
13 state funding purposes; conduct school district program audits of state
14 funded public school programs; establish the specific amount of state
15 funding adjustments whenever audit exceptions occur and the amount is
16 not firmly established in the course of regular public school audits;
17 and to assist the state special education safety net committee when
18 requested.

19 (3) *\$300,000 of the general fund--state appropriation for fiscal*
20 *year 2002 and \$300,000 of the general fund--state appropriation for*
21 *fiscal year 2003 are provided solely for the state auditor to conduct*
22 *performance audits of three governmental entities as demonstration*
23 *audits for state and local government agencies. Each audit shall*
24 *include a financial history and shall identify and review performance*
25 *measures, benchmarks, quality management practices, and efficiencies*
26 *achieved. The state auditor may contract for consulting services in*
27 *completing these audits. The state auditor shall report findings from*
28 *these audits to the appropriate legislative committees by December 1,*
29 *2002.*

30 *Sec. 123 was partially vetoed. See message at end of chapter.

31 NEW SECTION. **Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES**
32 **FOR ELECTED OFFICIALS**

33 General Fund--State Appropriation (FY 2002) . . . \$ 80,000
34 General Fund--State Appropriation (FY 2003) . . . \$ 152,000
35 TOTAL APPROPRIATION \$ 232,000

36 NEW SECTION. **Sec. 125. FOR THE ATTORNEY GENERAL**

1	General Fund--State Appropriation (FY 2002)	\$	4,811,000
2	General Fund--State Appropriation (FY 2003)	\$	4,806,000
3	General Fund--Federal Appropriation	\$	2,868,000
4	Public Safety and Education Account--State		
5	Appropriation	\$	1,789,000
6	Tobacco Prevention and Control Account		
7	Appropriation	\$	277,000
8	New Motor Vehicle Arbitration Account--State		
9	Appropriation	\$	1,163,000
10	Legal Services Revolving Account--State		
11	Appropriation	\$	147,306,000
12	TOTAL APPROPRIATION	\$	163,020,000

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

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

21 (2) The attorney general and the office of financial management
22 shall modify the attorney general billing system to meet the needs of
23 user agencies for greater predictability, timeliness, and explanation
24 of how legal services are being used by the agency. The attorney
25 general shall provide the following information each month to agencies
26 receiving legal services: (a) The full-time equivalent attorney
27 services provided for the month; (b) the full-time equivalent
28 investigator services provided for the month; (c) the full-time
29 equivalent paralegal services provided for the month; and (d) direct
30 legal costs, such as filing and docket fees, charged to the agency for
31 the month.

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

37 NEW SECTION. **Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

1	General Fund--State Appropriation (FY 2002) . . .	\$	631,000
2	General Fund--State Appropriation (FY 2003) . . .	\$	619,000
3	TOTAL APPROPRIATION	\$	1,250,000

4 NEW SECTION. **Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
5 **AND ECONOMIC DEVELOPMENT**

6	General Fund--State Appropriation (FY 2002) . . .	\$	71,083,500
7	General Fund--State Appropriation (FY 2003) . . .	\$	70,873,500
8	General Fund--Federal Appropriation	\$	173,342,000
9	General Fund--Private/Local Appropriation	\$	7,980,000
10	Public Safety and Education Account--State		
11	Appropriation	\$	10,300,000
12	Public Works Assistance Account--State		
13	Appropriation	\$	1,911,000
14	Film and Video Promotion Account--State		
15	Appropriation	\$	25,000
16	Building Code Council Account--State		
17	Appropriation	\$	1,061,000
18	Administrative Contingency Account--State		
19	Appropriation	\$	1,777,000
20	Low-Income Weatherization Assistance Account--State		
21	Appropriation	\$	3,292,000
22	Violence Reduction and Drug Enforcement Account--		
23	State Appropriation	\$	6,081,000
24	Manufactured Home Installation Training Account--		
25	State Appropriation	\$	256,000
26	Community Economic Development Account--		
27	State Appropriation	\$	113,000
28	Washington Housing Trust Account--State		
29	Appropriation	\$	5,597,000
30	Public Facility Construction Loan Revolving		
31	Account--State Appropriation	\$	550,000
32	TOTAL APPROPRIATION	\$	354,242,000

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

35 (1) It is the intent of the legislature that the department of
36 community, trade, and economic development receive separate
37 programmatic allotments for the office of community development and the

1 office of trade and economic development. Any appropriation made to
2 the department of community, trade, and economic development for
3 carrying out the powers, functions, and duties of either office shall
4 be credited to the appropriate office.

5 (2) \$3,085,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$3,085,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for a contract with the Washington
8 technology center. For work essential to the mission of the Washington
9 technology center and conducted in partnership with universities, the
10 center shall not pay any increased indirect rate nor increases in other
11 indirect charges above the absolute amount paid during the 1995-97
12 fiscal biennium.

13 (3) \$61,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$62,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for the implementation of the
16 Puget Sound work plan and agency action item OCD-01.

17 (4) \$10,403,445 of the general fund--federal appropriation is
18 provided solely for the drug control and system improvement formula
19 grant program, to be distributed in state fiscal year 2002 as follows:

20 (a) \$3,603,250 to local units of government to continue
21 multijurisdictional narcotics task forces;

22 (b) \$620,000 to the department to continue the drug prosecution
23 assistance program in support of multijurisdictional narcotics task
24 forces;

25 (c) \$1,363,000 to the Washington state patrol for coordination,
26 investigative, and supervisory support to the multijurisdictional
27 narcotics task forces and for methamphetamine education and response;

28 (d) \$200,000 to the department for grants to support tribal law
29 enforcement needs;

30 (e) \$991,000 to the department of social and health services,
31 division of alcohol and substance abuse, for drug courts in eastern and
32 western Washington;

33 (f) \$302,551 to the department for training and technical
34 assistance of public defenders representing clients with special needs;

35 (g) \$88,000 to the department to continue a substance abuse
36 treatment in jails program, to test the effect of treatment on future
37 criminal behavior;

38 (h) \$697,075 to the department to continue domestic violence legal
39 advocacy;

1 (i) \$903,000 to the department of social and health services,
2 juvenile rehabilitation administration, to continue youth violence
3 prevention and intervention projects;

4 (j) \$60,000 to the Washington association of sheriffs and police
5 chiefs to complete the state and local components of the national
6 incident-based reporting system;

7 (k) \$60,000 to the department for community-based advocacy services
8 to victims of violent crime, other than sexual assault and domestic
9 violence;

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

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

14 (n) \$500,469 to the office of financial management for criminal
15 history records improvement; and

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

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

30 (5) \$470,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$470,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for rural economic development
33 activities including \$200,000 for the Washington manufacturing service,
34 and \$100,000 for business retention and expansion.

35 (6) \$1,250,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$1,250,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided solely for grants to operate, repair, and
38 staff shelters for homeless families with children.

1 (7) \$2,500,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$2,500,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for grants to operate transitional
4 housing for homeless families with children. The grants may also be
5 used to make partial payments for rental assistance.

6 (8) \$1,250,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$1,250,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for consolidated emergency
9 assistance to homeless families with children.

10 (9) \$205,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$205,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for grants to Washington Columbia
13 river gorge counties to implement their responsibilities under the
14 national scenic area management plan. Of this amount, \$390,000 is
15 provided for Skamania county and \$20,000 is provided for Clark county.

16 (10) \$698,000 of the general fund--state appropriation for fiscal
17 year 2002, \$698,000 of the general fund--state appropriation for fiscal
18 year 2003, and \$1,101,000 of the administrative contingency account
19 appropriation are provided solely for contracting with associate
20 development organizations to maintain existing programs.

21 (11) \$600,000 of the public safety and education account
22 appropriation is provided solely for sexual assault prevention and
23 treatment programs.

24 (12) \$680,000 of the Washington housing trust account appropriation
25 is provided solely to conduct a pilot project designed to lower
26 infrastructure costs for residential development.

27 (13) \$50,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$50,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided to the department solely for providing
30 technical assistance to developers of housing for farmworkers.

31 (14) \$370,000 of the general fund--state appropriation for fiscal
32 year 2002, \$371,000 of the general fund--state appropriation for fiscal
33 year 2003, and \$25,000 of the film and video promotion account
34 appropriation are provided solely for the film office to bring film and
35 video production to Washington state.

36 (15) \$22,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$23,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely as a matching grant to support the

1 Washington state senior games. State funding shall be matched with at
2 least an equal amount of private or local governmental funds.

3 (16) \$500,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$500,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for grants to food banks and food
6 distribution centers to increase their ability to accept, store, and
7 deliver perishable food.

8 (17) \$230,000 of the general fund--state appropriation for fiscal
9 year 2002, \$230,000 of the general fund--state appropriation for fiscal
10 year 2003, and the entire community economic development account
11 appropriation are provided solely for support of the developmental
12 disabilities endowment governing board and startup costs of the
13 endowment program. Startup costs are a loan from the state general
14 fund and will be repaid from funds within the program as determined by
15 the governing board. The governing board may use state appropriations
16 to implement a sliding-scale fee waiver for families earning below 150
17 percent of the state median family income. The director of the
18 department, or the director of the subsequent department of community
19 development, may implement fees to support the program as provided
20 under RCW 43.330.152.

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

26 (19) \$65,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$65,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely for a contract with a food
29 distribution program for communities in the southwestern portion of the
30 state and for workers impacted by timber and salmon fishing closures
31 and reductions. The department may not charge administrative overhead
32 or expenses to the funds provided in this subsection.

33 (20) \$120,000 of the general fund--state appropriation for fiscal
34 year 2002 and \$120,000 of the general fund--state appropriation for
35 fiscal year 2003 are provided solely as one-time pass-through funding
36 to currently licensed overnight youth shelters.

37 (21) Repayments of outstanding loans granted under RCW 43.63A.600,
38 the mortgage and rental assistance program, shall be remitted to the
39 department, including any current revolving account balances. The

1 department shall contract with a lender or contract collection agent to
2 act as a collection agent of the state. The lender or contract
3 collection agent shall collect payments on outstanding loans, and
4 deposit them into an interest-bearing account. The funds collected
5 shall be remitted to the department quarterly. Interest earned in the
6 account may be retained by the lender or contract collection agent, and
7 shall be considered a fee for processing payments on behalf of the
8 state. Repayments of loans granted under this chapter shall be made to
9 the lender or contract collection agent as long as the loan is
10 outstanding, notwithstanding the repeal of the chapter.

11 (22) \$75,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$75,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the community connections
14 program in Walla Walla.

15 (23) \$100,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$100,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided to the office of community development
18 solely for the purposes of providing assistance to industrial workers
19 who have been displaced by energy cost-related industrial plant
20 closures in rural counties. For purposes of this subsection, "rural
21 county" is as defined in RCW 82.14.370(5). The office of community
22 development shall distribute the amount in this subsection to community
23 agencies that assist the displaced industrial workers in meeting basic
24 needs including, but not limited to, emergency medical and dental
25 services, family and mental health counseling, food, energy costs,
26 mortgage, and rental costs. The department shall not retain more than
27 two percent of the amount provided in this subsection for
28 administrative costs.

29 (24) \$91,500 of the general fund--state appropriation for fiscal
30 year 2002 and \$91,500 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for services related to the
32 foreign representative contract for Japan.

33 (25) \$81,000 of the general fund--state appropriation for fiscal
34 year 2002 and \$81,000 of the general fund--state appropriation for
35 fiscal year 2003 are provided solely for business finance and loan
36 programs.

37 (26) \$150,000 of the general fund--state appropriation for fiscal
38 year 2002 is provided solely for the quick sites initiative program.

1 (27) \$120,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$120,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for operating a business
4 information hotline.

5 (28) \$29,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$29,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for travel expenses associated
8 with the office of trade and economic development's provision of
9 outreach and technical assistance services to businesses and local
10 economic development associations.

11 (29) \$100,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$100,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for information technology
14 enhancements designed to improve the delivery of agency services to
15 customers.

16 NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST**
17 **COUNCIL**

18	General Fund--State Appropriation (FY 2002) . . . \$	512,000
19	General Fund--State Appropriation (FY 2003) . . . \$	514,000
20	TOTAL APPROPRIATION \$	1,026,000

21 NEW SECTION. **Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

22	General Fund--State Appropriation (FY 2002) . . . \$	12,456,000
23	General Fund--State Appropriation (FY 2003) . . . \$	12,024,000
24	General Fund--Federal Appropriation \$	23,657,000
25	Violence Reduction and Drug Enforcement	
26	Account--State Appropriation \$	229,000
27	State Auditing Services Revolving	
28	Account--State Appropriation \$	25,000
29	TOTAL APPROPRIATION \$	48,391,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: The office of financial management shall
32 review policies and procedures regarding purchasing of information
33 technology upgrades by state agencies. Information technology upgrades
34 include replacement workstations, network equipment, operating systems
35 and application software. The review shall document existing policies
36 and procedures, and shall compare alternative upgrade policies that

1 reduce the overall cost to state government for maintaining adequate
2 information technology to meet the existing business needs of state
3 agencies. Findings and recommendations from this review shall be
4 reported to appropriate committees of the legislature by December 1,
5 2001.

6 NEW SECTION. **Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**
7 Administrative Hearings Revolving Account--State
8 Appropriation \$ 21,938,000

9 NEW SECTION. **Sec. 131. FOR THE DEPARTMENT OF PERSONNEL**
10 Department of Personnel Service Account--State
11 Appropriation \$ 17,297,000
12 Higher Education Personnel Services Account--State
13 Appropriation \$ 1,636,000
14 TOTAL APPROPRIATION \$ 18,933,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: The department of personnel may charge
17 agencies through the data processing revolving account up to \$561,000
18 in fiscal year 2002 to study the development of a new personnel and
19 payroll system. Funding to cover these expenses shall be realized from
20 agency FICA savings associated with the pretax benefits contributions
21 plans. Funding is subject to section 902 of this act.

22 NEW SECTION. **Sec. 132. FOR THE WASHINGTON STATE LOTTERY**
23 Lottery Administrative Account--State
24 Appropriation \$ 22,130,000

25 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**
26 General Fund--State Appropriation (FY 2002) . . . \$ 226,000
27 General Fund--State Appropriation (FY 2003) . . . \$ 234,000
28 TOTAL APPROPRIATION \$ 460,000

29 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**
30 **AFFAIRS**
31 General Fund--State Appropriation (FY 2002) . . . \$ 211,000
32 General Fund--State Appropriation (FY 2003) . . . \$ 209,000
33 TOTAL APPROPRIATION \$ 420,000

1 NEW SECTION. **Sec. 135. FOR THE PERSONNEL APPEALS BOARD**

2 Department of Personnel Service Account--State

3 Appropriation \$ 1,679,000

4 NEW SECTION. **Sec. 136. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**

5 **OPERATIONS**

6 Dependent Care Administrative Account--State

7 Appropriation \$ 378,000

8 Department of Retirement Systems Expense Account--

9 State Appropriation \$ 49,562,000

10 TOTAL APPROPRIATION \$ 49,940,000

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

13 (1) \$1,000,000 of the department of retirement systems expense
14 account appropriation is provided solely for support of the information
15 systems project known as the electronic document image management
16 system.

17 (2) \$120,000 of the department of retirement systems expense
18 account appropriation is provided solely for locating inactive members
19 entitled to retirement benefits.

20 (3) \$117,000 of the department of retirement systems expense
21 account appropriation is provided solely for modifications to the
22 retirement information systems to accommodate tracking of
23 postretirement employment on an hourly basis.

24 (4) \$440,000 of the department of retirement systems expense
25 account is provided solely for the implementation of Engrossed Senate
26 Bill No. 5143 (Washington state patrol retirement systems plan 2).

27 (5) \$6,420,000 of the department of retirement systems expense
28 account is provided solely for the implementation of public employees'
29 retirement system plan 3 (chapter 247, Laws of 2000).

30 (6) \$101,000 of the department of retirement systems expense
31 account--state appropriation is provided solely to implement Senate
32 Bill No. 5144 (LEOFF survivor benefit). If the bill is not enacted by
33 July 31, 2001, the amount provided in this subsection shall lapse.

34 (7) \$744,000 of the department of retirement systems expense
35 account--state appropriation is provided solely to implement Second
36 Engrossed Substitute Senate Bill No. 6166 (LEOFF restructuring). If

1 the bill is not enacted by July 31, 2001, the amount provided in this
2 subsection shall lapse.

3 NEW SECTION. **Sec. 137. FOR THE STATE INVESTMENT BOARD**

4 State Investment Board Expense Account--State
5 Appropriation \$ 12,876,000

6 NEW SECTION. **Sec. 138. FOR THE DEPARTMENT OF REVENUE**

7 General Fund--State Appropriation (FY 2002) . . . \$ 72,820,000
8 General Fund--State Appropriation (FY 2003) . . . \$ 72,387,000
9 Timber Tax Distribution Account--State
10 Appropriation \$ 5,131,000
11 Waste Education/Recycling/Litter Control--State
12 Appropriation \$ 101,000
13 State Toxics Control Account--State
14 Appropriation \$ 67,000
15 Oil Spill Administration Account--State
16 Appropriation \$ 14,000
17 TOTAL APPROPRIATION \$ 150,520,000

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

20 \$269,000 of the general fund--state appropriation for fiscal year
21 2002 and \$49,000 of the general fund--state appropriation for fiscal
22 year 2003 are provided solely to establish and provide staff support to
23 a committee on taxation to study the elasticity, equity, and adequacy
24 of the state's tax system.

25 (1) The committee shall consist of eleven members. The department
26 shall appoint six academic scholars from the fields of economics,
27 taxation, business administration, public administration, public
28 policy, and other relevant disciplines as determined by the department,
29 after consulting with the majority and minority leaders in the senate,
30 the co-speakers in the house of representatives, the chair of the ways
31 and means committee in the senate, and the co-chairs of the finance
32 committee in the house of representatives. The governor and the chairs
33 of the majority and minority caucuses in each house of the legislature
34 shall each appoint one member to the committee. These appointments may
35 be legislative members. The members of the committee shall either
36 elect a voting chair from among their membership or a nonvoting chair

1 who is not a member of the committee. Members of the committee shall
2 serve without compensation but shall be reimbursed for travel expenses
3 under RCW 43.03.050 and 43.03.060.

4 (2) The purpose of the study is to determine how well the current
5 tax system functions and how it might be changed to better serve the
6 citizens of the state in the twenty-first century. In reviewing
7 options for changes to the tax system, the committee shall develop
8 multiple alternatives to the existing tax system. To the extent
9 possible, the alternatives shall be designed to increase the harmony
10 between the tax system of this state and the surrounding states,
11 encourage commerce and business creation, and encourage home ownership.
12 In developing alternatives, the committee shall examine and consider
13 the effects of tax incentives, including exemptions, deferrals, and
14 credits. The alternatives shall range from incremental improvements in
15 the current tax structure to complete replacement of the tax structure.
16 In conducting the study, the committee shall examine the tax structures
17 of other states and review previous studies regarding tax reform in
18 this state. In developing alternatives, the committee shall be guided
19 by administrative simplicity, economic neutrality, fairness, stability,
20 and transparency. Most of the alternatives presented by the committee
21 to the legislature shall be revenue neutral and contain no income tax.

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

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

29 **NEW SECTION. Sec. 139. FOR THE BOARD OF TAX APPEALS**

30	General Fund--State Appropriation (FY 2002) . . . \$	1,193,000
31	General Fund--State Appropriation (FY 2003) . . . \$	1,038,000
32	TOTAL APPROPRIATION \$	2,231,000

33 **NEW SECTION. Sec. 140. FOR THE MUNICIPAL RESEARCH COUNCIL**

34	City and Town Research Services Account--	
35	State Appropriation \$	3,814,000
36	County Research Services Account--State	
37	Appropriation \$	761,000

1 TOTAL APPROPRIATION \$ 4,575,000

2 NEW SECTION. **Sec. 141. FOR THE OFFICE OF MINORITY AND WOMEN'S**
3 **BUSINESS ENTERPRISES**

4 OMWBE Enterprises Account--State
5 Appropriation \$ 2,616,000

6 NEW SECTION. **Sec. 142. FOR THE DEPARTMENT OF GENERAL**
7 **ADMINISTRATION**

8 General Fund--State Appropriation (FY 2002) . . . \$ 549,000
9 General Fund--State Appropriation (FY 2003) . . . \$ 630,000
10 General Fund--Federal Appropriation \$ 1,930,000
11 General Fund--Private/Local Appropriation \$ 444,000
12 State Capitol Vehicle Parking Account--
13 State Appropriation \$ 154,000
14 General Administration Services Account--State
15 Appropriation \$ 41,419,000
16 TOTAL APPROPRIATION \$ 45,126,000

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

19 (1) The department shall conduct a review of the ultimate
20 purchasing system to evaluate the following: (a) The degree to which
21 program objectives and assumptions were achieved; (b) the degree to
22 which planned schedule of phases, tasks, and activities were
23 accomplished; (c) an assessment of estimated and actual costs of each
24 phase; (d) an assessment of project cost recovery/cost avoidance,
25 return on investment, and measurable outcomes as each relate to the
26 agency's business functions and other agencies' business functions; and
27 (e) the degree to which integration with the agency and state
28 information technology infrastructure was achieved. The department
29 will receive written input from participating pilot agencies that
30 describes measurable organizational benefits and cost avoidance
31 opportunities derived from use of the ultimate purchasing system. The
32 performance review shall be submitted to the office of financial
33 management and the appropriate legislative fiscal committees by July 1,
34 2002.

35 (2) \$60,000 of the general administration services account
36 appropriation is provided solely for costs associated with the

1 development of the information technology architecture to link the risk
2 management information system and the tort division's case management
3 system, and the reconciliation of defense cost reimbursement
4 information.

5 NEW SECTION. **Sec. 143. FOR THE DEPARTMENT OF INFORMATION SERVICES**
6 Data Processing Revolving Account--State
7 Appropriation \$ 3,706,000

8 The appropriation in this section is subject to the following
9 conditions and limitations:

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

16 (2) Some private K-12 schools have requested limited "pilot
17 connections" to the K-20 network to test the technical and economic
18 feasibility of one or more connection models. These K-20 connections
19 shall be provided to the private K-12 schools on a full cost
20 reimbursement basis, net of the value of services and information
21 provided by the private K-12 schools based on criteria approved by the
22 K-20 board.

23 (3) In the 2001-03 biennium, the department shall incorporate
24 statewide elements for a common technology infrastructure into the
25 state strategic information technology plan that state agencies shall
26 then use in establishing individual agency business applications.

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

29 NEW SECTION. **Sec. 144. FOR THE INSURANCE COMMISSIONER**
30 General Fund--Federal Appropriation \$ 622,000
31 Insurance Commissioners Regulatory Account--State
32 Appropriation \$ 29,053,000
33 TOTAL APPROPRIATION \$ 29,675,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: \$693,000 of the insurance commissioner's

1 regulatory account appropriation is provided solely for moving and
2 renovation costs associated with the colocation of the agency's
3 Olympia-area facilities. Expenditures from this amount shall be
4 subject to the approval of the department of general administration.

5 NEW SECTION. **Sec. 145. FOR THE BOARD OF ACCOUNTANCY**

6 Certified Public Accountants' Account--State
7 Appropriation \$ 1,716,000

8 The appropriation in this section is subject to the following
9 conditions and limitations: \$355,000 of the certified public
10 accountants' account appropriation is provided solely for the
11 implementation of Engrossed Second Substitute Senate Bill No. 5593
12 (public accountancy act). If the bill is not enacted by June 30, 2001,
13 this amount shall lapse. During fiscal years 2002 and 2003, the board
14 is authorized to increase fees in excess of the fiscal growth factor
15 pursuant to RCW 43.135.055.

16 NEW SECTION. **Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL**

17 Death Investigations Account--State
18 Appropriation \$ 276,000

19 The appropriation in this section is subject to the following
20 conditions and limitations: \$250,000 of the death investigation
21 account appropriation is provided solely for providing financial
22 assistance to local jurisdictions in multiple death investigations.
23 The forensic investigation council shall develop criteria for awarding
24 these funds for multiple death investigations involving an
25 unanticipated, extraordinary, and catastrophic event or those involving
26 multiple jurisdictions.

27 NEW SECTION. **Sec. 147. FOR THE HORSE RACING COMMISSION**

28 Horse Racing Commission Account--State
29 Appropriation \$ 4,504,000

30 NEW SECTION. **Sec. 148. FOR THE LIQUOR CONTROL BOARD**

31 General Fund--State Appropriation (FY 2002) . . . \$ 1,483,000
32 General Fund--State Appropriation (FY 2003) . . . \$ 1,484,000
33 Liquor Control Board Construction and Maintenance

1	Account--State Appropriation	\$	8,114,000
2	Liquor Revolving Account--State		
3	Appropriation	\$	142,148,000
4	TOTAL APPROPRIATION	\$	153,229,000

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

7 (1) \$1,573,000 of the liquor revolving account appropriation is
8 provided solely for the agency information technology upgrade. This
9 amount provided in this subsection is conditioned upon satisfying the
10 requirements of section 902 of this act.

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

19 NEW SECTION. **Sec. 149. FOR THE UTILITIES AND TRANSPORTATION**
20 **COMMISSION**

21	Public Service Revolving Account--State		
22	Appropriation	\$	27,108,000
23	Pipeline Safety Account--State		
24	Appropriation	\$	3,305,000
25	Pipeline Safety Account--Federal		
26	Appropriation	\$	822,000
27	TOTAL APPROPRIATION	\$	31,235,000

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

30 (1) \$3,011,000 of the pipeline safety account--state appropriation
31 and \$822,000 of the pipeline safety account--federal appropriation are
32 provided solely for the implementation of Substitute Senate Bill No.
33 5182 (pipeline safety). If the bill is not enacted by June 30, 2001,
34 the amount provided in this subsection shall lapse.

35 (2) \$294,000 of the pipeline safety account--state appropriation is
36 provided solely for an interagency agreement with the joint legislative

1 audit and review committee for a report on hazardous liquid and gas
 2 pipeline safety programs. The committee shall review staff use,
 3 inspection activity, fee methodology, and costs of the hazardous liquid
 4 and gas pipeline safety programs and report to the appropriate
 5 legislative committees by July 1, 2003. The report shall include a
 6 comparison of interstate and intrastate programs, including but not
 7 limited to the number and complexity of regular and specialized
 8 inspections, mapping requirements for each program, and allocation of
 9 administrative costs to each program. If Substitute Senate Bill No.
 10 5182 (pipeline safety) is not enacted by June 30, 2001, the amount
 11 provided in this section shall lapse.

12 NEW SECTION. **Sec. 150. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
 13 Volunteer Firefighters' Relief and Pension
 14 Administrative Account--State
 15 Appropriation \$ 569,000

16 NEW SECTION. **Sec. 151. FOR THE MILITARY DEPARTMENT**
 17 General Fund--State Appropriation (FY 2002) . . . \$ 9,165,000
 18 General Fund--State Appropriation (FY 2003) . . . \$ 8,979,000
 19 General Fund--Federal Appropriation \$ 22,509,000
 20 General Fund--Private/Local Appropriation \$ 234,000
 21 Enhanced 911 Account--State Appropriation \$ 16,544,000
 22 Disaster Response Account--State Appropriation . \$ 582,000
 23 Disaster Response Account--Federal Appropriation \$ 3,392,000
 24 Worker and Community Right to Know Fund--State
 25 Appropriation \$ 283,000
 26 Nisqually Earthquake Account--State
 27 Appropriation \$ 37,884,000
 28 Nisqually Earthquake Account--Federal
 29 Appropriation \$ 157,795,000
 30 TOTAL APPROPRIATION \$ 257,367,000

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

33 (1) \$582,000 of the disaster response account--state appropriation
 34 is provided solely for the state share of response and recovery costs
 35 associated with federal emergency management agency (FEMA) disasters
 36 approved in the 1999-01 biennium budget. The military department may,

1 upon approval of the director of financial management, use portions of
2 the disaster response account--state appropriation to offset costs of
3 new disasters occurring before June 30, 2003. The military department
4 shall submit a report quarterly to the office of financial management
5 and the legislative fiscal committees detailing disaster costs,
6 including: (a) Estimates of total costs; (b) incremental changes from
7 the previous estimate; (c) actual expenditures; (d) estimates of total
8 remaining costs to be paid; and (d) estimates of future payments by
9 biennium. This information shall be displayed by individual disaster,
10 by fund, and by type of assistance. The military department shall also
11 submit a report quarterly to the office of financial management and the
12 legislative fiscal committees detailing information on the disaster
13 response account, including: (a) The amount and type of deposits into
14 the account; (b) the current available fund balance as of the reporting
15 date; and (c) the projected fund balance at the end of the 2001-03
16 biennium based on current revenue and expenditure patterns.

17 (2) \$100,000 of the general fund--state fiscal year 2002
18 appropriation and \$100,000 of the general fund--state fiscal year 2003
19 appropriation are provided solely for implementation of the conditional
20 scholarship program pursuant to chapter 28B.103 RCW.

21 (3) \$60,000 of the general fund--state appropriation for fiscal
22 year 2002 and \$60,000 of the general fund--state appropriation for
23 fiscal year 2003 are provided solely for the implementation of Senate
24 Bill No. 5256 (emergency management compact). If the bill is not
25 enacted by June 30, 2001, the amounts provided in this subsection shall
26 lapse.

27 (4) \$35,000 of the general fund--state fiscal year 2002
28 appropriation and \$35,000 of the general fund--state fiscal year 2003
29 appropriation are provided solely for the north county emergency
30 medical service.

31 (5) \$1,374,000 of the Nisqually earthquake account--state
32 appropriation and \$3,861,000 of the Nisqually earthquake account--
33 federal appropriation are provided solely for the military department's
34 costs associated with coordinating the state's response to the February
35 28, 2001, earthquake.

36 (6) \$1,347,000 of the Nisqually earthquake account--state
37 appropriation and \$5,359,000 of the Nisqually earthquake account--
38 federal appropriation are provided solely for mitigation costs
39 associated with the earthquake for state and local agencies. Of the

1 amount from the Nisqually earthquake account--state appropriation,
 2 \$898,000 is provided for the state matching share for state agencies
 3 and \$449,000 is provided for one-half of the local matching share for
 4 local entities. The amount provided for the local matching share
 5 constitutes a revenue distribution for purposes of RCW 43.135.060(1).

6 (7) \$35,163,000 of the Nisqually earthquake account--state
 7 appropriation and \$148,575,000 of the Nisqually earthquake account--
 8 federal appropriation are provided solely for public assistance costs
 9 associated with the earthquake for state and local agencies. Of the
 10 amount from the Nisqually earthquake account--state appropriation,
 11 \$20,801,000 is provided for the state matching share for state agencies
 12 and \$14,362,000 is provided for one-half of the local matching share
 13 for local entities. The amount provided for the local matching share
 14 constitutes a revenue distribution for purposes of RCW 43.135.060(1).
 15 Upon approval of the director of financial management, the military
 16 department may use portions of the Nisqually earthquake account--state
 17 appropriations to cover other response and recovery costs associated
 18 with the Nisqually earthquake that are not eligible for federal
 19 emergency management agency reimbursement. The military department is
 20 to submit a quarterly report detailing the costs authorized under this
 21 subsection to the office of financial management and the legislative
 22 fiscal committees.

23 NEW SECTION. **Sec. 152. FOR THE PUBLIC EMPLOYMENT RELATIONS**
 24 **COMMISSION**

25	General Fund--State Appropriation (FY 2002) . . .	\$	2,154,000
26	General Fund--State Appropriation (FY 2003) . . .	\$	2,164,000
27	TOTAL APPROPRIATION	\$	4,318,000

28 NEW SECTION. **Sec. 153. FOR THE GROWTH PLANNING HEARINGS BOARD**

29	General Fund--State Appropriation (FY 2002) . . .	\$	1,497,000
30	General Fund--State Appropriation (FY 2003) . . .	\$	1,506,000
31	TOTAL APPROPRIATION	\$	3,003,000

32 NEW SECTION. **Sec. 154. FOR THE STATE CONVENTION AND TRADE CENTER**

33	State Convention and Trade Center Operating		
34	Account--State Appropriation	\$	37,848,000
35	State Convention and Trade Center Account--State		
36	Appropriation	\$	29,886,000

1 TOTAL APPROPRIATION \$ 67,734,000

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PART II
HUMAN SERVICES

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

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

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) In the event the department receives additional unrestricted federal funds or achieves savings in excess of that anticipated in this act, the department shall use up to \$5,000,000 of such funds to initiate a pilot project providing integrated support services to homeless individuals needing mental health services, alcohol or substance abuse treatment, medical care, or who demonstrate community

1 safety concerns. Before such a pilot project is initiated, the
2 department shall notify the fiscal committees of the legislature of the
3 plans for such a pilot project including the source of funds to be
4 used.

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

7	General Fund--State Appropriation (FY 2002) . . . \$	225,789,000
8	General Fund--State Appropriation (FY 2003) . . . \$	239,013,000
9	General Fund--Federal Appropriation \$	372,408,000
10	General Fund--Private/Local Appropriation \$	400,000
11	Public Safety and Education Account--	
12	State Appropriation \$	987,000
13	Violence Reduction and Drug Enforcement Account--	
14	State Appropriation \$	5,702,000
15	TOTAL APPROPRIATION \$	844,299,000

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

18 (1) \$2,237,000 of the fiscal year 2002 general fund--state
19 appropriation, \$2,288,000 of the fiscal year 2003 general fund--state
20 appropriation, and \$1,590,000 of the general fund--federal
21 appropriation are provided solely for the category of services titled
22 "intensive family preservation services."

23 (2) \$685,000 of the general fund--state fiscal year 2002
24 appropriation and \$701,000 of the general fund--state fiscal year 2003
25 appropriation are provided to contract for the operation of one
26 pediatric interim care facility. The facility shall provide
27 residential care for up to thirteen children through two years of age.
28 Seventy-five percent of the children served by the facility must be in
29 need of special care as a result of substance abuse by their mothers.
30 The facility shall also provide on-site training to biological,
31 adoptive, or foster parents. The facility shall provide at least three
32 months of consultation and support to parents accepting placement of
33 children from the facility. The facility may recruit new and current
34 foster and adoptive parents for infants served by the facility. The
35 department shall not require case management as a condition of the
36 contract.

1 (3) \$524,000 of the general fund--state fiscal year 2002
2 appropriation and \$536,000 of the general fund--state fiscal year 2003
3 appropriation are provided for up to three nonfacility-based programs
4 for the training, consultation, support, and recruitment of biological,
5 foster, and adoptive parents of children through age three in need of
6 special care as a result of substance abuse by their mothers, except
7 that each program may serve up to three medically fragile nonsubstance-
8 abuse-affected children. In selecting nonfacility-based programs,
9 preference shall be given to programs whose federal or private funding
10 sources have expired or that have successfully performed under the
11 existing pediatric interim care program.

12 (4) \$1,260,000 of the fiscal year 2002 general fund--state
13 appropriation, \$1,248,000 of the fiscal year 2003 general fund--state
14 appropriation, and \$4,196,000 of the violence reduction and drug
15 enforcement account appropriation are provided solely for the family
16 policy council and community public health and safety networks. The
17 funding level for the family policy council and community public health
18 and safety networks represents a 25 percent reduction below the funding
19 level for the 1999-2001 biennium. Funding levels shall be reduced 25
20 percent for both the family policy council and network grants.
21 Reductions to network grants shall be allocated so as to maintain
22 current funding levels, to the greatest extent possible, for projects
23 with the strongest evidence of positive outcomes and for networks with
24 substantial compliance with contracts for network grants.

25 (5) \$2,215,000 of the fiscal year 2002 general fund--state
26 appropriation, \$4,394,000 of the fiscal year 2003 general fund--state
27 appropriation, and \$5,604,000 of the general fund--federal
28 appropriation are provided solely for reducing the average caseload
29 level per case-carrying social worker. Average caseload reductions are
30 intended to increase the amount of time social workers spend in direct
31 contact with the children, families, and foster parents involved with
32 their open cases. The department shall use some of the funds provided
33 in several local offices to increase staff that support case-carrying
34 social workers in ways that will allow social workers to increase
35 direct contact time with children, families, and foster parents. To
36 achieve the goal of reaching an average caseload ratio of 1:24 by the
37 end of fiscal year 2003, the department shall develop a plan for
38 redeploying 30 FTEs to case-carrying social worker and support
39 positions from other areas in the children and family services budget.

1 The FTE redeployment plan shall be submitted to the fiscal committees
2 of the legislature by December 1, 2001.

3 (6) \$1,000,000 of the fiscal year 2002 general fund--state
4 appropriation and \$1,000,000 of the fiscal year 2003 general fund--
5 state appropriation are provided solely for increasing foster parent
6 respite care services that improve the retention of foster parents and
7 increase the stability of foster placements. The department shall
8 report quarterly to the appropriate committees of the legislature
9 progress against appropriate baseline measures for foster parent
10 retention and stability of foster placements.

11 (7) \$1,050,000 of the general fund--federal appropriation is
12 provided solely for increasing kinship care placements for children who
13 otherwise would likely be placed in foster care. These funds shall be
14 used for extraordinary costs incurred by relatives at the time of
15 placement, or for extraordinary costs incurred by relatives after
16 placement if such costs would likely cause a disruption in the kinship
17 care placement. \$50,000 of the funds provided shall be contracted to
18 the Washington institute for public policy to conduct a study of
19 kinship care placements. The study shall examine the prevalence and
20 needs of families who are raising related children and shall compare
21 services and policies of Washington state with other states that have
22 a higher rate of kinship care placements in lieu of foster care
23 placements. The study shall identify possible changes in services and
24 policies that are likely to increase appropriate kinship care
25 placements.

26 (8) \$3,386,000 of the fiscal year 2002 general fund--state
27 appropriation, \$7,671,000 of the fiscal year 2003 general fund--state
28 appropriation, and \$20,819,000 of the general fund--federal
29 appropriation are provided solely for increases in the cost per case
30 for foster care and adoption support. \$16,000,000 of the general
31 fund--federal amount shall remain unallotted until the office of
32 financial management approves a plan submitted by the department to
33 achieve a higher rate of federal earnings in the foster care program.
34 That plan shall also be submitted to the fiscal committees of the
35 legislature and shall indicate projected federal revenue compared to
36 actual fiscal year 2001 levels. Within the amounts provided for foster
37 care, the department shall increase the basic rate for foster care to
38 an average of \$420 per month on July 1, 2001, and to an average of \$440
39 per month on July 1, 2002. The department shall use the remaining

1 funds provided in this subsection to pay for increases in the cost per
 2 case for foster care and adoption support. The department shall seek
 3 to control rate increases and reimbursement decisions for foster care
 4 and adoption support cases such that the cost per case for family
 5 foster care, group care, receiving homes, and adoption support does not
 6 exceed the amount assumed in the projected caseload expenditures plus
 7 the amounts provided in this subsection.

8 (9) \$1,767,000 of the general fund--state appropriation for fiscal
 9 year 2002, \$2,461,000 of the general fund--state appropriation for
 10 fiscal year 2003, and \$1,485,000 of the general fund--federal
 11 appropriation are provided solely for rate and capacity increases for
 12 child placing agencies. Child placing agencies shall increase their
 13 capacity by 15 percent in fiscal year 2002 and 30 percent in fiscal
 14 year 2003.

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

18 (11) \$125,000 of the general fund--state appropriation for fiscal
 19 year 2002 and \$125,000 of the general fund--state appropriation for
 20 fiscal year 2003 are provided solely for a foster parent retention
 21 program. This program is directed at foster parents caring for
 22 children who act out sexually, as described in House Bill No. 1525
 23 (foster parent retention program).

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

26 (1) COMMUNITY SERVICES

27	General Fund--State Appropriation (FY 2002)	\$	36,625,000
28	General Fund--State Appropriation (FY 2003)	\$	38,125,000
29	General Fund--Federal Appropriation	\$	14,609,000
30	General Fund--Private/Local Appropriation	\$	380,000
31	Juvenile Accountability Incentive		
32	Account--Federal Appropriation	\$	9,361,000
33	Public Safety and Education		
34	Account--State Appropriation	\$	6,196,000
35	Violence Reduction and Drug Enforcement Account--		
36	State Appropriation	\$	21,972,000
37	TOTAL APPROPRIATION	\$	127,268,000

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

3 (a) \$686,000 of the violence reduction and drug enforcement account
4 appropriation is provided solely for deposit in the county criminal
5 justice assistance account for costs to the criminal justice system
6 associated with the implementation of chapter 338, Laws of 1997
7 (juvenile code revisions). The amounts provided in this subsection are
8 intended to provide funding for county adult court costs associated
9 with the implementation of chapter 338, Laws of 1997 and shall be
10 distributed in accordance with RCW 82.14.310.

11 (b) \$5,980,000 of the violence reduction and drug enforcement
12 account appropriation is provided solely for the implementation of
13 chapter 338, Laws of 1997 (juvenile code revisions). The amounts
14 provided in this subsection are intended to provide funding for county
15 impacts associated with the implementation of chapter 338, Laws of 1997
16 and shall be distributed to counties as prescribed in the current
17 consolidated juvenile services (CJS) formula.

18 (c) \$1,161,000 of the general fund--state appropriation for fiscal
19 year 2002, \$1,162,000 of the general fund--state appropriation for
20 fiscal year 2003, and \$5,190,000 of the violence reduction and drug
21 enforcement account appropriation are provided solely to implement
22 community juvenile accountability grants pursuant to chapter 338, Laws
23 of 1997 (juvenile code revisions). Funds provided in this subsection
24 may be used solely for community juvenile accountability grants,
25 administration of the grants, and evaluations of programs funded by the
26 grants.

27 (d) \$2,515,000 of the violence reduction and drug enforcement
28 account appropriation is provided solely to implement alcohol and
29 substance abuse treatment programs for locally committed offenders.
30 The juvenile rehabilitation administration shall award these moneys on
31 a competitive basis to counties that submitted a plan for the provision
32 of services approved by the division of alcohol and substance abuse.
33 The juvenile rehabilitation administration shall develop criteria for
34 evaluation of plans submitted and a timeline for awarding funding and
35 shall assist counties in creating and submitting plans for evaluation.

36 (e) \$100,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$100,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely for juvenile rehabilitation
39 administration to contract with the institute for public policy for

1 responsibilities assigned in chapter 338, Laws of 1997 (juvenile code
2 revisions).

3 (f) \$100,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$100,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for a contract for expanded
6 services of the teamchild project.

7 (g) \$423,000 of the general fund--state appropriation for fiscal
8 year 2002, \$924,000 of the general fund--state appropriation for fiscal
9 year 2003, \$174,000 of the general fund--federal appropriation,
10 \$196,000 of the public safety and education assistance account
11 appropriation, and \$690,000 of the violence reduction and drug
12 enforcement account appropriation are provided solely to increase
13 payment rates for contracted service providers.

14 (h) \$16,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$16,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely for the implementation of chapter
17 167, Laws of 1999 (firearms on school property). The amounts provided
18 in this subsection are intended to provide funding for county impacts
19 associated with the implementation of chapter 167, Laws of 1999, and
20 shall be distributed to counties as prescribed in the current
21 consolidated juvenile services (CJS) formula.

22 (i) \$3,441,000 of the general fund--state appropriation for fiscal
23 year 2002 and \$3,441,000 of the general fund--state appropriation for
24 fiscal year 2003 are provided solely for distribution to county
25 juvenile court administrators to fund the costs of processing truancy,
26 children in need of services, and at-risk youth petitions. The
27 department shall not retain any portion of these funds to cover
28 administrative or any other departmental costs. The department, in
29 conjunction with the juvenile court administrators, shall develop an
30 equitable funding distribution formula. The formula shall neither
31 reward counties with higher than average per-petition processing costs
32 nor shall it penalize counties with lower than average per-petition
33 processing costs.

34 (j) \$6,000,000 of the public safety and education account--state
35 appropriation is provided solely for distribution to county juvenile
36 court administrators to fund the costs of processing truancy, children
37 in need of services, and at-risk youth petitions. To the extent that
38 distributions made under (i) and (j) of this subsection and pursuant to
39 section 801 of this act exceed actual costs of processing truancy,

1 children in need of services, and at-risk youth petitions, the
2 department, in consultation with the respective juvenile court
3 administrator and the county, may approve expenditure of funds provided
4 in this subsection on other costs of the civil or criminal justice
5 system. When this occurs, the department shall notify the office of
6 financial management and the legislative fiscal committees. The
7 department shall not retain any portion of these funds to cover
8 administrative or any other departmental costs. The department, in
9 conjunction with the juvenile court administrators, shall develop an
10 equitable funding distribution formula. The formula shall neither
11 reward counties with higher than average per-petition processing costs
12 nor shall it penalize counties with lower than average per-petition
13 processing costs.

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

19 (l) Each quarter during the 2001-03 fiscal biennium, each county
20 shall report the number of petitions processed and the total actual
21 costs of processing the petitions in each of the following categories:
22 Truancy, children in need of services, and at-risk youth. Counties
23 shall submit the reports to the department no later than 45 days after
24 the end of the quarter. The department shall forward this information
25 to the chair and ranking minority member of the house of
26 representatives appropriations committee and the senate ways and means
27 committee no later than 60 days after a quarter ends. These reports
28 are deemed informational in nature and are not for the purpose of
29 distributing funds.

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

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

38 (o) \$900,000 of the general fund--state appropriation for fiscal
39 year 2002 and \$900,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the continued implementation
2 of the juvenile violence prevention grant program established in
3 section 204, chapter 309, Laws of 1999.

4 (p) \$33,000 of the general fund--state appropriation for fiscal
5 year 2002 and \$29,000 of the general fund--state appropriation for
6 fiscal year 2003 are provided solely for the implementation of House
7 Bill No. 1070 (juvenile offender basic training). If the bill is not
8 enacted by June 30, 2001, the amounts provided in this subsection shall
9 lapse.

10 (q) \$21,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$42,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for the implementation of Senate
13 Bill No. 5468 (chemical dependency). If the bill is not enacted by
14 June 30, 2001, the amounts provided in this subsection shall lapse.

15 (r) The juvenile rehabilitation administration, in consultation
16 with the juvenile court administrators, may agree on a formula to allow
17 the transfer of funds among amounts appropriated for consolidated
18 juvenile services, community juvenile accountability act grants, the
19 chemically dependent disposition alternative, and the special sex
20 offender disposition alternative.

21 *(s) \$1,377,000 of the general fund--state appropriation for fiscal*
22 *year 2002 and \$1,669,000 of the general fund--state appropriation for*
23 *fiscal year 2003 are provided solely for contracted beds at local*
24 *county detention facilities. The juvenile rehabilitation*
25 *administration shall contract for these beds and shall not consider*
26 *these beds to achieve reductions in bed capacity.*

27 (2) INSTITUTIONAL SERVICES

28	General Fund--State Appropriation (FY 2002) . . . \$	46,773,000
29	General Fund--State Appropriation (FY 2003) . . . \$	48,735,000
30	General Fund--Federal Appropriation \$	14,000
31	General Fund--Private/Local Appropriation \$	740,000
32	Violence Reduction and Drug Enforcement Account--	
33	State Appropriation \$	15,280,000
34	TOTAL APPROPRIATION \$	111,542,000

35 The appropriations in this subsection are subject to the following
36 conditions and limitations: \$40,000 of the general fund--state
37 appropriation for fiscal year 2002 and \$84,000 of the general fund--

1 state appropriation for fiscal year 2003 are provided solely to
2 increase payment rates for contracted service providers.

3 (3) PROGRAM SUPPORT

4	General Fund--State Appropriation (FY 2002) . . . \$	1,738,000
5	General Fund--State Appropriation (FY 2003) . . . \$	1,765,000
6	General Fund--Federal Appropriation \$	307,000
7	Juvenile Accountability Incentive Account--Federal	
8	Appropriation \$	1,100,000
9	Violence Reduction and Drug Enforcement Account--	
10	State Appropriation \$	421,000
11	TOTAL APPROPRIATION \$	5,331,000
12	*Sec. 203 was partially vetoed. See message at end of chapter.	

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

15 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

16	General Fund--State Appropriation (FY 2002) . . . \$	191,089,000
17	General Fund--State Appropriation (FY 2003) . . . \$	194,884,000
18	General Fund--Federal Appropriation \$	339,077,000
19	General Fund--Local Appropriation \$	4,363,000
20	Health Services Account--State	
21	Appropriation \$	2,450,000
22	TOTAL APPROPRIATION \$	731,863,000

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

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

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

35 (c) \$388,000 of the general fund--state appropriation for fiscal
36 year 2002, \$1,927,000 of the general fund--state appropriation for

1 fiscal year 2003, and \$2,349,000 of the general fund--federal
2 appropriation are provided solely for development and operation of
3 community residential and support services for persons whose treatment
4 needs constitute substantial barriers to community placement and who no
5 longer require active psychiatric treatment at an inpatient hospital
6 level of care, no longer meet the criteria for inpatient involuntary
7 commitment, and who are clinically ready for discharge from a state
8 psychiatric hospital. In the event that enough patients are not
9 transitioned or diverted from the state hospitals to close at least two
10 hospital wards by July 2002, and two additional wards by April 2003, a
11 proportional share of these funds shall be transferred to the
12 appropriations in subsection (2) of this section to support continued
13 care of the patients in the state hospitals. Primary responsibility
14 and accountability for provision of appropriate community support for
15 persons placed with these funds shall reside with the mental health
16 program and the regional support networks, with partnership and active
17 support from the alcohol and substance abuse and from the aging and
18 adult services programs. The department shall negotiate performance-
19 based incentive contracts with those regional support networks which
20 have the most viable plans for providing appropriate community support
21 services for significant numbers of persons from their area who would
22 otherwise be served in the state hospitals. The funds appropriated in
23 this subsection shall not be considered "available resources" as
24 defined in RCW 71.24.025 and are not subject to the standard allocation
25 formula applied in accordance with RCW 71.24.035(13)(a).

26 (d) At least \$1,000,000 of the federal block grant funding
27 appropriated in this subsection shall be used for (i) initial
28 development, training, and operation of the community support teams
29 which will work with long-term state hospital residents prior and
30 subsequent to their return to the community; and (ii) development of
31 support strategies which will reduce the unnecessary and excessive use
32 of state and local hospitals for short-term crisis stabilization
33 services. Such strategies may include training and technical
34 assistance to community long-term care and substance abuse providers;
35 the development of diversion beds and stabilization support teams;
36 examination of state hospital policies regarding admissions; and the
37 development of new contractual standards to assure that the statutory
38 requirement that 85 percent of short-term detentions be managed locally
39 is being fulfilled. The department shall report to the fiscal and

1 policy committees of the legislature on the results of these efforts by
2 November 1, 2001, and again by November 1, 2002.

3 (e) The department is authorized to implement a new formula for
4 allocating available resources among the regional support networks.
5 The distribution formula shall use the number of persons eligible for
6 the state medical programs funded under chapter 74.09 RCW as the
7 measure of the requirement for the number of acutely mentally ill,
8 chronically mentally ill, severely emotionally disturbed children, and
9 seriously disturbed in accordance with RCW 71.24.035(13)(a). The new
10 formula shall be phased in over a period of no less than six years.
11 Furthermore, the department shall increase the medicaid capitation
12 rates which a regional support network would otherwise receive under
13 the formula by an amount sufficient to assure that total funding
14 allocated to the regional support network in fiscal year 2002 increases
15 by up to 2.1 percent over the amount actually paid to that regional
16 support network in fiscal year 2001, and by up to an additional 2.3
17 percent in fiscal year 2003, if total funding to the regional support
18 network would otherwise increase by less than those percentages under
19 the new formula, and provided that the nonfederal share of the higher
20 medicaid payment rate is provided by the regional support network from
21 local funds.

22 (f) Within funds appropriated in this subsection, the department
23 shall contract with the Clark county regional support network for
24 development and operation of a project demonstrating collaborative
25 methods for providing intensive mental health services in the school
26 setting for severely emotionally disturbed children who are medicaid
27 eligible. Project services are to be delivered by teachers and
28 teaching assistants who qualify as, or who are under the supervision
29 of, mental health professionals meeting the requirements of chapter
30 275-57 WAC. The department shall increase medicaid payments to the
31 regional support network by the amount necessary to cover the necessary
32 and allowable costs of the demonstration, not to exceed the upper
33 payment limit specified for the regional support network in the
34 department's medicaid waiver agreement with the federal government
35 after meeting all other medicaid spending requirements assumed in this
36 subsection. The regional support network shall provide the department
37 with (i) periodic reports on project service levels, methods, and
38 outcomes; and (ii) an intergovernmental transfer equal to the state

1 share of the increased medicaid payment provided for operation of this
2 project.

3 (g) The health services account appropriation is provided solely
4 for implementation of strategies which the department and the affected
5 regional support networks conclude will best assure continued
6 availability of community-based inpatient psychiatric services in all
7 areas of the state. Such strategies may include, but are not limited
8 to, emergency contracts for continued operation of inpatient facilities
9 otherwise at risk of closure because of demonstrated uncompensated
10 care; start-up grants for development of evaluation and treatment
11 facilities; and increases in the rate paid for inpatient psychiatric
12 services for medically indigent and/or general assistance for the
13 unemployed patients. The funds provided in this subsection must be:
14 (i) Prioritized for use in those areas of the state which are at
15 greatest risk of lacking sufficient inpatient psychiatric treatment
16 capacity, rather than being distributed on a formula basis; (ii)
17 prioritized for use by those hospitals which do not receive low-income
18 disproportionate share hospital payments as of the date of application
19 for funding; and (iii) matched on a one-quarter local, three-quarters
20 state basis by funding from the regional support network or networks in
21 the area in which the funds are expended. Payments from the amount
22 provided in this subsection shall not be made to any provider that has
23 not agreed that, except for prospective rate increases, the payment
24 shall offset, on a dollar-for-dollar basis, any liability that may be
25 established against, or any settlement that may be agreed to by the
26 state, regarding the rate of state reimbursement for inpatient
27 psychiatric care. The funds provided in this subsection shall not be
28 considered "available resources" as defined in RCW 71.24.025 and are
29 not subject to the distribution formula established pursuant to RCW
30 71.24.035.

31 (2) INSTITUTIONAL SERVICES

32	General Fund--State Appropriation (FY 2002) . . . \$	85,836,000
33	General Fund--State Appropriation (FY 2003) . . . \$	83,001,000
34	General Fund--Federal Appropriation \$	139,098,000
35	General Fund--Private/Local Appropriation \$	29,289,000
36	TOTAL APPROPRIATION \$	337,224,000

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

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

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

9 (c) The department shall seek to reduce the census of the two state
10 psychiatric hospitals by 120 beds by April 2003 by arranging and
11 providing community residential, mental health, and other support
12 services for long-term state hospital patients whose treatment needs
13 constitute substantial barriers to community placement and who no
14 longer require active psychiatric treatment at an inpatient hospital
15 level of care, no longer meet the criteria for inpatient involuntary
16 commitment, and who are clinically ready for discharge from a state
17 psychiatric hospital. No such patient is to move from the hospital
18 until a team of community professionals has become familiar with the
19 person and their treatment plan; assessed their strengths, preferences,
20 and needs; arranged a safe, clinically-appropriate, and stable place
21 for them to live; assured that other needed medical, behavioral, and
22 social services are in place; and is contracted to monitor the person's
23 progress on an ongoing basis. The department and the regional support
24 networks shall endeavor to assure that hospital patients are able to
25 return to their area of origin, and that placements are not
26 concentrated in proximity to the hospitals.

27 (d) For each month subsequent to the month in which a state
28 hospital bed has been closed in accordance with (c) of this subsection,
29 the mental health program shall transfer to the medical assistance
30 program state funds equal to the state share of the monthly per capita
31 expenditure amount estimated for categorically needy-disabled persons
32 in the most recent forecast of medical assistance expenditures.

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

37 (3) CIVIL COMMITMENT

38 General Fund--State Appropriation (FY 2002) . . . \$ 20,037,000

1	General Fund--State Appropriation (FY 2003) . . . \$	22,441,000
2	TOTAL APPROPRIATION \$	42,478,000

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

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

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

15 (c) By October 1, 2001, the department shall report to the office
16 of financial management and the fiscal committees of the house of
17 representatives and senate detailing information on plans for
18 increasing the efficiency of staffing patterns at the new civil
19 commitment center facility being constructed on McNeil Island.

20 (4) SPECIAL PROJECTS

21	General Fund--State Appropriation (FY 2002) . . . \$	444,000
22	General Fund--State Appropriation (FY 2003) . . . \$	443,000
23	General Fund--Federal Appropriation \$	2,082,000
24	TOTAL APPROPRIATION \$	2,969,000

25 (5) PROGRAM SUPPORT

26	General Fund--State Appropriation (FY 2002) . . . \$	3,104,000
27	General Fund--State Appropriation (FY 2003) . . . \$	3,231,000
28	General Fund--Federal Appropriation \$	5,796,000
29	TOTAL APPROPRIATION \$	12,131,000

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

32 (a) \$113,000 of the general fund--state appropriation for fiscal
33 year 2002, \$125,000 of the general fund--state appropriation for fiscal
34 year 2003, and \$164,000 of the general fund--federal appropriation are
35 provided solely for the institute for public policy to evaluate the

1 impacts of chapter 214, Laws of 1999 (mentally ill offenders), chapter
2 217, Laws of 2000 (atypical anti-psychotic medications), chapter 297,
3 Laws of 1998 (commitment of mentally ill persons), and chapter 334,
4 Laws of 2001 (mental health performance audit).

5 (b) \$168,000 of the general fund--state appropriation for fiscal
6 year 2002, \$243,000 of the general fund--state appropriation for fiscal
7 year 2003, and \$411,000 of the general fund--federal appropriation are
8 provided solely for the development and implementation of a uniform
9 outcome-oriented performance measurement system to be used in
10 evaluating and managing the community mental health service delivery
11 system consistent with the recommendations contained in the joint
12 legislative audit and review committee's audit of the public mental
13 health system. Once implemented, the use of performance measures will
14 allow comparison of measurement results to established standards and
15 benchmarks among regional support networks, service providers, and
16 against other states. The department shall provide a report to the
17 appropriate committees of the legislature on the development and
18 implementation of the use of performance measures by October 2002.

19 (c) \$125,000 of the general fund--state appropriation for fiscal
20 year 2002, \$125,000 of the general fund--state appropriation for fiscal
21 year 2003, and \$250,000 of the general fund--federal appropriation are
22 provided solely for a study of the prevalence of mental illness among
23 the state's regional support networks. The study shall examine how
24 reasonable estimates of the prevalence of mental illness relate to the
25 incidence of persons enrolled in medical assistance programs in each
26 regional support network area. In conducting this study, the
27 department shall consult with the joint legislative audit and review
28 committee, regional support networks, community mental health
29 providers, and mental health consumer representatives. The department
30 shall submit a final report on its findings to the fiscal, health care,
31 and human services committees of the legislature by November 1, 2003.

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

34 (1) COMMUNITY SERVICES

35	General Fund--State Appropriation (FY 2002) . . . \$	231,693,000
36	General Fund--State Appropriation (FY 2003) . . . \$	242,347,000
37	General Fund--Federal Appropriation \$	396,151,000
38	Health Services Account--State	

1	Appropriation	\$	741,000
2	TOTAL APPROPRIATION	\$	870,932,000

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

5 (a) The health services account appropriation and \$753,000 of the
6 general fund--federal appropriation are provided solely for health care
7 benefits for home care workers with family incomes below 200 percent of
8 the federal poverty level who are employed through state contracts for
9 twenty hours per week or more. Premium payments for individual
10 provider home care workers shall be made only to the subsidized basic
11 health plan. Home care agencies may obtain coverage either through the
12 basic health plan or through an alternative plan with substantially
13 equivalent benefits.

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

32 (c) \$1,440,000 of the general fund--state appropriation for fiscal
33 year 2002, \$3,041,000 of the general fund--state appropriation for
34 fiscal year 2003, and \$4,311,000 of the general fund--federal
35 appropriation are provided solely for expanded community services for
36 persons with developmental disabilities who also have community
37 protection issues or are diverted or discharged from state psychiatric
38 hospitals. The department shall ensure that the average cost per day

1 for all program services other than start-up costs shall not exceed
2 \$275. The department shall report to the appropriate committees of the
3 legislature, within 45 days following each fiscal year quarter, the
4 number of persons served with these additional community services,
5 where they were residing, what kinds of services they were receiving
6 prior to placement, and the actual expenditures for all community
7 services to support these clients.

8 (d) \$1,005,000 of the general fund--state appropriation for fiscal
9 year 2002, \$2,262,000 of the general fund--state appropriation for
10 fiscal year 2003, and \$2,588,000 of the general fund--federal
11 appropriation are provided solely for increasing case/resource
12 management resources to improve oversight and quality of care for
13 persons enrolled in the medicaid home and community services waiver for
14 persons with developmental disabilities. The department shall not
15 increase total enrollment in home and community based waivers for
16 persons with developmental disabilities except for increases assumed in
17 additional funding provided in subsections (b) and (c) of this section.
18 Prior to submitting to the health care financing authority any
19 additional home and community based waiver request for persons with
20 developmental disabilities, the department shall submit a summary of
21 the waiver request to the appropriate committees of the legislature.
22 The summary shall include eligibility criteria, program description,
23 enrollment projections and limits, and budget and cost effectiveness
24 projections that distinguish the requested waiver from other existing
25 or proposed waivers.

26 (e) \$1,000,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$1,000,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely for employment, or other day
29 activities and training programs, for young adults with developmental
30 disabilities who complete their high school curriculum in 2001 or 2002.
31 These services are intended to assist with the transition to work and
32 more independent living. Funding shall be used to the greatest extent
33 possible for vocational rehabilitation services matched with federal
34 funding. In recent years, the state general fund appropriation for
35 employment and day programs has been underspent. These surpluses,
36 built into the carry forward level budget, shall be redeployed for high
37 school transition services.

38 (f) \$369,000 of the fiscal year 2002 general fund--state
39 appropriation and \$369,000 of the fiscal year 2003 general fund--state

1 appropriation are provided solely for continuation of the autism pilot
2 project started in 1999.

3 (g) \$4,049,000 of the general fund--state appropriation for fiscal
4 year 2002, \$1,734,000 of the general fund--state appropriation for
5 fiscal year 2003, and \$5,369,000 of the general fund--federal
6 appropriation are provided solely to increase compensation by an
7 average of fifty cents per hour for low-wage workers providing state-
8 funded services to persons with developmental disabilities. These
9 funds, along with funding provided for vendor rate increases, are
10 sufficient to raise wages an average of fifty cents and cover the
11 employer share of unemployment and social security taxes on the amount
12 of the wage increase. In consultation with the statewide associations
13 representing such agencies, the department shall establish a mechanism
14 for testing the extent to which funds have been used for this purpose,
15 and report the results to the fiscal committees of the legislature by
16 February 1, 2002.

17 (2) INSTITUTIONAL SERVICES

18	General Fund--State Appropriation (FY 2002) . . . \$	71,977,000
19	General Fund--State Appropriation (FY 2003) . . . \$	69,303,000
20	General Fund--Federal Appropriation \$	145,641,000
21	General Fund--Private/Local Appropriation \$	10,230,000
22	TOTAL APPROPRIATION \$	297,151,000

23 The appropriations in this subsection are subject to the following
24 conditions and limitations: Pursuant to RCW 71A.12.160, if residential
25 habilitation center capacity is not being used for permanent residents,
26 the department may make residential habilitation center vacancies
27 available for respite care and any other services needed to care for
28 clients who are not currently being served in a residential
29 habilitation center and whose needs require staffing levels similar to
30 current residential habilitation center residents. Providing respite
31 care shall not impede the department's ability to consolidate cottages
32 as assumed in the appropriations in this subsection.

33 (3) PROGRAM SUPPORT

34	General Fund--State Appropriation (FY 2002) . . . \$	2,601,000
35	General Fund--State Appropriation (FY 2003) . . . \$	2,623,000
36	General Fund--Federal Appropriation \$	2,413,000

1 TOTAL APPROPRIATION \$ 7,637,000

2 The appropriations in this subsection are subject to the following
3 conditions and limitations: \$50,000 of the fiscal year 2002 general
4 fund--state appropriation and \$50,000 of the fiscal year 2003 general
5 fund--state appropriation are provided solely for increasing the
6 contract amount for the southeast Washington deaf and hard of hearing
7 services center due to increased workload.

8 (4) SPECIAL PROJECTS
9 General Fund--Federal Appropriation \$ 11,995,000

10 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
11 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

12 General Fund--State Appropriation (FY 2002) . . . \$ 518,911,000
13 General Fund--State Appropriation (FY 2003) . . . \$ 537,907,000
14 General Fund--Federal Appropriation \$ 1,078,417,000
15 General Fund--Private/Local Appropriation \$ 4,324,000
16 Health Services Account--State
17 Appropriation \$ 4,523,000
18 TOTAL APPROPRIATION \$ 2,144,082,000

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

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

32 (2) \$1,706,000 of the general fund--state appropriation for fiscal
33 year 2002 and \$1,706,000 of the general fund--state appropriation for
34 fiscal year 2003, plus the associated vendor rate increase for each

1 year, are provided solely for operation of the volunteer chore services
2 program.

3 (3) For purposes of implementing chapter 74.46 RCW, the weighted
4 average nursing facility payment rate shall be no more than \$128.79 for
5 fiscal year 2002, and no more than \$134.45 for fiscal year 2003. For
6 all facilities, the therapy care, support services, and operations
7 component rates established in accordance with chapter 74.46 RCW shall
8 be adjusted for economic trends and conditions by 2.1 percent effective
9 July 1, 2001, and by an additional 2.3 percent effective July 1, 2002.
10 For case-mix facilities, direct care component rates established in
11 accordance with chapter 74.46 RCW shall also be adjusted for economic
12 trends and conditions by 2.1 percent effective July 1, 2001, and by an
13 additional 2.3 percent effective July 1, 2002. Additionally, to
14 facilitate the transition to a fully case-mix based direct care payment
15 system, the median price per case-mix unit for each of the applicable
16 direct care peer groups shall be increased on a one-time basis by 2.64
17 percent effective July 1, 2002.

18 (4) In accordance with Substitute House Bill No. 2242 (nursing home
19 rates), the department shall issue certificates of capital
20 authorization which result in up to \$10 million of increased asset
21 value completed and ready for occupancy in fiscal year 2003; in up to
22 \$27 million of increased asset value completed and ready for occupancy
23 in fiscal year 2004; and in up to \$27 million of increased asset value
24 completed and ready for occupancy in fiscal year 2005.

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

28 (6) Within funds appropriated in this section and in section 204 of
29 this act, the aging and adult services program shall coordinate with
30 and actively support the efforts of the mental health program and of
31 the regional support networks to provide stable community living
32 arrangements for persons with dementia and traumatic brain injuries who
33 have been long-term residents of the state psychiatric hospitals. The
34 aging and adult services program shall report to the health care and
35 fiscal committees of the legislature by November 1, 2001, and by
36 November 1, 2002, on the actions it has taken to achieve this
37 objective.

38 (7) Within funds appropriated in this section and in section 204 of
39 this act, the aging and adult services program shall devise and

1 implement strategies in partnership with the mental health program and
2 the regional support networks to reduce the use of state and local
3 psychiatric hospitals for the short-term stabilization of persons with
4 dementia and traumatic brain injuries. Such strategies may include
5 training and technical assistance to help long-term care providers
6 avoid and manage behaviors which might otherwise result in psychiatric
7 hospitalizations; monitoring long-term care facilities to assure
8 residents are receiving appropriate mental health care and are not
9 being inappropriately medicated or hospitalized; the development of
10 diversion beds and stabilization support teams; and the establishment
11 of systems to track the use of psychiatric hospitals by long-term care
12 providers. The aging and adult services program shall report to the
13 health care and fiscal committees of the legislature by November 1,
14 2001, and by November 1, 2002, on the actions it has taken to achieve
15 this objective.

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

20 (a) One waiver program shall include coverage of home-based
21 services, and the second shall include coverage of care in community
22 residential facilities. Enrollment in the waiver covering home-based
23 services shall not exceed 150 persons by the end of fiscal year 2002,
24 nor 200 persons by the end of fiscal year 2003. Enrollment in the
25 waiver covering community residential services shall not exceed 500
26 persons by the end of fiscal year 2002, nor 900 persons by the end of
27 fiscal year 2003.

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

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

38 (d) The department shall track and report to health care and fiscal
39 committees of the legislature by November 15, 2002, on the types of

1 long-term care support a sample of waiver participants were receiving
2 prior to their enrollment in the waiver, how those services were being
3 paid for, and an assessment of their adequacy.

4 (9) \$50,000 of the general fund--state appropriation for fiscal
5 year 2002 and \$50,000 of the general fund--state appropriation for
6 fiscal year 2003 are provided solely for payments to any nursing
7 facility licensed under chapter 18.51 RCW which meets all of the
8 following criteria: (a) The nursing home entered into an arm's length
9 agreement for a facility lease prior to January 1, 1980; (b) the lessee
10 purchased the leased nursing home after January 1, 1980; and (c) the
11 lessor defaulted on its loan or mortgage for the assets of the home
12 after January 1, 1991, and prior to January 1, 1992. Payments provided
13 pursuant to this subsection shall not be subject to the settlement,
14 audit, or rate-setting requirements contained in chapter 74.46 RCW.

15 (10) \$364,000 of the general fund--state appropriation for fiscal
16 year 2002, \$364,000 of the general fund--state appropriation for fiscal
17 year 2003, and \$740,000 of the general fund--federal appropriation are
18 provided solely for payment of exceptional care rates so that persons
19 with Alzheimer's disease and related dementias who might otherwise
20 require nursing home or state hospital care can instead be served in
21 boarding home-licensed facilities which specialize in the care of such
22 conditions.

23 (11) From funds appropriated in this section, the department shall
24 increase compensation for individual and for agency home care
25 providers. Payments to individual home care providers are to be
26 increased from \$7.18 per hour to \$7.68 per hour on July 1, 2001.
27 Payments to agency providers are to be increased to \$13.30 per hour on
28 July 1, 2001, and to \$13.44 per hour on July 1, 2002. All but 18 cents
29 per hour of the July 1, 2001, increase to agency providers is to be
30 used to increase wages for direct care workers. The appropriations in
31 this section also include the funds needed for the employer share of
32 unemployment and social security taxes on the amount of the wage
33 increase required by this subsection.

34 (12) \$2,507,000 of the general fund--state appropriation for fiscal
35 year 2002, \$2,595,000 of the general fund--state appropriation for
36 fiscal year 2003, and \$5,100,000 of the general fund--federal
37 appropriation are provided solely for prospective rate increases
38 intended to increase compensation by an average of fifty cents per hour
39 for low-wage workers in agencies which contract with the state to

1 provide community residential services for persons with functional
 2 disabilities. In consultation with the statewide associations
 3 representing such agencies, the department shall establish a mechanism
 4 for testing the extent to which funds have been used for this purpose,
 5 and report the results to the fiscal committees of the legislature by
 6 February 1, 2002. The amounts in this subsection also include the
 7 funds needed for the employer share of unemployment and social security
 8 taxes on the amount of the wage increase.

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

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

27	General Fund--State Appropriation (FY 2002) . . .	\$	436,440,000
28	General Fund--State Appropriation (FY 2003) . . .	\$	424,870,000
29	General Fund--Federal Appropriation	\$	1,356,351,000
30	General Fund--Private/Local Appropriation	\$	31,788,000
31	TOTAL APPROPRIATION	\$	2,249,449,000

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

34 (1) \$282,081,000 of the general fund--state appropriation for
 35 fiscal year 2002, \$278,277,000 of the general fund--state appropriation
 36 for fiscal year 2003, \$1,254,197,000 of the general fund--federal
 37 appropriation, and \$29,352,000 of the general fund--local appropriation

1 are provided solely for the WorkFirst program and child support
2 operations. WorkFirst expenditures include TANF grants, diversion
3 services, subsidized child care, employment and training, other
4 WorkFirst related services, allocated field services operating costs,
5 and allocated economic services program administrative costs. Within
6 the amounts provided in this subsection, the department shall:

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

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

1 information through in-person interviews, over the telephone, and/or
2 through the mail. Work support benefits include food stamps, medicaid
3 for all family members, medicaid or state children's health insurance
4 program for children, and child care assistance. The department shall
5 report annually to the legislature the number of families who have had
6 exit interviews, been reached successfully by phone, and been sent
7 mail. The report shall also include the percentage of families who
8 elect to continue each of the benefits and the percentage found
9 ineligible by each substantive reason code. A substantive reason code
10 shall not be "other." The report shall identify barriers to informing
11 families about work support benefits and describe existing and future
12 actions to overcome such barriers.

13 (c) From the amounts provided in this subsection, provide \$50,000
14 from the general fund--state appropriation for fiscal year 2002 and
15 \$50,000 from the general fund--state appropriation for fiscal year 2003
16 to the Washington institute for public policy for continuation of the
17 WorkFirst evaluation database.

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

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

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

37 (4) \$48,000 of the general fund--state appropriation for fiscal
38 year 2002 is provided solely to implement chapter 111, Laws of 2001
39 (veterans/Philippines).

1 (5) The department shall apply the provisions of RCW 74.04.005(10)
2 to simplify resource eligibility policy, make such policy consistent
3 with other federal public assistance programs, and achieve the
4 budgetary savings assumed in this section.

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

7	General Fund--State Appropriation (FY 2002) . . . \$	38,047,000
8	General Fund--State Appropriation (FY 2003) . . . \$	38,938,000
9	General Fund--Federal Appropriation \$	91,695,000
10	General Fund--Private/Local Appropriation \$	723,000
11	Public Safety and Education Account--State	
12	Appropriation \$	13,733,000
13	Violence Reduction and Drug Enforcement Account--	
14	State Appropriation \$	52,510,000
15	TOTAL APPROPRIATION \$	235,646,000

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

18 (1) \$1,610,000 of the general fund--state appropriation for fiscal
19 year 2002 and \$1,622,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely for expansion of 35 drug and
21 alcohol treatment beds for persons committed under RCW 70.96A.140.
22 Patients meeting the commitment criteria of RCW 70.96A.140 but who
23 voluntarily agree to treatment in lieu of commitment shall also be
24 eligible for treatment in these additional treatment beds. The
25 department shall develop specific placement criteria for these expanded
26 treatment beds to ensure that this new treatment capacity is
27 prioritized for persons incapacitated as a result of chemical
28 dependency and who are also high utilizers of hospital services. These
29 additional treatment beds shall be located in the eastern part of the
30 state.

31 (2) \$2,800,000 of the public safety and education account--state
32 appropriation is provided solely for expansion of treatment for persons
33 gravely disabled by abuse and addiction to alcohol and other drugs
34 including methamphetamine.

35 (3) \$1,083,000 of the public safety and education account--state
36 appropriation is provided solely for adult and juvenile drug courts
37 that have a net loss of federal grant funding in state fiscal year 2002

1 and state fiscal year 2003. This appropriation is intended to cover
2 approximately one-half of lost federal funding. It is the intent of
3 the legislature to provide state assistance to counties to cover a part
4 of lost federal funding for drug courts for a maximum of three years.

5 (4) \$1,993,000 of the public safety and education account--state
6 appropriation and \$951,000 of the general fund--federal appropriation
7 are provided solely for drug and alcohol treatment for SSI clients.
8 The department shall continue research and post-program evaluation of
9 these clients to further determine the post-treatment utilization of
10 medical services and the service effectiveness of consolidation.

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

13	General Fund--State Appropriation (FY 2002) . . .	\$	1,028,885,000
14	General Fund--State Appropriation (FY 2003) . . .	\$	1,130,904,000
15	General Fund--Federal Appropriation	\$	3,637,511,000
16	General Fund--Private/Local Appropriation	\$	276,147,000
17	Emergency Medical Services and Trauma Care Systems		
18	Trust Account--State Appropriation	\$	9,200,000
19	Health Services Account--State Appropriation . .	\$	1,043,310,000
20	TOTAL APPROPRIATION	\$	7,125,957,000

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

23 (1) The department shall increase its efforts to restrain the
24 growth of health care costs. The appropriations in this section
25 anticipate that the department implements a combination of cost
26 containment and utilization strategies sufficient to reduce general
27 fund--state costs by approximately 3 percent below the level projected
28 for the 2001-03 biennium in the March 2001 forecast. The department
29 shall report to the fiscal committees of the legislature by October 1,
30 2001, on its specific plans and semiannual targets for accomplishing
31 these savings. The department shall report again to the fiscal
32 committees by March 1, 2002, and by September 1, 2002, on actual
33 performance relative to the semiannual targets. If satisfactory
34 progress is not being made to achieve the targeted savings, the reports
35 shall include recommendations for additional or alternative measures to
36 control costs.

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

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

8 (4) \$502,000 of the health services account appropriation, \$400,000
9 of the general fund--private/local appropriation, and \$1,676,000 of the
10 general fund--federal appropriation are provided solely for
11 implementation of Second Substitute House Bill No. 1058 (breast and
12 cervical cancer treatment). If the bill is not enacted by June 30,
13 2001, or if private funding is not contributed equivalent to the
14 general fund--private/local appropriation, the funds appropriated in
15 this subsection shall lapse.

16 (5) \$620,000 of the health services account appropriation for
17 fiscal year 2002, \$1,380,000 of the health services account
18 appropriation for fiscal year 2003, and \$2,000,000 of the general
19 fund--federal appropriation are provided solely for implementation of
20 a "ticket to work" medicaid buy-in program for working persons with
21 disabilities, operated in accordance with the following conditions:

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

24 (b) Participants shall participate in the cost of the program by
25 paying (i) a monthly enrollment fee equal to fifty percent of any
26 unearned income in excess of the medicaid medically needy standard; and
27 (ii) a monthly premium equal to 5 percent of all unearned income, plus
28 5 percent of all earned income after disregarding the first sixty-five
29 dollars of monthly earnings, and half the remainder;

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

33 (d) The department may require point-of-service copayments as
34 appropriate, except that copayments shall not be so high as to
35 discourage appropriate service utilization, particularly of
36 prescription drugs needed for the treatment of psychiatric conditions;
37 and

38 (e) The department shall establish systems for tracking and
39 reporting enrollment and expenditures in this program, and the prior

1 medical assistance eligibility status of new program enrollees. The
2 department shall additionally survey the prior and current employment
3 status and approximate hours worked of program enrollees, and report
4 the results to the fiscal and health care committees of the legislature
5 by January 15, 2003.

6 (6) From funds appropriated in this section, the department shall
7 design, implement, and evaluate pilot projects to assist individuals
8 with at least three different diseases to improve their health, while
9 reducing total medical expenditures. The projects shall involve (a)
10 identifying persons who are seriously or chronically ill due to a
11 combination of medical, social, and functional problems; and (b)
12 working with the individuals and their care providers to improve
13 adherence to state-of-the-art treatment regimens. The department shall
14 report to the health care and the fiscal committees of the legislature
15 by January 1, 2002, on the particular disease states, intervention
16 protocols, and delivery mechanisms it proposes to test.

17 (7) Sufficient funds are appropriated in this section for the
18 department to continue full-scope dental coverage, vision coverage, and
19 podiatry services for medicaid-eligible adults.

20 (8) The legislature reaffirms that it is in the state's interest
21 for Harborview medical center to remain an economically viable
22 component of the state's health care system.

23 (9) \$80,000 of the general fund--state appropriation for fiscal
24 year 2002, \$80,000 of the general fund--state appropriation for fiscal
25 year 2003, and \$160,000 of the general fund--federal appropriation are
26 provided solely for the newborn referral program to provide access and
27 outreach to reduce infant mortality.

28 (10) \$30,000 of the general fund--state appropriation for fiscal
29 year 2002, \$31,000 of the general fund--state appropriation for fiscal
30 year 2003, and \$62,000 of the general fund--federal appropriation are
31 provided solely for implementation of Substitute Senate Bill No. 6020
32 (dental sealants). If Substitute Senate Bill No. 6020 is not enacted
33 by June 30, 2001, the amounts provided in this subsection shall lapse.

34 (11) In accordance with RCW 74.46.625, \$376,318,000 of the health
35 services account appropriation for fiscal year 2002, \$144,896,000 of
36 the health services account appropriation for fiscal year 2003, and
37 \$542,089,000 of the general fund--federal appropriation are provided
38 solely for supplemental payments to nursing homes operated by rural
39 public hospital districts. The payments shall be conditioned upon (a)

1 a contractual commitment by the association of public hospital
2 districts and participating rural public hospital districts to make an
3 intergovernmental transfer to the state treasurer, for deposit into the
4 health services account, equal to at least 98 percent of the
5 supplemental payments; and (b) a contractual commitment by the
6 participating districts to not allow expenditures covered by the
7 supplemental payments to be used for medicaid nursing home rate-
8 setting. The participating districts shall retain no more than a total
9 of \$20,000,000 for the 2001-03 biennium.

10 (12) \$38,690,000 of the health services account appropriation for
11 fiscal year 2002, \$40,189,000 of the health services account
12 appropriation for fiscal year 2003, and \$80,241,000 of the general
13 fund--federal appropriation are provided solely for additional
14 disproportionate share and medicare upper payment limit payments to
15 public hospital districts.

16 (a) The payments shall be conditioned upon a contractual commitment
17 by the participating public hospital districts to make an
18 intergovernmental transfer to the health services account equal to at
19 least 91 percent of the additional payments. At least 28 percent of
20 the amounts retained by the participating hospital districts shall be
21 allocated to the state's teaching hospitals.

22 (b) An additional 4.5 percent of the additional payments may be
23 retained by the participating public hospital districts contingent upon
24 the receipt of \$446,500,000 in newly identified proshare reimbursement
25 from the federal government over the 2001-03 biennium. If the actual
26 amount received is less than \$446,500,000, the amount retained pursuant
27 to this subsection (12)(b) shall be prorated accordingly. The state
28 teaching hospitals shall receive a distribution of the amount retained
29 by the participating hospital districts in this subsection (12)(b) as
30 allocated in (a) of this subsection.

31 (13) \$412,000 of the general fund--state appropriation for fiscal
32 year 2002, \$862,000 of the general fund--state appropriation for fiscal
33 year 2003, and \$730,000 of the general fund--federal appropriation are
34 provided solely for implementation of Substitute House Bill No. 1162
35 (small rural hospitals). If Substitute House Bill No. 1162 is not
36 enacted by June 30, 2001, the amounts provided in this subsection shall
37 lapse.

38 (14) The department may continue to use any federal money available
39 to continue to provide medicaid matching funds for funds contributed by

1 local governments for purposes of conducting eligibility outreach to
2 children and underserved groups. The department shall ensure
3 cooperation with the anticipated audit of the school districts'
4 matchable expenditures for this program and advise the appropriate
5 legislative fiscal committees of the findings.

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

8	General Fund--State Appropriation (FY 2002) . . . \$	11,309,000
9	General Fund--State Appropriation (FY 2003) . . . \$	9,780,000
10	General Fund--Federal Appropriation \$	83,738,000
11	General Fund--Private/Local Appropriation \$	360,000
12	TOTAL APPROPRIATION \$	105,187,000

13 The appropriations in this section are subject to the following
14 conditions and limitations: The division of vocational rehabilitation
15 shall negotiate cooperative interagency agreements with state and local
16 organizations to improve and expand employment opportunities for people
17 with severe disabilities.

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

20	General Fund--State Appropriation (FY 2002) . . . \$	30,444,000
21	General Fund--State Appropriation (FY 2003) . . . \$	29,369,000
22	General Fund--Federal Appropriation \$	50,562,000
23	General Fund--Private/Local Appropriation \$	810,000
24	TOTAL APPROPRIATION \$	111,185,000

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

27 (1) By November 1, 2001, the secretary shall report to the fiscal
28 committees of the legislature on the actions the secretary has taken,
29 or proposes to take, within current funding levels to resolve the
30 organizational problems identified in the department's February 2001
31 report to the legislature on current systems for billing third-party
32 payers for services delivered by the state psychiatric hospitals. The
33 secretary is authorized to transfer funds from this section to the
34 mental health program to the extent necessary to achieve the
35 organizational improvements recommended in that report.

1 (2) By November 1, 2001, the department shall report to the fiscal
 2 committees of the legislature with the least costly plan for assuring
 3 that billing and accounting technologies in the state psychiatric
 4 hospitals adequately and efficiently comply with standards set by
 5 third-party payers. The plan shall be developed with participation by
 6 and oversight from the office of financial management, the department's
 7 information systems services division, and the department of
 8 information services.

9 (3) The department shall reconstitute the payment integrity program
 10 to place greater emphasis upon the prevention of future billing errors,
 11 ensure billing and administrative errors are treated in a manner
 12 distinct from allegations of fraud and abuse, and shall rename the
 13 program. In keeping with this revised focus, the department shall also
 14 increase to one thousand dollars the cumulative total of apparent
 15 billing errors allowed before a provider is contacted for repayment.

16 (4) By September 1, 2001, the department shall report to the fiscal
 17 committees of the legislature results from the payment review program.
 18 The report shall include actual costs recovered and estimated costs
 19 avoided for fiscal year 2001 and the costs incurred by the department
 20 to administer the program. The report shall document criteria and
 21 methodology used for determining avoided costs. In addition, the
 22 department shall seek input from health care providers and consumer
 23 organizations on modifications to the program. The department shall
 24 provide annual updates to the report to the fiscal committees of the
 25 legislature by September 1st of each year for the preceding fiscal
 26 year.

27 **NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
 28 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

29	General Fund--State Appropriation (FY 2002) . . . \$	43,053,000
30	General Fund--State Appropriation (FY 2003) . . . \$	43,053,000
31	General Fund--Federal Appropriation \$	26,665,000
32	TOTAL APPROPRIATION \$	112,771,000

33 **NEW SECTION. Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY**

34	General Fund--State Appropriation (FY 2002) . . . \$	6,655,000
35	General Fund--State Appropriation (FY 2003) . . . \$	6,654,000
36	State Health Care Authority Administrative	
37	Account--State Appropriation \$	20,091,000

1	Health Services Account--State Appropriation . . . \$	499,148,000
2	General Fund--Federal Appropriation \$	3,611,000
3	TOTAL APPROPRIATION \$	536,159,000

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

6 (1) \$6,551,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$6,550,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for health care services provided
9 through local community clinics.

10 (2) Within funds appropriated in this section and sections 205 and
11 206 of this 2001 act, the health care authority shall continue to
12 provide an enhanced basic health plan subsidy option for foster parents
13 licensed under chapter 74.15 RCW and workers in state-funded home care
14 programs. Under this enhanced subsidy option, foster parents and home
15 care workers with family incomes below 200 percent of the federal
16 poverty level shall be allowed to enroll in the basic health plan at a
17 cost of ten dollars per covered worker per month.

18 (3) The health care authority shall require organizations and
19 individuals which are paid to deliver basic health plan services and
20 which choose to sponsor enrollment in the subsidized basic health plan
21 to pay the following: (i) A minimum of fifteen dollars per enrollee
22 per month for persons below 100 percent of the federal poverty level;
23 and (ii) a minimum of twenty dollars per enrollee per month for persons
24 whose family income is 100 percent to 125 percent of the federal
25 poverty level.

26 (4) The health care authority shall solicit information from the
27 United States office of personnel management, health plans, and other
28 relevant sources, regarding the cost of implementation of mental health
29 parity by the federal employees health benefits program in 2001. A
30 progress report shall be provided to the senate and house of
31 representatives fiscal committees by July 1, 2002, and a final report
32 shall be provided to the legislature by November 15, 2002, on the study
33 findings.

34 NEW SECTION. **Sec. 214. FOR THE HUMAN RIGHTS COMMISSION**

35	General Fund--State Appropriation (FY 2002) . . . \$	2,688,000
36	General Fund--State Appropriation (FY 2003) . . . \$	2,700,000
37	General Fund--Federal Appropriation \$	1,544,000

1	General Fund--Private/Local Appropriation	\$	100,000
2	TOTAL APPROPRIATION	\$	7,032,000

3 NEW SECTION. **Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**

4 **APPEALS**

5	Worker and Community Right-to-Know Account--State		
6	Appropriation	\$	20,000
7	Accident Account--State Appropriation	\$	14,692,000
8	Medical Aid Account--State Appropriation	\$	14,694,000
9	TOTAL APPROPRIATION	\$	29,406,000

10 NEW SECTION. **Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**

11 **COMMISSION**

12	Municipal Criminal Justice Assistance Account--		
13	Local Appropriation	\$	460,000
14	Death Investigations Account--State		
15	Appropriation	\$	148,000
16	Public Safety and Education Account--State		
17	Appropriation	\$	18,439,000
18	TOTAL APPROPRIATION	\$	19,047,000

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

21 (1) \$124,000 of the public safety and education account
22 appropriation is provided solely to allow the Washington association of
23 sheriffs and police chiefs to increase the technical and training
24 support provided to the local criminal justice agencies on the new
25 incident-based reporting system and the national incident-based
26 reporting system.

27 (2) \$136,000 of the public safety and education account
28 appropriation is provided solely to allow the Washington association of
29 prosecuting attorneys to enhance the training provided to criminal
30 justice personnel.

31 (3) \$22,000 of the public safety and education account
32 appropriation is provided solely to increase payment rates for the
33 criminal justice training commission's contracted food service
34 provider.

35 (4) \$31,000 of the public safety and education account
36 appropriation is provided solely to increase payment rates for the

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

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

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

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

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

18 *NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
19 **INDUSTRIES**

20	General Fund--State Appropriation (FY 2002)	\$	7,738,000
21	General Fund--State Appropriation (FY 2003)	\$	7,682,000
22	General Fund--Federal Appropriation	\$	1,250,000
23	Public Safety and Education Account--State		
24	Appropriation	\$	19,862,000
25	Public Safety and Education Account--Federal		
26	Appropriation	\$	6,950,000
27	Public Safety and Education Account--Private/Local		
28	Appropriation	\$	4,200,000
29	Asbestos Account--State Appropriation	\$	688,000
30	Electrical License Account--State		
31	Appropriation	\$	28,412,000
32	Farm Labor Revolving Account--Private/Local		
33	Appropriation	\$	28,000
34	Worker and Community Right-to-Know Account--State		
35	Appropriation	\$	2,281,000
36	Public Works Administration Account--State		
37	Appropriation	\$	2,856,000
38	Accident Account--State Appropriation	\$	179,186,000

1	Accident Account--Federal Appropriation	\$	11,568,000
2	Medical Aid Account--State Appropriation	\$	176,715,000
3	Medical Aid Account--Federal Appropriation	\$	2,438,000
4	Plumbing Certificate Account--State		
5	Appropriation	\$	1,015,000
6	Pressure Systems Safety Account--State		
7	Appropriation	\$	2,274,000
8	TOTAL APPROPRIATION	\$	455,143,000

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

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

22 (2) \$1,438,000 of the accident account--state appropriation and
23 \$1,438,000 of the medical aid account--state appropriation are provided
24 for the one-time cost of implementing a recent state supreme court
25 ruling regarding the calculation of workers' compensation benefits.
26 This decision significantly increases the complexity of calculating
27 benefits and therefore increases the administrative and legal costs of
28 the workers' compensation program. The department shall develop and
29 report to appropriate committees of the legislature proposed statutory
30 language that provides greater certainty and simplicity in the
31 calculation of benefits. The report shall be submitted by October 1,
32 2001.

33 (3) It is the intent of the legislature that elevator inspection
34 fees shall fully cover the cost of the elevator inspection program.
35 Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium the
36 department may increase fees in excess of the fiscal growth factor, if
37 the increases are necessary to fully fund the cost of the elevator
38 inspection program.

1 (4) The department shall not expend any funds from amounts provided
 2 in this section for the occupational safety and health impact grants
 3 program unless separate legislation is passed that specifically
 4 authorizes such expenditures, appropriates funds, and provides
 5 accountability for the program.

6 *Sec. 217 was partially vetoed. See message at end of chapter.

7 NEW SECTION. **Sec. 218. FOR THE INDETERMINATE SENTENCE REVIEW**
 8 **BOARD**

9	General Fund--State Appropriation (FY 2002) . . . \$	999,000
10	General Fund--State Appropriation (FY 2003) . . . \$	999,000
11	TOTAL APPROPRIATION \$	1,998,000

12 NEW SECTION. **Sec. 219. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

13 (1) HEADQUARTERS

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

20 (2) FIELD SERVICES

21	General Fund--State Appropriation (FY 2002) . . . \$	2,619,000
22	General Fund--State Appropriation (FY 2003) . . . \$	2,643,000
23	General Fund--Federal Appropriation \$	155,000
24	General Fund--Private/Local Appropriation \$	1,663,000
25	TOTAL APPROPRIATION \$	7,080,000

26 (3) INSTITUTIONAL SERVICES

27	General Fund--State Appropriation (FY 2002) . . . \$	6,832,000
28	General Fund--State Appropriation (FY 2003) . . . \$	4,600,000
29	General Fund--Federal Appropriation \$	28,699,000
30	General Fund--Private/Local Appropriation \$	25,614,000
31	TOTAL APPROPRIATION \$	65,745,000

32 The appropriations in this subsection are subject to the following
 33 terms and conditions: \$3,664,000 of the general fund--federal
 34 appropriation and \$7,377,000 of the general fund--local appropriation

1 are provided solely for the department to acquire, establish, and
 2 operate a nursing facility dedicated to serving men and women from
 3 Washington who have served in the nation's armed forces.

4 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF HEALTH**

5	General Fund--State Appropriation (FY 2002) . . . \$	65,308,000
6	General Fund--State Appropriation (FY 2003) . . . \$	66,941,000
7	Health Services Account--State Appropriation . . \$	24,186,000
8	General Fund--Federal Appropriation \$	276,840,000
9	General Fund--Private/Local Appropriation \$	81,526,000
10	Hospital Commission Account--State	
11	Appropriation \$	1,718,000
12	Health Professions Account--State	
13	Appropriation \$	38,456,000
14	Emergency Medical Services and Trauma Care Systems	
15	Trust Account--State Appropriation \$	14,858,000
16	Safe Drinking Water Account--State	
17	Appropriation \$	2,701,000
18	Drinking Water Assistance Account--Federal	
19	Appropriation \$	13,400,000
20	Waterworks Operator Certification--State	
21	Appropriation \$	622,000
22	Water Quality Account--State Appropriation . . . \$	3,328,000
23	Accident Account--State Appropriation \$	257,000
24	Medical Aid Account--State Appropriation \$	45,000
25	State Toxics Control Account--State	
26	Appropriation \$	2,817,000
27	Medical Test Site Licensure Account--State	
28	Appropriation \$	1,369,000
29	Youth Tobacco Prevention Account--State	
30	Appropriation \$	1,797,000
31	Tobacco Prevention and Control Account--State	
32	Appropriation \$	34,992,000
33	TOTAL APPROPRIATION \$	631,161,000

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

36 (1) The department or any successor agency is authorized to raise
 37 existing fees charged to the drinking water operator certification,

1 newborn screening, radioactive materials, x-ray compliance, drinking
2 water plan review, midwifery, hearing and speech, veterinarians,
3 psychologists, pharmacists, hospitals, podiatrists, and home health and
4 home care programs, in excess of the fiscal growth factor established
5 by Initiative Measure No. 601, if necessary, to meet the actual costs
6 of conducting business and the appropriation levels in this section.

7 (2) \$339,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$339,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for technical assistance to local
10 governments and special districts on water conservation and reuse.

11 (3) \$1,675,000 of the general fund--state fiscal year 2002
12 appropriation and \$1,676,000 of the general fund--state fiscal year
13 2003 appropriation are provided solely for the implementation of the
14 Puget Sound water work plan and agency action items, DOH-01, DOH-02,
15 DOH-03, and DOH-04.

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

32 (5) \$5,779,000 of the health services account--state appropriation
33 for fiscal year 2002 and \$4,665,000 of the health services account--
34 state appropriation for fiscal year 2003 are provided solely for
35 purchase and distribution of the pneumococcal conjugate vaccine as part
36 of the state's program of universal access to essential childhood
37 vaccines.

38 (6) \$85,000 of the general fund--state appropriation for fiscal
39 year 2002 and \$65,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the implementation of
2 Substitute House Bill No. 1365 (infant and child products). If the
3 bill is not enacted by June 30, 2001, the amounts provided in this
4 subsection shall lapse.

5 (7) \$58,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$25,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for the implementation of Second
8 Substitute House Bill No. 1590 (breastfeeding). If the bill is not
9 enacted by June 30, 2001, the amounts provided in this subsection shall
10 lapse.

11 (8) From funds appropriated in this section, the state board of
12 health shall convene a broadly-based task force to review the available
13 information on the potential risks and benefits to public and personal
14 health and safety, and to individual privacy, of emerging technologies
15 involving human deoxyribonucleic acid (DNA). The board may reimburse
16 task force members for travel expenses according to RCW 43.03.220. The
17 task force shall consider information provided to it by interested
18 persons on: (a) The incidence of discriminatory actions based upon
19 genetic information; (b) strategies to safeguard civil rights and
20 privacy related to genetic information; (c) remedies to compensate
21 individuals for inappropriate use of their genetic information; and (d)
22 incentives for further research and development on the use of DNA to
23 promote public health, safety, and welfare. The task force shall
24 report on its findings and any recommendations to appropriate
25 committees of the legislature by October 1, 2002.

26 (9) \$533,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$1,067,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely for performance-based contracts
29 with local jurisdictions to assure the safety of drinking water
30 provided by small "group B" water systems.

31 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF CORRECTIONS**

32 (1) ADMINISTRATION AND SUPPORT SERVICES

33	General Fund--State Appropriation (FY 2002) . . . \$	36,156,000
34	General Fund--State Appropriation (FY 2003) . . . \$	36,365,000
35	Public Safety and Education Account--State	
36	Appropriation \$	1,576,000
37	Violence Reduction and Drug Enforcement	
38	Account Appropriation \$	3,254,000

1 TOTAL APPROPRIATION \$ 77,351,000

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

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

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

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

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

22 (2) CORRECTIONAL OPERATIONS

23	General Fund--State Appropriation (FY 2002)	\$	397,231,000
24	General Fund--State Appropriation (FY 2003)	\$	407,078,000
25	General Fund--Federal Appropriation	\$	12,096,000
26	Violence Reduction and Drug Enforcement Account--		
27	State Appropriation	\$	1,614,000
28	Public Health Services Account Appropriation	\$	1,453,000
29	TOTAL APPROPRIATION	\$	819,472,000

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

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

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

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

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

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

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

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

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

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

4 (3) COMMUNITY SUPERVISION

5	General Fund--State Appropriation (FY 2002) . . . \$	61,427,000
6	General Fund--State Appropriation (FY 2003) . . . \$	62,934,000
7	General Fund--Federal Appropriation \$	1,125,000
8	Public Safety and Education	
9	Account--State Appropriation \$	15,841,000
10	TOTAL APPROPRIATION \$	141,327,000

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

13 (a) The department of corrections shall accomplish personnel
14 reductions with the least possible impact on correctional custody
15 staff, community custody staff, and correctional industries. For the
16 purposes of this subsection, correctional custody staff means employees
17 responsible for the direct supervision of offenders.

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

25 (c) \$16,000 of the general fund--state appropriation for fiscal
26 year 2002 and \$34,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely to increase payment rates for
28 contracted chemical dependency providers.

29 (d) \$30,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$30,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for the implementation of
32 Substitute Senate Bill No. 5118 (interstate compact for adult offender
33 supervision). If the bill is not enacted by June 30, 2001, the amounts
34 provided in this subsection shall lapse.

35 (4) CORRECTIONAL INDUSTRIES

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

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

12 (5) INTERAGENCY PAYMENTS

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

16 NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF SERVICES FOR THE**
17 **BLIND**

18	General Fund--State Appropriation (FY 2002) . . . \$	1,693,000
19	General Fund--State Appropriation (FY 2003) . . . \$	1,628,000
20	General Fund--Federal Appropriation \$	11,140,000
21	General Fund--Private/Local Appropriation \$	80,000
22	TOTAL APPROPRIATION \$	14,541,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: \$50,000 of the general fund--state
25 appropriation for fiscal year 2002 and \$50,000 of the general fund--
26 state appropriation for fiscal year 2003 are provided solely to
27 increase state assistance for a comprehensive program of training and
28 support services for persons who are both deaf and blind.

29 NEW SECTION. **Sec. 223. FOR THE SENTENCING GUIDELINES COMMISSION**

30	General Fund--State Appropriation (FY 2002) . . . \$	936,000
31	General Fund--State Appropriation (FY 2003) . . . \$	857,000
32	TOTAL APPROPRIATION \$	1,793,000

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

3 \$78,000 of the general fund--state appropriation for fiscal year
4 2002 is provided solely for the sentencing guidelines commission to
5 conduct a comprehensive review and evaluation of state sentencing
6 policy. The review and evaluation shall include an analysis of whether
7 current sentencing ranges and standards, as well as existing mandatory
8 minimum sentences, existing sentence enhancements, and special
9 sentencing alternatives, are consistent with the purposes of the
10 sentencing reform act as set out in RCW 9.94A.010, including the intent
11 of the legislature to emphasize confinement for the violent offender
12 and alternatives to confinement for the nonviolent offender. The
13 review and evaluation shall also examine whether current sentencing
14 ranges and standards are consistent with existing corrections capacity.

15 The review and evaluation shall consider studies on the cost-
16 effectiveness of sentencing alternatives, as well as the fiscal impact
17 of sentencing policies on state and local government. In conducting
18 the review and evaluation, the commission shall consult with the
19 superior court judges' association, the Washington association of
20 prosecuting attorneys, the Washington defenders' association, the
21 Washington association of criminal defense lawyers, the Washington
22 association of sheriffs and police chiefs, organizations representing
23 crime victims, and other organizations and individuals with expertise
24 and interest in sentencing policy.

25 Not later than December 1, 2001, the commission shall present to
26 the appropriate standing committees of the legislature the report of
27 its comprehensive review and evaluation, together with any
28 recommendations for revisions and modifications to state sentencing
29 policy, including sentencing ranges and standards, mandatory minimum
30 sentences, and sentence enhancements. If implementation of the
31 recommendations of the commission would result in exceeding the
32 capacity of correctional facilities, the commission shall at the same
33 time present to the legislature a list of revised standard sentence
34 ranges which are consistent with currently authorized rated and
35 operational corrections capacity, and consistent with the purposes of
36 the sentencing reform act.

37 NEW SECTION. **Sec. 224. FOR THE EMPLOYMENT SECURITY DEPARTMENT**
38 General Fund--Federal Appropriation \$ 180,628,000

1	General Fund--Private/Local Appropriation	\$	30,119,000
2	Unemployment Compensation Administration Account--		
3	Federal Appropriation	\$	181,677,000
4	Administrative Contingency Account--State		
5	Appropriation	\$	13,914,000
6	Employment Service Administrative Account--State		
7	Appropriation	\$	20,001,000
8	TOTAL APPROPRIATION	\$	426,339,000

9 (End of part)

PART III
NATURAL RESOURCES

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

4	General Fund--State Appropriation (FY 2002)	\$	398,000
5	General Fund--State Appropriation (FY 2003)	\$	391,000
6	General Fund--Private/Local Appropriation	\$	749,000
7	TOTAL APPROPRIATION	\$	1,538,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: \$40,000 of the general fund--state
10 appropriation for fiscal year 2002 and \$40,000 of the general fund--
11 state appropriation for fiscal year 2003 are provided solely to
12 implement the scenic area management plan for Klickitat county. If
13 Klickitat county adopts an ordinance to implement the scenic area
14 management plan in accordance with the national scenic area act, P.L.
15 99-663, then the amounts provided in this subsection shall be provided
16 as a grant to Klickitat county to implement its responsibilities under
17 the act.

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

19	General Fund--State Appropriation (FY 2002)	\$	46,633,000
20	General Fund--State Appropriation (FY 2003)	\$	44,481,000
21	General Fund--Federal Appropriation	\$	56,805,000
22	General Fund--Private/Local Appropriation	\$	4,351,000
23	Special Grass Seed Burning Research Account--		
24	State Appropriation	\$	14,000
25	Reclamation Revolving Account--State		
26	Appropriation	\$	1,810,000
27	Flood Control Assistance Account--		
28	State Appropriation	\$	4,098,000
29	State Emergency Water Projects Revolving Account--		
30	State Appropriation	\$	878,000
31	Waste Reduction/Recycling/Litter Control Account--		
32	State Appropriation	\$	13,537,000
33	State Drought Preparedness Account--State		
34	Appropriation	\$	5,325,000

1	State and Local Improvements Revolving Account	
2	(Water Supply Facilities)--State	
3	Appropriation	\$ 587,000
4	Water Quality Account--State Appropriation . . .	\$ 12,481,000
5	Wood Stove Education and Enforcement Account--	
6	State Appropriation	\$ 353,000
7	Worker and Community Right-to-Know Account--	
8	State Appropriation	\$ 3,288,000
9	State toxics Control Account--State	
10	Appropriation	\$ 68,931,000
11	State toxics Control Account--Private/Local	
12	Appropriation	\$ 350,000
13	Local toxics Control Account--State	
14	Appropriation	\$ 4,751,000
15	Water Quality Permit Account--State	
16	Appropriation	\$ 23,827,000
17	Underground Storage Tank Account--State	
18	Appropriation	\$ 2,682,000
19	Environmental Excellence Account--State	
20	Appropriation	\$ 504,000
21	Biosolids Permit Account--State Appropriation . .	\$ 589,000
22	Hazardous Waste Assistance Account--State	
23	Appropriation	\$ 4,308,000
24	Air Pollution Control Account--State	
25	Appropriation	\$ 1,066,000
26	Oil Spill Prevention Account--State	
27	Appropriation	\$ 7,921,000
28	Air Operating Permit Account--State	
29	Appropriation	\$ 3,608,000
30	Freshwater Aquatic Weeds Account--State	
31	Appropriation	\$ 1,898,000
32	Oil Spill Response Account--State	
33	Appropriation	\$ 7,078,000
34	Metals Mining Account--State Appropriation . . .	\$ 5,000
35	Water Pollution Control Revolving Account--	
36	State Appropriation	\$ 467,000
37	Water Pollution Control Revolving Account--	
38	Federal Appropriation	\$ 2,316,000
39	TOTAL APPROPRIATION	\$ 324,942,000

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

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

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

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

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

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

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

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

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

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

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

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

38 (11) \$170,000 of the oil spill prevention account appropriation is
39 provided solely for implementation of the Puget Sound work plan action

1 item UW-02 through a contract with the University of Washington's sea
2 grant program to develop an educational program targeted to small
3 spills from commercial fishing vessels, ferries, cruise ships, ports,
4 and marinas.

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

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

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

26 (15) *\$50,000 of the general fund--state appropriation for fiscal*
27 *year 2002 is for a conservation district in the Moses Lake region for*
28 *a culvert removal project on Rocky Ford creek for the purpose of*
29 *reducing flooding and improving water quality.*

30 (16) *\$150,000 of the general fund--state appropriation for fiscal*
31 *year 2002 and \$150,000 of the general fund--state appropriation for*
32 *fiscal year 2003 are for the conservation commission for the Washington*
33 *grazing lands conservation initiative's establishment of the Washington*
34 *watershed, science, and technology program to provide technical*
35 *assistance to private landowners in conducting water quality*
36 *monitoring, riparian vegetation management, and noxious weed control.*

37 (17) *\$75,000 of the general fund--state appropriation for fiscal*
38 *year 2002 is for a conservation district in the Palouse region for a*
39 *pilot project to evaluate the ability of existing voluntary and*

1 *regulatory programs to improve water quality in water quality limited*
2 *segments listed pursuant to section 303(d) of the federal clean water*
3 *act.*

4 (18) \$200,000 of the water quality account appropriation is
5 provided solely to provide coordination and assistance to groups
6 established for the purpose of protecting, enhancing, and restoring the
7 biological, chemical, and physical processes of watersheds. These
8 groups may include those involved in coordinated resource management,
9 regional fisheries enhancement groups, conservation districts,
10 watershed councils, and private nonprofit organizations incorporated
11 under Title 24 RCW.

12 (19) \$325,000 of the state drought preparedness account--state
13 appropriation is provided solely for an environmental impact statement
14 of the Pine Hollow reservoir project to be conducted in conjunction
15 with the local irrigation district.

16 (20) \$1,700,000 of the general fund--state appropriation for fiscal
17 year 2002 and \$280,000 of the oil spill prevention account
18 appropriation are provided solely for oil spill prevention measures in
19 Puget Sound. Of these amounts:

20 (a) The general fund appropriation is provided solely for the
21 department of ecology to provide for charter safety tug services.
22 Safety tug services shall include: (i) The placement of a dedicated
23 tug at Neah Bay for not less than 200 days in fiscal year 2002; and
24 (ii) other safety tug services that may be released by the department
25 at the request of the United States coast guard captain of the port for
26 Puget Sound to the areas or incidents that the department deems to be
27 of highest concern. By January 10, 2002, the department shall report
28 to the appropriate committees of the legislature regarding the number
29 of dispatches, response time and distance, and other factors pertaining
30 to the safety tug services. The general fund--state appropriation in
31 this subsection is provided solely for implementation of the Puget
32 Sound work plan and agency action item DOE-09;

33 (b) \$100,000 of the oil spill prevention account appropriation is
34 provided solely for the department to conduct a vessel transponder
35 feasibility study for Washington waters and undertake a trial vessel
36 tracking program using transponders. In conducting the feasibility
37 study and trial program, the department of ecology shall consult with
38 state pilotage authorities, the maritime industry and the United States
39 coast guard; and

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

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

5 (21) \$600,000 of the water quality account--state appropriation is
6 provided solely for setting instream flows in six basins not currently
7 planning under the watershed planning act.

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

9 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
10 **COMMISSION**

11	General Fund--State Appropriation (FY 2002)	\$	32,298,000
12	General Fund--State Appropriation (FY 2003)	\$	32,866,000
13	General Fund--Federal Appropriation	\$	2,690,000
14	General Fund--Private/Local Appropriation	\$	60,000
15	Winter Recreation Program Account--State		
16	Appropriation	\$	787,000
17	Off Road Vehicle Account--State Appropriation	\$	274,000
18	Snowmobile Account--State Appropriation	\$	4,682,000
19	Aquatic Lands Enhancement Account--State		
20	Appropriation	\$	337,000
21	Public Safety and Education Account--State		
22	Appropriation	\$	48,000
23	Water Trail Program Account--State		
24	Appropriation	\$	24,000
25	Parks Renewal and Stewardship Account--		
26	State Appropriation	\$	26,420,000
27	TOTAL APPROPRIATION	\$	100,486,000

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

30 (1) Fees approved by the state parks and recreation commission in
31 2001 are authorized to exceed the fiscal growth factor under RCW
32 43.135.055.

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

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

6 (4) \$79,000 of the general fund--state appropriation for fiscal
7 year 2002, \$79,000 of the general fund--state appropriation for fiscal
8 year 2003, and \$8,000 of the winter recreation program account--state
9 appropriation are provided solely for a grant for the operation of the
10 Northwest avalanche center.

11 (5) \$432,000 of the parks renewal and stewardship account
12 appropriation is provided for the operation of the Silver Lake visitor
13 center. If a long-term management agreement is not reached with the
14 U.S. forest service by September 30, 2001, the amount provided in this
15 subsection shall lapse.

16 (6) \$189,000 of the aquatic lands enhancement account appropriation
17 is provided solely for the implementation of the Puget Sound work plan
18 and agency action item P+RC-02.

19 NEW SECTION. **Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR**
20 **RECREATION**

21	General Fund--State Appropriation (FY 2002)	\$	393,000
22	General Fund--State Appropriation (FY 2003)	\$	395,000
23	General Fund--Federal Appropriation	\$	8,358,000
24	Firearms Range Account--State Appropriation	\$	13,000
25	Recreation Resources Account--State Appropriation	\$	2,584,000
26	Recreation Resources Account--Federal Appropriation	\$	481,000
27	NOVA Program Account--State Appropriation	\$	611,000
28	Water Quality Account--State Appropriation	\$	700,000
29	State Toxics Control Account--State Appropriation	\$	500,000
30	Aquatic Lands Enhancement Account--State		
31	Appropriation	\$	200,000
32	TOTAL APPROPRIATION	\$	14,235,000

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

35 (1) \$250,000 of the general fund--state appropriation for fiscal
36 year 2002, \$250,000 of the general fund--state appropriation for fiscal
37 year 2003, \$500,000 of the water quality account appropriation, and

1 \$500,000 of the state toxics control account appropriation are provided
 2 solely to implement chapter 298, Laws of 2001, Substitute Senate Bill
 3 No. 5637 (watershed health monitoring and assessment) and for the
 4 development of a comprehensive salmon recovery and watershed health
 5 monitoring strategy and action plan. The strategy and action plan
 6 shall address the monitoring recommendations of the independent science
 7 panel in its report, *Recommendations for Monitoring Salmonid Recovery*
 8 *in Washington State* (December 2000), and of the joint legislative audit
 9 and review committee in its report *Investing in the Environment:*
 10 *Environmental Quality Grant and Loan Programs Performance Audit*
 11 (January 2001). The action plan shall include an assessment of state
 12 agency operations related to monitoring, evaluation, and adaptive
 13 management of salmon recovery and watershed health; any operational or
 14 statutory changes necessary to implement the strategy and action plan;
 15 and funding recommendations.

16 (2) \$8,000,000 of the general fund--federal appropriation is
 17 provided solely for implementation of the forest and fish agreement
 18 rules. These funds will be passed through to the department of natural
 19 resources and the department of fish and wildlife.

20 (3) By August 1, 2001, the interagency committee for outdoor
 21 recreation shall complete the public lands inventory project and submit
 22 the project report to the joint legislative audit and review committee
 23 for review.

24 (4) \$200,000 of the aquatic lands enhancement account--state
 25 appropriation is provided solely to develop and implement a
 26 conservation initiative for Maury Island. The interagency committee
 27 for outdoor recreation shall contract with the Cascade Land Conservancy
 28 to develop and implement the initiative and to provide the following
 29 services: (a) Land and resource appraisal; (b) development of a plan
 30 of finance for acquisition of land or interests in land; and (c)
 31 conduct negotiations among purchasers and willing sellers.

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

33	General Fund--State Appropriation (FY 2002)	\$	846,000
34	General Fund--State Appropriation (FY 2003)	\$	847,000
35	TOTAL APPROPRIATION	\$	1,693,000

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

37	General Fund--State Appropriation (FY 2002)	\$	2,207,000
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1	General Fund--State Appropriation (FY 2003) . . .	\$	2,196,000
2	Water Quality Account--State Appropriation . . .	\$	3,739,000
3	TOTAL APPROPRIATION	\$	8,142,000

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

6 (1) \$500,000 of the water quality account--state appropriation is
7 provided solely for the agriculture, fish, and water negotiations to
8 develop best management practices that will protect and recover salmon.
9 The commission shall make grants to allow interest groups to
10 participate in the negotiations.

11 (2) \$1,601,000 of the water quality account--state appropriation is
12 provided solely for the completion of limiting factors analysis for
13 watersheds affected by listings of salmon and bull trout under the
14 federal endangered species act.

15 (3) \$247,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$247,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided solely for the implementation of the
18 Puget Sound work plan and agency action item CC-01.

19 (4) By March 1, 2002, the conservation reserve enhancement program
20 contract with the federal farm service agency shall be proposed for
21 amendment to allow funding of flexible riparian buffer standards
22 consistent with: (a) The recommendations of the state's
23 agriculture/fish/water negotiation process; or (b) ordinances adopted
24 through municipal regulations in compliance with the state growth
25 management act requirement to protect critical areas. These ordinances
26 shall be scientifically defensible and include programs for monitoring
27 and adaptive management.

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

29	General Fund--State Appropriation (FY 2002) . . .	\$	51,600,000
30	General Fund--State Appropriation (FY 2003) . . .	\$	50,762,000
31	General Fund--Federal Appropriation	\$	37,366,000
32	General Fund--Private/Local Appropriation	\$	24,365,000
33	Off Road Vehicle Account--State		
34	Appropriation	\$	475,000
35	Aquatic Lands Enhancement Account--State		
36	Appropriation	\$	6,094,000
37	Public Safety and Education Account--State		

1	Appropriation	\$	586,000
2	Recreational Fisheries Enhancement Account--		
3	State Appropriation	\$	3,032,000
4	Warm Water Game Fish Account--State		
5	Appropriation	\$	2,567,000
6	Eastern Washington Pheasant Enhancement Account--		
7	State Appropriation	\$	750,000
8	Wildlife Account--State Appropriation	\$	48,518,000
9	Wildlife Account--Federal Appropriation	\$	38,182,000
10	Wildlife Account--Private/Local		
11	Appropriation	\$	15,133,000
12	Game Special Wildlife Account--State		
13	Appropriation	\$	1,941,000
14	Game Special Wildlife Account--Federal		
15	Appropriation	\$	9,591,000
16	Game Special Wildlife Account--Private/Local		
17	Appropriation	\$	350,000
18	Water Quality Account--State Appropriation	\$	1,000,000
19	Environmental Excellence Account--State		
20	Appropriation	\$	15,000
21	Regional Fisheries Salmonid Recovery Account--		
22	Federal Appropriation	\$	1,750,000
23	Oil Spill Administration Account--State		
24	Appropriation	\$	963,000
25	Oyster Reserve Land Account--State		
26	Appropriation	\$	135,000
27	TOTAL APPROPRIATION	\$	295,175,000

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

30 (1) \$1,682,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$1,682,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for the implementation of the
33 Puget Sound work plan and agency action items DFW-01 through DFW-07.

34 (2) \$200,000 of the general fund--state appropriation for fiscal
35 year 2002 and \$200,000 of the general fund--state appropriation for
36 fiscal year 2003 are provided solely for the department to update the
37 salmon and steelhead stock inventory.

1 (3) \$550,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$550,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for salmonid smolt production
4 monitoring.

5 (4) \$250,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$250,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for the department to implement a
8 hatchery endangered species act response. The response shall include
9 emergency hatchery responses, production, and retrofitting of
10 hatcheries for salmon recovery.

11 (5) \$600,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$600,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for local salmon recovery
14 technical assistance.

15 (6) \$1,625,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$1,625,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided solely to fund grants to lead entities
18 established under chapter 77.85 RCW. The department, in consultation
19 with the lead entity advisory group and individual lead entities, shall
20 establish an application process and evaluation criteria to allocate
21 funds to up to 26 lead entities to provide core activities identified
22 in chapter 77.85 RCW. Grants to individual lead entities may range
23 from \$37,500 to \$150,000 per year.

24 (7) \$125,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$125,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for a grant to the lower Skykomish
27 River habitat conservation group for the purpose of developing a salmon
28 recovery plan, in coordination with the lead entity established under
29 chapter 77.85 RCW for that area. The salmon recovery plan must be
30 consistent with the regional recovery plans of the Puget Sound shared
31 strategy and criteria developed by the department for the regional
32 salmon recovery planning program.

33 (8) \$1,000,000 of the water quality--state appropriation is
34 provided solely to fund grants to lead entities established under
35 chapter 77.85 RCW or watershed planning units established under chapter
36 90.82 RCW that agree to coordinate the development of comprehensive
37 local and regional salmon recovery plans. The department shall
38 establish a model for local and regional plans as well as eligibility
39 and evaluation criteria for distribution of funds to lead entities and

1 watershed planning units. No annual grant shall exceed \$125,000 per
2 year.

3 (9) \$91,000 of the warm water game fish account appropriation is
4 provided solely for warm water fish culture at the Rod Meseberg warm
5 water fish production facility.

6 (10) \$300,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$300,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely to fund four cooperative
9 compliance programs, two in Western Washington and two in Eastern
10 Washington. The cooperative compliance program shall conduct fish
11 screen, fish way, and fish passage barrier assessments and correction
12 plans for landowners seeking cooperative compliance agreements with the
13 department.

14 (11) \$1,300,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$5,000,000 of the general fund--federal appropriation
16 are provided solely for economic adjustment assistance to fishermen
17 pursuant to the 1999 Pacific salmon treaty agreement.

18 (12) \$2,000,000 of the aquatic lands enhancement account
19 appropriation is provided for cooperative volunteer projects.

20 (13) \$810,000 of the general fund--state appropriation for fiscal
21 year 2002, \$790,000 of the general fund--state appropriation for fiscal
22 year 2003, and \$250,000 of the wildlife account--state appropriation
23 are provided solely for enforcement and biological staff to respond and
24 take appropriate action to public complaints regarding bear and cougar.

25 (14) The department shall evaluate the fish program to determine if
26 activities are aligned with agency objectives and if specific
27 activities support the agency's strategic plan.

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

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

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

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

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

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

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

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

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

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

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

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

8	General Fund--State Appropriation (FY 2002) . . . \$	36,709,000
9	General Fund--State Appropriation (FY 2003) . . . \$	36,266,000
10	General Fund--Federal Appropriation \$	3,440,000
11	General Fund--Private/Local Appropriation \$	1,865,000
12	Forest Development Account--State	
13	Appropriation \$	52,511,000
14	Off Road Vehicle Account--State	
15	Appropriation \$	3,684,000
16	Surveys and Maps Account--State	
17	Appropriation \$	2,689,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation \$	4,458,000
20	Resources Management Cost Account--State	
21	Appropriation \$	85,979,000
22	Surface Mining Reclamation Account--State	
23	Appropriation \$	2,549,000
24	Salmon Recovery Account--State	
25	Appropriation \$	625,000
26	Water Quality Account--State Appropriation . . . \$	2,900,000
27	Aquatic Land Dredged Material Disposal Site	
28	Account--State Appropriation \$	1,056,000
29	Natural Resource Conservation Areas Stewardship	
30	Account Appropriation \$	34,000
31	Air Pollution Control Account--State	
32	Appropriation \$	629,000
33	Metals Mining Account--State Appropriation . . . \$	64,000
34	Agricultural College Trust Management Account	
35	Appropriation \$	1,790,000
36	TOTAL APPROPRIATION \$	237,248,000

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

3 (1) \$18,000 of the general fund--state appropriation for fiscal
4 year 2002, \$18,000 of the general fund--state appropriation for fiscal
5 year 2003, and \$998,000 of the aquatic lands enhancement account
6 appropriation are provided solely for the implementation of the Puget
7 Sound work plan and agency action items DNR-01, DNR-02, and DNR-04.

8 (2)(a) \$625,000 of the salmon recovery account appropriation,
9 \$1,250,000 of the general fund--state appropriation for fiscal year
10 2002, \$1,250,000 of the general fund--state appropriation for fiscal
11 year 2003, and \$2,900,000 of the water quality account--state
12 appropriation are provided solely for implementation of chapter 4, Laws
13 of 1999 sp. sess. (forest practices and salmon recovery).

14 (b) \$250,000 of the salmon recovery account appropriation is
15 provided solely for and shall be expended to develop a small forest
16 landowner data base in ten counties. \$150,000 of the amount in this
17 subsection shall be used to purchase the data. \$100,000 of the amount
18 in this subsection shall purchase contracted analysis of the data.

19 (3) \$2,000,000 of the forest development account appropriation is
20 provided solely for road decommissioning, maintenance, and repair in
21 the Lake Whatcom watershed.

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

27 (5) \$895,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$895,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely to manage approximately 70,700
30 acres of Washington State University's agricultural college trust
31 lands.

32 ***(6) The entire appropriation from the access road revolving fund is***
33 ***provided solely for and shall be expended to survey, map, and evaluate***
34 ***and construct, improve, or abandon trust land roads to meet the***
35 ***requirements of the forests and fish agreement.***

36 (7) \$4,000 of the general fund--state appropriation for fiscal year
37 2002 and \$4,000 of the general fund--state appropriation for fiscal
38 year 2003 are provided solely to compensate the forest board trust for

1 a portion of the lease to the Crescent television improvement district
2 consistent with RCW 79.12.055.

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

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

13 (10) \$800,000 of the aquatic lands enhancement account
14 appropriation and \$200,000 of the resources management cost account
15 appropriation are provided solely to improve asset management on state-
16 owned aquatic lands. The department shall streamline the use
17 authorization process for businesses operating on state-owned aquatic
18 lands and issue decisions on 325 pending lease applications by June 30,
19 2002. The department, in consultation with the attorney general, shall
20 develop a strategic program to resolve claims related to contaminated
21 sediments on state-owned aquatic lands.

22 (11) \$246,000 of the resource management cost account appropriation
23 is provided to the department for continuing control of spruce budworm.

24 (12) \$100,000 of the aquatic lands enhancement account is provided
25 solely for the development and initial implementation of a statewide
26 management plan for marine reserves.

27 (13) \$7,657,859 of the general fund--state appropriation for fiscal
28 year 2002 and \$7,657,859 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely for emergency fire suppression.

30 (14) \$7,216,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$6,584,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for fire protection activities and
33 to implement provisions of the 1997 tridata fire program review.

34 (15) \$275,000 of the general fund--state appropriation for fiscal
35 year 2002, \$275,000 of the general fund--state appropriation for fiscal
36 year 2003, and \$550,000 of the aquatic lands enhancement account--state
37 appropriation are provided solely to the department for planning,
38 management, and stewardship of natural area preserves and natural
39 resources conservation areas.

1 (16) \$187,000 of the general fund--state appropriation for fiscal
2 year 2002, \$188,000 of the general fund--state appropriation for fiscal
3 year 2003, and \$375,000 of the aquatic lands enhancement account--state
4 appropriation are provided solely to the department for maintenance and
5 stewardship of public lands.

6 (17) \$100,000 of the general fund--state appropriation for fiscal
7 year 2002, \$100,000 of the general fund--state appropriation for fiscal
8 year 2003, and \$400,000 of the aquatic lands enhancement account
9 appropriation are provided solely for spartina control.

10 *Sec. 308 was partially vetoed. See message at end of chapter.

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

12	General Fund--State Appropriation (FY 2002) . . . \$	8,165,000
13	General Fund--State Appropriation (FY 2003) . . . \$	8,024,000
14	General Fund--Federal Appropriation \$	4,636,000
15	General fund--Private/Local Appropriation \$	1,110,000
16	Aquatic Lands Enhancement Account--State	
17	Appropriation \$	2,304,000
18	State Toxics Control Account--State	
19	Appropriation \$	2,672,000
20	TOTAL APPROPRIATION \$	26,911,000

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

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

27 (2) \$832,000 of the state toxics control account appropriation and
28 \$298,000 of the agricultural local account are provided solely to
29 establish a program to monitor pesticides in surface water, evaluate
30 pesticide exposure on salmon species listed under the provisions of the
31 endangered species act, and implement actions needed to protect
32 salmonids.

33 (3) \$1,480,000 of the aquatic lands enhancement account
34 appropriation is provided solely to initiate a four-year plan to
35 eradicate infestations of spartina in Puget Sound, Hood Canal, and
36 Grays Harbor and begin the reduction in spartina infestations in
37 Willapa Bay.

1 (4) \$75,000 of the general fund--state appropriation for fiscal
2 year 2002, \$75,000 of the general fund--state appropriation for fiscal
3 year 2003, and \$150,000 of the general fund--federal appropriation are
4 provided solely to the small farm and direct marketing program to
5 support small farms in complying with federal, state, and local
6 regulations, facilitating access to food processing centers, and
7 assisting with grant funding requests.

8 (5) \$350,000 of the general fund--state appropriation for fiscal
9 year 2002, \$350,000 of the general fund--state appropriation for fiscal
10 year 2003, and \$700,000 of the general fund--private/local
11 appropriation are provided solely to implement chapter 324, Laws of
12 2001 (Substitute House Bill No. 1891, marketing of agriculture). Of
13 these amounts, \$40,000 of the general fund--state appropriation is
14 provided solely to match funds provided by the red raspberry commission
15 to address unfair trade practices by other countries that result in
16 sales in Washington that are below the cost of production in
17 Washington.

18 (6) \$450,000 of the state toxics control account--state
19 appropriation is provided solely for deposit in the agricultural local
20 nonappropriated account for the plant pest account to reimburse county
21 horticultural pest and disease boards for the costs of pest control
22 activities, including tree removal, conducted under their existing
23 authorities in chapters 15.08 and 15.09 RCW.

24 (7) The district manager for district two as defined in WAC 16-458-
25 075 shall transfer four hundred fifty thousand dollars from the fruit
26 and vegetable district fund to the plant pest account within the
27 agricultural local fund. The amount transferred must be derived from
28 fees collected for state inspections of tree fruits and shall be used
29 solely to reimburse county horticultural pest and disease boards in
30 district two for the cost of pest control activities, including tree
31 removal, conducted under their existing authority in chapters 15.08 and
32 15.09 RCW. The transfer of funds shall occur by July 1, 2001. On June
33 30, 2003, any unexpended portion of the four hundred fifty thousand
34 dollars shall be returned to the fruit and vegetable district fund.

35 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
36 **REINSURANCE PROGRAM**

37 Pollution Liability Insurance Program Trust Account--

1 State Appropriation \$ 1,003,000

2 (End of part)

PART IV
TRANSPORTATION

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

4	General Fund--State Appropriation (FY 2002) . . . \$	5,389,000
5	General Fund--State Appropriation (FY 2003) . . . \$	5,377,000
6	Architects' License Account--State	
7	Appropriation \$	707,000
8	Cemetery Account--State Appropriation \$	214,000
9	Professional Engineers' Account--State	
10	Appropriation \$	3,032,000
11	Real Estate Commission--State Appropriation . . . \$	6,777,000
12	Master License Account--State Appropriation . . . \$	8,409,000
13	Uniform Commercial Code Account--State	
14	Appropriation \$	3,104,000
15	Real Estate Education Account--State	
16	Appropriation \$	301,000
17	Funeral Directors and Embalmers Account--State	
18	Appropriation \$	490,000
19	Washington Real Estate Research Account	
20	Appropriation \$	316,000
21	Data Processing Revolving Account--State	
22	Appropriation \$	23,000
23	TOTAL APPROPRIATION \$	34,139,000

24 The appropriations in this section are subject to the following
25 conditions and limitations: In accordance with RCW 43.24.086, it is
26 the policy of the state of Washington that the cost of each
27 professional, occupational, or business licensing program be fully
28 borne by the members of that profession, occupation, or business. For
29 each licensing program covered by RCW 43.24.086, the department shall
30 set fees at levels sufficient to fully cover the cost of administering
31 the licensing program, including any costs associated with policy
32 enhancements funded in the 2001-03 fiscal biennium. Pursuant to RCW
33 43.135.055, during the 2001-03 fiscal biennium, the department may
34 increase fees in excess of the fiscal growth factor if the increases
35 are necessary to fully fund the costs of the licensing programs.

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

2	General Fund--State Appropriation (FY 2002) . . . \$	21,890,000
3	General Fund--State Appropriation (FY 2003) . . . \$	8,066,000
4	General Fund--Federal Appropriation \$	4,178,000
5	General Fund--Private/Local Appropriation \$	369,000
6	Death Investigations Account--State	
7	Appropriation \$	3,899,000
8	Public Safety and Education Account--State	
9	Appropriation \$	16,070,000
10	County Criminal Justice Assistance Account--State	
11	Appropriation \$	2,490,000
12	Municipal Criminal Justice Assistance Account--	
13	State Appropriation \$	987,000
14	Fire Service Trust Account--State	
15	Appropriation \$	125,000
16	Fire Service Training Account--State	
17	Appropriation \$	6,328,000
18	State toxics Control Account--State	
19	Appropriation \$	461,000
20	Violence Reduction and Drug Enforcement Account--	
21	State Appropriation \$	277,000
22	Fingerprint Identification Account--State	
23	Appropriation \$	3,684,000
24	TOTAL APPROPRIATION \$	68,824,000

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

27 (1) \$354,000 of the public safety and education account
28 appropriation is provided solely for additional law enforcement and
29 security coverage on the west capitol campus.

30 (2) When a program within the agency is supported by more than one
31 fund and one of the funds is the state general fund, the agency shall
32 charge its expenditures in such a manner as to ensure that each fund is
33 charged in proportion to its support of the program. The agency may
34 adopt guidelines for the implementation of this subsection. The
35 guidelines may account for federal matching requirements, budget
36 provisos, or other requirements to spend other moneys in a particular
37 manner.

1 (3) \$100,000 of the public safety and education account
2 appropriation is provided solely for the implementation of Substitute
3 Senate Bill No. 5896 (DNA testing of evidence). If the bill is not
4 enacted by June 30, 2001, the amount provided in this subsection shall
5 lapse.

6 (4) \$1,419,000 of the public safety and education account--state
7 appropriation is provided solely for combating the proliferation of
8 methamphetamine labs. The amounts in this subsection are provided
9 solely for the following activities: (a) The establishment of a
10 regional methamphetamine enforcement, training, and education program;
11 (b) additional members for the statewide methamphetamine incident
12 response team; and (c) two forensic scientists with the necessary
13 equipment to perform lab analysis in the crime laboratory division.

14 (5) *A study regarding the mobilization of state fire service
15 resources in response to state declared mobilizations shall be
16 performed by the chief of the Washington state patrol through the
17 director of fire protection. The study shall examine and evaluate the
18 cost effectiveness and efficiency of the fire services mobilization
19 plan, and the fire resources mobilization processes and procedures.
20 One member of each of the following organizations shall be represented
21 and shall provide assistance to the director of fire protection with
22 this task: Emergency management division, department of natural
23 resources, Washington state fire commissioners, Washington state
24 association of fire chiefs, Washington state association of fire
25 fighters, and the Washington state fire fighters council. In addition,
26 one rural fire chief and one urban fire chief shall be designated. The
27 chief of the Washington state patrol shall report the findings through
28 the director of fire protection to the fiscal committees of the
29 legislature by December 1, 2001.*

30 (6) Beginning in fiscal year 2003, the funding provided in this
31 subsection assumes a transfer of \$12,634,000 of state patrol
32 expenditures from the omnibus operating budget to the transportation
33 budget. If new transportation revenue is not enacted before this time,
34 the omnibus budget will restore this funding in the 2002 legislative
35 session.

36 *Sec. 402 was partially vetoed. See message at end of chapter.

37 (End of part)

1 TOTAL APPROPRIATION \$ 249,697,000

2 The appropriations in this subsection are provided solely for the
3 statewide programs specified in this subsection and are subject to the
4 following conditions and limitations:

5 (a) HEALTH AND SAFETY

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

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

17 (iii) A maximum of \$100,000 of the general fund--state
18 appropriation for fiscal year 2002 and a maximum of \$100,000 of the
19 general fund--state appropriation for fiscal year 2003 are provided to
20 create a school safety center subject to the following conditions and
21 limitations.

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

31 (B) The school safety center shall be established in the office of
32 the superintendent of public instruction. The superintendent of public
33 instruction shall participate in a school safety center advisory
34 committee that includes representatives of educators, classified staff,
35 principals, superintendents, administrators, the American society for
36 industrial security, the state criminal justice training commission,
37 and others deemed appropriate and approved by the school safety center
38 advisory committee. Members of the committee shall be chosen by the

1 groups they represent. In addition, the Washington association of
2 sheriffs and police chiefs shall appoint representatives of law
3 enforcement to participate on the school safety center advisory
4 committee. The advisory committee shall select a chair.

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

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

13 (A) The criminal justice training commission with assistance of the
14 school safety center advisory committee established in section
15 2(b)(iii) of this section shall develop manuals and curricula for a
16 training program for all school safety personnel.

17 (B) The Washington state criminal justice training commission, in
18 collaboration with the advisory committee, shall provide the school
19 safety training for all school administrators and school safety
20 personnel, including school safety personnel hired after the effective
21 date of this section.

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

32 (vi) A maximum of \$6,042,000 of the general fund--state
33 appropriation for fiscal year 2002 and a maximum of \$6,028,000 of the
34 general fund--state appropriation for fiscal year 2003 are provided for
35 a safety allocation to districts subject to the following conditions
36 and limitations:

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

1 (B) Districts shall expend funds allocated under this section to
2 develop and implement strategies identified in a comprehensive safe
3 school plan pursuant to House Bill No. 1818 (student safety) or Senate
4 Bill No. 5543 (student safety). If neither bill is enacted by June 30,
5 2001, expenditures of the safety allocation shall be subject to (i),
6 (ii), and (iii) of this subsection (a)(vi)(B).

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

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

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

31 (vii) A maximum of \$200,000 of the general fund--state
32 appropriation for fiscal year 2002, a maximum of \$200,000 of the
33 general fund--state appropriation for fiscal year 2003, and \$400,000 of
34 the general fund--federal appropriation transferred from the department
35 of health are provided for a program that provides grants to school
36 districts for media campaigns promoting sexual abstinence and
37 addressing the importance of delaying sexual activity, pregnancy, and
38 childbearing until individuals are ready to nurture and support their
39 children. Grants to the school districts shall be for projects that

1 are substantially designed and produced by students. The grants shall
2 require a local private sector match equal to one-half of the state
3 grant, which may include in-kind contribution of technical or other
4 assistance from consultants or firms involved in public relations,
5 advertising, broadcasting, and graphics or video production or other
6 related fields.

7 (viii) A maximum of \$150,000 of the general fund--state
8 appropriation for fiscal year 2002 and a maximum of \$150,000 of the
9 general fund--state appropriation for fiscal year 2003 are provided for
10 a nonviolence and leadership training program provided by the institute
11 for community leadership. The program shall provide the following:

12 (A) Statewide nonviolence leadership coaches training program for
13 certification of educational employees and community members in
14 nonviolence leadership workshops;

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

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

21 (ix) A maximum of \$1,500,000 of the general fund--state
22 appropriation for fiscal year 2002 and a maximum of \$1,500,000 of the
23 general fund--state appropriation for fiscal year 2003 are provided for
24 school district petitions to juvenile court for truant students as
25 provided in RCW 28A.225.030 and 28A.225.035. Allocation of this money
26 to school districts shall be based on the number of petitions filed.

27 (b) TECHNOLOGY

28 (i) A maximum of \$2,000,000 of the general fund--state
29 appropriation for fiscal year 2002 and a maximum of \$2,000,000 of the
30 general fund--state appropriation for fiscal year 2003 are provided for
31 K-20 telecommunications network technical support in the K-12 sector to
32 prevent system failures and avoid interruptions in school utilization
33 of the data processing and video-conferencing capabilities of the
34 network. These funds may be used to purchase engineering and advanced
35 technical support for the network. A maximum of \$650,000 of this
36 amount may be expended for state-level administration and staff
37 training on the K-20 network.

38 (ii) A maximum of \$617,000 of the general fund--state appropriation
39 for fiscal year 2002 and a maximum of \$1,112,000 of the general fund--

1 state appropriation for fiscal year 2003 are provided for the
2 Washington state leadership assistance for science education reform
3 (LASER) regional partnership coordinated at the Pacific Science Center.

4 (c) GRANTS AND ALLOCATIONS

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

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

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

24 (iv) A maximum of \$2,150,000 of the general fund--state
25 appropriation for fiscal year 2002 and a maximum of \$2,150,000 of the
26 general fund--state appropriation for fiscal year 2003 are provided for
27 complex need grants. The maximum grants for eligible districts are
28 specified in LEAP Document 30C as developed on April 27, 1997, at 03:00
29 hours.

30 (v) A maximum of \$1,377,000 of the general fund--state
31 appropriation for fiscal year 2002 and a maximum of \$1,377,000 of the
32 general fund--state appropriation for fiscal year 2003 are provided for
33 educational centers, including state support activities. \$100,000 of
34 this amount is provided to help stabilize funding through distribution
35 among existing education centers that are currently funded by the state
36 at an amount less than \$100,000 a biennium.

37 (vi) A maximum of \$50,000 of the general fund--state appropriation
38 for fiscal year 2002 and a maximum of \$50,000 of the general fund--
39 state appropriation for fiscal year 2003 are provided for an

1 organization in southwest Washington that received funding from the
2 Spokane educational center in the 1995-97 biennium and provides
3 educational services to students who have dropped out of school.

4 (vii) A maximum of \$1,262,000 of the general fund--state
5 appropriation for fiscal year 2002 and a maximum of \$1,262,000 of the
6 general fund--state appropriation for fiscal year 2003 are provided for
7 in-service training and educational programs conducted by the Pacific
8 Science Center.

9 (viii) A maximum of \$100,000 of the general fund--state
10 appropriation for fiscal year 2002 and a maximum of \$100,000 of the
11 general fund--state appropriation for fiscal year 2003 are provided to
12 support vocational student leadership organizations.

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

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

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

24 (xii) \$1,952,000 of the general fund--federal appropriation is
25 provided for LINKS technology challenge grants to integrate educational
26 reform with state technology systems and development of technology
27 products that enhance professional development and classroom
28 instruction.

29 (xiii) \$423,000 of the general fund--federal appropriation is
30 provided for the advanced placement fee program to increase
31 opportunities for low-income students and under-represented populations
32 to participate in advanced placement courses and to increase the
33 capacity of schools to provide advanced placement courses to students.

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

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

5 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
6 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

7	General Fund--State Appropriation (FY 2002) . . .	\$	3,760,826,000
8	General Fund--State Appropriation (FY 2003) . . .	\$	3,751,350,000
9	TOTAL APPROPRIATION	\$	7,512,176,000

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

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

15 (2) Allocations for certificated staff salaries for the 2001-02 and
16 2002-03 school years shall be determined using formula-generated staff
17 units calculated pursuant to this subsection. Staff allocations for
18 small school enrollments in (d) through (f) of this subsection shall be
19 reduced for vocational full-time equivalent enrollments. Staff
20 allocations for small school enrollments in grades K-6 shall be the
21 greater of that generated under (a) of this subsection, or under (d)
22 and (e) of this subsection. Certificated staffing allocations shall be
23 as follows:

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

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

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

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

34 (iv) An additional 4.2 certificated instructional staff units for
35 grades K-3 and an additional 7.2 certificated instructional staff units
36 for grade 4. Any funds allocated for the additional certificated units

1 provided in this subsection (iv) shall not be considered as basic
2 education funding;

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

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

28 (B) Districts at or above 51.0 certificated instructional staff per
29 one thousand full-time equivalent students in grades K-4 may dedicate
30 up to 1.3 of the 55.4 funding ratio to employ additional classified
31 instructional assistants assigned to basic education classrooms in
32 grades K-4. For purposes of documenting a district's staff ratio under
33 this section, funds used by the district to employ additional
34 classified instructional assistants shall be converted to a
35 certificated staff equivalent and added to the district's actual
36 certificated instructional staff ratio. Additional classified
37 instructional assistants, for the purposes of this subsection, shall be
38 determined using the 1989-90 school year as the base year;

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

12 (b) For school districts with a minimum enrollment of 250 full-time
13 equivalent students whose full-time equivalent student enrollment count
14 in a given month exceeds the first of the month full-time equivalent
15 enrollment count by 5 percent, an additional state allocation of 110
16 percent of the share that such increased enrollment would have
17 generated had such additional full-time equivalent students been
18 included in the normal enrollment count for that particular month;

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

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

24 (B) Skills center programs meeting the standards for skills center
25 funding established in January 1999 by the superintendent of public
26 instruction, 0.92 certificated instructional staff units and 0.08
27 certificated administrative units for each 16.67 full-time equivalent
28 vocational students; and

29 (ii) Vocational full-time equivalent enrollment shall be reported
30 on the same monthly basis as the enrollment for students eligible for
31 basic support, and payments shall be adjusted for reported vocational
32 enrollments on the same monthly basis as those adjustments for
33 enrollment for students eligible for basic support;

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

1 (i) For those enrolling no students in grades 7 and 8, 1.76
2 certificated instructional staff units and 0.24 certificated
3 administrative staff units for enrollment of not more than five
4 students, plus one-twentieth of a certificated instructional staff unit
5 for each additional student enrolled; and

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

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

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

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

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

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

32 (ii) For all other small high schools under this subsection, nine
33 certificated instructional staff units and one-half of a certificated
34 administrative staff unit for the first sixty average annual full time
35 equivalent students, and additional staff units based on a ratio of
36 0.8732 certificated instructional staff units and 0.1268 certificated
37 administrative staff units per each additional forty-three and one-half
38 average annual full time equivalent students.

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

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

10 (h) For each nonhigh school district having an enrollment of more
11 than fifty annual average full-time equivalent students and less than
12 one hundred eighty students, operating a grades K-6 program or a grades
13 1-6 program, an additional one-half of a certificated instructional
14 staff unit.

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

18 (a) For enrollments generating certificated staff unit allocations
19 under subsection (2)(d) through (h) of this section, one classified
20 staff unit for each three certificated staff units allocated under such
21 subsections;

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

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

29 (4) Fringe benefit allocations shall be calculated at a rate of
30 11.27 percent in the 2001-02 school year and 11.27 percent in the 2002-
31 03 school year for certificated salary allocations provided under
32 subsection (2) of this section, and a rate of 12.92 percent in the
33 2001-02 school year and 12.92 percent in the 2002-03 school year for
34 classified salary allocations provided under subsection (3) of this
35 section.

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

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

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

9 (6)(a) For nonemployee-related costs associated with each
10 certificated staff unit allocated under subsection (2)(a), (b), and (d)
11 through (h) of this section, there shall be provided a maximum of
12 \$8,519 per certificated staff unit in the 2001-02 school year and a
13 maximum of \$8,715 per certificated staff unit in the 2002-03 school
14 year.

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

20 (c) For nonemployee-related costs associated with each vocational
21 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
22 section, there shall be provided a maximum of \$16,233 per certificated
23 staff unit in the 2001-02 school year and a maximum of \$16,606 per
24 certificated staff unit in the 2002-03 school year.

25 (7) Allocations for substitute costs for classroom teachers shall
26 be distributed at a maintenance rate of \$494.34 for the 2001-02 and
27 2002-03 school years per allocated classroom teachers exclusive of
28 salary increase amounts provided in section 504 of this act. Solely
29 for the purposes of this subsection, allocated classroom teachers shall
30 be equal to the number of certificated instructional staff units
31 allocated under subsection (2) of this section, multiplied by the ratio
32 between the number of actual basic education certificated teachers and
33 the number of actual basic education certificated instructional staff
34 reported statewide for the prior school year.

35 (8) Any school district board of directors may petition the
36 superintendent of public instruction by submission of a resolution
37 adopted in a public meeting to reduce or delay any portion of its basic
38 education allocation for any school year. The superintendent of public
39 instruction shall approve such reduction or delay if it does not impair

1 the district's financial condition. Any delay shall not be for more
2 than two school years. Any reduction or delay shall have no impact on
3 levy authority pursuant to RCW 84.52.0531 and local effort assistance
4 pursuant to chapter 28A.500 RCW.

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

8 (a) For fire protection for school districts located in a fire
9 protection district as now or hereafter established pursuant to chapter
10 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002
11 and a maximum of \$491,000 may be expended in fiscal year 2003;

12 (b) For summer vocational programs at skills centers, a maximum of
13 \$2,098,000 may be expended each fiscal year;

14 (c) A maximum of \$343,000 may be expended for school district
15 emergencies; and

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

22 (10) For purposes of RCW 84.52.0531, the increase per full-time
23 equivalent student in state basic education appropriations provided
24 under this act, including appropriations for salary and benefits
25 increases, is 2.5 percent from the 2000-01 school year to the 2001-02
26 school year, and 3.3 percent from the 2000-01 school year to the 2002-
27 03 school year.

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

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

36 (b) For the fourth through eighth school years following
37 consolidation, the difference between the basic education formula staff
38 units received by the districts for the school year prior to
39 consolidation and the basic education formula staff units after

1 consolidation pursuant to subsection (2)(a) through (h) of this section
2 shall be reduced in increments of twenty percent per year.

3 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following
5 calculations determine the salaries used in the general fund
6 allocations for certificated instructional, certificated
7 administrative, and classified staff units under section 502 of this
8 act:

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

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

19 (2) For the purposes of this section:

20 (a) "Basic education certificated instructional staff" is defined
21 as provided in RCW 28A.150.100 and "special education certificated
22 staff" means staff assigned to the state-supported special education
23 program pursuant to chapter 28A.155 RCW in positions requiring a
24 certificate;

25 (b) "LEAP Document 1S" means the computerized tabulation
26 establishing staff mix factors for certificated instructional staff
27 according to education and years of experience, as developed by the
28 legislative evaluation and accountability program committee on March
29 25, 1999, at 16:55 hours; and

30 (c) "LEAP Document 12E" means the computerized tabulation of 2001-
31 02 and 2002-03 school year salary allocations for certificated
32 administrative staff and classified staff and derived and total base
33 salaries for certificated instructional staff as developed by the
34 legislative evaluation and accountability program committee on March
35 13, 2001, at 16:32 hours.

36 (3) Incremental fringe benefit factors shall be applied to salary
37 adjustments at a rate of 10.63 percent for school years 2001-02 and

1 2002-03 for certificated staff and 9.42 percent for school years 2001-
 2 02 and 2002-03 for classified staff.

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

6 K-12 Salary Schedule for Certificated Instructional Staff
 7 2001-02 School Year

8 Years of						
9 Service	BA	BA+15	BA+30	BA+45	BA+90	
10 0	27,467	28,209	28,977	29,746	32,219	
11 1	27,836	28,588	29,366	30,171	32,668	
12 2	28,464	29,231	30,025	30,900	33,414	
13 3	29,401	30,192	31,009	31,931	34,490	
14 4	30,063	30,896	31,727	32,689	35,290	
15 5	30,750	31,595	32,443	33,468	36,085	
16 6	31,147	31,974	32,850	33,928	36,531	
17 7	32,164	33,010	33,909	35,055	37,724	
18 8	33,195	34,088	35,008	36,248	38,954	
19 9		35,205	36,169	37,455	40,223	
20 10			37,344	38,724	41,529	
21 11				40,029	42,895	
22 12				41,293	44,298	
23 13					45,736	
24 14					47,181	
25 15					48,408	
26 16 or more					49,376	

27 Years of				MA+90
28 Service	BA+135	MA	MA+45	or PHD
29 0	33,811	32,931	35,403	36,996
30 1	34,252	33,297	35,793	37,377
31 2	35,030	33,995	36,509	38,124
32 3	36,177	35,027	37,585	39,273
33 4	37,007	35,755	38,355	40,072
34 5	37,853	36,503	39,121	40,889

1	6	38,308	36,904	39,508	41,285
2	7	39,569	38,031	40,700	42,546
3	8	40,867	39,225	41,930	43,843
4	9	42,201	40,430	43,200	45,177
5	10	43,572	41,700	44,505	46,549
6	11	44,979	43,005	45,872	47,956
7	12	46,446	44,362	47,275	49,422
8	13	47,947	45,766	48,712	50,923
9	14	49,505	47,212	50,251	52,481
10	15	50,792	48,439	51,557	53,846
11	16 or more	51,808	49,407	52,589	54,923

12 K-12 Allocation Salary Schedule For Certificated Instructional Staff
13 2002-03 School Year

14	Years of					
15	Service	BA	BA+15	BA+30	BA+45	BA+90
16	0	28,318	29,083	29,875	30,668	33,217
17	1	28,699	29,473	30,276	31,106	33,680
18	2	29,345	30,137	30,955	31,857	34,449
19	3	30,312	31,127	31,970	32,920	35,559
20	4	30,994	31,854	32,710	33,702	36,383
21	5	31,703	32,574	33,448	34,505	37,203
22	6	32,112	32,964	33,868	34,979	37,663
23	7	33,160	34,033	34,959	36,141	38,893
24	8	34,223	35,145	36,092	37,372	40,161
25	9		36,295	37,289	38,616	41,470
26	10			38,501	39,923	42,815
27	11				41,269	44,225
28	12				42,572	45,671
29	13					47,153
30	14					48,642
31	15					49,907
32	16 or more					50,906

33	Years of				MA+90
34	Service	BA+135	MA	MA+45	or PHD

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

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

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

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

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

28 (5) For the purposes of this section:

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

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

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

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

34 (e) "Credits" means college quarter hour credits and equivalent in-
35 service credits computed in accordance with RCW 28A.415.020 and
36 28A.415.023.

37 (6) No more than ninety college quarter-hour credits received by
38 any employee after the baccalaureate degree may be used to determine

1 compensation allocations under the state salary allocation schedule and
2 LEAP documents referenced in this act, or any replacement schedules and
3 documents, unless:

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

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

7 (7) The certificated instructional staff base salary specified for
8 each district in LEAP Document 12E and the salary schedules in
9 subsection (4)(a) of this section include three learning improvement
10 days originally added in the 1999-00 school year. A school district is
11 eligible for the learning improvement day funds for school years 2001-
12 02 and 2002-03, only if three learning improvement days have been added
13 to the 180-day contract year. If fewer than three days are added, the
14 additional learning improvement allocation shall be adjusted
15 accordingly. The additional days shall be for activities related to
16 improving student learning consistent with education reform
17 implementation. The length of a learning improvement day shall not be
18 less than the length of a full day under the base contract. The
19 superintendent of public instruction shall ensure that school districts
20 adhere to the intent and purposes of this subsection.

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

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

25	General Fund--State Appropriation (FY 2002) . . . \$	124,130,000
26	General Fund--State Appropriation (FY 2003) . . . \$	274,529,000
27	TOTAL APPROPRIATION \$	398,659,000

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

30 (1) \$318,024,000 is provided for a cost of living adjustment for
31 state formula staff units of 3.7 percent effective September 1, 2001,
32 and another salary adjustment effective on September 1, 2002, in a
33 percentage amount to be determined by the 2002 legislature consistent
34 with the provisions of chapter 4, Laws of 2001 (Initiative Measure No.
35 732). The appropriations include associated incremental fringe benefit
36 allocations at rates of 10.63 percent for school years 2001-02 and

1 2002-03 for certificated staff and 9.42 percent for school years 2001-
2 02 and 2002-03 for classified staff.

3 (a) The appropriations in this section include the increased
4 portion of salaries and incremental fringe benefits for all relevant
5 state-funded school programs in part V of this act, in accordance with
6 chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary
7 adjustments for state employees in the office of superintendent of
8 public instruction and the education reform program are provided in
9 part VII of this act. Increases for general apportionment (basic
10 education) are based on the salary allocation schedules and methodology
11 in section 502 of this act. Increases for special education result
12 from increases in each district's basic education allocation per
13 student. Increases for educational service districts and institutional
14 education programs are determined by the superintendent of public
15 instruction using the methodology for general apportionment salaries
16 and benefits in section 502 of this act.

17 (b) The appropriations in this section provide cost-of-living and
18 incremental fringe benefit allocations based on formula adjustments as
19 follows:

	School Year	
	2001-02	2002-03
22 Pupil Transportation (per weighted pupil mile)	\$ 0.77	\$ 1.44
23 Highly Capable (per formula student)	\$ 8.75	\$ 16.35
24 Transitional Bilingual Education (per eligible 25 bilingual student)	\$ 22.73	\$ 42.48
26 Learning Assistance (per entitlement unit)	\$ 11.23	\$ 20.99
27 Substitute Teacher (allocation per teacher, 28 section 502(7))	\$ 18.29	\$ 34.18

29 (2) This act appropriates general fund--state funds for the purpose
30 of providing the annual salary cost-of-living increase required by
31 section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for
32 teachers and other school district employees in the state-funded salary
33 base. For employees not included in the state-funded salary base, the
34 annual salary cost-of-living increase may be provided by school
35 districts from the federal funds appropriated in this act and local
36 revenues, including the adjusted levy base as provided in RCW 84.52.053

1 and section 502 of this act, and state discretionary funds provided
2 under this act.

3 (3) \$80,635,000 is provided for adjustments to insurance benefit
4 allocations. The maintenance rate for insurance benefit allocations is
5 \$427.73 per month for the 2001-02 and 2002-03 school years. The
6 appropriations in this section provide for a rate increase to \$455.27
7 per month for the 2001-02 school year and \$493.59 per month for the
8 2002-03 school year at the following rates:

	School Year	
	2001-02	2002-03
11 Pupil Transportation (per weighted pupil mile)	\$ 0.25	\$ 0.60
12 Highly Capable (per formula student)	\$ 1.74	\$ 4.18
13 Transitional Bilingual Education (per eligible 14 bilingual student)	\$ 4.46	\$ 10.66
15 Learning Assistance (per entitlement unit)	\$ 3.51	\$ 8.38

16 (4) The rates specified in this section are subject to revision
17 each year by the legislature.

18 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
19 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

20 General Fund--State Appropriation (FY 2002) . . .	\$	193,198,000
21 General Fund--State Appropriation (FY 2003) . . .	\$	194,293,000
22 TOTAL APPROPRIATION	\$	387,491,000

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

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

28 (2) A maximum of \$767,000 of this fiscal year 2002 appropriation
29 and a maximum of \$785,000 of the fiscal year 2003 appropriation may be
30 expended for regional transportation coordinators and related
31 activities. The transportation coordinators shall ensure that data
32 submitted by school districts for state transportation funding shall,
33 to the greatest extent practical, reflect the actual transportation
34 activity of each district.

1 (3) \$15,000 of the fiscal year 2002 appropriation and \$20,000 of
2 the fiscal year 2003 appropriation are provided solely for the
3 transportation of students enrolled in "choice" programs.
4 Transportation shall be limited to low-income students who are
5 transferring to "choice" programs solely for educational reasons.

6 (4) Allocations for transportation of students shall be based on
7 reimbursement rates of \$37.11 per weighted mile in the 2001-02 school
8 year and \$37.38 per weighted mile in the 2002-03 school year exclusive
9 of salary and benefit adjustments provided in section 504 of this act.
10 Allocations for transportation of students transported more than one
11 radius mile shall be based on weighted miles as determined by
12 superintendent of public instruction multiplied by the per mile
13 reimbursement rates for the school year pursuant to the formulas
14 adopted by the superintendent of public instruction. Allocations for
15 transportation of students living within one radius mile shall be based
16 on the number of enrolled students in grades kindergarten through five
17 living within one radius mile of their assigned school multiplied by
18 the per mile reimbursement rate for the school year multiplied by 1.29.

19 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

21	General Fund--State Appropriation (FY 2002) . . . \$	3,100,000
22	General Fund--State Appropriation (FY 2003) . . . \$	3,100,000
23	General Fund--Federal Appropriation \$	225,630,000
24	TOTAL APPROPRIATION \$	231,830,000

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

27 (1) \$3,000,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$3,000,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided for state matching money for federal
30 child nutrition programs.

31 (2) \$100,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$100,000 of the 2003 fiscal year appropriation are
33 provided for summer food programs for children in low-income areas.

34 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
35 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

36	General Fund--State Appropriation (FY 2002) . . . \$	419,264,000
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1	General Fund--State Appropriation (FY 2003) . . .	\$	420,644,000
2	General Fund--Federal Appropriation	\$	256,092,000
3	TOTAL APPROPRIATION	\$	1,096,000,000

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

6 (1) Funding for special education programs is provided on an excess
7 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
8 that special education students as a class receive their full share of
9 the general apportionment allocation accruing through sections 502 and
10 504 of this act. To the extent a school district cannot provide an
11 appropriate education for special education students under chapter
12 28A.155 RCW through the general apportionment allocation, it shall
13 provide services through the special education excess cost allocation
14 funded in this section.

15 (2)(a) Effective with the 2001-02 school year, the superintendent
16 of public instruction shall change the S-275 personnel reporting system
17 and all related accounting requirements to ensure that:

- 18 (i) Special education students are basic education students first;
- 19 (ii) As a class, special education students are entitled to the
20 full basic education allocation; and
- 21 (iii) Special education students are basic education students for
22 the entire school day.

23 (b) Effective with the 2001-02 school year, the S-275 and
24 accounting changes shall supercede any prior excess cost methodologies
25 and shall be required of all school districts.

26 (3) Each general fund--state fiscal year appropriation includes
27 such funds as are necessary to complete the school year ending in the
28 fiscal year and for prior fiscal year adjustments.

29 (4) The superintendent of public instruction shall distribute state
30 funds to school districts based on two categories: The optional birth
31 through age two program for special education eligible developmentally
32 delayed infants and toddlers, and the mandatory special education
33 program for special education eligible students ages three to twenty-
34 one. A "special education eligible student" means a student receiving
35 specially designed instruction in accordance with a properly formulated
36 individualized education program.

37 (5)(a) For the 2001-02 and 2002-03 school years, the superintendent
38 shall distribute state funds to each district based on the sum of:

1 (i) A district's annual average headcount enrollment of
2 developmentally delayed infants and toddlers ages birth through two,
3 multiplied by the district's average basic education allocation per
4 full-time equivalent student, multiplied by 1.15; and

5 (ii) A district's annual average full-time equivalent basic
6 education enrollment multiplied by the funded enrollment percent
7 determined pursuant to subsection (6)(b) of this section, multiplied by
8 the district's average basic education allocation per full-time
9 equivalent student multiplied by 0.9309.

10 (b) For purposes of this subsection, "average basic education
11 allocation per full-time equivalent student" for a district shall be
12 based on the staffing ratios required by RCW 28A.150.260 and shall not
13 include enhancements, secondary vocational education, or small schools.

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

16 (a) "Annual average full-time equivalent basic education
17 enrollment" means the resident enrollment including students enrolled
18 through choice (RCW 28A.225.225) and students from nonhigh districts
19 (RCW 28A.225.210) and excluding students residing in another district
20 enrolled as part of an interdistrict cooperative program (RCW
21 28A.225.250).

22 (b) "Enrollment percent" means the district's resident special
23 education annual average enrollment, excluding the birth through age
24 two enrollment, as a percent of the district's annual average full-time
25 equivalent basic education enrollment. For the 2001-02 and the 2002-03
26 school years, each district's funded enrollment percent shall be the
27 lesser of the district's actual enrollment percent for the school year
28 for which the allocation is being determined or 12.7 percent for the
29 2001-02 school year or 13.0 percent for the 2002-03 school year.

30 (7) At the request of any interdistrict cooperative of at least 15
31 districts in which all excess cost services for special education
32 students of the districts are provided by the cooperative, the maximum
33 enrollment percent shall be 12.7 percent for the 2001-02 school year
34 and 13.0 percent for the 2002-03 school year, and shall be calculated
35 in the aggregate rather than individual district units. For purposes
36 of this subsection, the average basic education allocation per full-
37 time equivalent student shall be calculated in the aggregate rather
38 than individual district units.

1 (8) A maximum of \$12,000,000 of the general fund--state
2 appropriation for fiscal year 2002 and a maximum of \$10,623,000 of the
3 general fund--state appropriation for fiscal year 2003 are provided as
4 safety net funding for districts with demonstrated needs for state
5 special education funding beyond the amounts provided in subsection (5)
6 of this section. Safety net funding shall be awarded by the state
7 safety net oversight committee.

8 (a) The safety net oversight committee shall first consider the
9 needs of districts adversely affected by the 1995 change in the special
10 education funding formula. Awards shall be based on the lesser of the
11 amount required to maintain the 1994-95 state special education excess
12 cost allocation to the school district in aggregate or on a dollar per
13 funded student basis.

14 (b) The committee shall then consider unmet needs for districts
15 that can convincingly demonstrate that all legitimate expenditures for
16 special education exceed all available revenues from state funding
17 formulas. In the determination of need, the committee shall also
18 consider additional available revenues from federal and local sources.
19 Differences in program costs attributable to district philosophy,
20 service delivery choice, or accounting practices are not a legitimate
21 basis for safety net awards.

22 (c) The maximum allowable indirect cost for calculating safety net
23 eligibility may not exceed the federal restricted indirect cost rate
24 for the district plus one percent.

25 (d) Safety net awards shall be adjusted based on the percent of
26 potential medicaid eligible students billed as calculated by the
27 superintendent in accordance with chapter 318, Laws of 1999.

28 (e) Safety net awards must be adjusted for any audit findings or
29 exceptions related to special education funding.

30 (f) The superintendent may expend up to \$120,000 per year of the
31 amounts provided in this subsection to provide staff assistance to the
32 committee in analyzing applications for safety net funds received by
33 the committee.

34 (9) The superintendent of public instruction may adopt such rules
35 and procedures as are necessary to administer the special education
36 funding and safety net award process. Prior to revising any standards,
37 procedures, or rules, the superintendent shall consult with the office
38 of financial management and the fiscal committees of the legislature.

1 (10) The safety net oversight committee appointed by the
2 superintendent of public instruction shall consist of:

3 (a) One staff from the office of superintendent of public
4 instruction;

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

6 (c) Staff of the office of the financial management; and

7 (d) One or more representatives from school districts or
8 educational service districts knowledgeable of special education
9 programs and funding.

10 (11) To the extent necessary, \$5,500,000 of the general fund--
11 federal appropriation shall be expended for safety net funding to meet
12 the extraordinary needs of one or more individual special education
13 students. If safety net awards to meet the extraordinary needs exceed
14 \$5,500,000 of the general fund--federal appropriation, the
15 superintendent shall expend all available federal discretionary funds
16 necessary to meet this need. General fund--state funds shall not be
17 expended for this purpose.

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

23 (13) \$1,000,000 of the general fund--federal appropriation is
24 provided for projects to provide special education students with
25 appropriate job and independent living skills, including work
26 experience where possible, to facilitate their successful transition
27 out of the public school system. The funds provided by this subsection
28 shall be from federal discretionary grants.

29 (14) The superintendent shall maintain the percentage of federal
30 flow-through to school districts at 85 percent. In addition to other
31 purposes, school districts may use increased federal funds for high-
32 cost students, for purchasing regional special education services from
33 educational service districts, and for staff development activities
34 particularly relating to inclusion issues.

35 (15) A maximum of \$1,200,000 of the general fund--federal
36 appropriation may be expended by the superintendent for projects
37 related to use of inclusion strategies by school districts for
38 provision of special education services. The superintendent shall
39 prepare an information database on laws, best practices, examples of

1 programs, and recommended resources. The information may be
2 disseminated in a variety of ways, including workshops and other staff
3 development activities.

4 (16) A school district may carry over from one year to the next
5 year up to 10 percent of general fund--state funds allocated under this
6 program; however, carry over funds shall be expended in the special
7 education program.

8 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
9 **INSTRUCTION--FOR TRAFFIC SAFETY EDUCATION PROGRAMS**

10	General Fund--State Appropriation (FY 2002) . . . \$	3,595,000
11	General Fund--State Appropriation (FY 2003) . . . \$	2,588,000
12	TOTAL APPROPRIATION \$	6,183,000

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

15 (1) The appropriations include such funds as are necessary to
16 complete the school year ending in each fiscal year and for prior
17 fiscal year adjustments.

18 (2) A maximum of \$253,000 of the fiscal year 2002 general fund
19 appropriation and a maximum of \$254,000 of the fiscal year 2003 general
20 fund appropriation may be expended for regional traffic safety
21 education coordinators.

22 (3) Allocations to provide tuition assistance for students eligible
23 for free and reduced price lunch who complete the program shall be a
24 maximum of \$203.97 per eligible student in the 2001-02 and 2002-03
25 school years.

26 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
27 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

28	General Fund--State Appropriation (FY 2002) . . . \$	4,768,000
29	General Fund--State Appropriation (FY 2003) . . . \$	4,768,000
30	TOTAL APPROPRIATION \$	9,536,000

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

33 (1) The educational service districts shall continue to furnish
34 financial services required by the superintendent of public instruction
35 and RCW 28A.310.190 (3) and (4).

1 (2) \$250,000 of the general fund appropriation for fiscal year 2000
2 and \$250,000 of the general fund appropriation for fiscal year 2001 are
3 provided solely for student teaching centers as provided in RCW
4 28A.415.100.

5 (3) A maximum of \$250,000 of the fiscal year 2002 general fund
6 appropriation and a maximum of \$250,000 of the fiscal year 2003 general
7 fund appropriation are provided for centers for the improvement of
8 teaching pursuant to RCW 28A.415.010.

9 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
10 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

11	General Fund--State Appropriation (FY 2002) . . . \$	136,315,000
12	General Fund--State Appropriation (FY 2003) . . . \$	148,329,000
13	TOTAL APPROPRIATION \$	284,644,000

14 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

16	General Fund--State Appropriation (FY 2002) . . . \$	19,133,000
17	General Fund--State Appropriation (FY 2003) . . . \$	19,115,000
18	General Fund--Federal Appropriation \$	8,548,000
19	TOTAL APPROPRIATION \$	46,796,000

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

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

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

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

34 (4) The funded staffing ratios for education programs for juveniles
35 age 18 or less in department of corrections facilities shall be the
36 same as those provided in the 1997-99 biennium.

1 (5) \$141,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$139,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely to maintain at least one
4 certificated instructional staff and related support services at an
5 institution whenever the K-12 enrollment is not sufficient to support
6 one full-time equivalent certificated instructional staff to furnish
7 the educational program. The following types of institutions are
8 included: Residential programs under the department of social and
9 health services for developmentally disabled juveniles, programs for
10 juveniles under the department of corrections, and programs for
11 juveniles under the juvenile rehabilitation administration.

12 (6) Ten percent of the funds allocated for each institution may be
13 carried over from one year to the next.

14 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

16	General Fund--State Appropriation (FY 2002) . . . \$	6,443,000
17	General Fund--State Appropriation (FY 2003) . . . \$	6,397,000
18	TOTAL APPROPRIATION \$	12,840,000

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

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

24 (2) Allocations for school district programs for highly capable
25 students shall be distributed at a maximum rate of \$328.10 per funded
26 student for the 2001-02 school year and \$328.05 per funded student for
27 the 2002-03 school year, exclusive of salary and benefit adjustments
28 pursuant to section 504 of this act. The number of funded students
29 shall be a maximum of two percent of each district's full-time
30 equivalent basic education enrollment.

31 (3) \$175,000 of the fiscal year 2002 appropriation and \$175,000 of
32 the fiscal year 2003 appropriation are provided for the centrum program
33 at Fort Worden state park.

34 (4) \$93,000 of the fiscal year 2002 appropriation and \$93,000 of
35 the fiscal year 2003 appropriation are provided for the Washington
36 imagination network and future problem-solving programs.

1 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
 2 **INSTRUCTION--FOR THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT**
 3 General Fund--Federal Appropriation \$ 288,166,000

4 *NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
 5 **INSTRUCTION--EDUCATION REFORM PROGRAMS**
 6 General Fund--State Appropriation (FY 2002) . . . \$ 35,882,000
 7 General Fund--State Appropriation (FY 2003) . . . \$ 36,363,000
 8 General Fund--Federal Appropriation \$ 3,000,000
 9 TOTAL APPROPRIATION \$ 75,245,000

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

12 (1) \$322,000 of the general fund--state appropriation for fiscal
 13 year 2002 and \$322,000 of the general fund--state appropriation for
 14 fiscal year 2003 are provided solely for the academic achievement and
 15 accountability commission.

16 (2) \$11,209,000 of the general fund--state appropriation for fiscal
 17 year 2002, \$10,872,000 of the general fund--state appropriation for
 18 fiscal year 2003, and \$3,000,000 of the general fund--federal
 19 appropriation are provided for development and implementation of the
 20 Washington assessments of student learning. Up to \$689,000 of the
 21 appropriation may be expended for data analysis and data management of
 22 test results.

23 (3) \$1,095,000 of the fiscal year 2002 general fund--state
 24 appropriation and \$1,095,000 of the fiscal year 2003 general
 25 fund--state appropriation are provided solely for training of
 26 paraprofessional classroom assistants and certificated staff who work
 27 with classroom assistants as provided in RCW 28A.415.310.

28 (4) \$4,695,000 of the general fund--state appropriation for fiscal
 29 year 2002 and \$4,695,000 of the general fund--state appropriation for
 30 fiscal year 2003 are provided solely for mentor teacher assistance,
 31 including state support activities, under RCW 28A.415.250 and
 32 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in
 33 this subsection may be used each fiscal year to operate a mentor
 34 academy to help districts provide effective training for peer mentors.
 35 Funds for the teacher assistance program shall be allocated to school
 36 districts based on the number of first year beginning teachers.

1 (a) A teacher assistance program is a program that provides to a
2 first year beginning teacher peer mentor services that include but are
3 not limited to:

4 (i) An orientation process and individualized assistance to help
5 beginning teachers who have been hired prior to the start of the school
6 year prepare for the start of a school year;

7 (ii) The assignment of a peer mentor whose responsibilities to the
8 beginning teacher include but are not limited to constructive feedback,
9 the modeling of instructional strategies, and frequent meetings and
10 other forms of contact;

11 (iii) The provision by peer mentors of strategies, training, and
12 guidance in critical areas such as classroom management, student
13 discipline, curriculum management, instructional skill, assessment,
14 communication skills, and professional conduct. A district may provide
15 these components through a variety of means including one-on-one
16 contact and workshops offered by peer mentors to groups, including
17 cohort groups, of beginning teachers;

18 (iv) The provision of release time, substitutes, mentor training in
19 observation techniques, and other measures for both peer mentors and
20 beginning teachers, to allow each an adequate amount of time to observe
21 the other and to provide the classroom experience that each needs to
22 work together effectively;

23 (v) Assistance in the incorporation of the essential academic
24 learning requirements into instructional plans and in the development
25 of complex teaching strategies, including strategies to raise the
26 achievement of students with diverse learning styles and backgrounds;
27 and

28 (vi) Guidance and assistance in the development and implementation
29 of a professional growth plan. The plan shall include a professional
30 self-evaluation component and one or more informal performance
31 assessments. A peer mentor may not be involved in any evaluation under
32 RCW 28A.405.100 of a beginning teacher whom the peer mentor has
33 assisted through this program.

34 (b) In addition to the services provided in (a) of this subsection,
35 an eligible peer mentor program shall include but is not limited to the
36 following components:

37 (i) Strong collaboration among the peer mentor, the beginning
38 teacher's principal, and the beginning teacher;

1 (ii) Stipends for peer mentors and, at the option of a district,
2 for beginning teachers. The stipends shall not be deemed compensation
3 for the purposes of salary lid compliance under RCW 28A.400.200 and are
4 not subject to the continuing contract provisions of Title 28A RCW; and

5 (iii) To the extent that resources are available for this purpose
6 and that assistance to beginning teachers is not adversely impacted,
7 the program may serve second year and more experienced teachers who
8 request the assistance of peer mentors.

9 (5) \$2,025,000 of the general fund--state appropriation for fiscal
10 year 2002 and \$2,025,000 of the general fund--state appropriation for
11 fiscal year 2003 are provided for improving technology infrastructure,
12 monitoring and reporting on school district technology development,
13 promoting standards for school district technology, promoting statewide
14 coordination and planning for technology development, and providing
15 regional educational technology support centers, including state
16 support activities, under chapter 28A.650 RCW. The superintendent of
17 public instruction shall coordinate a process to facilitate the
18 evaluation and provision of online curriculum courses to school
19 districts which includes the following: Creation of a general listing
20 of the types of available online curriculum courses; a survey conducted
21 by each regional educational technology support center of school
22 districts in its region regarding the types of online curriculum
23 courses desired by school districts; a process to evaluate and
24 recommend to school districts the best online courses in terms of
25 curriculum, student performance, and cost; and assistance to school
26 districts in procuring and providing the courses to students.

27 (6) \$3,600,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$3,600,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided for grants to school districts to provide
30 a continuum of care for children and families to help children become
31 ready to learn. Grant proposals from school districts shall contain
32 local plans designed collaboratively with community service providers.
33 If a continuum of care program exists in the area in which the school
34 district is located, the local plan shall provide for coordination with
35 existing programs to the greatest extent possible. Grant funds shall
36 be allocated pursuant to RCW 70.190.040.

37 (7) \$2,500,000 of the general fund--state appropriation for fiscal
38 year 2002 and \$2,500,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the meals for kids program
2 under RCW 28A.235.145 through 28A.235.155.

3 (8) \$1,409,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$1,409,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for the leadership internship
6 program for superintendents, principals, and program administrators.

7 (9) \$1,828,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$1,828,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for the mathematics helping corps
10 subject to the following conditions and limitations:

11 (a) In order to increase the availability and quality of technical
12 mathematics assistance statewide, the superintendent of public
13 instruction shall employ mathematics school improvement specialists to
14 provide assistance to schools and districts. The specialists shall be
15 hired by and work under the direction of a statewide school improvement
16 coordinator. The mathematics improvement specialists shall serve on a
17 rotating basis from one to three years and shall not be permanent
18 employees of the superintendent of public instruction.

19 (b) The school improvement specialists shall provide the following:

20 (i) Assistance to schools to disaggregate student performance data
21 and develop improvement plans based on those data;

22 (ii) Consultation with schools and districts concerning their
23 performance on the Washington assessment of student learning and other
24 assessments emphasizing the performance on the mathematics assessments;

25 (iii) Consultation concerning curricula that aligns with the
26 essential academic learning requirements emphasizing the academic
27 learning requirements for mathematics, the Washington assessment of
28 student learning, and meets the needs of diverse learners;

29 (iv) Assistance in the identification and implementation of
30 research-based instructional practices in mathematics;

31 (v) Staff training that emphasizes effective instructional
32 strategies and classroom-based assessment for mathematics;

33 (vi) Assistance in developing and implementing family and community
34 involvement programs emphasizing mathematics; and

35 (vii) Other assistance to schools and school districts intended to
36 improve student mathematics learning.

37 (10) A maximum of \$500,000 of the general fund--state appropriation
38 for fiscal year 2002 and a maximum of \$500,000 of the general fund--
39 state appropriation for fiscal year 2003 are provided for summer

1 accountability institutes offered by the superintendent of public
2 instruction and the academic achievement and accountability commission.
3 The institutes shall provide school district staff with training in the
4 analysis of student assessment data, information regarding successful
5 district and school teaching models, research on curriculum and
6 instruction, and planning tools for districts to improve instruction in
7 reading, mathematics, language arts, and guidance and counseling.

8 (11) \$3,930,000 of the general fund--state appropriation for fiscal
9 year 2002 and \$3,829,000 of the general fund--state appropriation for
10 fiscal year 2003 are provided solely for the Washington reading corps
11 subject to the following conditions and limitations:

12 (a) Grants shall be allocated to schools and school districts to
13 implement proven, research-based mentoring and tutoring programs in
14 reading for low-performing students in grades K-6. If the grant is
15 made to a school district, the principals of schools enrolling targeted
16 students shall be consulted concerning design and implementation of the
17 program.

18 (b) The programs may be implemented before, after, or during the
19 regular school day, or on Saturdays, summer, intercessions, or other
20 vacation periods.

21 (c) Two or more schools may combine their Washington reading corps
22 programs.

23 (d) A program is eligible for a grant if it meets the following
24 conditions:

25 (i) The program employs methods of teaching and student learning
26 based on reliable reading/literacy research and effective practices;

27 (ii) The program design is comprehensive and includes instruction,
28 on-going student assessment, professional development,
29 parental/community involvement, and program management aligned with the
30 school's reading curriculum;

31 (iii) It provides quality professional development and training for
32 teachers, staff, and volunteer mentors and tutors;

33 (iv) It has measurable goals for student reading aligned with the
34 essential academic learning requirements; and

35 (v) It contains an evaluation component to determine the
36 effectiveness of the program.

37 (e) Funding priority shall be given to low-performing schools.

38 (f) Beginning and end-of-program testing data shall be available to
39 determine the effectiveness of funded programs and practices. Common

1 evaluative criteria across programs, such as grade-level improvements
2 shall be available for each reading corps program. The superintendent
3 of public instruction shall provide program evaluations to the governor
4 and the appropriate committees of the legislature. Administrative and
5 evaluation costs may be assessed from the annual appropriation for the
6 program.

7 (g) Grants provided under this section may be used by schools and
8 school districts for expenditures from September 2001 through August
9 31, 2003.

10 (12) \$377,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$701,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for salary bonuses for teachers
13 who attain certification by the national board for professional
14 teaching standards.

15 (a) *In the 2001-02 school year, teachers who have attained*
16 *certification by the national board in the 1999-00 school year or the*
17 *2000-01 school year or the 2001-02 school year shall receive an annual*
18 *bonus not to exceed \$3,500.*

19 (b) In the 2002-03 school year, teachers who have attained
20 certification by the national board in the 2000-01 school year or the
21 2001-02 school year or the 2002-03 school year shall receive an annual
22 bonus not to exceed \$3,500.

23 (c) The annual bonus shall be paid in a lump sum amount and shall
24 not be included in the definition of "earnable compensation" under RCW
25 41.32.010(10).

26 (d) It is the intent of the legislature that teachers achieving
27 certification by the national board of professional teaching standards
28 will receive no more than three annual bonus payments for attaining
29 certification by the national board.

30 (13) \$625,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$625,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided for a principal support program. The
33 office of the superintendent of public instruction may contract with an
34 independent organization to administer the program. The program shall
35 include: (a) Development of an individualized professional growth plan
36 for a new principal or principal candidate; and (b) participation of a
37 mentor principal who works over a period of between one and three years
38 with the new principal or principal candidate to help him or her build

1 the skills identified as critical to the success of the professional
2 growth plan.

3 (14) \$71,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$71,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for the second grade reading test.
6 The funds shall be expended for assessment training for new second
7 grade teachers and replacement of assessment materials.

8 (15) \$384,000 of the general fund--state appropriation for fiscal
9 year 2002 and \$384,000 of the general fund--state appropriation for
10 fiscal year 2003 are provided for the superintendent to assist schools
11 in implementing high academic standards, aligning curriculum with these
12 standards, and training teachers to use assessments to improve student
13 learning. Funds may also be used to increase community and parental
14 awareness of education reform.

15 (16) \$130,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$130,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided for the development and posting of web-
18 based instructional tools, assessment data, and other information that
19 assists schools and teachers implementing higher academic standards.

20 (17) \$1,000,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$1,800,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely to the office of the
23 superintendent of public instruction for focused assistance. The
24 office of the superintendent of public instruction shall conduct
25 educational audits of low-performing schools and enter into performance
26 agreements between school districts and the office to implement the
27 recommendations of the audit and the community. Of the amounts
28 provided, \$219,000 of the fiscal year 2002 appropriation and \$207,000
29 of the fiscal year 2003 appropriation are provided to the office of the
30 superintendent of public instruction for the administrative duties
31 arising under this subsection. Each educational audit shall include
32 recommendations for best practices and ways to address identified needs
33 and shall be presented to the community in a public meeting to seek
34 input on ways to implement the audit and its recommendations.

35 (18) \$100,000 of the general fund--state appropriation for fiscal
36 year 2002 is provided solely for grants to school districts to adopt or
37 revise district-wide and school-level plans to achieve performance
38 improvement goals established under RCW 28A.655.030, and to post a
39 summary of the improvement plans on district websites using a common

1 format provided by the office of the superintendent of public
2 instruction.

3 (19) \$100,000 of the general fund--state appropriation for fiscal
4 year 2002 is provided solely for recognition plaques for schools that
5 successfully met the fourth grade reading improvement goal established
6 under RCW 28A.655.050.

7 *Sec. 514 was partially vetoed. See message at end of chapter.

8 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
9 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

10	General Fund--State Appropriation (FY 2002) . . . \$	43,044,000
11	General Fund--State Appropriation (FY 2003) . . . \$	45,171,000
12	TOTAL APPROPRIATION \$	88,215,000

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

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

18 (2) The superintendent shall distribute a maximum of \$687.19 per
19 eligible bilingual student in the 2001-02 school year and \$687.19 in
20 the 2002-03 school year, exclusive of salary and benefit adjustments
21 provided in section 504 of this act.

22 (3) The superintendent may withhold up to \$295,000 in school year
23 2001-02 and up to \$268,000 in school year 2002-03, and adjust the per
24 eligible pupil rates in subsection (2) of this section accordingly, for
25 the central provision of assessments as provided in section 2(1) and
26 (2) of Engrossed Second Substitute House Bill No. 2025.

27 (4) \$70,000 of the amounts appropriated in this section are
28 provided solely to develop a system for the tracking of current and
29 former transitional bilingual program students.

30 (5) Sufficient funding is provided to implement Engrossed Second
31 Substitute House Bill No. 2025 (schools/bilingual instruction).

32 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

34	General Fund--State Appropriation (FY 2002) . . . \$	70,593,000
35	General Fund--State Appropriation (FY 2003) . . . \$	68,817,000
36	TOTAL APPROPRIATION \$	139,410,000

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

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

6 (2) Funding for school district learning assistance programs shall
7 be allocated at maximum rates of \$408.38 per funded unit for the 2001-
8 02 school year and \$409.41 per funded unit for the 2002-03 school year
9 exclusive of salary and benefit adjustments provided under section 504
10 of this act.

11 (3) For purposes of this section, "test results" refers to the
12 district results from the norm-referenced test administered in the
13 specified grade level. The norm-referenced test results used for the
14 third and sixth grade calculations shall be consistent with the third
15 and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

16 (4) A school district's funded units for the 2001-02 and 2002-03
17 school years shall be the sum of the following:

18 (a) The district's full-time equivalent enrollment in grades K-6,
19 multiplied by the 5-year average 4th grade lowest quartile test results
20 as adjusted for funding purposes in the school years prior to 1999-
21 2000, multiplied by 0.92. As the 3rd grade test becomes available, it
22 shall be phased into the 5-year average on a 1-year lag; and

23 (b) The district's full-time equivalent enrollment in grades 7-9,
24 multiplied by the 5-year average 8th grade lowest quartile test results
25 as adjusted for funding purposes in the school years prior to 1999-
26 2000, multiplied by 0.92. As the 6th grade test becomes available, it
27 shall be phased into the 5-year average for these grades on a 1-year
28 lag; and

29 (c) The district's full-time equivalent enrollment in grades 10-11
30 multiplied by the 5-year average 11th grade lowest quartile test
31 results, multiplied by 0.92. As the 9th grade test becomes available,
32 it shall be phased into the 5-year average for these grades on a 1-year
33 lag; and

34 (d) If, in the prior school year, the district's percentage of
35 October headcount enrollment in grades K-12 eligible for free and
36 reduced price lunch exceeded the state average, subtract the state
37 average percentage of students eligible for free and reduced price
38 lunch from the district's percentage and multiply the result by the

1 district's K-12 annual average full-time equivalent enrollment for the
2 current school year multiplied by 22.3 percent.

3 (5) School districts may carry over from one year to the next up to
4 10 percent of funds allocated under this program; however, carryover
5 funds shall be expended for the learning assistance program.

6 NEW SECTION. **Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC**
7 **INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

8	General Fund--State Appropriation (FY 2002) . . . \$	19,515,000
9	General Fund--State Appropriation (FY 2003) . . . \$	17,516,000
10	TOTAL APPROPRIATION \$	37,031,000

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

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

16 (2) Funds are provided for local education program enhancements to
17 meet educational needs as identified by the school district, including
18 alternative education programs.

19 (3) Allocations for the 2001-02 school year shall be at a maximum
20 annual rate of \$18.48 per full-time equivalent student and \$18.48 per
21 full-time equivalent student for the 2002-03 school year. Allocations
22 shall be made on the monthly apportionment payment schedule provided in
23 RCW 28A.510.250 and shall be based on school district annual average
24 full-time equivalent enrollment in grades kindergarten through twelve:
25 PROVIDED, That for school districts enrolling not more than one hundred
26 average annual full-time equivalent students, and for small school
27 plants within any school district designated as remote and necessary
28 schools, the allocations shall be as follows:

29 (a) Enrollment of not more than sixty average annual full-time
30 equivalent students in grades kindergarten through six shall generate
31 funding based on sixty full-time equivalent students;

32 (b) Enrollment of not more than twenty average annual full-time
33 equivalent students in grades seven and eight shall generate funding
34 based on twenty full-time equivalent students; and

35 (c) Enrollment of not more than sixty average annual full-time
36 equivalent students in grades nine through twelve shall generate
37 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) The superintendent shall not allocate up to one-fourth of a
5 district's funds under this section if:

6 (a) The district is not maximizing federal matching funds for
7 medical services provided through special education programs, pursuant
8 to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); or

9 (b) The district is not in compliance in filing truancy petitions
10 as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

11 NEW SECTION. **Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC**
12 **INSTRUCTION--BETTER SCHOOLS PROGRAM**

13 General Fund--State Appropriation (FY 2002) . . . \$ 8,996,000

14 The appropriation in this section is subject to the following
15 conditions and limitations: \$8,996,000 is provided solely to complete
16 the 2000-01 school year allocation for class size reduction and
17 expanded learning opportunities pursuant to section 518, chapter 1,
18 Laws of 2000 2nd sp. sess.

19 NEW SECTION. **Sec. 519. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

21 Student Achievement Fund--State
22 Appropriation (FY 2002) \$ 184,232,000
23 Student Achievement Fund--State
24 Appropriation (FY 2003) \$ 209,068,000
25 TOTAL APPROPRIATION \$ 393,300,000

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

28 (1) The appropriation is allocated for the following uses as
29 specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001
30 (Initiative Measure No. 728):

31 (a) To reduce class size by hiring certificated elementary
32 classroom teachers in grades K-4 and paying nonemployee-related costs
33 associated with those new teachers;

34 (b) To make selected reductions in class size in grades 5-12, such
35 as small high school writing classes;

1 (c) To provide extended learning opportunities to improve student
2 academic achievement in grades K-12, including, but not limited to,
3 extended school year, extended school day, before-and-after-school
4 programs, special tutoring programs, weekend school programs, summer
5 school, and all-day kindergarten;

6 (d) To provide additional professional development for educators
7 including additional paid time for curriculum and lesson redesign and
8 alignment, training to ensure that instruction is aligned with state
9 standards and student needs, reimbursement for higher education costs
10 related to enhancing teaching skills and knowledge, and mentoring
11 programs to match teachers with skilled, master teachers. The funding
12 shall not be used for salary increases or additional compensation for
13 existing teaching duties, but may be used for extended year and extend
14 day teaching contracts;

15 (e) To provide early assistance for children who need
16 prekindergarten support in order to be successful in school; or

17 (f) To provide improvements or additions to school building
18 facilities which are directly related to the class size reductions and
19 extended learning opportunities under (a) through (c) of this
20 subsection.

21 (2) Funding for school district student achievement programs shall
22 be allocated at a maximum rate of \$193.92 per FTE student for the 2001-
23 02 school year and \$220.59 per FTE student for the 2002-03 school year.
24 For the purposes of this section and in accordance with RCW 84.52.---
25 (section 5 of Initiative Measure No. 728), FTE student refers to the
26 annual average full-time equivalent enrollment of the school district
27 in grades kindergarten through twelve for the prior school year.

28 (3) The office of the superintendent of public instruction shall
29 distribute ten percent of the annual allocation to districts each month
30 for the months of September through June.

31 NEW SECTION. **Sec. 520. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR**
32 **ADJUSTMENTS.** State general fund appropriations provided to the
33 superintendent of public instruction for state entitlement programs in
34 the public schools in this part V of this act may be expended as needed
35 by the superintendent for adjustments to apportionment for prior fiscal
36 periods. Recoveries of state general fund moneys from school districts
37 and educational service districts for a prior fiscal period shall be
38 made as reductions in apportionment payments for the current fiscal

1 period and shall be shown as prior year adjustments on apportionment
2 reports for the current period. Such recoveries shall not be treated
3 as revenues to the state, but as a reduction in the amount expended
4 against the appropriation for the current fiscal period.

5 NEW SECTION. **Sec. 521. FOR THE STATE BOARD OF EDUCATION**

6 Education Savings Account--State

7 Appropriation \$ 36,720,000

8 Education Construction Account--State

9 Appropriation \$ 154,500,000

10 TOTAL APPROPRIATION \$ 191,220,000

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

13 (1) \$18,000,000 in fiscal year 2002 and \$18,720,000 in fiscal year
14 2003 of the education savings account appropriation shall be deposited
15 in the common school construction account.

16 (2) \$154,500,000 of the education construction account
17 appropriation shall be deposited in the common school construction
18 account.

19 (End of part)

1 (d) The community and technical colleges shall provide to academic
2 employees, exempt professional staff, and academic administrators an
3 average salary increase of 3.7 percent on July 1, 2001. Funds are also
4 provided for salary increases for these groups on July 1, 2002, in a
5 percentage amount to be determined by the 2002 legislature and, in the
6 case of community college academic employees and technical college
7 employees, consistent with the provisions of Initiative 732.

8 (e) For employees under the jurisdiction of chapter 41.56 RCW
9 pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1),
10 distribution of the salary increases will be in accordance with the
11 applicable collective bargaining agreement. However, an increase shall
12 not be provided to any classified employee whose salary is above the
13 approved salary range maximum for the class to which the employee's
14 position is allocated.

15 (f) Each institution of higher education receiving appropriations
16 under sections 604 through 609 of this act may provide additional
17 salary increases to instructional and research faculty, exempt
18 professional staff, academic administrators, academic librarians,
19 counselors, teaching and research assistants, as classified by the
20 office of financial management, and all other nonclassified staff, but
21 not including employees under RCW 28B.16.015. Any salary increase
22 granted under the authority of this subsection (2)(f) shall not be
23 included in an institution's salary base. It is the intent of the
24 legislature that general fund--state support for an institution shall
25 not increase during the current or any future biennium as a result of
26 any salary increases authorized under this subsection (2)(f).

27 (g) To collect consistent data for use by the legislature, the
28 office of financial management, and other state agencies for policy and
29 planning purposes, institutions of higher education shall report
30 personnel data to be used in the department of personnel's human
31 resource data warehouse in compliance with uniform reporting procedures
32 established by the department of personnel.

33 (h) Specific salary increases authorized in sections 603 through
34 609 of this act are in addition to any salary increase provided in this
35 subsection.

36 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to
37 full-time students at the state's institutions of higher education for
38 the 2001-02 and 2002-03 academic years, other than the summer term, may
39 be adjusted by the governing boards of the state universities, regional

1 universities, The Evergreen State College, and the state board for
2 community and technical colleges as provided in this subsection.

3 (a) For the 2001-02 academic year, the governing boards and the
4 state board may implement an increase no greater than six and seven-
5 tenths percent over tuition fees charged to full-time students for the
6 2000-01 academic year.

7 (b) For the 2002-03 academic year, the governing boards and the
8 state board may implement an increase no greater than six and one-tenth
9 percent over the tuition fees charged to full-time students for the
10 2001-02 academic year.

11 (c) For the 2001-02 academic year, the governing boards may
12 implement an increase for law and graduate business programs no greater
13 than twelve percent over tuition fees charged to law and graduate
14 business students for the 2000-01 academic year, except as provided in
15 (e) of this subsection.

16 (d) For the 2002-03 academic year, the governing boards may
17 implement an increase for law and graduate business programs no greater
18 than twelve percent over tuition fees charged to law and graduate
19 business students for the 2001-02 academic year, except as provided in
20 (f) of this subsection.

21 (e) For the 2001-02 academic year, the governing boards of the
22 University of Washington may implement an increase for graduate
23 business programs no greater than 15 percent over tuition fees charged
24 to graduate business students for the 2000-01 academic year.

25 (f) For the 2002-03 academic year, the governing boards of the
26 University of Washington may implement an increase for graduate
27 business programs no greater than 20 percent over tuition fees charged
28 to graduate business students for the 2001-02 academic year.

29 (g) For the 2001-02 and the 2002-03 academic years, the state board
30 for community and technical colleges may increase fees differentially
31 based on student credit hour load, but the percentage increase for
32 students taking fifteen or fewer credits shall not exceed the limits in
33 subsection (3)(a) and (b) of this section.

34 (h) For the 2001-03 biennium, the governing boards and the state
35 board may adjust full-time operating fees for factors that may include
36 time of day and day of week, as well as delivery method and campus, to
37 encourage full use of the state's educational facilities and resources.

38 (i) The tuition increases adopted under (a), (b), (g), and (h) of
39 this subsection need not apply uniformly across student categories as

1 defined in chapter 28B.15 RCW so long as the increase for each student
2 category does not exceed the percentages specified in this subsection.

3 (4) In addition to waivers granted under the authority of RCW
4 28B.15.910, the governing boards and the state board may waive all or
5 a portion of the operating fees for any student. State general fund
6 appropriations shall not be provided to replace tuition and fee revenue
7 foregone as a result of waivers granted under this subsection.

8 (5) Pursuant to RCW 43.15.055, institutions of higher education
9 receiving appropriations under sections 603 through 609 of this act are
10 authorized to increase summer term tuition in excess of the fiscal
11 growth factor during the 2001-03 biennium. Tuition levels increased
12 pursuant to this subsection shall not exceed the per credit hour rate
13 calculated from the academic year tuition levels adopted under this
14 act.

15 (6) Community colleges may increase services and activities fee
16 charges in excess of the fiscal growth factor up to the maximum level
17 authorized by the state board for community and technical colleges.

18 (7) Each institution receiving appropriations under sections 604
19 through 609 of this act shall submit a biennial plan to achieve
20 measurable and specific improvements each academic year as part of a
21 continuing effort to make meaningful and substantial progress towards
22 the achievement of long-term performance goals. The plans, to be
23 prepared at the direction of the higher education coordinating board,
24 shall be submitted by August 15, 2001. The higher education
25 coordinating board shall set biennial performance targets for each
26 institution and shall review actual achievements annually.
27 Institutions shall track their actual performance on the statewide
28 measures as well as faculty productivity, the goals and targets for
29 which may be unique to each institution. A report on progress towards
30 statewide and institution-specific goals, with recommendations for the
31 ensuing biennium, shall be submitted to the fiscal and higher education
32 committees of the legislature by November 15, 2003.

33 (8) The state board for community and technical colleges shall
34 develop a biennial plan to achieve measurable and specific improvements
35 each academic year as part of a continuing effort to make meaningful
36 and substantial progress to achieve long-term performance goals. The
37 board shall set biennial performance targets for each college or
38 district, where appropriate, and shall review actual achievements
39 annually. Colleges shall track their actual performance on the

1 statewide measures. A report on progress towards the statewide goals,
 2 with recommendations for the ensuing biennium, shall be submitted to
 3 the fiscal and higher education committees of the legislature by
 4 November 15, 2003.

5 NEW SECTION. **Sec. 602.** The appropriations in sections 603 through
 6 609 of this act provide state general fund support for full-time
 7 equivalent student enrollments at each institution of higher education.
 8 Listed below are the annual full-time equivalent student enrollments by
 9 institutions assumed in this act.

10	2001-2002	2002-2003
11	Annual	Annual
12	Average	Average
13 University of Washington		
14 Main campus	32,321	32,427
15 Bothell branch	1,169	1,235
16 Tacoma branch	1,330	1,484
17 Washington State University		
18 Main campus	17,332	17,332
19 Spokane branch	551	593
20 Tri-Cities branch	616	616
21 Vancouver branch	1,071	1,153
22 Central Washington University	7,470	7,470
23 Eastern Washington University	7,933	8,017
24 The Evergreen State College	3,754	3,837
25 Western Washington University	10,976	11,126
26 State Board for Community and		
27 Technical Colleges	125,082	126,902

28 When allocating newly budgeted enrollments, each institution of
 29 higher education shall give priority to high demand fields, including
 30 but not limited to technology, health professions, and education. At
 31 the end of each fiscal year, each institution of higher education and

1 the state board for community and technical colleges shall submit a
2 report to the higher education coordinating board detailing how newly
3 budgeted enrollments have been allocated.

4 *NEW SECTION. **Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND**
5 **TECHNICAL COLLEGES**

6	General Fund--State Appropriation (FY 2002) . . . \$	514,399,000
7	General Fund--State Appropriation (FY 2003) . . . \$	543,731,000
8	General Fund--Federal Appropriation \$	11,404,000
9	Education Savings Account--State	
10	Appropriation \$	4,500,000
11	TOTAL APPROPRIATION \$	1,074,034,000

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

14 (1) The technical colleges may increase tuition and fees in excess
15 of the fiscal growth factor to conform with the percentage increase in
16 community college operating fees.

17 (2) \$2,475,000 of the general fund--state appropriation for fiscal
18 year 2002 and \$5,025,000 of the general fund--state appropriation for
19 fiscal year 2003 are provided solely to increase salaries and related
20 benefits for part-time faculty. The board shall report by December 1
21 of each fiscal year to the office of financial management and
22 legislative fiscal and higher education committees on (a) the
23 distribution of state funds; (b) wage adjustments for part-time
24 faculty; and (c) progress to achieve the long-term performance targets
25 for each district, with respect to use of part-time faculty, pursuant
26 to the faculty mix study conducted under section 603, chapter 309, Laws
27 of 1999.

28 (3) \$1,155,000 of the general fund--state appropriation for fiscal
29 year 2002 and \$2,345,000 of the general fund--state appropriation for
30 fiscal year 2003 are provided solely for faculty salary increments and
31 associated benefits and may be used in combination with salary and
32 benefit savings from faculty turnover to provide faculty salary
33 increments and associated benefits. To the extent general salary
34 increase funding is used to pay faculty increments, the general salary
35 increase shall be reduced by the same amount.

36 (4) \$1,000,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$1,000,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided for a program to fund the start-up of new
2 community and technical college programs in rural counties as defined
3 under RCW 43.160.020(12) and in communities impacted by business
4 closures and job reductions. Successful proposals must respond to
5 local economic development strategies and must include a plan to
6 continue programs developed with this funding.

7 (5) \$326,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$640,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for allocation to twelve college
10 districts identified in (a) through (l) of this subsection to prepare
11 students for transfer to the state technology institute at the Tacoma
12 branch campus of the University of Washington. The appropriations in
13 this section are intended to supplement, not supplant, general
14 enrollment allocations by the board to the districts under (a) through
15 (l) of this subsection:

- 16 (a) Bates Technical College;
- 17 (b) Bellevue Community College;
- 18 (c) Centralia Community College;
- 19 (d) Clover Park Community College;
- 20 (e) Grays Harbor Community College;
- 21 (f) Green River Community College;
- 22 (g) Highline Community College;
- 23 (h) Tacoma Community College;
- 24 (i) Olympic Community College;
- 25 (j) Pierce District;
- 26 (k) Seattle District; and
- 27 (l) South Puget Sound Community College.

28 (6) \$28,761,000 of the general fund--state appropriation for fiscal
29 year 2002 and \$28,761,000 of the general fund--state appropriation for
30 fiscal year 2003 are provided solely as special funds for training and
31 related support services, including financial aid, as specified in
32 chapter 226, Laws of 1993 (employment and training for unemployed
33 workers).

34 (a) Funding is provided to support up to 7,200 full-time equivalent
35 students in each fiscal year.

36 (b) In directing these resources during the 2001-03 biennium, the
37 state board for community and technical colleges shall give
38 considerable attention to the permanent dislocation of workers from

1 industries facing rapidly rising energy costs, such as direct service
2 industries.

3 (7) \$1,000,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$1,000,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for tuition support for students
6 enrolled in work-based learning programs.

7 (8) \$567,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$568,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for administration and customized
10 training contracts through the job skills program.

11 (9) \$50,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$50,000 of the general fund--state appropriation for
13 fiscal year 2003 are solely for higher education student child care
14 matching grants under chapter 28B.135 RCW.

15 (10) \$212,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$212,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided for allocation to Olympic college. The
18 college shall contract with accredited baccalaureate institution(s) to
19 bring a program of upper-division courses to Bremerton. Funds provided
20 are sufficient to support at least 30 additional annual full-time
21 equivalent students. The state board for community and technical
22 colleges shall report to the office of financial management and the
23 fiscal and higher education committees of the legislature on the
24 implementation of this subsection by December 1st of each fiscal year.

25 (11) The entire education savings account appropriation is provided
26 solely to support the development of a multicollege student-centered
27 online service center for distance learners, including self-service
28 internet applications and staff support 24 hours per day. Moneys may
29 be allocated by the office of financial management upon certification
30 that sufficient cash is available beyond the appropriations made for
31 the 2001-03 biennium for the purposes of common school construction.

32 (12) *The appropriations in this section assume that \$3,000,000 of*
33 *the colleges' operating fee accounts will be used to deliver adult*
34 *basic education courses including English-as-a-Second Language and*
35 *general education development exam preparation. The legislature*
36 *intends that colleges stop waiving fees universally and charge not less*
37 *than \$5.00 a credit hour for adult basic education to help defray state*
38 *expense and increase positive educational outcomes for enrolled*
39 *students. Fees may be waived for students with limited income.*

1 *Sec. 603 was partially vetoed. See message at end of chapter.

2 NEW SECTION. **Sec. 604. FOR UNIVERSITY OF WASHINGTON**

3	General Fund--State Appropriation (FY 2002) \$	345,974,000
4	General Fund--State Appropriation (FY 2003) \$	361,114,000
5	Death Investigations Account--State	
6	Appropriation \$	259,000
7	University of Washington Building Account--	
8	State Appropriation \$	1,103,000
9	Accident Account--State Appropriation \$	5,891,000
10	Medical Aid Account--State Appropriation \$	5,945,000
11	TOTAL APPROPRIATION \$	720,286,000

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

14 (1) The university may reallocate 10 percent of newly budgeted
15 enrollments to campuses other than as specified by the legislature in
16 section 602 of this act in order to focus on high demand areas. The
17 university shall report the details of these reallocations to the
18 office of financial management and the fiscal and higher education
19 committees of the legislature for monitoring purposes by the 10th day
20 of the academic quarter that follows the reallocation actions. The
21 report shall provide details of undergraduate and graduate enrollments
22 at the main campus and each of the branch campuses.

23 (2) \$2,000,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$2,000,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely to create a state resource for
26 technology education in the form of an institute located at the
27 University of Washington, Tacoma. It is the intent of the legislature
28 that at least ninety-nine of the full-time equivalent enrollments
29 allocated to the university's Tacoma branch campus for the 2002-03
30 academic year may be used to establish the technology institute. The
31 university will expand undergraduate and graduate degree programs
32 meeting regional technology needs including, but not limited to,
33 computing and software systems. As a condition of these
34 appropriations:

35 (a) The university will work with the state board for community and
36 technical colleges, or individual colleges where necessary, to
37 establish articulation agreements in addition to the existing associate

1 of arts and associate of science transfer degrees. Such agreements
2 shall improve the transferability of students and in particular,
3 students with substantial applied information technology credits.

4 (b) The university will establish performance measures for
5 recruiting, retaining and graduating students, including nontraditional
6 students, and report back to the governor and legislature by September
7 2002 as to its progress and future steps.

8 (3) \$150,000 of the general fund--state appropriation for fiscal
9 year 2002 and \$150,000 of the general fund--state appropriation for
10 fiscal year 2003 are provided solely for research faculty clusters in
11 the advanced technology initiative program.

12 (4) The department of environmental health shall report to the
13 legislature the historical, current, and anticipated use of funds
14 provided from the accident and medical aid accounts. The report shall
15 be submitted prior to the convening of the 2002 legislative session.

16 (5) \$259,000 of the death investigations account appropriation is
17 provided solely for the forensic pathologist fellowship program.

18 (6) \$150,000 of the general fund--state appropriation for fiscal
19 year 2002 and \$150,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely for the implementation of the
21 Puget Sound work plan and agency action item UW-01.

22 (7) \$75,000 of the general fund--state appropriation for fiscal
23 year 2002 and \$75,000 of the general fund--state appropriation for
24 fiscal year 2003 are provided solely for the Olympic natural resource
25 center.

26 (8) \$50,000 of the general fund--state appropriations are provided
27 solely for the school of medicine to conduct a survey designed to
28 evaluate characteristics, factors and probable causes for the high
29 incidence of multiple sclerosis cases in Washington state.

30 (9) \$1,103,000 of the University of Washington building account--
31 state appropriation is provided solely for the repair and
32 reconstruction of the Urban Horticulture Center (Merrill Hall).

33 NEW SECTION. **Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

34	General Fund--State Appropriation (FY 2002) . . . \$	201,416,000
35	General Fund--State Appropriation (FY 2003) . . . \$	209,939,000
36	TOTAL APPROPRIATION \$	411,355,000

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

3 (1) The university may reallocate 10 percent of newly budgeted
4 enrollments to campuses other than specified by the legislature in
5 section 602 of this act in order to focus on high demand areas. The
6 university will report the details of these reallocations to the office
7 of financial management and the fiscal and higher education committees
8 of the legislature for monitoring purposes by the 10th day of the
9 academic quarter that follows the reallocation actions. The report
10 will provide details of undergraduate and graduate enrollments at the
11 main campus and each of the branch campuses.

12 (2) \$150,000 of the general fund--state appropriation for fiscal
13 year 2002 and \$150,000 of the general fund--state appropriation for
14 fiscal year 2003 are provided solely for research faculty clusters in
15 the advanced technology initiative program.

16 (3) \$165,000 of the general fund--state appropriation for fiscal
17 year 2002 and \$166,000 of the general fund--state appropriation for
18 fiscal year 2003 are provided solely for the implementation of the
19 Puget Sound work plan and agency action item WSU-01.

20 **NEW SECTION. Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

21	General Fund--State Appropriation (FY 2002) . . . \$	45,532,000
22	General Fund--State Appropriation (FY 2003) . . . \$	47,382,000
23	TOTAL APPROPRIATION \$	92,914,000

24 **NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

25	General Fund--State Appropriation (FY 2002) . . . \$	44,164,000
26	General Fund--State Appropriation (FY 2003) . . . \$	44,976,000
27	TOTAL APPROPRIATION \$	89,140,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: \$700,000 of the general fund--state
30 appropriation for fiscal year 2002 is provided solely for the
31 development and implementation of the university's enrollment
32 stabilization recovery and growth plan. The university shall report
33 back to the fiscal committees of the legislature, the office of
34 financial management, and the higher education coordinating board at
35 the end of each fiscal year with details of its actions and progress.

1 NEW SECTION. **Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

2	General Fund--State Appropriation (FY 2002) . . . \$	25,334,000
3	General Fund--State Appropriation (FY 2003) . . . \$	26,260,000
4	TOTAL APPROPRIATION \$	51,594,000

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

7 (1) \$75,000 of the general fund--state appropriation for fiscal
8 year 2002 is provided solely for the institute for public policy to
9 complete studies of services described in section 202(1), chapter 1,
10 Laws of 2000 2nd sp. sess.

11 (2) \$11,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$54,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the institute for public
14 policy to conduct an outcome evaluation pursuant to Substitute Senate
15 Bill No. 5416 (drug-affected infants). The institute shall provide a
16 report to the fiscal, health, and human services committees of the
17 legislature by December 1, 2003. If the bill is not enacted by June
18 30, 2001, the amounts provided in this subsection shall be used to
19 evaluate outcomes across state health and social service pilot projects
20 and other national models involving women who have given birth to a
21 drug-affected infant, comparing gains in positive birth outcomes for
22 resources invested, in which case the institute's findings and
23 recommendations will be provided by November 15, 2002.

24 (3) \$11,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$33,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for the institute for public
27 policy to evaluate partnership grant programs for alternative teacher
28 certification pursuant to Engrossed Second Substitute Senate Bill No.
29 5695. An interim report shall be provided to the fiscal and education
30 committees of the legislature by December 1, 2002, and a final report
31 by December 1, 2004.

32 (4) \$60,000 of the general fund--state appropriation for fiscal
33 year 2002 is provided solely for the institute for public policy to
34 examine options for revising the state's funding formula for the
35 learning assistance program to enhance accountability for school
36 performance in meeting education reform goals. The institute shall
37 submit its report to the appropriate legislative fiscal and policy
38 committees by June 30, 2002.

1 (5) \$50,000 of the general fund--state appropriation for fiscal
2 year 2002 is provided solely for the institute for public policy to
3 study the prevalence and needs of families who are raising related
4 children. The study shall compare services and policies of Washington
5 state with other states that have a high rate of kinship care
6 placements in lieu of foster care placements. The study shall identify
7 possible changes in services and policies that are likely to increase
8 appropriate kinship care placements. A report shall be provided to the
9 fiscal and human services committees of the legislature by June 1,
10 2002.

11 (6) \$35,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$15,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the institute for public
14 policy to examine various educational delivery models for providing
15 services and education for students through the Washington state school
16 for the deaf. The institute's report, in conjunction with the capacity
17 planning study from the joint legislative audit and review committee,
18 shall be submitted to the fiscal committees of the legislature by
19 September 30, 2002.

20 (7) \$30,000 of the general fund--state appropriation for fiscal
21 year 2002 is provided solely for the institute for public policy to
22 examine the structure, policies, and recent experience in states where
23 welfare recipients may attend college full-time as their required TANF
24 work activity. The institute will provide findings and recommend how
25 Washington could consider adding this feature in a targeted, cost-
26 neutral manner that would complement the present-day WorkFirst efforts
27 and caseload. The institute shall provide a report to the human
28 services, higher education, and fiscal committees of the legislature by
29 November 15, 2001.

30 (8) \$75,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$75,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for the institute for public
33 policy to research and evaluate strategies for constraining the growth
34 in state health expenditures. Specific research topics, approaches,
35 and timelines shall be identified in consultation with the fiscal
36 committees of the legislature.

37 (9) \$100,000 of the general fund--state appropriation for fiscal
38 year 2002 is provided solely for the institute for public policy to
39 conduct a comprehensive review of the costs and benefits of existing

1 juvenile crime prevention and intervention programs. This evaluation
2 shall also consider what changes could result in more cost-effective
3 and efficient funding for juvenile crime prevention and intervention
4 programs presently supported with state funds. The institute for
5 public policy shall report its findings and recommendations to the
6 appropriate legislative fiscal and policy committees by October 1,
7 2002.

8 NEW SECTION. **Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

9	General Fund--State Appropriation (FY 2002) . . . \$	59,755,000
10	General Fund--State Appropriation (FY 2003) . . . \$	62,881,000
11	TOTAL APPROPRIATION \$	122,636,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: \$753,000 of the general fund--state
14 appropriation for fiscal year 2002 and \$1,032,000 of the general fund--
15 state appropriation for fiscal year 2003 are provided solely for the
16 operations of the North Snohomish, Island, Skagit (NSIS) higher
17 education consortium.

18 NEW SECTION. **Sec. 610. FOR THE HIGHER EDUCATION COORDINATING**
19 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

20	General Fund--State Appropriation (FY 2002) . . . \$	2,345,000
21	General Fund--State Appropriation (FY 2003) . . . \$	2,408,000
22	General Fund--Federal Appropriation \$	636,000
23	TOTAL APPROPRIATION \$	5,389,000

24 The appropriations in this section are provided to carry out the
25 policy coordination, planning, studies and administrative functions of
26 the board and are subject to the following conditions and limitations:

27 (1) \$150,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$150,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely to continue the teacher training
30 pilot program pursuant to chapter 177, Laws of 1999.

31 (2) \$105,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$245,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided solely to continue a demonstration
34 project to improve rural access to post-secondary education by bringing
35 distance learning technologies into Jefferson county.

1 NEW SECTION. **Sec. 611. FOR THE HIGHER EDUCATION COORDINATING**
2 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

3	General Fund--State Appropriation (FY 2002) . . . \$	123,645,000
4	General Fund--State Appropriation (FY 2003) . . . \$	136,205,000
5	General Fund--Federal Appropriation \$	7,511,000
6	Advanced College Tuition Payment Program Account--	
7	State Appropriation \$	3,604,000
8	TOTAL APPROPRIATION \$	270,965,000

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

11 (1) \$534,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$529,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the displaced homemakers
14 program.

15 (2) \$234,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$240,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided solely for the western interstate
18 commission for higher education.

19 (3) \$1,000,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$1,000,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided solely for the health professional
22 conditional scholarship and loan program under chapter 28B.115 RCW.
23 This amount shall be deposited to the health professional loan
24 repayment and scholarship trust fund to carry out the purposes of the
25 program.

26 (4) \$1,000,000 of the general fund--state appropriations is
27 provided solely to continue a demonstration project that enables
28 classified public K-12 employees to become future teachers, subject to
29 the following conditions and limitations:

30 (a) Within available funds, the board may renew and offer
31 conditional scholarships of up to \$4,000 per year for full or part-time
32 studies that may be forgiven in exchange for teaching service in
33 Washington's public K-12 schools. In selecting loan recipients, the
34 board shall take into account the applicant's demonstrated academic
35 ability and commitment to serve as a teacher within the state of
36 Washington.

37 (b) Loans shall be forgiven at the rate of one year of loan for two
38 years of teaching service. Recipients who teach in geographic or

1 subject-matter shortage areas, as specified by the office of the
2 superintendent for public instruction, may have their loans forgiven at
3 the rate of one year of loan for one year of teaching service;

4 (c) Recipients who fail to fulfill the required teaching service
5 shall be required to repay the conditional loan with interest. The
6 board shall define the terms for repayment, including applicable
7 interest rates, fees and deferments, and may adopt other rules as
8 necessary to implement this demonstration project.

9 (d) The board may deposit this appropriation and all collections
10 into the student loan account authorized in RCW 28B.102.060.

11 (e) The board will provide the legislature and governor with
12 findings about the impact of this demonstration project on persons
13 entering the teaching profession in shortage areas by no later than
14 January of 2002.

15 (5) \$75,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$75,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided solely for higher education student child
18 care matching grants under chapter 28B.135 RCW.

19 (6) \$25,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$25,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided solely for the benefit of students who
22 participate in college assistance migrant programs (CAMP) operating in
23 Washington state. To ensure timely state aid, the board may establish
24 a date after which no additional grants would be available for the
25 2001-02 and 2002-03 academic years. The board shall disperse grants in
26 equal amounts to eligible post-secondary institutions so that state
27 money in all cases supplements federal CAMP awards.

28 (7) \$120,156,000 of the general fund--state appropriation for
29 fiscal year 2002 and \$133,965,000 of the general fund--state
30 appropriation for fiscal year 2003 are provided solely for student
31 financial aid, including all administrative costs. Of these amounts:

32 (a) \$90,566,000 of the general fund--state appropriation for fiscal
33 year 2002 and \$102,667,000 of the general fund--state appropriation for
34 fiscal year 2003 are provided solely for the state need grant program.
35 After April 1 of each fiscal year, up to one percent of the annual
36 appropriation for the state need grant program may be transferred to
37 the state work study program;

38 (b) \$16,340,000 of the general fund--state appropriation for fiscal
39 year 2002 and \$17,360,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the state work study program.
2 After April 1 of each fiscal year, up to one percent of the annual
3 appropriation for the state work study program may be transferred to
4 the state need grant program;

5 (c) \$2,920,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$2,920,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for educational opportunity
8 grants. The board may deposit sufficient funds from its appropriation
9 into the state education trust fund as established in RCW 28B.10.821 to
10 provide a one-year renewal of the grant for each new recipient of the
11 educational opportunity grant award. For the purpose of establishing
12 eligibility for the equal opportunity grant program for placebound
13 students under RCW 28B.101.020, Thurston county lies within the branch
14 campus service area of the Tacoma branch campus of the University of
15 Washington;

16 (d) A maximum of 2.1 percent of the general fund--state
17 appropriation for fiscal year 2002 and 2.1 percent of the general
18 fund--state appropriation for fiscal year 2003 may be expended for
19 financial aid administration, excluding the 4 percent state work study
20 program administrative allowance provision;

21 (e) \$1,241,000 of the general fund--state appropriation for fiscal
22 year 2002 and \$1,428,000 of the general fund--state appropriation for
23 fiscal year 2003 are provided solely to implement the Washington
24 scholars program. Any Washington scholars program moneys not awarded
25 by April 1st of each year may be transferred by the board to the
26 Washington award for vocational excellence;

27 (f) \$588,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$589,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely to implement Washington award for
30 vocational excellence program. Any Washington award for vocational
31 program moneys not awarded by April 1st of each year may be transferred
32 by the board to the Washington scholars program;

33 (g) \$251,000 of the general fund--state appropriation for fiscal
34 year 2002 and \$251,000 of the general fund--state appropriation for
35 fiscal year 2003 are provided solely for community scholarship matching
36 grants of \$2,000 each. Of the amounts provided, no more than \$5,200
37 each year is for the administration of the community scholarship
38 matching grant program. To be eligible for the matching grant, a
39 nonprofit community organization organized under section 501(c)(3) of

1 the internal revenue code must demonstrate that it has raised \$2,000 in
2 new moneys for college scholarships after the effective date of this
3 act. An organization may receive more than one \$2,000 matching grant
4 and preference shall be given to organizations affiliated with the
5 citizens' scholarship foundation; and

6 (h) \$8,250,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$8,750,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for the Washington promise
9 scholarship program subject to the following conditions and
10 limitations:

11 (i) Within available funds, the higher education coordinating board
12 shall award scholarships for use at accredited institutions of higher
13 education in the state of Washington to as many students as possible
14 from among those qualifying under (iv) of this subsection. Each
15 qualifying student will receive two consecutive annual installments,
16 the value of each not to exceed the full-time annual resident tuition
17 rates charged by community colleges.

18 (ii) Of the amounts provided, no more than \$260,000 each year is
19 for administration of the Washington promise scholarship program.

20 (iii) Other than funds provided for program administration, the
21 higher education coordinating board shall deposit all money received
22 for the program in the Washington promise scholarship account, a
23 nonappropriated fund in the custody of the state treasurer. The
24 account shall be self-sustaining and consist of funds appropriated by
25 the legislature for these scholarships, private contributions, and
26 receipts from refunds of tuition and fees.

27 (iv) Scholarships in the 2001-03 biennium shall be awarded to
28 students who graduate from high school or its equivalent whose family
29 income does not exceed one hundred thirty-five percent of the state's
30 median family income, adjusted for family size, if they meet any of the
31 following academic criteria:

32 (A) Students graduating from public and approved private high
33 schools under chapter 28A.195 RCW must be in the top fifteen percent of
34 their graduating class, or must equal or exceed a cumulative scholastic
35 assessment test score of 1200 on their first attempt;

36 (B) Students participating in home-based instruction as provided in
37 chapter 28A.200 RCW must equal or exceed a cumulative scholastic
38 assessment test score of 1200 on their first attempt.

1 (v) For students eligible under (iv) of this subsection, the
2 superintendent of public instruction shall provide the higher education
3 coordinating board with the names, addresses, and unique numeric
4 identifiers of students in the top fifteen percent or who meet the
5 scholastic aptitude test score requirement, as appropriate in each of
6 the respective high school senior or home based instruction classes in
7 Washington state. This shall be provided no later than October 1 of
8 each year.

9 (vi) Scholarships awarded under this section may only be used at
10 accredited institutions of higher education in the state of Washington
11 for college-related expenses, including but not limited to, tuition,
12 room and board, books, materials, and transportation. The Washington
13 promise scholarship award shall not supplant other scholarship awards,
14 financial aid, or tax programs related to postsecondary education.
15 Scholarships may not be transferred or refunded to students.

16 (vii) The higher education coordinating board shall evaluate the
17 impact and effectiveness of the Washington promise scholarship program.
18 The evaluation shall include, but not be limited to: (A) An analysis
19 of other financial assistance promise scholarship recipients are
20 receiving through other federal, state, and institutional programs,
21 including grants, work study, tuition waivers, tax credits, and loan
22 programs; (B) an analysis of whether the implementation of the promise
23 scholarship program has had an impact on student indebtedness; and (C)
24 an evaluation of what types of students are successfully completing
25 high school but do not have the financial ability to attend college
26 because they cannot obtain financial aid or the financial aid is
27 insufficient. The board shall report its findings to the governor and
28 the legislature by December 1, 2002.

29 (viii) The higher education coordinating board may adopt rules as
30 necessary to implement this program.

31 **NEW SECTION. Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION**
32 **COORDINATING BOARD**

33	General Fund--State Appropriation (FY 2002) . . . \$	1,762,000
34	General Fund--State Appropriation (FY 2003) . . . \$	1,720,000
35	General Fund--Federal Appropriation \$	44,987,000
36	TOTAL APPROPRIATION \$	48,469,000

1 The appropriations in this section are subject to the following
 2 conditions and limitations: \$500,000 of the general fund--state
 3 appropriation for fiscal year 2002 and \$500,000 of the general fund--
 4 state appropriation for fiscal year 2003 are provided solely for the
 5 operations and development of the inland northwest technology education
 6 center (INTEC) as a regional resource and model for the rapid
 7 deployment of skilled workers trained in the latest technologies for
 8 Washington. The board shall serve as an advisor to and fiscal agent
 9 for INTEC, and will report back to the governor and legislature by
 10 September 2002 as to the progress and future steps for INTEC as this
 11 new public-private partnership evolves.

12 NEW SECTION. **Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH**
 13 **AND TECHNOLOGY INSTITUTE**

14	General Fund--State Appropriation (FY 2002)	\$	1,500,000
15	General Fund--State Appropriation (FY 2003)	\$	1,500,000
16	TOTAL APPROPRIATION	\$	3,000,000

17 NEW SECTION. **Sec. 614. FOR WASHINGTON STATE LIBRARY**

18	General Fund--State Appropriation (FY 2002)	\$	8,791,000
19	General Fund--State Appropriation (FY 2003)	\$	8,786,000
20	General Fund--Federal Appropriation	\$	6,976,000
21	TOTAL APPROPRIATION	\$	24,553,000

22 The appropriations in this section are subject to the following
 23 conditions and limitations: At least \$2,700,000 shall be expended for
 24 a contract with the Seattle public library for library services for the
 25 Washington book and braille library.

26 NEW SECTION. **Sec. 615. FOR THE WASHINGTON STATE ARTS COMMISSION**

27	General Fund--State Appropriation (FY 2002)	\$	2,873,000
28	General Fund--State Appropriation (FY 2003)	\$	2,874,000
29	General Fund--Federal Appropriation	\$	1,000,000
30	TOTAL APPROPRIATION	\$	6,747,000

31 NEW SECTION. **Sec. 616. FOR THE WASHINGTON STATE HISTORICAL**
 32 **SOCIETY**

33	General Fund--State Appropriation (FY 2002)	\$	2,899,000
34	General Fund--State Appropriation (FY 2003)	\$	3,129,000

1 TOTAL APPROPRIATION \$ 6,028,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: \$90,000 of the general fund--state
4 appropriation for fiscal year 2002 and \$285,000 of the general fund--
5 state appropriation for fiscal year 2003 are provided solely for
6 activities related to the Lewis and Clark Bicentennial.

7 NEW SECTION. **Sec. 617. FOR THE EASTERN WASHINGTON STATE**
8 **HISTORICAL SOCIETY**

9 General Fund--State Appropriation (FY 2002) \$ 1,674,000
10 General Fund--State Appropriation (FY 2003) \$ 1,535,000
11 TOTAL APPROPRIATION \$ 3,209,000

12 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE BLIND**

13 General Fund--State Appropriation (FY 2002) \$ 4,520,000
14 General Fund--State Appropriation (FY 2003) \$ 4,591,000
15 General Fund--Private/Local Appropriation \$ 1,173,000
16 TOTAL APPROPRIATION \$ 10,284,000

17 NEW SECTION. **Sec. 619. FOR THE STATE SCHOOL FOR THE DEAF**

18 General Fund--State Appropriation (FY 2002) . . . \$ 7,395,000
19 General Fund--State Appropriation (FY 2003) . . . \$ 7,439,000
20 General Fund--Private/Local Appropriation \$ 232,000
21 TOTAL APPROPRIATION \$ 15,066,000

22 (End of part)

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**PART VII
SPECIAL APPROPRIATIONS**

**NEW SECTION. Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2002) . . . \$	629,097,000
General Fund--State Appropriation (FY 2003) . . . \$	567,290,000
State Building Construction Account--State Appropriation \$	11,351,000
Debt-Limit Reimbursable Bond Retire Account-- State Appropriation \$	2,591,000
TOTAL APPROPRIATION \$	1,210,329,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2002 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2002.

**NEW SECTION. Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account-- State Appropriation \$	39,950,000
Accident Account--State Appropriation \$	5,590,000
Medical Aid Account--State Appropriation \$	5,590,000
TOTAL APPROPRIATION \$	51,130,000

**NEW SECTION. Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2002) . . . \$	24,542,000
General Fund--State Appropriation (FY 2003) . . . \$	26,706,000
Capitol Historic District Construction Account--State Appropriation \$	454,000
Higher Education Construction Account--State	

1	Appropriation	\$	815,000
2	State Higher Education Construction Account--		
3	State Appropriation	\$	348,000
4	State Vehicle Parking Account--State		
5	Appropriation	\$	35,000
6	Nondebt-Limit Reimbursable Bond Retirement Account--		
7	State Appropriation	\$	128,043,000
8	TOTAL APPROPRIATION	\$	180,943,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The general fund appropriation is for
11 deposit into the nondebt-limit general fund bond retirement account.

12 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
13 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
14 **BOND SALE EXPENSES**

15	General Fund--State Appropriation (FY 2002) . . .	\$	567,000
16	General Fund--State Appropriation (FY 2003) . . .	\$	568,000
17	Higher Education Construction Account--State		
18	Appropriation	\$	77,000
19	State Higher Education Construction Account--		
20	State Appropriation	\$	42,000
21	State Building Construction Account--State		
22	Appropriation	\$	1,488,000
23	State Vehicle Parking Account--State		
24	Appropriation	\$	5,000
25	Capitol Historic District Construction		
26	Account--State Appropriation	\$	130,000
27	TOTAL APPROPRIATION	\$	2,877,000

28 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
29 **EMERGENCY FUND**

30	General Fund--State Appropriation (FY 2002) . . .	\$	850,000
31	General Fund--State Appropriation (FY 2003) . . .	\$	850,000
32	TOTAL APPROPRIATION	\$	1,700,000

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

1 the governor's emergency fund for the critically necessary work of any
2 agency.

3 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
4 **FIRE CONTINGENCY POOL.** The sum of three million dollars, or so much
5 thereof as may be available on June 30, 2001, from the total amount of
6 unspent fiscal year 2001 fire contingency funding in the disaster
7 response account and the moneys appropriated to the disaster response
8 account in section 707 of this act, is appropriated for the purpose of
9 making allocations to the military department for fire mobilizations
10 costs or to the department of natural resources for fire suppression
11 costs.

12 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
13 **FIRE CONTINGENCY INITIATIVE.**

14 General Fund--State Appropriation (FY 2002) . . . \$ 2,000,000

15 The appropriation in this section is subject to the following
16 conditions and limitations: The entire amount is appropriated to the
17 disaster response account for the purposes specified in section 706 of
18 this act.

19 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
20 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

21 Public Safety and Education--State
22 Appropriation \$ 975,000

23 The appropriation in this section is subject to the following
24 conditions and limitations: The director of financial management shall
25 distribute the appropriation to the following counties in the amounts
26 designated for extraordinary criminal justice costs:

27	Cowlitz	\$	89,000
28	Franklin	\$	303,000
29	Klickitat	\$	45,000
30	Skagit	\$	102,000
31	Spokane	\$	192,000
32	Thurston	\$	122,000
33	Yakima	\$	121,000

1
2 TOTAL \$ 975,000

3 NEW SECTION. Sec. 709. BELATED CLAIMS. The agencies and
4 institutions of the state may expend moneys appropriated in this act,
5 upon approval of the office of financial management, for the payment of
6 supplies and services furnished to the agency or institution in prior
7 fiscal biennia.

8 *NEW SECTION. Sec. 710. FOR THE DEPARTMENT OF NATURAL RESOURCES--
9 DISTRIBUTION OF EXCESS FUNDS FROM THE FOREST DEVELOPMENT ACCOUNT
10 Forest Development Account--State
11 Appropriation \$ 5,000,000

12 The appropriation in this section is provided solely for
13 distribution of state forest land revenues to taxing authorities that
14 received such revenue from fiscal year 1996 through fiscal year 2000.

15 (1) Within fifteen days of the effective date of this section, the
16 department shall transmit funds in the amounts specified in subsection
17 (3) of this section to the county treasurers of the counties receiving
18 the funds.

19 (2) The county treasurers of the counties listed in this section
20 shall distribute funds received from this appropriation to taxing
21 authorities in proportion to the state forest board land funds
22 distributed to the taxing authorities based on information available
23 for the fiscal years 1996 through 2000. Funds to be credited to the
24 state of Washington and funds credited to school district general
25 levies shall be remitted to the state of Washington within thirty days
26 after the effective date of this section for deposit into the general
27 fund--state account.

28 (3) Funds shall be distributed in the following amounts:

29	Clallam	\$	744,095
30	Clark	\$	255,258
31	Cowlitz	\$	169,595
32	Grays Harbor	\$	155,473
33	Jefferson	\$	106,406
34	King	\$	106,217
35	Kitsap	\$	63,651

1	<i>Klickitat</i>	\$	37,364
2	<i>Lewis</i>	\$	766,556
3	<i>Mason</i>	\$	111,119
4	<i>Pacific</i>	\$	177,158
5	<i>Pierce</i>	\$	50,465
6	<i>Skagit</i>	\$	580,536
7	<i>Skamania</i>	\$	106,717
8	<i>Snohomish</i>	\$	631,797
9	<i>Stevens</i>	\$	1,897
10	<i>Thurston</i>	\$	425,197
11	<i>Wahkiakum</i>	\$	146,173
12	<i>Whatcom</i>	\$	364,326

13
14 **TOTAL** \$ **5,000,000**

15 *Sec. 710 was vetoed. See message at end of chapter.

16 NEW SECTION. **Sec. 711. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
17 **DIGITAL GOVERNMENT POOL**
18 Digital Government Revolving Account
19 Appropriation \$ 5,000,000

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

22 (1) The digital government revolving account appropriation is
23 provided solely to provide digital services of government to citizens,
24 businesses, and to state and other governments. The office of
25 financial management, in consultation with the department of
26 information services, shall allocate these funds as needed for digital
27 government projects.

28 (2) To facilitate the transfer of moneys from dedicated funds and
29 accounts, the state treasurer is directed to transfer sufficient moneys
30 from each dedicated fund or account to the digital government revolving
31 account, hereby created in the state treasury, in accordance with
32 schedules provided by the office of financial management for digital
33 government projects.

34 (3) Agencies receiving these allocations shall report at a minimum
35 to the information services board and to the office of financial
36 management on the progress of digital government projects and efforts.

1 NEW SECTION. **Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

2 **TECHNOLOGY POOL**

3 Digital Government Revolving Account

4 Appropriation \$ 7,518,456

5 The appropriation in this section is subject to the following
6 conditions and limitations:

7 (1) The digital government revolving account appropriation is
8 provided solely for an information technology funding pool for state
9 executive branch agencies, excluding schools and institutions of higher
10 education. The department may distribute funding from the pool for
11 information technology purposes, including infrastructure improvements,
12 technology required to satisfy federal reporting requirements,
13 equipment purchase and replacement, web site and internet services, and
14 software and systems upgrades. Projects may include information
15 technology projects that were requested in agency budget requests but
16 that are not specifically funded in agency appropriations (for example
17 technology improvements in the department of community, trade, and
18 economic development, data warehouse in the department of revenue, and
19 system security and infrastructure in small agencies).

20 (2) Agencies that wish to receive these funds may make an
21 application to the office of financial management. The office of
22 financial management, in consultation with the department of
23 information services and using criteria adopted by the information
24 services board, shall allocate these funds as needed for digital
25 government projects. The office of financial management shall not
26 distribute funding for a specific project unless it is determined that
27 there will be no net increase in ongoing operating costs resulting from
28 the project.

29 (3) Allocations from this section may be made only for items and in
30 proportion to the extent to which items would be typically funded by
31 the state general fund.

32 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

33 **DIGITAL GOVERNMENT REVOLVING ACCOUNT**

34 General Fund--State Appropriation (FY 2002) . . . \$ 2,050,000

35 General Fund--State Appropriation (FY 2003) . . . \$ 2,050,000

36 TOTAL APPROPRIATION \$ 4,100,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations in this section are
3 provided solely for deposit in the digital government revolving
4 account.

5 NEW SECTION. **Sec. 714. DEATH BENEFIT--COMMON SCHOOLS.** For the
6 period from July 1, 2001, through June 30, 2003, a one hundred fifty
7 thousand dollar death benefit shall be paid as a sundry claim to the
8 estate of an employee in the common school system of the state who is
9 killed in the course of employment. The determination of eligibility
10 for the benefit shall be made consistent with Title 51 RCW by the
11 department of labor and industries. The department of labor and
12 industries shall notify the director of the department of general
13 administration by order under RCW 51.52.050.

14 NEW SECTION. **Sec. 715. DEATH BENEFIT--STATE AGENCIES.** For the
15 period from July 1, 2001, through June 30, 2003, a one hundred fifty
16 thousand dollar death benefit shall be paid as a sundry claim to the
17 estate of an employee of any state agency or higher education
18 institution not otherwise provided a death benefit through coverage
19 under their enrolled retirement system. The determination of
20 eligibility for the benefit shall be made consistent with Title 51 RCW
21 by the department of labor and industries. The department of labor and
22 industries shall notify the director of the department of general
23 administration by order under RCW 51.52.050.

24 NEW SECTION. **Sec. 716. FOR THE GOVERNOR--COMPENSATION--INSURANCE**
25 **BENEFITS**

26	General Fund--State Appropriation (FY 2002) . . . \$	7,218,000
27	General Fund--State Appropriation (FY 2003) . . . \$	19,947,000
28	General Fund--Federal Appropriation \$	8,692,000
29	General Fund--Private/Local Appropriation \$	456,000
30	Salary and Insurance Increase Revolving Account	
31	Appropriation \$	19,468,000
32	TOTAL APPROPRIATION \$	55,781,000

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

1 (1)(a) The monthly employer funding rate for insurance benefit
2 premiums, public employees' benefits board administration, and the
3 uniform medical plan, shall not exceed \$457.29 per eligible employee
4 for fiscal year 2002, and \$497.69 for fiscal year 2003.

5 (b) Within the rates in (a) of this subsection, \$2.02 per eligible
6 employee shall be included in the employer funding rate for fiscal year
7 2002, and \$4.10 per eligible employee shall be included in the employer
8 funding rate for fiscal year 2003, solely to increase life insurance
9 coverage in accordance with a court approved settlement in *Burbage et*
10 *al. v. State of Washington* (Thurston county superior court cause no.
11 94-2-02560-8).

12 (c) In order to achieve the level of funding provided for health
13 benefits, the public employees' benefits board shall require any or all
14 of the following: Employee premium copayments, increases in point-of-
15 service cost sharing, the implementation of managed competition, or
16 make other changes to benefits consistent with RCW 41.05.065.

17 (d) The health care authority shall deposit any moneys received on
18 behalf of the uniform medical plan as a result of rebates on
19 prescription drugs, audits of hospitals, subrogation payments, or any
20 other moneys recovered as a result of prior uniform medical plan claims
21 payments, into the public employees' and retirees' insurance account to
22 be used for insurance benefits. Such receipts shall not be used for
23 administrative expenditures.

24 (2) To facilitate the transfer of moneys from dedicated funds and
25 accounts, the state treasurer is directed to transfer sufficient moneys
26 from each dedicated fund or account to the special fund salary and
27 insurance contribution increase revolving fund in accordance with
28 schedules provided by the office of financial management.

29 (3) The health care authority, subject to the approval of the
30 public employees' benefits board, shall provide subsidies for health
31 benefit premiums to eligible retired or disabled public employees and
32 school district employees who are eligible for parts A and B of
33 medicare, pursuant to RCW 41.05.085. From January 1, 2002, through
34 December 31, 2002, the subsidy shall be \$85.84. Starting January 1,
35 2003, the subsidy shall be \$102.55 per month.

36 (4) Technical colleges, school districts, and educational service
37 districts shall remit to the health care authority for deposit into the
38 public employees' and retirees' insurance account established in RCW
39 41.05.120 the following amounts:

1 (a) For each full-time employee, \$32.41 per month beginning
2 September 1, 2001, and \$37.48 beginning September 1, 2002;

3 (b) For each part-time employee who, at the time of the remittance,
4 is employed in an eligible position as defined in RCW 41.32.010 or
5 41.40.010 and is eligible for employer fringe benefit contributions for
6 basic benefits, \$32.41 each month beginning September 1, 2001, and
7 \$37.48 beginning September 1, 2002, prorated by the proportion of
8 employer fringe benefit contributions for a full-time employee that the
9 part-time employee receives.

10 The remittance requirements specified in this subsection shall not
11 apply to employees of a technical college, school district, or
12 educational service district who purchase insurance benefits through
13 contracts with the health care authority.

14 (5) The salary and insurance increase revolving account
15 appropriation includes amounts sufficient to fund health benefits for
16 ferry workers at the premium levels specified in subsection (1) of this
17 section, consistent with the 2001-2003 transportation appropriations
18 act.

19 NEW SECTION. **Sec. 717. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
20 **CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in this
21 section are subject to the following conditions and limitations: The
22 appropriations for the law enforcement officers' and firefighters'
23 retirement system shall be made on a monthly basis beginning July 1,
24 2001, consistent with chapter 41.45 RCW, and the appropriations for the
25 judges and judicial retirement systems shall be made on a quarterly
26 basis consistent with chapters 2.10 and 2.12 RCW.

27 (1) There is appropriated for state contributions to the law
28 enforcement officers' and fire fighters' retirement system:

29 General Fund--State Appropriation (FY 2002) . . . \$	15,552,000
30 General Fund--State Appropriation (FY 2003) . . . \$	16,668,000

31 The appropriations in this subsection are subject to the following
32 conditions and limitations: The appropriations include reductions to
33 reflect savings resulting from the implementation of state pension
34 contribution rates effective July 1, 2001, as provided in Senate Bill
35 No. 6167 or House Bill No. 2236.

1 (2) There is appropriated for contributions to the judicial
2 retirement system:

3	General Fund--State Appropriation (FY 2002) . . . \$	6,000,000
4	General Fund--State Appropriation (FY 2003) . . . \$	6,000,000

5 (3) There is appropriated for contributions to the judges
6 retirement system:

7	General Fund--State Appropriation (FY 2002) . . . \$	250,000
8	General Fund--State Appropriation (FY 2003) . . . \$	250,000
9	TOTAL APPROPRIATION \$	44,720,000

10 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
11 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

12	General Fund--State Appropriation (FY 2002) . . . \$	(17,246,000)
13	General Fund--State Appropriation (FY 2003) . . . \$	(17,499,000)
14	General Fund--Federal Appropriation \$	(11,469,000)
15	General Fund--Private/Local Appropriation \$	(683,000)
16	Special Account Retirement Contribution Increase	
17	Revolving Account Appropriation \$	(25,895,000)
18	TOTAL APPROPRIATION \$	(72,792,000)

19 The appropriations in this section are provided solely to reduce
20 agency and higher education institutions appropriations to reflect
21 savings resulting from the implementation of employer pension
22 contribution rates, effective July 1, 2001, for the public employees'
23 retirement system, and effective September 1, 2001, for the teachers'
24 retirement system, as provided in Senate Bill No. 6167 or House Bill
25 No. 2236.

26 NEW SECTION. **Sec. 719. SALARY COST OF LIVING ADJUSTMENT**

27	General Fund--State Appropriation (FY 2002) . . . \$	41,712,000
28	General Fund--State Appropriation (FY 2003) . . . \$	73,358,000
29	General Fund--Federal Appropriation \$	37,955,000
30	General Fund--Private/Local Appropriation \$	2,325,000
31	Salary and Insurance Increase Revolving Account	
32	Appropriation \$	92,156,000
33	TOTAL APPROPRIATION \$	247,506,000

1 The appropriations in this section shall be expended solely for the
2 purposes designated in this section and are subject to the following
3 conditions and limitations:

4 (1) In addition to the purposes set forth in subsections (2) and
5 (3) of this section, appropriations in this section are provided solely
6 for a 3.7 percent salary increase effective July 1, 2001, for all
7 classified employees, except the certificated employees of the state
8 schools for the deaf and blind, and including those employees in the
9 Washington management service, and exempt employees under the
10 jurisdiction of the personnel resources board. Funds are also provided
11 for salary increases for classified employees on July 1, 2002, in a
12 percentage amount to be determined by the 2002 legislature.

13 (2) The appropriations in this section are sufficient to fund a 3.7
14 percent salary increase effective July 1, 2001, for general government,
15 legislative, and judicial employees exempt from merit system rules
16 whose maximum salaries are not set by the commission on salaries for
17 elected officials. Funds are also provided for salary increases for
18 these employees on July 1, 2002, in a percentage amount to be
19 determined by the 2002 legislature.

20 (3) The salary and insurance increase revolving account
21 appropriation in this section includes funds sufficient to fund a 3.7
22 percent salary increase effective July 1, 2001, for ferry workers
23 consistent with the 2001-03 transportation appropriations act. Funds
24 are also provided for salary increases for ferry workers on July 1,
25 2002, in a percentage amount to be determined by the 2002 legislature.

26 (4)(a) No salary increase may be paid under this section to any
27 person whose salary has been Y-rated pursuant to rules adopted by the
28 personnel resources board.

29 (b) The average salary increases paid under this section to agency
30 officials whose maximum salaries are established by the committee on
31 agency official salaries shall not exceed the average increases
32 provided by subsection (2) of this section.

33 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
34 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

35	General Fund--State Appropriation (FY 2002) . . . \$	11,264,000
36	General Fund--State Appropriation (FY 2003) . . . \$	11,264,000
37	TOTAL APPROPRIATION \$	22,528,000

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

3 (1) The appropriations in this section are for appropriation to the
4 education technology revolving account for the purpose of covering
5 operational and transport costs incurred by the K-20 educational
6 network program in providing telecommunication services to network
7 participants.

8 (2) Use of these moneys to connect public libraries are limited to
9 public libraries which have in place a policy of internet safety
10 applied to publicly available computers with internet access via the K-
11 20 educational network that protects against access to visual
12 depictions that are (a) obscene under chapter 9.68 RCW; or (b) sexual
13 exploitation of children under chapter 9.68A RCW.

14	<u>NEW SECTION.</u>	Sec. 721.	FOR THE ATTORNEY GENERAL--SALARY	
15	ADJUSTMENTS			
16	General Fund--State Appropriation (FY 2002)	. . . \$		989,000
17	General Fund--State Appropriation (FY 2003)	. . . \$		2,082,000
18	Legal Services Revolving Account--State			
19	Appropriation	\$		3,071,000
20	TOTAL APPROPRIATION	\$		6,142,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: The appropriations are provided solely for
23 increases in salaries and related benefits of assistant attorneys
24 general effective July 1, 2001, and another increase effective July 1,
25 2002. This funding is provided solely for: (1) Increases in beginning
26 salaries; (2) merit-based increases to recognize outstanding
27 performance; and (3) increases to address critical recruitment and
28 retention problems in specialty practice areas.

29	<u>NEW SECTION.</u>	Sec. 722.	FOR THE OFFICE OF FINANCIAL MANAGEMENT--	
30	COMPENSATION ACTIONS OF PERSONNEL RESOURCES BOARD			
31	General Fund--State Appropriation (FY 2002)	. . . \$		9,179,000
32	General Fund--State Appropriation (FY 2003)	. . . \$		18,359,000
33	General Fund--Federal Appropriation	\$		10,392,000
34	Salary and Insurance Increase Revolving Account			
35	Appropriation	\$		2,735,000
36	TOTAL APPROPRIATION	\$		40,665,000

1 The appropriations in this section shall be expended solely for the
2 purposes designated in this section and are subject to the following
3 conditions and limitations: Funding is provided to implement the
4 salary increase recommendations of the Washington personnel resources
5 board for the priority classes identified through item 8B pursuant to
6 RCW 41.06.152. The salary increases shall be effective January 1,
7 2002.

8 NEW SECTION. **Sec. 723. INCENTIVE SAVINGS--FY 2002.** The sum of
9 one hundred million dollars or so much thereof as may be available on
10 June 30, 2002, from the total amount of unspent fiscal year 2002 state
11 general fund appropriations is appropriated for the purposes of RCW
12 43.79.460 in the manner provided in this section.

13 (1) Of the total appropriated amount, one-half of that portion that
14 is attributable to incentive savings, not to exceed twenty-five million
15 dollars, is appropriated to the savings incentive account for the
16 purpose of improving the quality, efficiency, and effectiveness of
17 agency services, and credited to the agency that generated the savings.

18 (2) The remainder of the total amount, not to exceed seventy-five
19 million dollars, is appropriated to the education savings account.

20 (3) For purposes of this section, the total amount of unspent state
21 general fund appropriations does not include the appropriations made in
22 this section or any amounts included in across-the-board allotment
23 reductions under RCW 43.88.110.

24 NEW SECTION. **Sec. 724. INCENTIVE SAVINGS--FY 2003.** The sum of
25 one hundred million dollars or so much thereof as may be available on
26 June 30, 2003, from the total amount of unspent fiscal year 2003 state
27 general fund appropriations is appropriated for the purposes of RCW
28 43.79.460 in the manner provided in this section.

29 (1) Of the total appropriated amount, one-half of that portion that
30 is attributable to incentive savings, not to exceed twenty-five million
31 dollars, is appropriated to the savings incentive account for the
32 purpose of improving the quality, efficiency, and effectiveness of
33 agency services, and credited to the agency that generated the savings.

34 (2) The remainder of the total amount, not to exceed seventy-five
35 million dollars, is appropriated to the education savings account.

36 (3) For purposes of this section, the total amount of unspent state
37 general fund appropriations does not include the appropriations made in

1 this section or any amounts included in across-the-board allotment
2 reductions under RCW 43.88.110.

3 NEW SECTION. **Sec. 725. PUGET SOUND FERRY OPERATIONS ACCOUNT**

4 State Surplus Assets Reserve Fund--State

5 Appropriation \$ 30,000,000

6 The appropriation in this section is subject to the following
7 conditions and limitations: The appropriations in this section are for
8 appropriation to the Puget Sound ferry operations account to carry out
9 the purposes of the account.

10 NEW SECTION. **Sec. 726. LOCAL GOVERNMENT FINANCIAL ASSISTANCE**

11 (1) It is the intent of the legislature to provide state funding
12 for the 2001-03 biennium for a portion of local governments' costs for
13 public safety, criminal justice, public health, and other operations.

14 (2) Moneys appropriated in sections 727, 728, and 729 of this act
15 constitute a transfer to the state of local government costs under RCW
16 43.135.060(2).

17 NEW SECTION. **Sec. 727. FOR THE DEPARTMENT OF COMMUNITY, TRADE,
18 AND ECONOMIC DEVELOPMENT--COUNTY CORPORATION ASSISTANCE**

19 General Fund--State Appropriation (FY 2002) . . . \$ 24,410,534

20 General Fund--State Appropriation (FY 2003) . . . \$ 25,137,970

21 TOTAL APPROPRIATION \$ 49,548,504

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

24 (1)(a) The department shall withhold distributions under subsection
25 (2) of this section to any county that has not paid its fifty percent
26 share of the employer contribution on behalf of superior court judges
27 for insurance and health care plans and federal social security and
28 medicare and medical aid benefits for the fiscal year. As required by
29 Article IV, section 13 of the state Constitution and 1996 Attorney
30 General's Opinion No. 2, it is the intent of the legislature that the
31 costs of these employer contributions shall be shared equally between
32 the state and county or counties in which the judges serve.

33 (b) After receiving written notification from the office of the
34 administrator for the courts that a county has paid its fifty percent

1 share as required under (a) of this subsection, the department shall
2 distribute the amount designated for the fiscal year under subsection
3 (2) of this section.

4 (2) The director of community, trade, and economic development
5 shall distribute the appropriations to the following counties in the
6 amounts designated:

7			2001-03	
8	County	FY 2002	FY 2003	Biennium
9	Adams	290,303	295,993	586,296
10	Asotin	422,074	434,598	856,672
11	Benton	966,480	999,163	1,965,643
12	Chelan	637,688	651,982	1,289,670
13	Clallam	444,419	454,391	898,810
14	Clark	641,571	678,997	1,320,568
15	Columbia	561,888	572,901	1,134,789
16	Cowlitz	771,879	795,808	1,567,687
17	Douglas	505,585	528,184	1,033,769
18	Ferry	389,909	397,551	787,460
19	Franklin	442,624	464,018	906,642
20	Garfield	571,303	582,501	1,153,804
21	Grant	579,631	604,072	1,183,703
22	Grays Harbor	540,315	550,905	1,091,220
23	Island	483,589	503,205	986,794
24	Jefferson	239,914	249,924	489,838
25	King	2,661,862	2,720,716	5,382,578
26	Kitsap	469,992	480,178	950,170
27	Kittitas	366,971	383,027	749,998
28	Klickitat	204,726	217,555	422,281
29	Lewis	583,702	598,004	1,181,706
30	Lincoln	290,754	302,151	592,905
31	Mason	905,060	930,959	1,836,019
32	Okanogan	548,848	560,332	1,109,180
33	Pacific	344,047	350,790	694,837
34	Pend Oreille	280,342	285,837	566,179
35	Pierce	1,246,530	1,284,087	2,530,617
36	San Juan	85,712	91,859	177,571
37	Skagit	911,491	944,914	1,856,405
38	Skamania	172,840	176,228	349,068
39	Snohomish	1,017,209	1,058,571	2,075,780
40	Spokane	804,124	823,359	1,627,483
41	Stevens	811,482	835,598	1,647,080
42	Thurston	1,031,888	1,061,579	2,093,467
43	Wahkiakum	507,528	517,476	1,025,004
44	Walla Walla	241,341	247,105	488,446
45	Whatcom	408,025	429,069	837,094
46	Whitman	134,870	138,191	273,061

1	Yakima	1,892,018	1,936,192	3,828,210
2	TOTAL APPROPRIATIONS	24,410,534	25,137,970	49,548,504

3 NEW SECTION. **Sec. 728. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
4 **AND ECONOMIC DEVELOPMENT--MUNICIPAL CORPORATION ASSISTANCE**

5	General Fund--State Appropriation (FY 2002) . . .	\$		45,884,610
6	General Fund--State Appropriation (FY 2003) . . .	\$		47,251,839
7	TOTAL APPROPRIATION	\$		93,136,449

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

10 (1) The director of community, trade, and economic development
11 shall distribute the appropriation to the following cities and
12 municipalities in the amounts designated:

13				2001-03
14	City	FY 2002	FY 2003	Biennium
15	Aberdeen	119,986	123,562	243,548
16	Airway Heights	111,259	114,575	225,834
17	Albion	66,339	68,316	134,655
18	Algona	32,672	33,646	66,318
19	Almira	12,519	12,892	25,411
20	Anacortes	70,930	73,044	143,974
21	Arlington	42,344	43,606	85,950
22	Asotin	57,623	59,340	116,963
23	Auburn	192,405	198,139	390,544
24	Bainbridge Island	293,851	302,608	596,459
25	Battle Ground	118,303	121,828	240,131
26	Beaux Arts	1,784	1,837	3,621
27	Bellevue	524,203	539,824	1,064,027
28	Bellingham	369,121	380,121	749,242
29	Benton City	111,380	114,699	226,079
30	Bingen	6,602	6,799	13,401
31	Black Diamond	254,698	262,288	516,986
32	Blaine	20,853	21,474	42,327
33	Bonney Lake	158,738	163,468	322,206
34	Bothell	137,270	141,361	278,631
35	Bremerton	214,020	220,398	434,418
36	Brewster	11,250	11,585	22,835
37	Bridgeport	188,216	193,825	382,041
38	Brier	532,011	547,865	1,079,876
39	Buckley	68,227	70,260	138,487
40	Bucoda	52,876	54,452	107,328

1	Burien	284,265	292,736	577,001
2	Burlington	27,407	28,224	55,631
3	Camas	53,654	55,253	108,907
4	Carbonado	56,785	58,477	115,262
5	Carnation	9,593	9,879	19,472
6	Cashmere	120,801	124,401	245,202
7	Castle Rock	29,980	30,873	60,853
8	Cathlamet	6,265	6,452	12,717
9	Centralia	101,426	104,448	205,874
10	Chehalis	34,601	35,632	70,233
11	Chelan	19,515	20,097	39,612
12	Cheney	314,316	323,683	637,999
13	Chewelah	66,731	68,720	135,451
14	Clarkston	83,910	86,411	170,321
15	Cle Elum	8,692	8,951	17,643
16	Clyde Hill	136,778	140,854	277,632
17	Colfax	74,672	76,897	151,569
18	College Place	526,480	542,169	1,068,649
19	Colton	27,473	28,292	55,765
20	Colville	23,389	24,086	47,475
21	Conconully	13,675	14,083	27,758
22	Concrete	27,006	27,811	54,817
23	Connell	164,950	169,866	334,816
24	Cosmopolis	15,395	15,854	31,249
25	Coulee City	2,804	2,888	5,692
26	Coulee Dam	61,408	63,238	124,646
27	Coupeville	7,708	7,938	15,646
28	Covington	690,851	711,438	1,402,289
29	Creston	12,905	13,290	26,195
30	Cusick	9,341	9,619	18,960
31	Darrington	59,838	61,621	121,459
32	Davenport	66,350	68,327	134,677
33	Dayton	92,685	95,447	188,132
34	Deer Park	16,059	16,538	32,597
35	Des Moines	1,482,120	1,526,287	3,008,407
36	Dupont	8,109	8,351	16,460
37	Duvall	66,128	68,099	134,227
38	East Wenatchee	30,678	31,592	62,270
39	Eatonville	8,848	9,112	17,960
40	Edgewood	901,766	928,639	1,830,405
41	Edmonds	456,336	469,935	926,271
42	Electric City	87,243	89,843	177,086
43	Ellensburg	81,982	84,425	166,407
44	Elma	84,676	87,199	171,875
45	Elmer City	29,811	30,699	60,510
46	Endicott	28,758	29,615	58,373
47	Entiat	58,244	59,980	118,224

1	Enumclaw	53,013	54,593	107,606
2	Ephrata	59,987	61,775	121,762
3	Everett	495,428	510,192	1,005,620
4	Everson	67,517	69,529	137,046
5	Fairfield	18,540	19,092	37,632
6	Farmington	12,072	12,432	24,504
7	Federal Way	470,179	484,190	954,369
8	Ferndale	74,669	76,894	151,563
9	Fife	25,411	26,168	51,579
10	Fircrest	386,146	397,653	783,799
11	Forks	110,712	114,011	224,723
12	Friday Harbor	9,791	10,083	19,874
13	Garfield	45,263	46,612	91,875
14	George	19,319	19,895	39,214
15	Gig Harbor	31,615	32,557	64,172
16	Gold Bar	134,531	138,540	273,071
17	Goldendale	49,519	50,995	100,514
18	Grand Coulee	5,805	5,978	11,783
19	Grandview	256,347	263,986	520,333
20	Granger	173,094	178,252	351,346
21	Granite Falls	10,946	11,272	22,218
22	Hamilton	17,437	17,957	35,394
23	Harrah	46,947	48,346	95,293
24	Harrington	18,107	18,647	36,754
25	Hartline	11,392	11,731	23,123
26	Hatton	12,176	12,539	24,715
27	Hoquiam	374,903	386,075	760,978
28	Hunts Point	2,432	2,504	4,936
29	Ilwaco	13,150	13,542	26,692
30	Index	4,181	4,306	8,487
31	Ione	17,566	18,089	35,655
32	Issaquah	50,002	51,492	101,494
33	Kahlotus	20,210	20,812	41,022
34	Kalama	7,892	8,127	16,019
35	Kelso	68,904	70,957	139,861
36	Kenmore	1,099,395	1,132,157	2,231,552
37	Kennewick	293,534	302,281	595,815
38	Kent	360,624	371,371	731,995
39	Kettle Falls	64,422	66,342	130,764
40	Kirkland	221,429	228,028	449,457
41	Kittitas	72,698	74,864	147,562
42	Krupp	4,445	4,577	9,022
43	La Center	34,415	35,441	69,856
44	La Conner	3,817	3,931	7,748
45	La Crosse	20,141	20,741	40,882
46	Lacey	143,243	147,512	290,755
47	Lake Forest Park	897,932	924,690	1,822,622

1	Lake Stevens	142,295	146,535	288,830
2	Lakewood	2,955,109	3,043,171	5,998,280
3	Lamont	7,492	7,715	15,207
4	Langley	5,303	5,461	10,764
5	Latah	11,962	12,318	24,280
6	Leavenworth	12,189	12,552	24,741
7	Lind	2,217	2,283	4,500
8	Long Beach	10,269	10,575	20,844
9	Longview	249,836	257,281	507,117
10	Lyman	16,741	17,240	33,981
11	Lynden	42,717	43,990	86,707
12	Lynnwood	163,579	168,454	332,033
13	Mabton	142,491	146,737	289,228
14	Malden	21,588	22,231	43,819
15	Mansfield	26,744	27,541	54,285
16	Maple Valley	359,478	370,190	729,668
17	Marcus	14,126	14,547	28,673
18	Marysville	102,028	105,068	207,096
19	Mattawa	100,064	103,046	203,110
20	McCleary	105,807	108,960	214,767
21	Medical Lake	114,323	117,730	232,053
22	Medina	14,355	14,783	29,138
23	Mercer Island	383,527	394,956	778,483
24	Mesa	16,835	17,337	34,172
25	Metaline	14,150	14,572	28,722
26	Metaline Falls	7,718	7,948	15,666
27	Mill Creek	174,495	179,695	354,190
28	Millwood	22,619	23,293	45,912
29	Milton	28,030	28,865	56,895
30	Monroe	56,517	58,201	114,718
31	Montesano	60,229	62,024	122,253
32	Morton	5,891	6,067	11,958
33	Moses Lake	105,670	108,819	214,489
34	Mossyrock	16,545	17,038	33,583
35	Mount Vernon	130,780	134,677	265,457
36	Mountlake Terrace	711,188	732,381	1,443,569
37	Moxee	40,448	41,653	82,101
38	Mukilteo	274,482	282,662	557,144
39	Naches	7,632	7,859	15,491
40	Napavine	96,030	98,892	194,922
41	Nespelem	17,614	18,139	35,753
42	Newcastle	290,801	299,467	590,268
43	Newport	13,223	13,617	26,840
44	Nooksack	58,178	59,912	118,090
45	Normandy Park	489,113	503,689	992,802
46	North Bend	20,754	21,372	42,126
47	North Bonneville	30,574	31,485	62,059

1	Northport	23,489	24,189	47,678
2	Oak Harbor	278,157	286,446	564,603
3	Oakesdale	31,060	31,986	63,046
4	Oakville	43,411	44,705	88,116
5	Ocean Shores	64,837	66,769	131,606
6	Odessa	4,721	4,862	9,583
7	Okanogan	12,323	12,690	25,013
8	Olympia	198,476	204,391	402,867
9	Omak	26,117	26,895	53,012
10	Oroville	12,506	12,879	25,385
11	Orting	191,211	196,909	388,120
12	Othello	26,808	27,607	54,415
13	Pacific	69,124	71,184	140,308
14	Palouse	55,067	56,708	111,775
15	Pasco	131,298	135,211	266,509
16	Pateros	28,021	28,856	56,877
17	Pe Ell	54,800	56,433	111,233
18	Pomeroy	52,485	54,049	106,534
19	Port Angeles	124,595	128,308	252,903
20	Port Orchard	41,797	43,043	84,840
21	Port Townsend	47,126	48,530	95,656
22	Poulsbo	31,812	32,760	64,572
23	Prescott	12,349	12,717	25,066
24	Prosser	24,137	24,856	48,993
25	Pullman	584,659	602,082	1,186,741
26	Puyallup	151,732	156,254	307,986
27	Quincy	20,244	20,847	41,091
28	Rainier	111,521	114,844	226,365
29	Raymond	85,311	87,853	173,164
30	Reardan	38,184	39,322	77,506
31	Redmond	215,259	221,674	436,933
32	Renton	235,053	242,058	477,111
33	Republic	25,085	25,833	50,918
34	Richland	441,733	454,897	896,630
35	Ridgefield	55,637	57,295	112,932
36	Ritzville	8,498	8,751	17,249
37	Riverside	27,204	28,015	55,219
38	Rock Island	36,527	37,616	74,143
39	Rockford	18,965	19,530	38,495
40	Rosalia	36,719	37,813	74,532
41	Roslyn	64,571	66,495	131,066
42	Roy	1,709	1,760	3,469
43	Royal City	66,657	68,643	135,300
44	Ruston	50,309	51,808	102,117
45	Sammamish	2,361,433	2,431,804	4,793,237
46	Seatac	132,183	136,122	268,305
47	Seattle	3,189,346	3,284,389	6,473,735

1	Sedro-Woolley	54,896	56,532	111,428
2	Selah	80,704	83,109	163,813
3	Sequim	21,867	22,519	44,386
4	Shelton	58,160	59,893	118,053
5	Shoreline	1,485,138	1,529,395	3,014,533
6	Skykomish	1,417	1,459	2,876
7	Snohomish	40,722	41,936	82,658
8	Snoqualmie	9,587	9,873	19,460
9	Soap Lake	102,783	105,846	208,629
10	South Bend	75,826	78,086	153,912
11	South Cle Elum	46,847	48,243	95,090
12	South Prairie	18,788	19,348	38,136
13	Spangle	1,397	1,439	2,836
14	Spokane	1,116,419	1,149,688	2,266,107
15	Sprague	22,930	23,613	46,543
16	Springdale	11,080	11,410	22,490
17	St. John	4,245	4,372	8,617
18	Stanwood	21,141	21,771	42,912
19	Starbuck	8,949	9,216	18,165
20	Steilacoom	285,807	294,324	580,131
21	Stevenson	11,673	12,021	23,694
22	Sultan	63,199	65,082	128,281
23	Sumas	7,885	8,120	16,005
24	Sumner	41,931	43,181	85,112
25	Sunnyside	70,805	72,915	143,720
26	Tacoma	1,384,646	1,425,908	2,810,554
27	Tekoa	49,373	50,844	100,217
28	Tenino	68,820	70,871	139,691
29	Tieton	74,506	76,726	151,232
30	Toledo	8,084	8,325	16,409
31	Tonasket	5,500	5,664	11,164
32	Toppenish	443,488	456,704	900,192
33	Tukwila	75,320	77,565	152,885
34	Tumwater	61,848	63,691	125,539
35	Twisp	4,793	4,936	9,729
36	Union Gap	27,129	27,937	55,066
37	Uniontown	19,805	20,395	40,200
38	University Place	1,889,912	1,946,231	3,836,143
39	Vader	40,643	41,854	82,497
40	Vancouver	1,177,584	1,212,676	2,390,260
41	Waitsburg	81,097	83,514	164,611
42	Walla Walla	318,679	328,176	646,855
43	Wapato	230,783	237,660	468,443
44	Warden	105,612	108,759	214,371
45	Washougal	177,022	182,297	359,319
46	Washtucna	20,654	21,269	41,923
47	Waterville	72,880	75,052	147,932

1	Waverly	10,256	10,562	20,818
2	Wenatchee	147,602	152,001	299,603
3	West Richland	489,752	504,347	994,099
4	Westport	13,715	14,124	27,839
5	White Salmon	53,746	55,348	109,094
6	Wilbur	23,614	24,318	47,932
7	Wilkeson	18,762	19,321	38,083
8	Wilson Creek	18,403	18,951	37,354
9	Winlock	35,212	36,261	71,473
10	Winthrop	1,756	1,808	3,564
11	Woodinville	56,052	57,722	113,774
12	Woodland	17,960	18,495	36,455
13	Woodway	12,513	12,886	25,399
14	Yacolt	36,636	37,728	74,364
15	Yakima	487,766	502,301	990,067
16	Yarrow Point	32,121	33,078	65,199
17	Yelm	15,677	16,144	31,821
18	Zillah	100,818	103,822	204,640
19	TOTAL APPROPRIATIONS	45,545,942	46,903,217	92,449,159

20 (2) \$338,668 for fiscal year 2002 and \$348,622 for fiscal year 2003
21 from this appropriation are provided solely to address the
22 contingencies listed in this subsection. The department shall
23 distribute the moneys no later than March 31, 2002, and March 31, 2003,
24 for the respective appropriations. Moneys shall be distributed for the
25 following purposes, ranked in order of priority:

26 (a) To correct for data errors in the determination of
27 distributions in subsection (1) of this section;

28 (b) To distribute to newly qualifying jurisdictions as if the
29 jurisdiction had been in existence prior to November 1999;

30 (c) To allocate under emergency situations as determined by the
31 director of the department of community, trade, and economic
32 development in consultation with the association of Washington cities;
33 and

34 (d) After April 1st of each year in the fiscal biennium ending June
35 30, 2003, any moneys remaining from the amounts provided in this
36 subsection shall be prorated and distributed to cities and towns on the
37 basis of the amounts distributed for emergency considerations in
38 November 2000 as provided in section 729, chapter 1, Laws of 2000, 2nd
39 sp. sess.

1 NEW SECTION. **Sec. 729. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
 2 **AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE**

3 Health Services Account--State Appropriation . . \$ 48,270,802

4 The appropriation in this section is subject to the following
 5 conditions and limitations: The director of the department of
 6 community, trade, and economic development shall distribute the
 7 appropriations to the following counties and health districts in the
 8 amounts designated:

9				2001-03
10	Health District	FY 2002	FY 2003	Biennium
11	Adams County Health District	30,824	31,428	62,252
12	Asotin County Health District	65,375	70,818	136,193
13	Benton-Franklin Health District	1,147,987	1,196,390	2,344,377
14	Chelan-Douglas Health District	176,979	194,628	371,607
15	Clallam County Health and Human Services Department	140,557	144,547	285,104
16	Southwest Washington Health District	1,067,962	1,113,221	2,181,183
17	Columbia County Health District	40,362	41,153	81,515
18	Cowlitz County Health Department	273,147	287,116	560,263
19	Garfield County Health District	14,966	15,259	30,225
20	Grant County Health District	111,767	126,762	238,529
21	Grays Harbor Health Department	183,113	186,702	369,815
22	Island County Health Department	86,600	98,221	184,821
23	Jefferson County Health and Human Services	82,856	89,676	172,532
24	Seattle-King County Department of Public Health	9,489,273	9,681,772	19,171,045
25	Bremerton-Kitsap County Health District	551,913	563,683	1,115,596
26	Kittitas County Health Department	87,822	98,219	186,041
27	Klickitat County Health Department	57,872	67,636	125,508
28	Lewis County Health Department	103,978	108,817	212,795
29	Lincoln County Health Department	26,821	32,924	59,745
30	Mason County Department of Health Services	91,638	101,422	193,060
31	Okanogan County Health District	62,844	64,788	127,632
32	Pacific County Health Department	77,108	78,619	155,727
33	Tacoma-Pierce County Health Department	2,802,613	2,870,392	5,673,005
34	San Juan County Health and Community Services	35,211	40,274	75,485
35	Skagit County Health Department	215,464	234,917	450,381
36	Snohomish Health District	2,238,523	2,303,371	4,541,894
37	Spokane County Health District	2,091,092	2,135,477	4,226,569
38	Northeast Tri-County Health District	106,019	116,135	222,154
39	Thurston County Health Department	593,358	614,255	1,207,613
40	Wahkiakum County Health Department	13,715	13,984	27,699
41	Walla Walla County-City Health Department	170,852	175,213	346,065
42	Whatcom County Health Department	846,015	875,369	1,721,384
43	Whitman County Health Department	78,081	80,274	158,355

1	Yakima Health District	617,792	636,841	1,254,633
2	TOTAL APPROPRIATIONS	\$23,780,499	\$24,490,303	\$48,270,802

3 NEW SECTION. **Sec. 730. FOR THE LIABILITY ACCOUNT**

4	General Fund--State Appropriation (FY 2003)	\$	6,392,000
5	State Surplus Assets Reserve Fund--State		
6	Appropriation	\$	25,000,000
7	TOTAL APPROPRIATION	\$	31,392,000

8 The appropriations in this section are provided solely for deposit
9 in the liability account.

10 **Sec. 731.** 2000 2nd sp.s. c 1 s 603 (uncodified) is amended to read
11 as follows:

12 **FOR UNIVERSITY OF WASHINGTON**

13	General Fund--State Appropriation (FY 2000)	\$	316,379,000
14	General Fund--State Appropriation (FY 2001)	\$	335,568,000
15	Death Investigations Account--State		
16	Appropriation	\$	111,000
17	Accident Account--State Appropriation	\$	5,777,000
18	Medical Aid Account--State Appropriation	\$	5,818,000
19	TOTAL APPROPRIATION	\$	663,653,000

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

22 (1) \$8,617,000 of the general fund--state appropriation for fiscal
23 year 2000 and \$10,528,000 of the general fund--state appropriation for
24 fiscal year 2001 are provided for upper division and graduate courses
25 and other educational services offered at the Bothell branch campus.
26 Of these amounts: The office of financial management shall hold and
27 release funds to the university at the rate of \$9,636 per enrolled
28 state FTE student at the Bothell branch campus in excess of fiscal year
29 2000 actual annualized enrollment as determined in the budget driver
30 tracking report prepared by the office of financial management. Moneys
31 not earned by the university for enrolling additional state students
32 during the 2000-2001 academic year (~~shall lapse to the education~~
33 ~~savings account at the close of the biennium~~) are appropriated to the
34 University of Washington building account.

35 (2) \$9,934,000 of the general fund--state appropriation for fiscal
36 year 2000 and \$11,226,000 of the general fund--state appropriation for

1 fiscal year 2001 are provided for upper division and graduate courses
2 and other educational services offered at the Tacoma branch campus. Of
3 these amounts: The office of financial management shall hold and
4 release funds to the university at the rate of \$8,520 per enrolled
5 state FTE student at the Tacoma branch campus in excess of fiscal year
6 2000 actual annualized enrollment as determined in the budget driver
7 tracking report prepared by the office of financial management. Moneys
8 not earned by the university for enrolling additional state students
9 during the 2000-2001 academic year (~~shall lapse to the education~~
10 ~~savings account at the close of the biennium~~) are appropriated to the
11 University of Washington building account.

12 (3) \$2,312,000 of the general fund--state appropriation for fiscal
13 year 2000 and \$2,312,000 of the general fund--state appropriation for
14 fiscal year 2001 are provided solely for competitively offered
15 recruitment and retention salary adjustments for instructional and
16 research faculty, exempt professional staff, academic administrators,
17 academic librarians, counselors, teaching and research assistants, as
18 classified by the office of financial management, and all other
19 nonclassified staff, but not including employees under RCW 28B.16.015.
20 Tuition revenues may be expended in addition to those required by this
21 section to further provide recruitment and retention salary
22 adjustments. The university shall provide a report in their 2001-03
23 biennial operating budget request submittal on the effective
24 expenditure of funds for the purposes of this section.

25 (4) \$1,975,000 of the general fund--state appropriation for fiscal
26 year 2000 and \$1,975,000 of the general fund--state appropriation for
27 fiscal year 2001 are provided solely to extend the next-generation
28 internet hub and related expertise.

29 (5) \$90,000 of the death investigations account appropriation is
30 provided solely for the forensic pathologist fellowship program.

31 (6) \$136,000 of the general fund--state appropriation for fiscal
32 year 2000 and \$137,000 of the general fund--state appropriation for
33 fiscal year 2001 are provided solely for the implementation of the
34 Puget Sound work plan and agency action item UW-01.

35 (7) \$75,000 of the general fund--state appropriation for fiscal
36 year 2000 and \$75,000 of the general fund--state appropriation for
37 fiscal year 2001 are provided solely for the Olympic natural resource
38 center.

1 (8) \$50,000 of the general fund--state appropriation for fiscal
2 year 2000 and \$50,000 of the general fund--state appropriation for
3 fiscal year 2001 are provided solely for the dental education in care
4 of persons with disabilities program.

5 (9) \$904,000 of the accident account and medical aid account
6 appropriations is provided to establish a bio-contaminant laboratory
7 and consultation service, create a demonstration project, and enhance
8 laboratory and computing equipment in the department of environmental
9 health.

10 (10) \$958,000 of the general fund--state appropriation for fiscal
11 year 2000 and \$958,000 of the general fund--state appropriation for
12 fiscal year 2001 are provided for the mathematics, engineering, science
13 achievement (MESA) program.

14 (11) \$1,250,000 of the general fund--state appropriation for fiscal
15 year 2000 and \$1,250,000 of the general fund--state appropriation for
16 fiscal year 2001 are provided solely for research faculty clusters in
17 the advanced technology initiative program.

18 (12) \$450,000 of the general fund--state appropriation for fiscal
19 year 2001 is provided solely to enhance university expenditures for
20 graduate student appointee health insurance. For fiscal year 2001, the
21 university shall provide the remainder of funding necessary to maintain
22 the benefits and terms of health insurance in effect for graduate
23 student appointees as of the effective date of this section.

24 (13) \$375,000 of the general fund--state appropriation for fiscal
25 year 2001 is provided solely to provide internet connectivity.

26 (End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES

FOR DISTRIBUTION

General Fund Appropriation for fire insurance		
premium distributions	\$	6,528,600
General Fund Appropriation for public utility		
district excise tax distributions	\$	36,427,306
General Fund Appropriation for prosecuting		
attorney distributions	\$	3,090,000
General Fund Appropriation for boating safety/ education and law enforcement		
distributions	\$	3,780,000
General Fund Appropriation for other tax		
distributions	\$	39,566
Death Investigations Account Appropriation for		
distribution to counties for publicly		
funded autopsies	\$	1,621,537
Aquatic Lands Enhancement Account Appropriation		
for harbor improvement revenue		
distribution	\$	147,500
Timber Tax Distribution Account Appropriation for		
distribution to "timber" counties	\$	68,562,000
County Criminal Justice Assistance		
Appropriation	\$	49,835,213
Municipal Criminal Justice Assistance		
Appropriation	\$	19,988,097
Liquor Excise Tax Account Appropriation for		
liquor excise tax distribution	\$	28,659,331
Liquor Revolving Account Appropriation for		
liquor profits distribution	\$	55,344,817
TOTAL APPROPRIATION	\$	274,023,967

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

1 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
2 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

3 Impaired Driving Safety Account Appropriation . . \$ 1,843,260

4 The appropriation in this section is subject to the following
5 conditions and limitations: The amount appropriated in this section
6 shall be distributed quarterly during the 2001-03 biennium in
7 accordance with RCW 82.14.310. This funding is provided to counties
8 for the costs of implementing criminal justice legislation including,
9 but not limited to: Chapter 206, Laws of 1998 (drunk driving
10 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
11 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
12 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
13 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
14 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
15 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
16 215, Laws of 1998 (DUI provisions).

17 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--FOR THE MUNICIPAL**
18 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

19 Impaired Driving Safety Account Appropriation . . \$ 1,228,840

20 The appropriation in this section is subject to the following
21 conditions and limitations: The amount appropriated in this section
22 shall be distributed quarterly during the 2001-03 biennium to all
23 cities ratably based on population as last determined by the office of
24 financial management. The distributions to any city that substantially
25 decriminalizes or repeals its criminal code after July 1, 1990, and
26 that does not reimburse the county for costs associated with criminal
27 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
28 which the city is located. This funding is provided to cities for the
29 costs of implementing criminal justice legislation including, but not
30 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
31 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
32 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
33 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
34 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
35 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels

1 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
2 Laws of 1998 (DUI provisions).

3 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
4 **FOR DISTRIBUTION**

5	General Fund Appropriation for federal grazing		
6	fees distribution	\$	2,050,334
7	General Fund Appropriation for federal flood		
8	control funds distribution	\$	26,524
9	Forest Reserve Fund Appropriation for federal		
10	forest reserve fund distribution	\$	47,689,181
11	TOTAL APPROPRIATION	\$	49,766,039

12 The total expenditures from the state treasury under the
13 appropriations in this section shall not exceed the funds available
14 under statutory distributions for the stated purposes.

15 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

16	Public Facilities Construction Loan and		
17	Grant Revolving Account: For transfer		
18	to the digital government revolving account		
19	on or before December 31, 2001	\$	1,418,456
20	Financial Services Regulation Fund: To be		
21	transferred from the financial services		
22	regulation fund to the digital government		
23	revolving account during the period		
24	between July 1, 2001, and December 31,		
25	2001	\$	2,000,000
26	Local Toxics Control Account: For transfer		
27	to the state toxics control account.		
28	Transferred funds will be utilized		
29	for methamphetamine lab cleanup, to		
30	address areawide soil contamination		
31	problems, and clean up contaminated		
32	sites as part of the clean sites		
33	initiative	\$	6,000,000
34	State Toxics Control Account: For transfer		
35	to the water quality account for water		
36	quality related projects funded in the		

1	capital budget	\$	9,000,000
2	General Fund: For transfer to the flood		
3	control assistance account	\$	4,000,000
4	Water Quality Account: For transfer to the		
5	water pollution control account. Transfers		
6	shall be made at intervals coinciding with		
7	deposits of federal capitalization grant		
8	money into the account. The amounts		
9	transferred shall not exceed the match		
10	required for each federal deposit	\$	12,564,487
11	State Treasurer's Service Account: For		
12	transfer to the general fund on or		
13	before June 30, 2003, an amount in excess		
14	of the cash requirements of the state		
15	treasurer's service account. Pursuant to		
16	RCW 43.135.035(5), the state expenditure		
17	limit shall be increased in fiscal		
18	year 2003 to reflect this transfer	\$	8,000,000
19	Public Works Assistance Account: For		
20	transfer to the drinking water		
21	assistance account	\$	7,700,000
22	Tobacco Settlement Account: For transfer		
23	to the health services account, in an		
24	amount not to exceed the actual balance		
25	of the tobacco settlement account	\$	310,000,000
26	General Fund: For transfer to the water quality		
27	account	\$	60,325,000
28	Health Services Account: For		
29	transfer to the state general fund		
30	by June 30, 2002. Pursuant to RCW		
31	43.135.035(5), the state expenditure		
32	limit shall be increased in fiscal		
33	year 2002 to reflect this transfer	\$	130,000,000
34	Health Services Account: For		
35	transfer to the state general fund		
36	by June 30, 2003. Pursuant to RCW		
37	43.135.035(5), the state expenditure		
38	limit shall be increased in fiscal		
39	year 2003 to reflect this transfer	\$	20,000,000

1 State Surplus Assets Reserve Fund: For
 2 transfer to the multimodal transportation
 3 account by June 30, 2002 \$ 70,000,000
 4 Multimodal Transportation Account: For
 5 transfer to the state general fund
 6 by June 30, 2002. Pursuant to RCW
 7 43.135.035(5), the state expenditure
 8 limit shall be increased in fiscal
 9 year 2002 to reflect this transfer \$ 70,000,000

10 NEW SECTION. **Sec. 806. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
 11 **TRANSFERS**

12 General Fund--State Appropriation: For
 13 transfer to the department of retirement
 14 systems expense account: For the
 15 administrative expenses of the judicial
 16 retirement system \$ 26,605

17 (End of part)

1 (3) Each project will be planned and designed to take optimal
2 advantage of Internet technologies and protocols. Agencies shall
3 ensure that the project is in compliance with the architecture,
4 infrastructure, principles, policies, and standards of digital
5 government as maintained by the information services board.

6 (4) The agency shall produce a feasibility study for information
7 technology projects at the direction of the information services board
8 and in accordance with published department of information services
9 policies and guidelines. At a minimum, such studies shall include a
10 statement of: (a) The purpose or impetus for change; (b) the business
11 value to the agency, including an examination and evaluation of
12 benefits, advantages, and cost; (c) a comprehensive risk assessment
13 based on the proposed project's impact on both citizens and state
14 operations, its visibility, and the consequences of doing nothing; (d)
15 the impact on agency and statewide information infrastructure; and (e)
16 the impact of the proposed enhancements to an agency's information
17 technology capabilities on meeting service delivery demands.

18 (5) The agency shall produce a comprehensive management plan for
19 each project. The plan or plans shall address all factors critical to
20 successful completion of each project. The plan(s) shall include, but
21 is not limited to, the following elements: A description of the
22 problem or opportunity that the information technology project is
23 intended to address; a statement of project objectives and assumptions;
24 a definition and schedule of phases, tasks, and activities to be
25 accomplished; and the estimated cost of each phase. The planning for
26 the phased approach shall be such that the business case justification
27 for a project needs to demonstrate how the project recovers cost or
28 adds measurable value or positive cost benefit to the agency's business
29 functions within each development cycle.

30 (6) The agency shall produce quality assurance plans for
31 information technology projects. Consistent with the direction of the
32 information services board and the published policies and guidelines of
33 the department of information services, the quality assurance plan
34 shall address all factors critical to successful completion of the
35 project and successful integration with the agency and state
36 information technology infrastructure. At a minimum, quality assurance
37 plans shall provide time and budget benchmarks against which project
38 progress can be measured, a specification of quality assurance
39 responsibilities, and a statement of reporting requirements. The

1 quality assurance plans shall set out the functionality requirements
2 for each phase of a project.

3 (7) A copy of each feasibility study, project management plan, and
4 quality assurance plan shall be provided to the department of
5 information services, the office of financial management, and
6 legislative fiscal committees. The plans and studies shall demonstrate
7 a sound business case that justifies the investment of taxpayer funds
8 on any new project, an assessment of the impact of the proposed system
9 on the existing information technology infrastructure, the disciplined
10 use of preventative measures to mitigate risk, and the leveraging of
11 private-sector expertise as needed. Authority to expend any funds for
12 individual information systems projects is conditioned on the approval
13 of the relevant feasibility study, project management plan, and quality
14 assurance plan by the department of information services and the office
15 of financial management.

16 (8) Quality assurance status reports shall be submitted to the
17 department of information services, the office of financial management,
18 and legislative fiscal committees at intervals specified in the
19 project's quality assurance plan.

20 NEW SECTION. **Sec. 903. VIDEO TELECOMMUNICATIONS.** The department
21 of information services shall act as lead agency in coordinating video
22 telecommunications services for state agencies. As lead agency, the
23 department shall develop standards and common specifications for leased
24 and purchased telecommunications equipment and assist state agencies in
25 developing a video telecommunications expenditure plan. No agency may
26 spend any portion of any appropriation in this act for new video
27 telecommunication equipment, new video telecommunication transmission,
28 or new video telecommunication programming, or for expanding current
29 video telecommunication systems without first complying with chapter
30 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
31 without first submitting a video telecommunications expenditure plan,
32 in accordance with the policies of the department of information
33 services, for review and assessment by the department of information
34 services under RCW 43.105.052. Prior to any such expenditure by a
35 public school, a video telecommunications expenditure plan shall be
36 approved by the superintendent of public instruction. The office of
37 the superintendent of public instruction shall submit the plans to the
38 department of information services in a form prescribed by the

1 department. The office of the superintendent of public instruction
2 shall coordinate the use of video telecommunications in public schools
3 by providing educational information to local school districts and
4 shall assist local school districts and educational service districts
5 in telecommunications planning and curriculum development. Prior to
6 any such expenditure by a public institution of postsecondary
7 education, a telecommunications expenditure plan shall be approved by
8 the higher education coordinating board. The higher education
9 coordinating board shall coordinate the use of video telecommunications
10 for instruction and instructional support in postsecondary education,
11 including the review and approval of instructional telecommunications
12 course offerings.

13 NEW SECTION. **Sec. 904. PROGRAM COST SHIFTS.** Any program costs or
14 moneys in this act that are shifted to the general fund from another
15 fund or account require an adjustment to the expenditure limit under
16 RCW 43.135.035(5).

17 NEW SECTION. **Sec. 905. RECONCILIATION OF TREASURER TRANSFERS.**
18 (1) To reflect the fact that Initiative 728 (chapter 3, Laws of 2001)
19 took effect January 1, 2001, after transfers are made based on prior
20 fiscal year calculations, any balance in the emergency reserve fund in
21 excess of five percent of annual general fund--state revenues for
22 fiscal year 2001 shall be deposited as follows: Pursuant to section
23 3(3), chapter 2, Laws of 2000 2nd sp. sess., 50 percent to the
24 education construction fund; and pursuant to section 9(3), chapter 3,
25 Laws of 2001, 37.5 percent to the student achievement fund and 12.5
26 percent to the general fund.

27 (2) After the close of the fiscal year, to reconcile these
28 accounts, the treasurer shall make transfers between accounts as
29 necessary to ensure that the amounts deposited are consistent with
30 these percentages and reflect the revised expenditure limit, actual
31 revenues as reported by the economic and revenue forecast council, and
32 the balance in the emergency reserve fund after the close of the fiscal
33 year.

34 NEW SECTION. **Sec. 906. EMERGENCY FUND ALLOCATIONS.** Whenever
35 allocations are made from the governor's emergency fund appropriation
36 to an agency that is financed in whole or in part by other than general

1 fund moneys, the director of financial management may direct the
2 repayment of such allocated amount to the general fund from any balance
3 in the fund or funds which finance the agency. No appropriation shall
4 be necessary to effect such repayment.

5 NEW SECTION. **Sec. 907. STATUTORY APPROPRIATIONS.** In addition to
6 the amounts appropriated in this act for revenues for distribution,
7 state contributions to the law enforcement officers' and fire fighters'
8 retirement system plan 2, and bond retirement and interest including
9 ongoing bond registration and transfer charges, transfers, interest on
10 registered warrants, and certificates of indebtedness, there is also
11 appropriated such further amounts as may be required or available for
12 these purposes under any statutory formula or under chapters 39.94 and
13 39.96 RCW or any proper bond covenant made under law.

14 NEW SECTION. **Sec. 908. BOND EXPENSES.** In addition to such other
15 appropriations as are made by this act, there is hereby appropriated to
16 the state finance committee from legally available bond proceeds in the
17 applicable construction or building funds and accounts such amounts as
18 are necessary to pay the expenses incurred in the issuance and sale of
19 the subject bonds.

20 NEW SECTION. **Sec. 909. VOLUNTARY SEPARATION INCENTIVES.** As a
21 management tool to reduce costs and make more effective use of
22 resources, while improving employee productivity and morale, agencies
23 may offer voluntary separation and/or downshifting incentives and
24 options according to procedures and guidelines established by the
25 department of personnel and the department of retirement systems in
26 consultation with the office of financial management. The options may
27 include, but are not limited to, financial incentives for: Voluntary
28 resignation and retirement, voluntary leave-without-pay, voluntary
29 workweek or work hour reduction, voluntary downward movement, or
30 temporary separation for development purposes. No employee shall have
31 a contractual right to a financial incentive offered pursuant to this
32 section.

33 Agencies shall report on the outcomes of their plans, and offers
34 shall be reviewed and monitored jointly by the department of personnel
35 and the department of retirement systems, for reporting to the office
36 of financial management by December 1, 2002.

1 NEW SECTION. **Sec. 910. VOLUNTARY RETIREMENT INCENTIVES.** It is
2 the intent of the legislature that agencies may implement a voluntary
3 retirement incentive program that is cost neutral or results in cost
4 savings provided that such a program is approved by the director of
5 retirement systems and the office of financial management. Agencies
6 participating in this authorization are required to submit a report by
7 June 30, 2003, to the legislature and the office of financial
8 management on the outcome of their approved retirement incentive
9 program. The report should include information on the details of the
10 program including resulting service delivery changes, agency
11 efficiencies, the cost of the retirement incentive per participant, the
12 total cost to the state, and the projected or actual net dollar savings
13 over the 2001-03 biennium.

14 **Sec. 911.** RCW 43.320.110 and 2001 c 177 s 2 are each amended to
15 read as follows:

16 There is created a local fund known as the "financial services
17 regulation fund" which shall consist of all moneys received by the
18 divisions of the department of financial institutions, except for the
19 division of securities which shall deposit thirteen percent of all
20 moneys received, and which shall be used for the purchase of supplies
21 and necessary equipment; the payment of salaries, wages, and utilities;
22 the establishment of reserves; and other incidental costs required for
23 the proper regulation of individuals and entities subject to regulation
24 by the department. The state treasurer shall be the custodian of the
25 fund. Disbursements from the fund shall be on authorization of the
26 director of financial institutions or the director's designee. In
27 order to maintain an effective expenditure and revenue control, the
28 fund shall be subject in all respects to chapter 43.88 RCW, but no
29 appropriation is required to permit expenditures and payment of
30 obligations from the fund.

31 Between July 1, 2001, and December 31, 2001, the legislature may
32 transfer up to two million dollars from the financial services
33 regulation fund to the state general fund.

34 ***Sec. 912.** *RCW 76.12.110 and 2000 2nd sp.s. c 1 s 915 are each*
35 *amended to read as follows:*

36 *There is created a forest development account in the state*
37 *treasury. The state treasurer shall keep an account of all sums*

1 deposited therein and expended or withdrawn therefrom. Any sums placed
2 in the account shall be pledged for the purpose of paying interest and
3 principal on the bonds issued by the department, and for the purchase
4 of land for growing timber. Any bonds issued shall constitute a first
5 and prior claim and lien against the account for the payment of
6 principal and interest. No sums for the above purposes shall be
7 withdrawn or paid out of the account except upon approval of the
8 department.

9 Appropriations may be made by the legislature from the forest
10 development account to the department for the purpose of carrying on
11 the activities of the department on state forest lands, lands managed
12 on a sustained yield basis as provided for in RCW 79.68.040, and for
13 reimbursement of expenditures that have been made or may be made from
14 the resource management cost account in the management of state forest
15 lands. For the ((1999-2001)) 2001-2003 fiscal biennium, moneys from
16 the account shall be distributed as directed in the omnibus
17 appropriations act to the beneficiaries of the revenues derived from
18 state forest lands. Funds that accrue to the state from such a
19 distribution shall be deposited into the salmon recovery account.
20 These funds shall be used for a grant program for cities and counties
21 for the preservation and restoration of riparian, marine, and estuarine
22 areas.

23 *Sec. 912 was vetoed. See message at end of chapter.

24 **Sec. 913.** RCW 49.70.170 and 1999 c 309 s 917 are each amended to
25 read as follows:

26 (1) The worker and community right to know fund is hereby
27 established in the custody of the state treasurer. The department
28 shall deposit all moneys received under this chapter in the fund.
29 Moneys in the fund may be spent only for the purposes of this chapter
30 following legislative appropriation. Disbursements from the fund shall
31 be on authorization of the director or the director's designee. During
32 the ((1999-2001)) 2001-2003 fiscal biennium, moneys in the fund may
33 also be used by the military department for the purpose of assisting
34 the state emergency response commission and coordinating local
35 emergency planning activities. The fund is subject to the allotment
36 procedure provided under chapter 43.88 RCW.

37 (2) The department shall assess each employer who reported ten
38 thousand four hundred or more worker hours in the prior calendar year

1 an annual fee to provide for the implementation of this chapter. The
2 department shall promulgate rules establishing a fee schedule for all
3 employers who reported ten thousand four hundred or more worker hours
4 in the prior calendar year and are engaged in business operations
5 having a standard industrial classification, as designated in the
6 standard industrial classification manual prepared by the federal
7 office of management and budget, within major group numbers 01 through
8 08 (agriculture and forestry industries), numbers 10 through 14 (mining
9 industries), numbers 15 through 17 (construction industries), numbers
10 20 through 39 (manufacturing industries), numbers 41, 42, and 44
11 through 49 (transportation, communications, electric, gas, and sanitary
12 services), number 75 (automotive repair, services, and garages), number
13 76 (miscellaneous repair services), number 80 (health services), and
14 number 82 (educational services). The department shall establish the
15 annual fee for each employer who reported ten thousand four hundred or
16 more worker hours in the prior calendar year in industries identified
17 by this section, provided that fees assessed shall not be more than two
18 dollars and fifty cents per full time equivalent employee. The annual
19 fee shall not exceed fifty thousand dollars. The fees shall be
20 collected solely from employers whose industries have been identified
21 by rule under this chapter. The department shall promulgate rules
22 allowing employers who do not have hazardous substances at their
23 workplace to request an exemption from the assessment and shall
24 establish penalties for fraudulent exemption requests. All fees
25 collected by the department pursuant to this section shall be collected
26 in a cost-efficient manner and shall be deposited in the fund.

27 (3) Records required by this chapter shall at all times be open to
28 the inspection of the director, or his designee including, the
29 traveling auditors, agents or assistants of the department provided for
30 in RCW 51.16.070 and 51.48.040. The information obtained from employer
31 records under the provisions of this section shall be subject to the
32 same confidentiality requirements as set forth in RCW 51.16.070.

33 (4) An employer may appeal the assessment of the fee or penalties
34 pursuant to the procedures set forth in Title 51 RCW and accompanying
35 rules except that the employer shall not have the right of appeal to
36 superior court as provided in Title 51 RCW. The employer from whom the
37 fee or penalty is demanded or enforced, may however, within thirty days
38 of the board of industrial insurance appeal's final order, pay the fee
39 or penalty under written protest setting forth all the grounds upon

1 which such fee or penalty is claimed to be unlawful, excessive or
2 otherwise improper and thereafter bring an action in superior court
3 against the department to recover such fee or penalty or any portion of
4 the fee or penalty which was paid under protest.

5 (5) Repayment shall be made to the general fund of any moneys
6 appropriated by law in order to implement this chapter.

7 **Sec. 914.** RCW 43.08.250 and 2000 2nd sp.s. c 1 s 911 are each
8 amended to read as follows:

9 The money received by the state treasurer from fees, fines,
10 forfeitures, penalties, reimbursements or assessments by any court
11 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
12 deposited in the public safety and education account which is hereby
13 created in the state treasury. The legislature shall appropriate the
14 funds in the account to promote traffic safety education, highway
15 safety, criminal justice training, crime victims' compensation,
16 judicial education, the judicial information system, civil
17 representation of indigent persons, winter recreation parking, and
18 state game programs. During the fiscal biennium ending June 30,
19 ~~((2001))~~ 2003, the legislature may appropriate moneys from the public
20 safety and education account for purposes of appellate indigent defense
21 and other operations of the office of public defense, the criminal
22 litigation unit of the attorney general's office, the treatment
23 alternatives to street crimes program, crime victims advocacy programs,
24 justice information network telecommunication planning, treatment for
25 supplemental security income clients, sexual assault treatment,
26 operations of the office of administrator for the courts, security in
27 the common schools, alternative school start-up grants, programs for
28 disruptive students, criminal justice data collection, Washington state
29 patrol criminal justice activities, drug court operations, ~~((department~~
30 ~~of ecology methamphetamine-related activities,))~~ unified family courts,
31 local court backlog assistance, financial assistance to local
32 jurisdictions for extraordinary costs incurred in the adjudication of
33 criminal cases, domestic violence treatment and related services, the
34 department of corrections' costs in implementing chapter 196, Laws of
35 1999, reimbursement of local governments for costs associated with
36 implementing criminal and civil justice legislation, ~~((and))~~ the
37 replacement of the department of corrections' offender-based tracking

1 system, and methamphetamine-related enforcement, education, training,
2 and drug and alcohol treatment services.

3 **Sec. 915.** RCW 82.14.310 and 1999 c 309 s 920 are each amended to
4 read as follows:

5 (1) The county criminal justice assistance account is created in
6 the state treasury. Beginning in fiscal year 2000, the state treasurer
7 shall transfer into the county criminal justice assistance account from
8 the general fund the sum of twenty-three million two hundred thousand
9 dollars divided into four equal deposits occurring on July 1, October
10 1, January 1, and April 1. For each fiscal year thereafter, the state
11 treasurer shall increase the total transfer by the fiscal growth
12 factor, as defined in RCW 43.135.025, forecast for that fiscal year by
13 the office of financial management in November of the preceding year.

14 (2) The moneys deposited in the county criminal justice assistance
15 account for distribution under this section, less any moneys
16 appropriated for purposes under subsection (4) of this section, shall
17 be distributed at such times as distributions are made under RCW
18 82.44.150 and on the relative basis of each county's funding factor as
19 determined under this subsection.

20 (a) A county's funding factor is the sum of:

21 (i) The population of the county, divided by one thousand, and
22 multiplied by two-tenths;

23 (ii) The crime rate of the county, multiplied by three-tenths; and

24 (iii) The annual number of criminal cases filed in the county
25 superior court, for each one thousand in population, multiplied by
26 five-tenths.

27 (b) Under this section and RCW 82.14.320 and 82.14.330:

28 (i) The population of the county or city shall be as last
29 determined by the office of financial management;

30 (ii) The crime rate of the county or city is the annual occurrence
31 of specified criminal offenses, as calculated in the most recent annual
32 report on crime in Washington state as published by the Washington
33 association of sheriffs and police chiefs, for each one thousand in
34 population;

35 (iii) The annual number of criminal cases filed in the county
36 superior court shall be determined by the most recent annual report of
37 the courts of Washington, as published by the office of the
38 administrator for the courts;

1 (iv) Distributions and eligibility for distributions in the 1989-91
2 biennium shall be based on 1988 figures for both the crime rate as
3 described under (ii) of this subsection and the annual number of
4 criminal cases that are filed as described under (iii) of this
5 subsection. Future distributions shall be based on the most recent
6 figures for both the crime rate as described under (ii) of this
7 subsection and the annual number of criminal cases that are filed as
8 described under (iii) of this subsection.

9 (3) Moneys distributed under this section shall be expended
10 exclusively for criminal justice purposes and shall not be used to
11 replace or supplant existing funding. Criminal justice purposes are
12 defined as activities that substantially assist the criminal justice
13 system, which may include circumstances where ancillary benefit to the
14 civil or juvenile justice system occurs, and which includes (a)
15 domestic violence services such as those provided by domestic violence
16 programs, community advocates, and legal advocates, as defined in RCW
17 70.123.020, and (b) during the (~~1999-2001~~) 2001-2003 fiscal biennium,
18 juvenile dispositional hearings relating to petitions for at-risk
19 youth, truancy, and children in need of services. Existing funding for
20 purposes of this subsection is defined as calendar year 1989 actual
21 operating expenditures for criminal justice purposes. Calendar year
22 1989 actual operating expenditures for criminal justice purposes
23 exclude the following: Expenditures for extraordinary events not
24 likely to reoccur, changes in contract provisions for criminal justice
25 services, beyond the control of the local jurisdiction receiving the
26 services, and major nonrecurring capital expenditures.

27 (4) Not more than five percent of the funds deposited to the county
28 criminal justice assistance account shall be available for
29 appropriations for enhancements to the state patrol crime laboratory
30 system and the continuing costs related to these enhancements. Funds
31 appropriated from this account for such enhancements shall not supplant
32 existing funds from the state general fund.

33 **Sec. 916.** RCW 43.72.902 and 2000 2nd sp.s. c 1 s 913 are each
34 amended to read as follows:

35 The public health services account is created in the state
36 treasury. Moneys in the account may be spent only after appropriation.
37 Moneys in the account may be expended only for maintaining and
38 improving the health of Washington residents through the public health

1 system. For purposes of this section, the public health system shall
2 consist of the state board of health, the state department of health,
3 and local health departments and districts. During the ~~((1999-2001))~~
4 2001-2003 biennium, moneys in the fund may also be used for costs
5 associated with hepatitis C testing and treatment in correctional
6 facilities.

7 **Sec. 917.** RCW 43.79.465 and 1998 c 302 s 2 are each amended to
8 read as follows:

9 The education savings account is created in the state treasury.
10 The account shall consist of all moneys appropriated to the account by
11 the legislature.

12 (1) Ten percent of legislative appropriations to the education
13 savings account shall be distributed as follows: (a) Fifty percent to
14 the distinguished professorship trust fund under RCW 28B.10.868; (b)
15 seventeen percent to the graduate fellowship trust fund under RCW
16 28B.10.882; and (c) thirty-three percent to the college faculty awards
17 trust fund under RCW 28B.50.837.

18 (2) The remaining moneys in the education savings account may be
19 appropriated solely for (a) common school construction projects that
20 are eligible for funding from the common school construction account,
21 ~~((and))~~ (b) technology improvements in the common schools, and (c)
22 during the 2001-03 fiscal biennium, technology improvements in public
23 higher education institutions.

24 **Sec. 918.** RCW 46.10.040 and 1997 c 241 s 2 are each amended to
25 read as follows:

26 Application for registration shall be made to the department in the
27 manner and upon forms the department prescribes, and shall state the
28 name and address of each owner of the snowmobile to be registered, and
29 shall be signed by at least one such owner, and shall be accompanied by
30 an annual registration fee to be established by the commission, after
31 consultation with the committee and any state-wide snowmobile user
32 groups. ~~((The fee shall be fifteen dollars pending action by the~~
33 ~~commission to increase the fee.))~~ The commission shall increase the
34 current fee of twenty dollars by ~~((two))~~ five dollars ~~((and fifty~~
35 ~~cents))~~ effective September 30, ~~((1996))~~ 2001, and the commission shall
36 increase the fee by another ~~((two))~~ five dollars ~~((and fifty cents))~~
37 effective September 30, ~~((1997))~~ 2002. After the fee increase

1 effective September 30, (~~(1997)~~) 2002, the commission shall not
2 increase the fee. Upon receipt of the application and the application
3 fee, the snowmobile shall be registered and a registration number
4 assigned, which shall be affixed to the snowmobile in a manner provided
5 in RCW 46.10.070.

6 The registration provided in this section shall be valid for a
7 period of one year. At the end of the period of registration, every
8 owner of a snowmobile in this state shall renew his or her registration
9 in the manner the department prescribes, for an additional period of
10 one year, upon payment of the annual registration fee as determined by
11 the commission.

12 Any person acquiring a snowmobile already validly registered under
13 the provisions of this chapter must, within ten days of the acquisition
14 or purchase of the snowmobile, make application to the department for
15 transfer of the registration, and the application shall be accompanied
16 by a transfer fee of one dollar and twenty-five cents.

17 A snowmobile owned by a resident of another state or Canadian
18 province where registration is not required by law may be issued a
19 nonresident registration permit valid for not more than sixty days.
20 Application for the permit shall state the name and address of each
21 owner of the snowmobile to be registered and shall be signed by at
22 least one owner and shall be accompanied by a registration fee of five
23 dollars. The registration permit shall be carried on the vehicle at
24 all times during its operation in this state.

25 The registration fees provided in this section shall be in lieu of
26 any personal property or excise tax heretofore imposed on snowmobiles
27 by this state or any political subdivision thereof, and no city,
28 county, or other municipality, and no state agency shall hereafter
29 impose any other registration or license fee on any snowmobile in this
30 state.

31 The department shall make available a pair of uniform decals
32 consistent with the provisions of RCW 46.10.070. In addition to the
33 registration fee provided in this section the department shall charge
34 each applicant for registration the actual cost of the decal. The
35 department shall make available replacement decals for a fee equivalent
36 to the actual cost of the decals.

37 **Sec. 919.** RCW 72.11.040 and 2000 2nd sp.s. c 1 s 914 are each
38 amended to read as follows:

1 The cost of supervision fund is created in the custody of the state
2 treasurer. All receipts from assessments made under RCW 9.94A.270 and
3 72.04A.120 shall be deposited into the fund. Expenditures from the
4 fund may be used only to support the collection of legal financial
5 obligations. During the ~~((1999-2001))~~ 2001-2003 biennium, funds from
6 the account may also be used for costs associated with the department's
7 supervision of the offenders in the community~~((, and the replacement of~~
8 ~~the department of corrections' offender-based tracking system))~~. Only
9 the secretary of the department of corrections or the secretary's
10 designee may authorize expenditures from the fund. The fund is subject
11 to allotment procedures under chapter 43.88 RCW, but no appropriation
12 is required for expenditures.

13 **Sec. 920.** RCW 69.50.520 and 2000 2nd sp.s. c 1 s 917 are each
14 amended to read as follows:

15 The violence reduction and drug enforcement account is created in
16 the state treasury. All designated receipts from RCW 9.41.110(8),
17 66.24.210(4), 66.24.290(2), 69.50.505(h)(1), 82.08.150(5),
18 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989
19 shall be deposited into the account. Expenditures from the account may
20 be used only for funding services and programs under chapter 271, Laws
21 of 1989 and chapter 7, Laws of 1994 sp. sess., including state
22 incarceration costs. Funds from the account may also be appropriated
23 to reimburse local governments for costs associated with implementing
24 criminal justice legislation including chapter 338, Laws of 1997.
25 During the ~~((1999-2001))~~ 2001-2003 biennium, funds from the account may
26 also be used for costs associated with providing grants to local
27 governments in accordance with chapter 338, Laws of 1997, ~~((the design,~~
28 ~~sitework, and construction of the special commitment center,))~~ the
29 replacement of the department of corrections' offender-based tracking
30 system, maintenance and operating costs of the Washington association
31 of sheriffs and police chiefs jail reporting system, and for
32 multijurisdictional narcotics task forces. After July 1, ~~((2001))~~
33 2003, at least seven and one-half percent of expenditures from the
34 account shall be used for providing grants to community networks under
35 chapter 70.190 RCW by the family policy council.

36 ***Sec. 921.** RCW 79A.05.070 and 1999 c 249 s 307 are each amended to
37 *read as follows:*

1 The commission may:

2 (1) Make rules and regulations for the proper administration of its
3 duties;

4 (2) Accept any grants of funds made with or without a matching
5 requirement by the United States, or any agency thereof, for purposes
6 in keeping with the purposes of this chapter; accept gifts, bequests,
7 devises and endowments for purposes in keeping with such purposes;
8 enter into cooperative agreements with and provide for private
9 nonprofit groups to use state park property and facilities to raise
10 money to contribute gifts, grants, and support to the commission for
11 the purposes of this chapter. The commission may assist the nonprofit
12 group in a cooperative effort by providing necessary agency personnel
13 and services, if available. However, none of the moneys raised may
14 inure to the benefit of the nonprofit group, except in furtherance of
15 its purposes to benefit the commission as provided in this chapter.
16 The agency and the private nonprofit group shall agree on the nature of
17 any project to be supported by such gift or grant prior to the use of
18 any agency property or facilities for raising money. Any such gifts
19 may be in the form of recreational facilities developed or built in
20 part or in whole for public use on agency property, provided that the
21 facility is consistent with the purposes of the agency;

22 (3) Require certification by the commission of all parks and
23 recreation workers employed in state aided or state controlled
24 programs;

25 (4) Act jointly, when advisable, with the United States, any other
26 state agencies, institutions, departments, boards, or commissions in
27 order to carry out the objectives and responsibilities of this chapter;

28 (5) Grant franchises and easements for any legitimate purpose on
29 parks or parkways, for such terms and subject to such conditions and
30 considerations as the commission shall specify;

31 (6) Charge such fees for services, utilities, and use of facilities
32 as the commission shall deem proper, except that during the 2001-03
33 fiscal biennium the commission shall not charge fees for basic parkland
34 access;

35 (7) Enter into agreements whereby individuals or companies may rent
36 undeveloped parks or parkway land for grazing, agricultural, or mineral
37 development purposes upon such terms and conditions as the commission
38 shall deem proper, for a term not to exceed ten years;

1 (8) Determine the qualifications of and employ a director of parks
2 and recreation who shall receive a salary as fixed by the governor in
3 accordance with the provisions of RCW 43.03.040 and determine the
4 qualifications and salary of and employ such other persons as may be
5 needed to carry out the provisions hereof; and

6 (9) Without being limited to the powers hereinbefore enumerated,
7 the commission shall have such other powers as in the judgment of a
8 majority of its members are deemed necessary to effectuate the purposes
9 of this chapter: PROVIDED, That the commission shall not have power to
10 supervise directly any local park or recreation district, and no funds
11 shall be made available for such purpose.

12 *Sec. 921 was vetoed. See message at end of chapter.

13 **Sec. 922.** RCW 70.146.030 and 1996 c 37 s 2 are each amended to
14 read as follows:

15 (1) The water quality account is hereby created in the state
16 treasury. Moneys in the account may be used only in a manner
17 consistent with this chapter. Moneys deposited in the account shall be
18 administered by the department of ecology and shall be subject to
19 legislative appropriation. Moneys placed in the account shall include
20 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,
21 principal and interest from the repayment of any loans granted pursuant
22 to this chapter, and any other moneys appropriated to the account by
23 the legislature.

24 (2) The department may use or permit the use of any moneys in the
25 account to make grants or loans to public bodies, including grants to
26 public bodies as cost-sharing moneys in any case where federal, local,
27 or other funds are made available on a cost-sharing basis, for water
28 pollution control facilities and activities, or for purposes of
29 assisting a public body to obtain an ownership interest in water
30 pollution control facilities and/or to defray a part of the payments
31 made by a public body to a service provider under a service agreement
32 entered into pursuant to RCW 70.150.060, within the purposes of this
33 chapter and for related administrative expenses. For the period July
34 1, 2001, to June 30, 2003, moneys in the account may be used to process
35 applications received by the department that seek to make changes to or
36 transfer existing water rights. No more than three percent of the
37 moneys deposited in the account may be used by the department to pay

1 for the administration of the grant and loan program authorized by this
2 chapter.

3 (3) Beginning with the biennium ending June 30, 1997, the
4 department shall present a biennial progress report on the use of
5 moneys from the account to the chairs of the senate committee on ways
6 and means and the house of representatives committee on appropriations.
7 The first report is due June 30, 1996, and the report for each
8 succeeding biennium is due December 31 of the odd-numbered year. The
9 report shall consist of a list of each recipient, project description,
10 and amount of the grant, loan, or both.

11 (4) During the fiscal biennium ending June 30, 1997, moneys in the
12 account may be transferred by the legislature to the water right permit
13 processing account.

14 NEW SECTION. **Sec. 923.** If any provision of this act or its
15 application to any person or circumstance is held invalid, the
16 remainder of the act or the application of the provision to other
17 persons or circumstances is not affected.

18 NEW SECTION. **Sec. 924.** This act is necessary for the immediate
19 preservation of the public peace, health, or safety, or support of the
20 state government and its existing public institutions, and takes effect
21 immediately, except for section 911 of this act which takes effect July
22 1, 2001.

23 (End of part)

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Passed the Senate June 20, 2001.
 Passed the House June 15, 2001.
 Approved by the Governor June 26, 2001, with the exception of
 certain items that were vetoed.
 Filed in Office of Secretary of State June 26, 2001.

1 Note: Governor's explanation of partial veto is as follows:

2 "I am returning herewith, without my approval as to sections 2;
 3 123(3); 203(1)(s); 217(4); 302(15); 302(16); 302(17); 308(6); 402(5);
 4 514(12)(a); 603(12); 710; 912 and 921 of Engrossed Substitute Senate
 5 Bill No. 6153 entitled:

6 "AN ACT Relating to fiscal matters;"

7 My reasons for vetoing these sections are as follows:

8 **Section 2, Page 2, Restrictions on Governor's Supplemental Budget**

9 In the event of a projected cash deficit in the state General Fund, the
 10 Governor would have been directed to make across-the-board allotment
 11 reductions, and to recommend expenditures from the Emergency Reserve
 12 Fund before proposing any General Fund tax increases. This provision
 13 would have re-stated existing allotment authority, as well as limiting
 14 the executive's prerogative concerning its supplemental budget
 15 recommendations.

16 **Section 123(3), Page 16, Performance Audits (State Auditor)**

17 This section would have directed the Office of State Auditor to conduct
 18 performance audits of three governmental entities as demonstration
 19 audits for state and local government agencies. The Joint Legislative
 20 Audit and Review Committee (JLARC) already has statutory responsibility
 21 for conducting performance audits. There is no compelling reason to
 22 duplicate JLARC functions within the Office of State Auditor.

23 Also, because of an apparent technical error, subsections (2) and (3)
 24 would have authorized expenditures from the state General Fund greater
 25 than the agency appropriation. With respect to subsection (2), it is
 26 my intent to pursue correction of this dollar amount in the 2002
 27 supplemental budget.

28 **Section 203(1)(s), Page 44, Contracted Beds at Local County Detention**
 29 **Facilities (Department of Social and Health Services - Juvenile**
 30 **Rehabilitation Program)**

31 This subsection would have affected the funding for the 33 contracted
 32 local county detention facilities and also directed the Department of
 33 Social and Health Services (DSHS) not to consider beds in those
 34 facilities to achieve reductions in bed capacity. The June 2001
 35 forecast of the Caseload Forecast Council indicates that the juvenile
 36 rehabilitation residential population will be declining by
 37 approximately 60 beds, and this trend is expected to continue. By

1 eliminating these contracted beds from consideration for reductions,
2 DSHS would have been hindered in its ability to effectively manage and
3 utilize residential beds while providing the appropriate services to
4 youths.

5 **Section 217(4), Page 72, Safety and Health Grants (Department of Labor**
6 **and Industries)**

7 This section attempted to prevent the Department of Labor and
8 Industries from operating the safety and health grant program, unless
9 separate legislation is passed that specifically authorizes
10 expenditures for that program. However, the statutory authority for
11 that program already exists and cannot be changed by an appropriations
12 bill.

13 **Section 302(15), Page 86, Culvert Removal on Rocky Ford Creek**
14 **(Department of Ecology)**

15 This subsection would have required the Department of Ecology (DOE) to
16 provide \$50,000 to a local conservation district in Moses Lake for a
17 culvert removal project on Rocky Ford Creek. I support on-the-ground
18 efforts to address flooding and fish barrier problems, and funding for
19 this type of project is available from several existing grant and loan
20 programs through the Salmon Recovery Funding Board, DOE, and the Public
21 Works Trust Board.

22 **Section 302(16), Page 86, Washington Watershed, Science, and Technology**
23 **Program (Department of Ecology)**

24 This subsection would have required DOE to provide \$300,000 to the
25 State Conservation Commission to establish the Washington Watershed,
26 Science, and Technology Program. This program would have provided
27 technical assistance to private landowners in conducting water quality
28 monitoring, riparian vegetation management, and noxious weed control.
29 Although I support the goal of this proviso, the creation of a new
30 technical assistance program for these items is unnecessary since the
31 Conservation Commission, DOE, and the Department of Fish and Wildlife
32 already provide such assistance.

33 **Section 302(17), Pages 86-87, Palouse Conservation District Pilot**
34 **Project (Department of Ecology)**

35 The subsection would have required DOE to provide \$75,000 to a
36 conservation district in the Palouse region for a pilot project to
37 evaluate the ability of existing voluntary and regulatory programs to
38 improve water quality. Funding for this project is available, and has
39 already been applied for, from the Centennial Clean Water Fund.

40 **Section 308(6), Page 97, Trust Land Roads Nonappropriated Account**
41 **(Department of Natural Resources)**

42 This subsection would have restricted the appropriation of a
43 nonappropriated account. Since there is not an appropriation from this
44 account, the proviso is not binding and should not be included in the
45 appropriations bill.

46 **Section 402(5), Page 103, Mobilization of State Fire Service Resources**
47 **Study (Washington State Patrol)**

48 This proviso would have required the Washington State Patrol, in
49 consultation with various local and state fire service entities, to
50 conduct a study of the fire mobilization plan and procedures. The
51 study was to include an analysis of the cost effectiveness and
52 efficiency of the fire service mobilization plan. However, no funds
53 were provided to the Patrol for this activity. I will direct the

1 Patrol to examine, to the extent possible within existing resources,
2 the fire mobilization plan and to make timely recommendations for
3 improvements.

4 **Section 514(12)(a), Page 137, National Board for Professional Teaching**
5 **Standards Bonus (Superintendent of Public Instruction - Education**
6 **Reform)**

7 Section 514(12) provides funding for bonuses for teachers who attain
8 certification by the National Board for Professional Teaching Standards
9 (NBPTS). The Legislature extended the length of the bonus from two to
10 three years, but subsection (a) would have resulted in ten teachers
11 losing their third year bonus payment because they achieved NBPTS
12 certification before the 1999-00 school year. Sufficient funds are
13 provided in the fiscal year 2002 budget to make the third bonus payment
14 to these outstanding teachers - who were the first in this state to
15 pursue and obtain NBPTS certification. Therefore, I have vetoed
16 Section 514(12)(a) and request that the Superintendent of Public
17 Instruction make an annual bonus payment of \$3,500 to every teacher who
18 attained NBPTS certification before or during the 2001-02 school year.

19 This veto makes a technical correction to allow the full implementation
20 of the three-year bonus limit adopted by the Legislature. Next
21 session, I will again ask the Legislature to provide funding for bonus
22 payments to teachers for each year in which their certification by the
23 NBPTS is maintained.

24 **Section 603(12), Page 152, Fee for Adult Basic Education Courses (State**
25 **Board for Community and Technical Colleges)**

26 The purpose of adult basic education is to provide adults the basic
27 knowledge and skills that are normally acquired from kindergarten
28 through 12th grade. Therefore, it has been the policy of the state to
29 pay for this education. Before we ask students to pay for a portion of
30 this education, there should be a public discussion about changing the
31 current policy.

32 I am asking the State Board for Community and Technical Colleges to
33 review their adult basic education programs and recommend changes to
34 our policy that will improve this program, including any alterations in
35 the way this program should be funded.

36 **Section 710, Pages 169-170, Distribution of Excess Funds from the**
37 **Forest Development Account (Department of Natural Resources)**

38 Distribution of forest management funds to counties at this time is not
39 in the best interest of the long-term health of the account or the
40 long-term management of the resources on Forest Board lands. Prior
41 transfers from this account have depleted the available balance. In
42 addition, the Department of Natural Resources' June revenue forecast
43 projects an \$8.8 million decrease in revenue for the Forest Development
44 Account.

45 **Section 912, Pages 202-203, Forest Development Account Distribution of**
46 **Fund Balance (Department of Natural Resources)**

47 This section would have provided statutory authorization during the
48 2001-03 Biennium to distribute Forest Development Account funds as
49 directed in section 710. Since section 710 has been vetoed, section
50 912 is unnecessary.

51 **Section 921, Pages 210-212, Parks and Recreation Fees (Washington State**
52 **Parks and Recreation Commission)**

1 This section would have temporarily limited the statutory authority
2 allowing the Washington State Parks and Recreation Commission to charge
3 fees for basic parkland access. The revenue from such fees can be used
4 to provide desperately needed maintenance to park facilities.
5 Currently, the parks system has a \$40 million maintenance backlog in
6 addition to a \$292 million ten-year capital facilities funding need.
7 I have in the past supported, and continue to believe it is important,
8 that we preserve the Commission's ability to implement fees as it deems
9 appropriate.

10 For these reasons, I have vetoed sections 2; 123(3); 203(1)(s);
11 217(4); 302(15); 302(16); 302(17); 308(6); 402(5); 514(12)(a); 603(12);
12 710; 912 and 921 of Engrossed Substitute Senate Bill No. 6153.

13 With the exception of sections 2; 123(3); 203(1)(s); 217(4);
14 302(15); 302(16); 302(17); 308(6); 402(5); 514(12)(a); 603(12); 710;
15 912 and 921, Engrossed Substitute Senate Bill No. 6153 is approved."