

SENATE BILL 5403

State of Washington 58th Legislature 2003 Regular Session

By Senators Rossi and Fairley; by request of Governor Locke

Read first time 01/23/2003. Referred to Committee on Ways & Means.

1 AN ACT Relating to fiscal matters; amending 2002 c 371 ss 108, 109,
2 110, 112, 113, 117, 122, 123, 125, 127, 128, 133, 137, 143, 145, 147,
3 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 215, 218, 219,
4 220, 221, 224, 302, 303, 307, 308, 309, 401, 402, 501, 502, 504, 505,
5 506, 507, 509, 510, 511, 512, 513, 514, 515, 516, 518, 701, 703, 704,
6 712, 730, 726, and 802 (uncodified); amending 2001 2nd. sp.s. c 7 s 506
7 (uncodified); adding new sections to 2001 2nd sp.s. c 7 (uncodified);
8 making appropriations; and declaring an emergency.

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

10 PART I
11 GENERAL GOVERNMENT

12 Sec. 101. 2002 c 371 s 108 (uncodified) is amended to read as
13 follows:

14 FOR THE SUPREME COURT

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation for FY 2002 (\$5,500,000), FY 2003 ((\$5,487,000)), and TOTAL APPROPRIATION ((\$10,987,000)).

1 \$11,007,000

2 **Sec. 102.** 2002 c 371 s 109 (uncodified) is amended to read as
3 follows:

4 **FOR THE LAW LIBRARY**

5	General Fund--State Appropriation (FY 2002)	\$1,982,000
6	General Fund--State Appropriation (FY 2003)	(\$1,924,000)
7		<u>\$1,929,000</u>
8	TOTAL APPROPRIATION	(\$3,906,000)
9		<u>\$3,911,000</u>

10 **Sec. 103.** 2002 c 371 s 110 (uncodified) is amended to read as
11 follows:

12 **FOR THE COURT OF APPEALS**

13	General Fund--State Appropriation (FY 2002)	\$12,894,000
14	General Fund--State Appropriation (FY 2003)	(\$12,724,000)
15		<u>\$12,743,000</u>
16	TOTAL APPROPRIATION	(\$25,618,000)
17		<u>\$25,637,000</u>

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

20 (1) \$505,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$606,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely for lease increases associated
23 with the division I facility.

24 (2) \$168,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$159,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for providing compensation
27 adjustments to nonjudicial staff of the court of appeals. Within the
28 funds provided in this subsection, the court of appeals shall determine
29 the specific positions to receive compensation adjustments based on
30 recruitment and retention difficulties, new duties or responsibilities
31 assigned, and salary inversion or compression within the court of
32 appeals.

33 **Sec. 104.** 2002 c 371 s 112 (uncodified) is amended to read as
34 follows:

1 **FOR THE ADMINISTRATOR FOR THE COURTS**

2	General Fund--State Appropriation (FY 2002)	\$14,900,000
3	General Fund--State Appropriation (FY 2003)	((\$15,388,000))
4		<u>\$17,501,000</u>
5	Public Safety and Education Account--State	
6	Appropriation	\$27,468,000
7	Judicial Information Systems Account--State	
8	Appropriation	\$27,758,000
9	TOTAL APPROPRIATION	((\$85,514,000))
10		<u>\$87,627,000</u>

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

13 (1) Funding provided in the judicial information systems account
14 appropriation shall be used for the operations and maintenance of
15 technology systems that improve services provided by the supreme court,
16 the court of appeals, the office of public defense, and the
17 administrator for the courts.

18 (2) No moneys appropriated in this section may be expended by the
19 administrator for the courts for payments in excess of fifty percent of
20 the employer contribution on behalf of superior court judges for
21 insurance and health care plans and federal social security and
22 medicare and medical aid benefits. As required by Article IV, section
23 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,
24 it is the intent of the legislature that the costs of these employer
25 contributions shall be shared equally between the state and county or
26 counties in which the judges serve. The administrator for the courts
27 shall continue to implement procedures for the collection and
28 disbursement of these employer contributions. During each fiscal year
29 in the 2001-03 biennium, the office of the administrator for the courts
30 shall send written notice to the office of community development in the
31 department of community, trade, and economic development when each
32 county pays its fifty percent share for the year.

33 (3) \$223,000 of the public safety and education account
34 appropriation is provided solely for the gender and justice commission.

35 (4) \$308,000 of the public safety and education account
36 appropriation is provided solely for the minority and justice
37 commission.

1 (5) \$278,000 of the general fund--state appropriation for fiscal
2 year 2002, \$285,000 of the general fund--state appropriation for fiscal
3 year 2003, and \$263,000 of the public safety and education account
4 appropriation are provided solely for the workload associated with tax
5 warrants and other state cases filed in Thurston county.

6 (6) \$750,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$750,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for court-appointed special
9 advocates in dependency matters. The administrator for the courts,
10 after consulting with the association of juvenile court administrators
11 and the association of court-appointed special advocate/guardian ad
12 litem programs, shall distribute the funds to volunteer court-appointed
13 special advocate/guardian ad litem programs. The distribution of
14 funding shall be based on the number of children who need volunteer
15 court-appointed special advocate representation and shall be equally
16 accessible to all volunteer court-appointed special advocate/guardian
17 ad litem programs. The administrator for the courts shall not retain
18 more than six percent of total funding to cover administrative or any
19 other agency costs.

20 (7) \$750,000 of the public safety and education account--state
21 appropriation is provided solely for judicial program enhancements.
22 Within the funding provided in this subsection, the administrator for
23 the courts, in consultation with the supreme court, shall determine the
24 program or programs to receive an enhancement. Among the programs that
25 may be funded from the amount provided in this subsection are unified
26 family courts.

27 (8) \$1,800,000 of the judicial information systems account--state
28 appropriation is provided solely for improvements and enhancements to
29 the judicial information systems. This funding shall only be expended
30 after the office of the administrator for the courts certifies to the
31 office of financial management that there will be at least a \$1,000,000
32 ending fund balance in the judicial information systems account at the
33 end of the 2001-03 biennium.

34 **Sec. 105.** 2002 c 371 s 113 (uncodified) is amended to read as
35 follows:

36 **FOR THE OFFICE OF PUBLIC DEFENSE**

37 General Fund--State Appropriation (FY 2002) \$600,000

1	<u>General Fund--State Appropriation (FY 2003)</u>	<u>\$170,000</u>
2	Public Safety and Education Account--State	
3	Appropriation	\$12,344,000
4	TOTAL APPROPRIATION	((\$13,444,000))
5		<u>\$13,114,000</u>

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

8 (1) \$204,000 of the public safety and education account
9 appropriation is provided solely to increase the reimbursement for
10 private attorneys providing constitutionally mandated indigent defense
11 in nondeath penalty cases.

12 (2) \$51,000 of the public safety and education account
13 appropriation is provided solely for the implementation of chapter 303,
14 Laws of 1999 (court funding).

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

18 (4) The general fund--state appropriations are provided solely for
19 the continuation of a dependency and termination legal representation
20 funding pilot program.

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

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

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

34 (iii) Use of investigative and expert services in appropriate
35 cases; and

36 (iv) Effective implementation of indigency screening of all
37 dependency and termination parents, guardians, and legal custodians
38 represented by appointed counsel.

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

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

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

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

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

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

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

20 (5) \$50,000 of the public safety and education account--state
21 appropriation is provided solely for the evaluation required in chapter
22 92, Laws of 2000 (DNA testing).

23 (6) \$235,000 of the public safety and education account--state
24 appropriation is provided solely for the office of public defense to
25 contract with an existing public defender association to establish a
26 capital defense assistance center.

27 **Sec. 106.** 2002 c 371 s 122 (uncodified) is amended to read as
28 follows:

29 **FOR THE ATTORNEY GENERAL**

30	General Fund--State Appropriation (FY 2002)	\$4,811,000
31	General Fund--State Appropriation (FY 2003)	((\$4,070,000))
32		<u>\$4,082,000</u>
33	General Fund--Federal Appropriation	\$2,868,000
34	Public Safety and Education Account--State	
35	Appropriation	\$1,753,000
36	Tobacco Prevention and Control Account	
37	Appropriation	\$277,000

1	New Motor Vehicle Arbitration Account--State	
2	Appropriation	\$1,163,000
3	Legal Services Revolving Account--State	
4	Appropriation	\$147,422,000
5	TOTAL APPROPRIATION	((\$162,364,000))
6		<u>\$162,376,000</u>

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

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

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

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

31 (4)(a) \$87,000 of the general fund--state appropriation for fiscal
32 year 2003 is provided solely for the office of the attorney general to
33 prepare a report by October 1, 2002, on federal and Indian reserved
34 water rights, and to submit the report to the standing committees of
35 the legislature having jurisdiction over water resources. The
36 objectives of the report shall be to:

37 (i) Examine and characterize the types of water rights issues
38 involved;

1 (ii) Examine the approaches of other states to such issues and
 2 their results;
 3 (iii) Examine methods for addressing such issues including, but not
 4 limited to, administrative, judicial, or other methods, or any
 5 combinations thereof; and
 6 (iv) Examine implementation and funding requirements.
 7 (b) Following receipt of the report, the standing committees of the
 8 legislature having jurisdiction over water resources shall seek and
 9 consider the recommendations of the relevant departments and agencies
 10 of the United States, the federally recognized Indian tribes with
 11 water-related interests in the state, and water users in the state and
 12 shall develop recommendations.

13 **Sec. 107.** 2002 c 371 s 123 (uncodified) is amended to read as
 14 follows:

15 **FOR THE CASELOAD FORECAST COUNCIL**

16	General Fund--State Appropriation (FY 2002)	\$631,000
17	General Fund--State Appropriation (FY 2003)	(\$600,000)
18		<u>\$609,000</u>
19	TOTAL APPROPRIATION	(\$1,231,000)
20		<u>\$1,240,000</u>

21 **Sec. 108.** 2002 c 371 s 125 (uncodified) is amended to read as
 22 follows:

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

24	General Fund--State Appropriation (FY 2002)	\$70,893,000
25	General Fund--State Appropriation (FY 2003)	(\$60,499,000)
26		<u>\$60,199,000</u>
27	General Fund--Federal Appropriation	(\$173,342,000)
28		<u>\$186,965,000</u>
29	General Fund--Private/Local Appropriation	\$7,980,000
30	Public Safety and Education Account--State	
31	Appropriation	\$10,094,000
32	Public Works Assistance Account--State	
33	Appropriation	\$1,911,000
34	Salmon Recovery Account--State Appropriation	\$1,500,000
35	Film and Video Promotion Account--State	
36	Appropriation	\$25,000

1	Building Code Council Account--State	
2	Appropriation	((\$1,226,000))
3		<u>\$1,061,000</u>
4	Administrative Contingency Account--State	
5	Appropriation	\$1,777,000
6	Low-Income Weatherization Assistance Account--State	
7	Appropriation	\$3,292,000
8	Violence Reduction and Drug Enforcement Account--	
9	State Appropriation	\$7,513,000
10	Manufactured Home Installation Training Account--	
11	State Appropriation	\$256,000
12	Community Economic Development Account--	
13	State Appropriation	\$113,000
14	Washington Housing Trust Account--State	
15	Appropriation	\$10,368,000
16	Public Facility Construction Loan Revolving	
17	Account--State Appropriation	\$586,000
18	TOTAL APPROPRIATION	((\$351,375,000))
19		<u>\$364,533,000</u>

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

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

29 (2) \$3,085,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$2,838,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for a contract with the Washington
32 technology center. For work essential to the mission of the Washington
33 technology center and conducted in partnership with universities, the
34 center shall not pay any increased indirect rate nor increases in other
35 indirect charges above the absolute amount paid during the 1995-97
36 fiscal biennium.

37 (3) \$61,000 of the general fund--state appropriation for fiscal

1 year 2002 and \$62,000 of the general fund--state appropriation for
2 fiscal year 2003 are provided solely for the implementation of the
3 Puget Sound work plan and agency action item OCD-01.

4 (4) \$10,804,156 of the general fund--federal appropriation is
5 provided solely for the drug control and system improvement formula
6 grant program, to be distributed in state fiscal year 2002 as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (n) \$901,180 to the office of financial management for criminal
4 history records improvement; and

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

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

19 (5) \$320,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$320,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided solely for the rural economic opportunity
22 fund.

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

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

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

36 (9) \$205,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$205,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely for grants to Washington Columbia

1 river gorge counties to implement their responsibilities under the
2 national scenic area management plan. Of this amount, \$390,000 is
3 provided for Skamania county and \$20,000 is provided for Clark county.

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

9 (11) \$600,000 of the public safety and education account
10 appropriation is provided solely for sexual assault prevention and
11 treatment programs.

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

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

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

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

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

33 (17) \$230,000 of the general fund--state appropriation for fiscal
34 year 2002, \$230,000 of the general fund--state appropriation for fiscal
35 year 2003, and the entire community economic development account
36 appropriation are provided solely for support of the developmental
37 disabilities endowment governing board and startup costs of the
38 endowment program. Startup costs are a loan from the state general

1 fund and will be repaid from funds within the program as determined by
2 the governing board. The governing board may use state appropriations
3 to implement a sliding-scale fee waiver for families earning below 150
4 percent of the state median family income. The director of the
5 department, or the director of the subsequent department of community
6 development, may implement fees to support the program as provided
7 under RCW 43.330.152.

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

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

20 (20) \$120,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$120,000 of the Washington housing trust account
22 appropriation for fiscal year 2003 are provided solely as one-time
23 pass-through funding to currently licensed overnight youth shelters.
24 If Substitute House Bill No. 2060 (low-income housing) is not enacted
25 by June 30, 2002, the fiscal year 2003 appropriation shall be made from
26 the state general fund.

27 (21) \$1,868,000 of the Washington housing trust account
28 appropriation for fiscal year 2003 is provided solely for emergency
29 shelter assistance. If Substitute House Bill No. 2060 (low-income
30 housing) is not enacted by June 30, 2002, the fiscal year 2003
31 appropriation shall be made from the state general fund.

32 (22) Repayments of outstanding loans granted under RCW 43.63A.600,
33 the mortgage and rental assistance program, shall be remitted to the
34 department, including any current revolving account balances. The
35 department shall contract with a lender or contract collection agent to
36 act as a collection agent of the state. The lender or contract
37 collection agent shall collect payments on outstanding loans, and
38 deposit them into an interest-bearing account. The funds collected

1 shall be remitted to the department quarterly. Interest earned in the
2 account may be retained by the lender or contract collection agent, and
3 shall be considered a fee for processing payments on behalf of the
4 state. Repayments of loans granted under this chapter shall be made to
5 the lender or contract collection agent as long as the loan is
6 outstanding, notwithstanding the repeal of the chapter.

7 (23) \$75,000 of the general fund--state appropriation for fiscal
8 year 2002 is provided solely for the community connections program in
9 Walla Walla.

10 (24) \$100,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$100,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided to the office of community development
13 solely for the purposes of providing assistance to industrial workers
14 who have been displaced by energy cost-related industrial plant
15 closures in rural counties. For purposes of this subsection, "rural
16 county" is as defined in RCW 82.14.370(5). The office of community
17 development shall distribute the amount in this subsection to community
18 agencies that assist the displaced industrial workers in meeting basic
19 needs including, but not limited to, emergency medical and dental
20 services, family and mental health counseling, food, energy costs,
21 mortgage, and rental costs. The department shall not retain more than
22 two percent of the amount provided in this subsection for
23 administrative costs.

24 (25) \$91,500 of the general fund--state appropriation for fiscal
25 year 2002 and \$91,500 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for services related to the
27 foreign representative contract for Japan.

28 (26) \$81,000 of the general fund--state appropriation for fiscal
29 year 2002 is provided solely for business finance and loan programs.

30 (27) \$150,000 of the general fund--state appropriation for fiscal
31 year 2002 is provided solely for the quick sites initiative program.

32 (28) \$120,000 of the general fund--state appropriation for fiscal
33 year 2002 is provided solely for operating a business information
34 hotline.

35 (29) \$29,000 of the general fund--state appropriation for fiscal
36 year 2002 is provided solely for travel expenses associated with the
37 office of trade and economic development's provision of outreach and

1 technical assistance services to businesses and local economic
2 development associations.

3 (30) \$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 information technology
6 enhancements designed to improve the delivery of agency services to
7 customers.

8 ((+32+)) (31) \$10,111,682 of the general fund--federal
9 appropriation is provided solely for the drug control and system
10 improvement formula grant program, to be distributed in state fiscal
11 year 2003 as follows:

12 (a) \$3,551,972 to local units of government to continue
13 multijurisdictional narcotics task forces;

14 (b) \$611,177 to the department to continue the drug prosecution
15 assistance program in support of multijurisdictional narcotics task
16 forces;

17 (c) \$1,343,603 to the Washington state patrol for coordination,
18 investigative, and supervisory support to the multijurisdictional
19 narcotics task forces and for methamphetamine education and response;

20 (d) \$197,154 to the department for grants to support tribal law
21 enforcement needs;

22 (e) \$976,897 to the department of social and health services,
23 division of alcohol and substance abuse, for drug courts in eastern and
24 western Washington;

25 (f) \$298,246 to the department for training and technical
26 assistance of public defenders representing clients with special needs;

27 (g) \$687,155 to the department to continue domestic violence legal
28 advocacy;

29 (h) \$890,150 to the department of social and health services,
30 juvenile rehabilitation administration, to continue youth violence
31 prevention and intervention projects;

32 (i) \$89,705 to the department to continue the governor's council on
33 substance abuse;

34 (j) \$97,591 to the department to continue evaluation of Byrne
35 formula grant programs;

36 (k) \$494,675 to the office of financial management for criminal
37 history records improvement;

1 (l) \$60,000 to the department for community-based advocacy services
2 to victims of violent crime, other than sexual assault and domestic
3 violence; and

4 (m) \$813,358 to the department for required grant administration,
5 monitoring, and reporting on Byrne formula grant programs.

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

18 ~~((33) \$165,000 of the building code council account appropriation
19 for fiscal year 2003 is provided solely for the state building code
20 council pursuant to Senate Bill No. 5352 (building code council fee
21 increase). If the bill is not enacted by June 30, 2002, the amount
22 provided in this subsection shall lapse.~~

23 ~~(35))~~ (32) The appropriations in this section reflect a reduction
24 of \$504,000 from the general fund--state appropriation for fiscal year
25 2003. To implement this reduction, the office of trade and economic
26 development shall take actions consistent with its mission, goals, and
27 objectives to reduce operating costs. Such action, to the greatest
28 extent possible, shall maintain direct payments to service providers,
29 grants to other entities, and other pass-through funds. Examples of
30 actions that may be taken to effect this reduction include hiring
31 freezes, employee furloughs, staffing reductions, restricted travel and
32 training, delaying purchases of equipment, and limiting personal
33 service contracts.

34 ~~((36))~~ (33) \$40,000 of the general fund--state appropriation for
35 fiscal year 2003 is provided solely to implement the state task force
36 on funding for community-based services to victims of crime as provided
37 in Senate Bill No. 6763. If the bill is not enacted by June 30, 2002,
38 the amount provided in this subsection shall lapse.

1 (2) State agencies that provide services to other state agencies
2 are expected to reduce their expenditures and to share the savings with
3 their clients. The office of financial management shall achieve a
4 reduction of \$339,000 in its billings for financial system services
5 purchased by state agencies in fiscal year 2003. The reduction is
6 expected to result from both reduced demand for services and reduced
7 rates.

8 (3) \$500,000 of the general fund--state appropriation for fiscal
9 year 2003 is provided solely for implementation of Engrossed Second
10 Substitute House Bill No. 2671 (permit assistance center). If the bill
11 is not enacted by June 30, 2002, the amount provided in this subsection
12 shall lapse.

13 (4) \$350,000 of the general fund--state appropriation for fiscal
14 year 2003 is provided solely for an assessment and performance scoring
15 of state agencies and separate systemwide performance audits of two
16 governmental functions: State capital construction practices and state
17 contracting practices.

18 (a) The scorecard on state agencies shall include, but not be
19 limited to, the following:

- 20 (i) Quality and process management practices;
- 21 (ii) Independent and internal audit functions;
- 22 (iii) Internal and external customer satisfaction;
- 23 (iv) Program effectiveness;
- 24 (v) Fiscal productivity and efficiency; and
- 25 (vi) Statutory and regulatory compliance.

26 Each agency shall be graded on the categories selected for the
27 scorecard. The office of financial management shall submit the results
28 of the performance scoring, forward recommendations for legislation to
29 the governor and the appropriate committees of the legislature by
30 November 30, 2002, and release the results of the performance scoring
31 to the public.

32 (b)(i) The office of financial management shall conduct separate
33 systemwide performance audits on the state's capital construction and
34 contracting practices using generally accepted government auditing
35 standards. Each performance audit shall include, but not be limited
36 to, a review of the following:

- 37 (A) Validity and reliability of management's performance measures;
- 38 (B) A review of internal controls and internal audits;

1 (C) The adequacy of systems used for measuring, reporting, and
2 monitoring performance;

3 (D) The extent to which legislative, regulatory, and organizational
4 goals and objectives are being achieved; and

5 (E) Identification and recognition of best practices.

6 (ii) The performance audit on state capital construction practices
7 shall include building projects, highway projects, and architectural
8 and engineering services. The following state agencies, at a minimum,
9 shall be subject to audit sampling: Department of transportation,
10 department of general administration, and state higher education
11 agencies.

12 (iii) The performance audit on state contracting practices shall
13 include state agencies with sufficient activity with personal services
14 contracts and other types of contracts to evaluate the state's
15 contracting practices.

16 (iv) The office of financial management shall grade the results of
17 the performance audits to indicate agencies' performance regarding
18 capital construction and contracting practices. The office of
19 financial management shall report findings from the performance audits
20 to the governor and appropriate legislative committees by November 30,
21 2002.

22 (c) The office of financial management may contract for consulting
23 services in completing requirements under this subsection.

24 **Sec. 110.** 2002 c 371 s 128 (uncodified) is amended to read as
25 follows:

26 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

27 Administrative Hearings Revolving Account--State

28 Appropriation	((\$22,394,000))
29	<u>\$23,473,000</u>

30 **Sec. 111.** 2002 c 371 s 133 (uncodified) is amended to read as
31 follows:

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

33 General Fund--State Appropriation (FY 2002)	\$211,000
34 General Fund--State Appropriation (FY 2003)	((\$207,000))
35	<u>\$215,000</u>
36 TOTAL APPROPRIATION	((\$418,000))

2 **Sec. 112.** 2002 c 371 s 137 (uncodified) is amended to read as
3 follows:

4 **FOR THE DEPARTMENT OF REVENUE**

5	General Fund--State Appropriation (FY 2002)	((\$72,823,000))
6		<u>\$72,820,000</u>
7	General Fund--State Appropriation (FY 2003)	((\$78,149,000))
8		<u>\$77,568,000</u>
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	Multimodal Transportation Account--State	
18	Appropriation	((\$109,000))
19		<u>\$9,000</u>
20	TOTAL APPROPRIATION	((\$156,394,000))
21		<u>\$155,810,000</u>

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

24 (1) \$269,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$49,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely to establish and provide staff
27 support to a committee on taxation to study the elasticity, equity, and
28 adequacy of the state's tax system.

29 (a) The committee shall consist of eleven members. The department
30 shall appoint six academic scholars from the fields of economics,
31 taxation, business administration, public administration, public
32 policy, and other relevant disciplines as determined by the department,
33 after consulting with the majority and minority leaders in the senate,
34 the co-speakers in the house of representatives, the chair of the ways
35 and means committee in the senate, and the co-chairs of the finance
36 committee in the house of representatives. The governor and the chairs
37 of the majority and minority caucuses in each house of the legislature

1 shall each appoint one member to the committee. These appointments may
2 be legislative members. The members of the committee shall either
3 elect a voting chair from among their membership or a nonvoting chair
4 who is not a member of the committee. Members of the committee shall
5 serve without compensation but shall be reimbursed for travel expenses
6 under RCW 43.03.050 and 43.03.060.

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

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

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

32 ~~((+3))~~ (2) \$109,000 of the multimodal transportation account--
33 state appropriation for fiscal year 2003 is provided solely for the
34 department to implement the provisions of House Bill No. 2969
35 (transportation). If the bill is not enacted by January 1, 2003, the
36 amount provided in this subsection shall lapse. Further, the amount
37 provided in this subsection shall lapse to the extent that funds are
38 provided for this purpose in the transportation appropriations act.

1 **Sec. 113.** 2002 c 371 s 143 (uncodified) is amended to read as
2 follows:

3 **FOR THE LIQUOR CONTROL BOARD**

4	General Fund--State Appropriation (FY 2002)	\$1,483,000
5	General Fund--State Appropriation (FY 2003)	\$1,439,000
6	General Fund--Federal Appropriation (FY 2003)	\$99,000
7	Liquor Control Board Construction and Maintenance	
8	Account--State Appropriation	\$9,684,000
9	Liquor Revolving Account--State	
10	Appropriation	(\$125,927,000)
11		<u>\$126,420,000</u>
12	TOTAL APPROPRIATION	(\$138,632,000)
13		<u>\$139,125,000</u>

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

16 (1) \$1,573,000 of the liquor revolving account appropriation is
17 provided solely for the agency information technology upgrade. This
18 amount provided in this subsection is conditioned upon satisfying the
19 requirements of section 902 of this act.

20 (2) \$4,803,000 of the liquor revolving account appropriation is
21 provided solely for the costs associated with the development and
22 implementation of a merchandising business system. Expenditures of any
23 funds for this system are conditioned upon the approval of the
24 merchandising business system's feasibility study by the information
25 services board. The amount provided in this subsection is also
26 conditioned upon satisfying the requirements of section 902 of this
27 act.

28 (3) \$84,000 of the liquor control board construction and
29 maintenance account appropriation for fiscal year 2003 is provided
30 solely for the liquor control board to employ additional staff during
31 the holiday season to handle the expected increase in sales volume at
32 the Seattle distribution center.

33 **Sec. 114.** 2002 c 371 s 145 (uncodified) is amended to read as
34 follows:

35 **FOR THE MILITARY DEPARTMENT**

36	General Fund--State Appropriation (FY 2002)	(\$9,165,000)
37		<u>\$9,269,000</u>

1	General Fund--State Appropriation (FY 2003)	((\$8,710,000))
2		<u>\$8,740,000</u>
3	General Fund--Federal Appropriation	((\$22,509,000))
4		<u>\$28,003,000</u>
5	General Fund--Private/Local Appropriation	\$234,000
6	Enhanced 911 Account--State Appropriation	\$20,269,000
7	Disaster Response Account--State Appropriation	((\$2,010,000))
8		<u>\$1,369,000</u>
9	Disaster Response Account--Federal Appropriation	((\$6,510,000))
10		<u>\$3,238,000</u>
11	Worker and Community Right to Know Fund--State	
12	Appropriation	\$283,000
13	Nisqually Earthquake Account--State	
14	Appropriation	((\$29,027,000))
15		<u>\$24,768,000</u>
16	Nisqually Earthquake Account--Federal	
17	Appropriation	((\$49,641,000))
18		<u>\$56,927,000</u>
19	TOTAL APPROPRIATION	((\$148,358,000))
20		<u>\$153,100,000</u>

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

23 (1) ((~~\$1,906,000~~)) \$1,265,000 of the disaster response account--
24 state appropriation is provided solely for the state share of response
25 and recovery costs associated with federal emergency management agency
26 (FEMA) disasters approved in the 1999-01 biennium budget. The military
27 department may, upon approval of the director of financial management,
28 use portions of the disaster response account--state appropriation to
29 offset costs of new disasters occurring before June 30, 2003. The
30 military department shall submit a report quarterly to the office of
31 financial management and the legislative fiscal committees detailing
32 disaster costs, including: (a) Estimates of total costs; (b)
33 incremental changes from the previous estimate; (c) actual
34 expenditures; (d) estimates of total remaining costs to be paid; and
35 (d) estimates of future payments by biennium. This information shall
36 be displayed by individual disaster, by fund, and by type of
37 assistance. The military department shall also submit a report
38 quarterly to the office of financial management and the legislative

1 fiscal committees detailing information on the disaster response
2 account, including: (a) The amount and type of deposits into the
3 account; (b) the current available fund balance as of the reporting
4 date; and (c) the projected fund balance at the end of the 2001-03
5 biennium based on current revenue and expenditure patterns.

6 (2) \$100,000 of the general fund--state fiscal year 2002
7 appropriation and \$100,000 of the general fund--state fiscal year 2003
8 appropriation are provided solely for implementation of the conditional
9 scholarship program pursuant to chapter 28B.103 RCW.

10 (3) \$60,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$60,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for the implementation of Senate
13 Bill No. 5256 (emergency management compact). If the bill is not
14 enacted by June 30, 2001, the amounts provided in this subsection shall
15 lapse.

16 (4) \$35,000 of the general fund--state fiscal year 2002
17 appropriation and \$35,000 of the general fund--state fiscal year 2003
18 appropriation are provided solely for the north county emergency
19 medical service.

20 (5) (~~(\$2,145,000)~~) \$2,194,000 of the Nisqually earthquake account--
21 state appropriation and (~~(\$4,174,000)~~) \$4,423,000 of the Nisqually
22 earthquake account--federal appropriation are provided solely for the
23 military department's costs associated with coordinating the state's
24 response to the February 28, 2001, earthquake.

25 (6) (~~(\$678,000)~~) \$641,000 of the Nisqually earthquake account--
26 state appropriation and (~~(\$3,420,000)~~) \$3,797,000 of the Nisqually
27 earthquake account--federal appropriation are provided solely for
28 mitigation costs associated with the earthquake for state and local
29 agencies. Of the amount from the Nisqually earthquake account--state
30 appropriation, (~~(\$217,000)~~) \$227,000 is provided for the state matching
31 share for state agencies and (~~(\$462,000)~~) \$414,000 is provided for one-
32 half of the local matching share for local entities. The amount
33 provided for the local matching share constitutes a revenue
34 distribution for purposes of RCW 43.135.060(1).

35 (7) (~~(\$8,970,000)~~) \$10,933,000 of the Nisqually earthquake
36 account--state appropriation and (~~(\$42,047,000)~~) \$48,707,000 of the
37 Nisqually earthquake account--federal appropriation are provided solely
38 for public assistance costs associated with the earthquake for state

1 and local agencies. Of the amount from the Nisqually earthquake
2 account--state appropriation, (~~(\$3,924,000)~~) \$5,639,000 is provided for
3 the state matching share for state agencies and (~~(\$5,046,000)~~)
4 \$5,294,000 is provided for one-half of the local matching share for
5 local entities. The amount provided for the local matching share
6 constitutes a revenue distribution for purposes of RCW 43.135.060(1).

7 (8) (~~(\$17,234,000)~~) \$11,000,000 of the Nisqually earthquake
8 account--state appropriation is provided solely to cover other response
9 and recovery costs associated with the Nisqually earthquake that are
10 not eligible for federal emergency management agency reimbursement.
11 Prior to expending funds provided in this subsection, the military
12 department shall obtain prior approval of the director of financial
13 management. Prior to approving any single project of over \$1,000,000,
14 the office of financial management shall notify the fiscal committees
15 of the legislature. The military department is to submit a quarterly
16 report detailing the costs authorized under this subsection to the
17 office of financial management and the legislative fiscal committees.

18 (9) \$2,818,000 of the enhanced 911 account--state appropriation is
19 provided solely for the implementation of Engrossed Second Substitute
20 Senate Bill No. 6034 or House Bill No. 2595 (enhanced 911 excise tax).
21 If neither bill is enacted by June 30, 2002, the amount provided in
22 this subsection shall lapse.

23 **Sec. 115.** 2002 c 371 s 147 (uncodified) is amended to read as
24 follows:

25 **FOR THE GROWTH PLANNING HEARINGS BOARD**

26	General Fund--State Appropriation (FY 2002)	\$1,497,000
27	General Fund--State Appropriation (FY 2003)	((\$1,461,000))
28		<u>\$1,499,000</u>
29	TOTAL APPROPRIATION	((\$2,958,000))
30		<u>\$2,996,000</u>

31 **Sec. 116.** 2002 c 371 s 117 (uncodified) is amended to read as
32 follows:

33 **FOR THE SECRETARY OF STATE**

34	General Fund--State Appropriation (FY 2002)	\$10,485,000
35	General Fund--State Appropriation (FY 2003)	\$6,446,000
36	Archives and Records Management Account--State	

1 Appropriation \$7,877,000
 2 Archives and Records Management Account--Private/
 3 Local Appropriation \$4,572,000
 4 Department of Personnel Service Account
 5 Appropriation \$701,000
 6 TOTAL APPROPRIATION \$30,081,000

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

9 (1) \$2,126,000 of the general fund--state appropriation for fiscal
 10 year 2002 is provided solely to reimburse counties for the state's
 11 share of primary and general election costs and the costs of conducting
 12 mandatory recounts on state measures. Counties shall be reimbursed
 13 only for those odd-year election costs that the secretary of state
 14 validates as eligible for reimbursement.

15 (2) \$2,143,000 of the general fund--state appropriation for fiscal
 16 year 2002 and \$2,578,000 of the general fund--state appropriation for
 17 fiscal year 2003 are provided solely for the verification of initiative
 18 and referendum petitions, maintenance of related voter registration
 19 records, and the publication and distribution of the voters and
 20 candidates pamphlet.

21 (3) \$125,000 of the general fund--state appropriation for fiscal
 22 year 2002 and \$118,000 of the general fund--state appropriation for
 23 fiscal year 2003 are provided solely for legal advertising of state
 24 measures under RCW 29.27.072.

25 (4)(a) \$1,944,004 of the general fund--state appropriation for
 26 fiscal year 2002 and \$1,986,772 of the general fund--state
 27 appropriation for fiscal year 2003 are provided solely for contracting
 28 with a nonprofit organization to produce gavel-to-gavel television
 29 coverage of state government deliberations and other events of
 30 statewide significance during the 2001-2003 biennium. An eligible
 31 nonprofit organization must be formed solely for the purpose of, and be
 32 experienced in, providing gavel-to-gavel television coverage of state
 33 government deliberations and other events of statewide significance and
 34 must have received a determination of tax-exempt status under section
 35 501(c)(3) of the federal internal revenue code. The funding level for
 36 each year of the contract shall be based on the amount provided in this
 37 subsection and adjusted to reflect the implicit price deflator for the
 38 previous year. The nonprofit organization shall be required to raise

1 contributions or commitments to make contributions, in cash or in kind,
2 in an amount equal to forty percent of the state contribution. The
3 office of the secretary of state may make full or partial payment once
4 all criteria in (a) and (b) of this subsection have been satisfactorily
5 documented.

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

11 (c) The nonprofit organization shall prepare an annual independent
12 audit, an annual financial statement, and an annual report, including
13 benchmarks that measure the success of the nonprofit organization in
14 meeting the intent of the program.

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

17 (i) Attempting to influence the passage or defeat of any
18 legislation by the legislature of the state of Washington, by any
19 county, city, town, or other political subdivision of the state of
20 Washington, or by the congress, or the adoption or rejection of any
21 rule, standard, rate, or other legislative enactment of any state
22 agency;

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

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

26 (5)(a) (~~(\$149,316)~~) \$137,316 of the archives and records
27 management--state appropriation and (~~(\$597,266)~~) \$550,266 of the
28 archives and records management--private/local appropriation are
29 provided solely for the construction of an eastern regional archives.
30 The amounts provided in this subsection shall lapse if:

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

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

36 (b) (~~(\$566,879)~~) \$598,065 of the archives and records management--
37 state appropriation and (~~(\$451,102)~~) \$463,102 of the archives and
38 records management--private/local appropriation are provided solely for

1 the design and establishment of an electronic data archive, including
2 the acquisition of hardware and software. The amounts provided in this
3 subsection shall lapse if:

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

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

9 (6) If the financing contract for expansion of the state records
10 center is not authorized in the capital budget for fiscal biennium
11 2001-03, then \$641,000 of the archives and records management account--
12 state appropriation shall lapse.

13 (7) \$1,635,000 of the archives and records management account--
14 state appropriation is provided solely for operation of the central
15 microfilming bureau under RCW 40.14.020(8).

(End of part)

PART II
HUMAN SERVICES

Sec. 201. 2002 c 371 s 202 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2002)	\$225,104,000
General Fund--State Appropriation (FY 2003)	(\$231,042,000)
	<u>\$236,906,000</u>
General Fund--Federal Appropriation	(\$369,403,000)
	<u>\$370,805,000</u>
General Fund--Private/Local Appropriation	\$400,000
Public Safety and Education Account--	
State Appropriation	\$964,000
Violence Reduction and Drug Enforcement Account--	
State Appropriation	\$5,639,000
TOTAL APPROPRIATION	(\$832,552,000)
	<u>\$839,818,000</u>

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

(1) \$2,237,000 of the fiscal year 2002 general fund--state appropriation, \$2,271,000 of the fiscal year 2003 general fund--state appropriation, and \$1,584,000 of the general fund--federal appropriation are provided solely for the category of services titled "intensive family preservation services."

(2) \$685,000 of the general fund--state fiscal year 2002 appropriation and \$701,000 of the general fund--state fiscal year 2003 appropriation are provided to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current

1 foster and adoptive parents for infants served by the facility. The
2 department shall not require case management as a condition of the
3 contract.

4 (3) \$524,000 of the general fund--state fiscal year 2002
5 appropriation, \$375,000 of the general fund--state fiscal year 2003
6 appropriation, and \$161,000 of the general fund--federal appropriation
7 are provided for up to three nonfacility-based programs for the
8 training, consultation, support, and recruitment of biological, foster,
9 and adoptive parents of children through age three in need of special
10 care as a result of substance abuse by their mothers, except that each
11 program may serve up to three medically fragile nonsubstance-abuse-
12 affected children. In selecting nonfacility-based programs, preference
13 shall be given to programs whose federal or private funding sources
14 have expired or that have successfully performed under the existing
15 pediatric interim care program.

16 (4) \$1,260,000 of the fiscal year 2002 general fund--state
17 appropriation, \$1,248,000 of the fiscal year 2003 general fund--state
18 appropriation, and \$4,150,000 of the violence reduction and drug
19 enforcement account appropriation are provided solely for the family
20 policy council and community public health and safety networks. The
21 funding level for the family policy council and community public health
22 and safety networks represents a 25 percent reduction below the funding
23 level for the 1999-2001 biennium. Funding levels shall be reduced 25
24 percent for both the family policy council and network grants.
25 Reductions to network grants shall be allocated so as to maintain
26 current funding levels, to the greatest extent possible, for projects
27 with the strongest evidence of positive outcomes and for networks with
28 substantial compliance with contracts for network grants.

29 (5) \$2,215,000 of the fiscal year 2002 general fund--state
30 appropriation, \$4,394,000 of the fiscal year 2003 general fund--state
31 appropriation, and \$5,604,000 of the general fund--federal
32 appropriation are provided solely for reducing the average caseload
33 level per case-carrying social worker. Average caseload reductions are
34 intended to increase the amount of time social workers spend in direct
35 contact with the children, families, and foster parents involved with
36 their open cases. The department shall use some of the funds provided
37 in several local offices to increase staff that support case-carrying
38 social workers in ways that will allow social workers to increase

1 direct contact time with children, families, and foster parents. To
2 achieve the goal of reaching an average caseload ratio of 1:24 by the
3 end of fiscal year 2003, the department shall develop a plan for
4 redeploying 30 FTEs to case-carrying social worker and support
5 positions from other areas in the children and family services budget.
6 The FTE redeployment plan shall be submitted to the fiscal committees
7 of the legislature by December 1, 2001.

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

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

31 (8) \$3,386,000 of the fiscal year 2002 general fund--state
32 appropriation, \$5,710,000 of the fiscal year 2003 general fund--state
33 appropriation, and \$19,819,000 of the general fund--federal
34 appropriation are provided solely for increases in the cost per case
35 for foster care and adoption support. \$16,000,000 of the general
36 fund--federal amount shall remain unallotted until the office of
37 financial management approves a plan submitted by the department to
38 achieve a higher rate of federal earnings in the foster care program.

1 That plan shall also be submitted to the fiscal committees of the
 2 legislature and shall indicate projected federal revenue compared to
 3 actual fiscal year 2001 levels. Within the amounts provided for foster
 4 care, the department shall increase the basic rate for foster care to
 5 an average of \$420 per month on July 1, 2001. The department shall use
 6 the remaining funds provided in this subsection to pay for increases in
 7 the cost per case for foster care and adoption support. The department
 8 shall seek to control rate increases and reimbursement decisions for
 9 foster care and adoption support cases such that the cost per case for
 10 family foster care, group care, receiving homes, and adoption support
 11 does not exceed the amount assumed in the projected caseload
 12 expenditures plus the amounts provided in this subsection.

13 (9) \$1,767,000 of the general fund--state appropriation for fiscal
 14 year 2002, \$1,767,000 of the general fund--state appropriation for
 15 fiscal year 2003, and \$1,241,000 of the general fund--federal
 16 appropriation are provided solely for rate and capacity increases for
 17 child placing agencies. Child placing agencies shall increase their
 18 capacity by 15 percent in fiscal year 2002.

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

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

28 **Sec. 202.** 2002 c 371 s 203 (uncodified) is amended to read as
 29 follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
 31 **REHABILITATION PROGRAM**

32	General Fund--State Appropriation (FY 2002)	\$83,151,000
33	General Fund--State Appropriation (FY 2003)	(\$79,107,000)
34		<u>\$79,813,000</u>
35	General Fund--Federal Appropriation	(\$13,803,000)
36		<u>\$13,747,000</u>
37	General Fund--Private/Local Appropriation	\$1,110,000

1	Juvenile Accountability Incentive	
2	Account--Federal Appropriation	\$10,461,000
3	Public Safety and Education	
4	Account--State Appropriation	\$6,047,000
5	Violence Reduction and Drug Enforcement Account--	
6	State Appropriation	\$37,174,000
7	TOTAL APPROPRIATION	(\$230,853,000)
8		<u>\$231,503,000</u>

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

11 (1) \$686,000 of the violence reduction and drug enforcement account
12 appropriation is provided solely for deposit in the county criminal
13 justice assistance account for costs to the criminal justice system
14 associated with the implementation of chapter 338, Laws of 1997
15 (juvenile code revisions). The amounts provided in this subsection are
16 intended to provide funding for county adult court costs associated
17 with the implementation of chapter 338, Laws of 1997 and shall be
18 distributed in accordance with RCW 82.14.310.

19 (2) \$5,980,000 of the violence reduction and drug enforcement
20 account appropriation is provided solely for the implementation of
21 chapter 338, Laws of 1997 (juvenile code revisions). The amounts
22 provided in this subsection are intended to provide funding for county
23 impacts associated with the implementation of chapter 338, Laws of 1997
24 and shall be distributed to counties as prescribed in the current
25 consolidated juvenile services (CJS) formula.

26 (3) \$1,161,000 of the general fund--state appropriation for fiscal
27 year 2002, \$1,162,000 of the general fund--state appropriation for
28 fiscal year 2003, and \$5,190,000 of the violence reduction and drug
29 enforcement account appropriation are provided solely to implement
30 community juvenile accountability grants pursuant to chapter 338, Laws
31 of 1997 (juvenile code revisions). Funds provided in this subsection
32 may be used solely for community juvenile accountability grants,
33 administration of the grants, and evaluations of programs funded by the
34 grants.

35 (4) \$2,515,000 of the violence reduction and drug enforcement
36 account appropriation is provided solely to implement alcohol and
37 substance abuse treatment programs for locally committed offenders.
38 The juvenile rehabilitation administration shall award these moneys on

1 a competitive basis to counties that submitted a plan for the provision
2 of services approved by the division of alcohol and substance abuse.
3 The juvenile rehabilitation administration shall develop criteria for
4 evaluation of plans submitted and a timeline for awarding funding and
5 shall assist counties in creating and submitting plans for evaluation.

6 (5) \$100,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$100,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for juvenile rehabilitation
9 administration to contract with the institute for public policy for
10 responsibilities assigned in chapter 338, Laws of 1997 (juvenile code
11 revisions).

12 (6) \$100,000 of the general fund--state appropriation for fiscal
13 year 2002 and \$100,000 of the general fund--state appropriation for
14 fiscal year 2003 are provided solely for a contract for expanded
15 services of the teamchild project.

16 (7) \$423,000 of the general fund--state appropriation for fiscal
17 year 2002, \$754,100 of the general fund--state appropriation for fiscal
18 year 2003, \$152,000 of the general fund--federal appropriation,
19 \$172,000 of the public safety and education assistance account
20 appropriation, and \$604,000 of the violence reduction and drug
21 enforcement account appropriation are provided solely to increase
22 payment rates for contracted service providers.

23 (8) \$16,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$16,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely for the implementation of chapter
26 167, Laws of 1999 (firearms on school property). The amounts provided
27 in this subsection are intended to provide funding for county impacts
28 associated with the implementation of chapter 167, Laws of 1999, and
29 shall be distributed to counties as prescribed in the current
30 consolidated juvenile services (CJS) formula.

31 (9) \$3,441,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$3,441,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided solely for distribution to county
34 juvenile court administrators to fund the costs of processing truancy,
35 children in need of services, and at-risk youth petitions. The
36 department shall not retain any portion of these funds to cover
37 administrative or any other departmental costs. The department, in
38 conjunction with the juvenile court administrators, shall develop an

1 equitable funding distribution formula. The formula shall neither
2 reward counties with higher than average per-petition processing costs
3 nor shall it penalize counties with lower than average per-petition
4 processing costs.

5 (10) \$6,000,000 of the public safety and education account--state
6 appropriation is provided solely for distribution to county juvenile
7 court administrators to fund the costs of processing truancy, children
8 in need of services, and at-risk youth petitions. The department shall
9 not retain any portion of these funds to cover administrative or any
10 other departmental costs. The department, in conjunction with the
11 juvenile court administrators, shall develop an equitable funding
12 distribution formula. The formula shall neither reward counties with
13 higher than average per-petition processing costs nor shall it penalize
14 counties with lower than average per-petition processing costs.

15 (11) The distributions made under (9) and (10) of this subsection
16 and distributions from the county criminal justice assistance account
17 made pursuant to section 801 of this act constitute appropriate
18 reimbursement for costs for any new programs or increased level of
19 service for purposes of RCW 43.135.060.

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

31 (13) \$1,692,000 of the juvenile accountability incentive account--
32 federal appropriation is provided solely for the continued
33 implementation of a pilot program to provide for postrelease planning
34 and treatment of juvenile offenders with co-occurring disorders.

35 (14) \$22,000 of the violence reduction and drug enforcement account
36 appropriation is provided solely for the evaluation of the juvenile
37 offender co-occurring disorder pilot program implemented pursuant to
38 (m) of this subsection.

1 (15) \$900,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$900,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for the continued implementation
4 of the juvenile violence prevention grant program established in
5 section 204, chapter 309, Laws of 1999.

6 (16) \$33,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$29,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for the implementation of House
9 Bill No. 1070 (juvenile offender basic training). If the bill is not
10 enacted by June 30, 2001, the amounts provided in this subsection shall
11 lapse.

12 (17) \$21,000 of the general fund--state appropriation for fiscal
13 year 2002 and \$42,000 of the general fund--state appropriation for
14 fiscal year 2003 are provided solely for the implementation of Senate
15 Bill No. 5468 (chemical dependency). If the bill is not enacted by
16 June 30, 2001, the amounts provided in this subsection shall lapse.

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

23 (19) \$40,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$68,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely to increase payment rates for
26 contracted service providers.

27 (20) \$945,000 of the general fund--state appropriation for fiscal
28 year 2003 is provided solely for providing additional research-based
29 services to the juvenile parole population. The juvenile
30 rehabilitation administration shall consult with the institute for
31 public policy in deciding which interventions to provide to the parole
32 population.

33 (21) The juvenile rehabilitation administration shall continue to
34 allot and expend funds provided in this section by the category and
35 budget unit structure submitted to the legislative evaluation and
36 accountability program committee.

1 hospital wards by July 2002, and four additional wards by April 2003,
2 a proportional share of these funds shall be transferred to the
3 appropriations in subsection (2) of this section to support continued
4 care of the patients in the state hospitals. Primary responsibility
5 and accountability for provision of appropriate community support for
6 persons placed with these funds shall reside with the mental health
7 program and the regional support networks, with partnership and active
8 support from the alcohol and substance abuse and from the aging and
9 adult services programs. The department shall negotiate performance-
10 based incentive contracts to provide appropriate community support
11 services for individuals leaving the state hospitals under this
12 subsection. The department shall first seek to contract with regional
13 support networks before offering a contract to any other party. The
14 funds appropriated in this subsection shall not be considered
15 "available resources" as defined in RCW 71.24.025 and are not subject
16 to the standard allocation formula applied in accordance with RCW
17 71.24.035(13)(a).

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

34 (e) The department is authorized to implement a new formula for
35 allocating available resources among the regional support networks.
36 The distribution formula shall use the number of persons eligible for
37 the state medical programs funded under chapter 74.09 RCW as the
38 measure of the requirement for the number of acutely mentally ill,

1 chronically mentally ill, severely emotionally disturbed children, and
2 seriously disturbed in accordance with RCW 71.24.035(13)(a). The new
3 formula shall be phased in over a period of no less than six years.
4 Furthermore, the department shall increase the medicaid capitation
5 rates which a regional support network would otherwise receive under
6 the formula by an amount sufficient to assure that total funding
7 allocated to the regional support network in fiscal year 2002 increases
8 by up to 3.5 percent over the amount actually paid to that regional
9 support network in fiscal year 2001, and by up to an additional 5.0
10 percent in fiscal year 2003, if total funding to the regional support
11 network would otherwise increase by less than those percentages under
12 the new formula, and provided that the nonfederal share of the higher
13 medicaid payment rate is provided by the regional support network from
14 local funds.

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

34 (g) The health services account appropriation is provided solely
35 for implementation of strategies which the department and the affected
36 regional support networks conclude will best assure continued
37 availability of community-based inpatient psychiatric services in all
38 areas of the state. Such strategies may include, but are not limited

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

24 ~~((+i))~~ (h) The department shall assure that each regional support
25 network increases spending on direct client services in fiscal years
26 2002 and 2003 by at least the same percentage as the total state,
27 federal, and local funds allocated to the regional support network in
28 those years exceeds the amounts allocated to it in fiscal year 2001.

29 ~~((+j))~~ (i) The department shall reduce state funding otherwise
30 payable to a regional support network in fiscal years 2002 and 2003 by
31 the full amount by which the regional support network's reserves and
32 fund balances as of December 31, 2001, exceed the required risk reserve
33 for that regional support network. The required reserve amount shall
34 be calculated by applying the risk reserve percentage specified in the
35 department's contract with the regional support network to the total
36 state and federal revenues for which the regional support network would
37 otherwise be eligible in accordance with this subsection. As used in

1 this subsection, "reserves" does not include capital project reserves
2 established in accordance with state accounting and reporting standards
3 before January 1, 2002.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2002)	\$84,878,000
6	General Fund--State Appropriation (FY 2003)	(\$80,784,000)
7		<u>\$89,566,000</u>
8	General Fund--Federal Appropriation	(\$139,821,000)
9		<u>\$134,970,000</u>
10	General Fund--Private/Local Appropriation	(\$29,532,000)
11		<u>\$29,949,000</u>
12	TOTAL APPROPRIATION	(\$335,015,000)
13		<u>\$339,363,000</u>

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

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

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

22 (c) The department shall seek to reduce the census of the two state
23 psychiatric hospitals by 178 beds by April 2003 by arranging and
24 providing community residential, mental health, and other support
25 services for long-term state hospital patients whose treatment needs
26 constitute substantial barriers to community placement and who no
27 longer require active psychiatric treatment at an inpatient hospital
28 level of care, no longer meet the criteria for inpatient involuntary
29 commitment, and who are clinically ready for discharge from a state
30 psychiatric hospital. No such patient is to move from the hospital
31 until a team of community professionals has become familiar with the
32 person and their treatment plan; assessed their strengths, preferences,
33 and needs; arranged a safe, clinically-appropriate, and stable place
34 for them to live; assured that other needed medical, behavioral, and
35 social services are in place; and is contracted to monitor the person's
36 progress on an ongoing basis. The department and the regional support
37 networks shall endeavor to assure that hospital patients are able to

1 return to their area of origin, and that placements are not
2 concentrated in proximity to the hospitals.

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

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

13 (3) CIVIL COMMITMENT

14	General Fund--State Appropriation (FY 2002)	\$18,267,000
15	General Fund--State Appropriation (FY 2003)	(\$20,934,000)
16		<u>\$21,320,000</u>
17	TOTAL APPROPRIATION	(\$39,201,000)
18		<u>\$39,587,000</u>

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

21 (a) \$1,587,000 of the general fund--state appropriation for fiscal
22 year 2002 and \$2,646,000 of the general fund--state appropriation for
23 fiscal year 2003 are provided solely for operational costs associated
24 with a less restrictive step-down placement facility on McNeil Island.

25 (b) \$300,000 of the general fund--state appropriation for fiscal
26 year 2002 and \$300,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely for mitigation funding for
28 jurisdictions affected by the placement of less restrictive alternative
29 facilities for persons conditionally released from the special
30 commitment center facility being constructed on McNeil Island. Of this
31 amount, up to \$45,000 per year is provided for the city of Lakewood for
32 police protection reimbursement at Western State Hospital and adjacent
33 areas, up to \$45,000 per year is provided for training police personnel
34 on chapter 12, Laws of 2001, 2nd sp. sess. (3ESSB 6151), up to \$125,000
35 per year is provided for Pierce county for reimbursement of additional
36 costs, and the remaining amounts are for other documented costs by
37 jurisdictions directly impacted by the placement of the secure
38 community transition facility on McNeil Island. Pursuant to chapter

1 12, Laws of 2001, 2nd sp. sess (3ESSB 6151), the department shall
2 continue to work with local jurisdictions towards reaching agreement
3 for mitigation costs.

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

9 (d) \$600,000 of the general fund--state appropriation for fiscal
10 year 2003 is provided solely for the implementation of Substitute
11 Senate Bill No. 6594 (secure community transition facilities). If the
12 bill is not enacted by June 30, 2002, the amount provided in this
13 subsection shall lapse.

14 (4) SPECIAL PROJECTS

15	General Fund--State Appropriation (FY 2002)	\$444,000
16	General Fund--State Appropriation (FY 2003)	\$443,000
17	General Fund--Federal Appropriation	\$2,082,000
18	TOTAL APPROPRIATION	\$2,969,000

19 (5) PROGRAM SUPPORT

20	General Fund--State Appropriation (FY 2002)	\$3,104,000
21	General Fund--State Appropriation (FY 2003)	(\$3,111,000)
22		<u>\$4,691,000</u>
23	General Fund--Federal Appropriation	(\$5,659,000)
24		<u>\$7,241,000</u>
25	TOTAL APPROPRIATION	(\$11,874,000)
26		<u>\$15,036,000</u>

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

29 (a) \$113,000 of the general fund--state appropriation for fiscal
30 year 2002, \$125,000 of the general fund--state appropriation for fiscal
31 year 2003, and \$164,000 of the general fund--federal appropriation are
32 provided solely for the institute for public policy to evaluate the
33 impacts of chapter 214, Laws of 1999 (mentally ill offenders), chapter
34 217, Laws of 2000 (atypical anti-psychotic medications), chapter 297,
35 Laws of 1998 (commitment of mentally ill persons), and chapter 334,
36 Laws of 2001 (mental health performance audit).

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

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

28 **Sec. 204.** 2002 c 371 s 205 (uncodified) is amended to read as
 29 follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
 31 **DISABILITIES PROGRAM**

32 (1) COMMUNITY SERVICES

33	General Fund--State Appropriation (FY 2002)	\$233,705,000
34	General Fund--State Appropriation (FY 2003)	(\$255,415,000)
35		<u>\$257,534,000</u>
36	General Fund--Federal Appropriation	(\$405,773,000)
37		<u>\$400,676,000</u>

1	Health Services Account--State	
2	Appropriation	\$903,000
3	TOTAL APPROPRIATION	((\$895,796,000))
4		<u>\$892,818,000</u>

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

7 (a) (~~(b)~~) \$10,050,000 of the fiscal year 2003 general fund--state
8 appropriation and \$3,550,000 of the general fund--federal appropriation
9 are provided solely for expanded access to community services. A total
10 of \$7,800,000 is provided for additional residential services for
11 persons on the home and community based waiver. A total of \$3,600,000
12 is provided for family support and high school transition. A total of
13 \$2,700,000 is provided between this subsection and subsection (3) of
14 this section for staffing and other costs to improve oversight of
15 quality of care, program management, and fiscal management. New
16 funding for family support and high school transition along with a
17 portion of existing funding for these programs shall be provided as
18 supplemental security income (SSI) state supplemental payments. The
19 legislature finds that providing cash assistance to individuals and
20 families needing these supports promotes self-determination and
21 independence. It is the intent of the legislature that the department
22 shall comply with federal requirements to maintain aggregate funding
23 for SSI state supplemental payments while promoting self-determination
24 and independence for persons with developmental disabilities in
25 families with taxable incomes at or below 150 percent of median family
26 income. Individuals receiving family support or high school transition
27 payments shall not become eligible for medical assistance under RCW
28 74.09.510 due solely to the receipt of SSI state supplemental payments.
29 These amounts and the specified expansion of community services are
30 intended to be the fiscal component of the negotiated settlement in the
31 pending litigation on developmental disabilities services, *ARC v.*
32 *Quasim*.

33 (~~(e)~~) (b) The health services account appropriation and \$904,000
34 of the general fund--federal appropriation are provided solely for
35 health care benefits for home care workers with family incomes below
36 200 percent of the federal poverty level who are employed through state
37 contracts for twenty hours per week or more. Premium payments for
38 individual provider home care workers shall be made only to the

1 subsidized basic health plan. Home care agencies may obtain coverage
2 either through the basic health plan or through an alternative plan
3 with substantially equivalent benefits.

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

22 ~~((e))~~ (d) \$1,153,000 of the general fund--state appropriation for
23 fiscal year 2002, \$3,054,000 of the general fund--state appropriation
24 for fiscal year 2003, and \$4,031,000 of the general fund--federal
25 appropriation are provided solely for expanded community services for
26 persons with developmental disabilities who also have community
27 protection issues or are diverted or discharged from state psychiatric
28 hospitals. The department shall ensure that the average cost per day
29 for all program services other than start-up costs shall not exceed
30 \$275. The department shall report to the appropriate committees of the
31 legislature, within 45 days following each fiscal year quarter, the
32 number of persons served with these additional community services,
33 where they were residing, what kinds of services they were receiving
34 prior to placement, and the actual expenditures for all community
35 services to support these clients.

36 ~~((f))~~ (e) The department shall not increase total enrollment in
37 home and community based waivers for persons with developmental
38 disabilities except for changes assumed in additional funding provided

1 in subsections (b), (~~(d)~~, and ~~(e)~~) (c) and (d) of this section.
2 Prior to submitting to the health care financing authority any
3 additional home and community based waiver request for persons with
4 developmental disabilities, the department shall submit a summary of
5 the waiver request to the appropriate committees of the legislature.
6 The summary shall include eligibility criteria, program description,
7 enrollment projections and limits, and budget and cost effectiveness
8 projections that distinguish the requested waiver from other existing
9 or proposed waivers.

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

22 ~~(h)~~ (g) \$369,000 of the fiscal year 2002 general fund--state
23 appropriation and \$369,000 of the fiscal year 2003 general fund--state
24 appropriation are provided solely for continuation of the autism pilot
25 project started in 1999.

26 ~~(i)~~ (h) \$4,049,000 of the general fund--state appropriation for
27 fiscal year 2002, \$1,734,000 of the general fund--state appropriation
28 for fiscal year 2003, and \$5,369,000 of the general fund--federal
29 appropriation are provided solely to increase compensation by an
30 average of fifty cents per hour for low-wage workers providing state-
31 funded services to persons with developmental disabilities. These
32 funds, along with funding provided for vendor rate increases, are
33 sufficient to raise wages an average of fifty cents and cover the
34 employer share of unemployment and social security taxes on the amount
35 of the wage increase. In consultation with the statewide associations
36 representing such agencies, the department shall establish a mechanism
37 for testing the extent to which funds have been used for this purpose,

1 and report the results to the fiscal committees of the legislature by
2 February 1, 2002.

3 (2) INSTITUTIONAL SERVICES

4	General Fund--State Appropriation (FY 2002)	\$69,375,000
5	General Fund--State Appropriation (FY 2003)	(\$68,203,000)
6		<u>\$69,577,000</u>
7	General Fund--Federal Appropriation	(\$145,672,000)
8		<u>\$147,043,000</u>
9	General Fund--Private/Local Appropriation	\$11,230,000
10	TOTAL APPROPRIATION	(\$294,480,000)
11		<u>\$297,225,000</u>

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

23 (3) PROGRAM SUPPORT

24	General Fund--State Appropriation (FY 2002)	\$1,711,000
25	General Fund--State Appropriation (FY 2003)	(\$2,007,000)
26		<u>\$2,232,000</u>
27	General Fund--Federal Appropriation	(\$2,612,000)
28		<u>\$2,763,000</u>
29	Telecommunications Devices for the Hearing and 30 Speech Impaired Account Appropriation	\$1,767,000
31	TOTAL APPROPRIATION	(\$8,097,000)
32		<u>\$8,473,000</u>

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

35 (a) \$270,000 of the fiscal year 2003 general fund--state
36 appropriation and \$170,000 of the general fund--federal appropriation

1 are provided solely for improved fiscal management of the home and
2 community-based waiver and other community services.

3 (b) \$100,000 of the telecommunications devices for the hearing and
4 speech impaired account appropriation is provided solely for increasing
5 the contract amount for the southeast Washington deaf and hard of
6 hearing services center due to increased workload.

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

9 **Sec. 205.** 2002 c 371 s 206 (uncodified) is amended to read as
10 follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
12 **SERVICES PROGRAM**

13	General Fund--State Appropriation (FY 2002)	\$505,983,000
14	General Fund--State Appropriation (FY 2003)	((\$513,154,000))
15		<u>\$517,884,000</u>
16	General Fund--Federal Appropriation	((\$1,053,299,000))
17		<u>\$1,056,878,000</u>
18	General Fund--Private/Local Appropriation	((\$11,803,000))
19		<u>\$11,560,000</u>
20	Health Services Account--State	
21	Appropriation	((\$4,523,000))
22		<u>\$5,087,000</u>
23	TOTAL APPROPRIATION	((\$2,088,762,000))
24		<u>\$2,097,392,000</u>

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

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

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

6 (3) For purposes of implementing chapter 74.46 RCW, the weighted
7 average nursing facility payment rate shall be no more than \$128.79 for
8 fiscal year 2002, and no more than \$132.58 for fiscal year 2003. For
9 all facilities, the therapy care, support services, and operations
10 component rates established in accordance with chapter 74.46 RCW shall
11 be adjusted for economic trends and conditions by 2.1 percent effective
12 July 1, 2001, and by an additional 1.5 percent effective July 1, 2002.
13 For case-mix facilities, direct care component rates established in
14 accordance with chapter 74.46 RCW shall also be adjusted for economic
15 trends and conditions by 2.1 percent effective July 1, 2001, and by an
16 additional 2.3 percent effective July 1, 2002. Additionally, to
17 facilitate the transition to a fully case-mix based direct care payment
18 system, the median price per case-mix unit for each of the applicable
19 direct care peer groups shall be increased on a one-time basis by 2.64
20 percent effective July 1, 2002.

21 (4) In accordance with Substitute House Bill No. 2242 (nursing home
22 rates), the department shall issue certificates of capital
23 authorization which result in up to \$10 million of increased asset
24 value completed and ready for occupancy in fiscal year 2003; in up to
25 \$27 million of increased asset value completed and ready for occupancy
26 in fiscal year 2004; and in up to \$27 million of increased asset value
27 completed and ready for occupancy in fiscal year 2005.

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

31 (6) Within funds appropriated in this section and in section 204 of
32 this act, the aging and adult services program shall coordinate with
33 and actively support the efforts of the mental health program and of
34 the regional support networks to provide stable community living
35 arrangements for persons with dementia and traumatic brain injuries who
36 have been long-term residents of the state psychiatric hospitals. The
37 aging and adult services program shall report to the health care and

1 fiscal committees of the legislature by November 1, 2001, and by
2 November 1, 2002, on the actions it has taken to achieve this
3 objective.

4 (7) Within funds appropriated in this section and in section 204 of
5 this act, the aging and adult services program shall devise and
6 implement strategies in partnership with the mental health program and
7 the regional support networks to reduce the use of state and local
8 psychiatric hospitals for the short-term stabilization of persons with
9 dementia and traumatic brain injuries. Such strategies may include
10 training and technical assistance to help long-term care providers
11 avoid and manage behaviors which might otherwise result in psychiatric
12 hospitalizations; monitoring long-term care facilities to assure
13 residents are receiving appropriate mental health care and are not
14 being inappropriately medicated or hospitalized; the development of
15 diversion beds and stabilization support teams; and the establishment
16 of systems to track the use of psychiatric hospitals by long-term care
17 providers. The aging and adult services program shall report to the
18 health care and fiscal committees of the legislature by November 1,
19 2001, and by November 1, 2002, on the actions it has taken to achieve
20 this objective.

21 (8) In accordance with Substitute House Bill No. 1341, the
22 department may implement a medicaid waiver program for persons who do
23 not qualify for such services as categorically needy, subject to
24 federal approval and the following conditions and limitations:

25 (a) The waiver program shall include coverage of care in community
26 residential facilities. Enrollment in the waiver shall not exceed 50
27 persons by the end of fiscal year 2002, nor 600 persons by the end of
28 fiscal year 2003.

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

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

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

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

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

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

36 (12) \$2,507,000 of the general fund--state appropriation for fiscal
37 year 2002, \$2,595,000 of the general fund--state appropriation for
38 fiscal year 2003, and \$5,100,000 of the general fund--federal

1 appropriation are provided solely for prospective rate increases
 2 intended to increase compensation by an average of fifty cents per hour
 3 for low-wage workers in agencies which contract with the state to
 4 provide community residential services for persons with functional
 5 disabilities. In consultation with the statewide associations
 6 representing such agencies, the department shall establish a mechanism
 7 for testing the extent to which funds have been used for this purpose,
 8 and report the results to the fiscal committees of the legislature by
 9 February 1, 2002. The amounts in this subsection also include the
 10 funds needed for the employer share of unemployment and social security
 11 taxes on the amount of the wage increase.

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

28 **Sec. 206.** 2002 c 371 s 207 (uncodified) is amended to read as
 29 follows:

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

32	General Fund--State Appropriation (FY 2002)	\$442,984,000
33	General Fund--State Appropriation (FY 2003)	((\$394,974,000))
34		<u>\$419,475,000</u>
35	General Fund--Federal Appropriation	((\$1,359,505,000))
36		<u>\$1,386,203,000</u>
37	General Fund--Private/Local Appropriation	\$33,880,000

1 TOTAL APPROPRIATION ((~~\$2,231,343,000~~))
2 \$2,271,564,000

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

5 (1) \$281,035,000 of the general fund--state appropriation for
6 fiscal year 2002, \$277,231,000 of the general fund--state appropriation
7 for fiscal year 2003, \$1,254,197,000 of the general fund--federal
8 appropriation, and \$31,444,000 of the general fund--local appropriation
9 are provided solely for the WorkFirst program and child support
10 operations. WorkFirst expenditures include TANF grants, diversion
11 services, subsidized child care, employment and training, other
12 WorkFirst related services, allocated field services operating costs,
13 and allocated economic services program administrative costs. Within
14 the amounts provided in this subsection, the department shall:

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

33 (b) Develop informational materials that educate families about the
34 difference between cash assistance and work support benefits. These
35 materials must explain, among other facts, that the benefits are
36 designed to support their employment, that there are no time limits on
37 the receipt of work support benefits, and that immigration or residency
38 status will not be affected by the receipt of benefits. These

1 materials shall be posted in all community service offices and
2 distributed to families. Materials must be available in multiple
3 languages. When a family leaves the temporary assistance for needy
4 families program, receives cash diversion assistance, or withdraws a
5 temporary assistance for needy families application, the department of
6 social and health services shall educate them about the difference
7 between cash assistance and work support benefits and offer them the
8 opportunity to begin or to continue receiving work support benefits, so
9 long as they are eligible. The department shall provide this
10 information through in-person interviews, over the telephone, and/or
11 through the mail. Work support benefits include food stamps, medicaid
12 for all family members, medicaid or state children's health insurance
13 program for children, and child care assistance. The department shall
14 report annually to the legislature the number of families who have had
15 exit interviews, been reached successfully by phone, and been sent
16 mail. The report shall also include the percentage of families who
17 elect to continue each of the benefits and the percentage found
18 ineligible by each substantive reason code. A substantive reason code
19 shall not be "other." The report shall identify barriers to informing
20 families about work support benefits and describe existing and future
21 actions to overcome such barriers.

22 (c) From the amounts provided in this subsection, provide \$50,000
23 from the general fund--state appropriation for fiscal year 2002 and
24 \$50,000 from the general fund--state appropriation for fiscal year 2003
25 to the Washington institute for public policy for continuation of the
26 WorkFirst evaluation database.

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

33 (2) (~~(\$54,623,000)~~) \$50,285,368 of the general fund--state
34 appropriation for fiscal year 2002 and (~~(\$44,431,000)~~) \$51,356,449 of
35 the general fund--state appropriation for fiscal year 2003 are provided
36 solely for cash assistance and other services to recipients in the
37 general assistance--unemployable program. Within these amounts, the
38 department may expend funds for services that assist recipients to

1 reduce their dependence on public assistance, provided that
2 expenditures for these services and cash assistance do not exceed the
3 funds provided.

4 (3) \$5,632,000 of the general fund--state appropriation for fiscal
5 year 2002 and \$4,032,000 of the general fund--state appropriation for
6 fiscal year 2003 are provided solely for the food assistance program
7 for legal immigrants. The level of benefits shall be equivalent to the
8 benefits provided by the federal food stamp program.

9 (4) \$48,000 of the general fund--state appropriation for fiscal
10 year 2002 is provided solely to implement chapter 111, Laws of 2001
11 (veterans/Philippines).

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

16 (6) It is the intent of the legislature that the department shall
17 comply with federal requirements to maintain aggregate funding for
18 supplemental security income (SSI) supplemental payments. Within the
19 amount remaining in this section, SSI supplemental payments shall be
20 used for current SSI recipients who have ineligible spouses.

21 **Sec. 207.** 2002 c 371 s 208 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE**
24 **ABUSE PROGRAM**

25	General Fund--State Appropriation (FY 2002)	\$35,851,000
26	General Fund--State Appropriation (FY 2003)	((\$37,022,000))
27		<u>\$36,575,000</u>
28	General Fund--Federal Appropriation	((\$91,549,000))
29		<u>\$91,539,000</u>
30	General Fund--Private/Local Appropriation	\$723,000
31	Public Safety and Education Account--State	
32	Appropriation	\$13,427,000
33	Violence Reduction and Drug Enforcement Account--	
34	State Appropriation	\$52,306,000
35	TOTAL APPROPRIATION	((\$230,878,000))
36		<u>\$230,421,000</u>

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

3 (1) \$810,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$1,622,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for expansion of 35 drug and
6 alcohol treatment beds for persons committed under RCW 70.96A.140.
7 Patients meeting the commitment criteria of RCW 70.96A.140 but who
8 voluntarily agree to treatment in lieu of commitment shall also be
9 eligible for treatment in these additional treatment beds. The
10 department shall develop specific placement criteria for these expanded
11 treatment beds to ensure that this new treatment capacity is
12 prioritized for persons incapacitated as a result of chemical
13 dependency and who are also high utilizers of hospital services. These
14 additional treatment beds shall be located in the eastern part of the
15 state.

16 (2) \$1,000,000 of the public safety and education account--state
17 appropriation is provided solely for expansion of treatment for persons
18 gravely disabled by abuse and addiction to alcohol and other drugs
19 including methamphetamine.

20 (3) \$1,083,000 of the public safety and education account--state
21 appropriation and \$75,000 of the violence reduction and drug
22 enforcement account--state appropriation are provided solely for adult
23 and juvenile drug courts that have a net loss of federal grant funding
24 in state fiscal year 2002 and state fiscal year 2003. This
25 appropriation is intended to cover approximately one-half of lost
26 federal funding.

27 (4) \$1,993,000 of the public safety and education account--state
28 appropriation and \$951,000 of the general fund--federal appropriation
29 are provided solely for drug and alcohol treatment for SSI clients.
30 The department shall continue research and post-program evaluation of
31 these clients to further determine the post-treatment utilization of
32 medical services and the service effectiveness of consolidation.

33 (5) \$500,000 of the violence reduction and drug enforcement account
34 appropriation for fiscal year 2003 is provided solely for the
35 department to provide treatment for pathological gambling or training
36 for the treatment of pathological gambling under Second Substitute
37 Senate Bill No. 6560 (shared game lottery). If the bill is not enacted
38 by June 30, 2002, the amount provided in this subsection shall lapse.

1 (6) Within the amounts appropriated in this section, funding is
2 provided to implement Second Substitute House Bill No. 2338 or
3 Substitute Senate Bill No. 6361 (drug offender sentencing).

4 **Sec. 208.** 2002 c 371 s 209 (uncodified) is amended to read as
5 follows:

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

8	General Fund--State Appropriation (FY 2002)	\$1,081,150,000
9	General Fund--State Appropriation (FY 2003)	((\$1,124,758,000))
10		<u>\$1,202,986,000</u>
11	General Fund--Federal Appropriation	((\$3,621,077,000))
12		<u>\$3,718,957,000</u>
13	General Fund--Private/Local Appropriation	((\$211,272,000))
14		<u>\$216,822,000</u>
15	Emergency Medical Services and Trauma Care Systems	
16	Trust Account--State Appropriation	((\$9,200,000))
17		<u>\$13,300,000</u>
18	Health Services Account--State Appropriation	((\$1,104,119,000))
19		<u>\$745,804,000</u>
20	TOTAL APPROPRIATION	((\$7,151,576,000))
21		<u>\$6,979,019,000</u>

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

24 (1) The department shall increase its efforts to restrain the
25 growth of health care costs. The appropriations in this section
26 anticipate that the department implements a combination of cost
27 containment and utilization strategies sufficient to reduce general
28 fund--state costs by approximately 3 percent below the level projected
29 for the 2001-03 biennium in the March 2001 forecast. The department
30 shall report to the fiscal committees of the legislature by October 1,
31 2001, on its specific plans and semiannual targets for accomplishing
32 these savings. The department shall report again to the fiscal
33 committees by March 1, 2002, and by September 1, 2002, on actual
34 performance relative to the semiannual targets. If satisfactory
35 progress is not being made to achieve the targeted savings, the reports
36 shall include recommendations for additional or alternative measures to
37 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

1 (e) The department shall establish systems for tracking and
2 reporting enrollment and expenditures in this program, and the prior
3 medical assistance eligibility status of new program enrollees. The
4 department shall additionally survey the prior and current employment
5 status and approximate hours worked of program enrollees, and report
6 the results to the fiscal and health care committees of the legislature
7 by January 15, 2003.

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

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

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

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

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

36 (11) In accordance with RCW 74.46.625, (~~(\$523,600,000)~~)
37 \$197,179,000 of the health services account appropriation and
38 (~~(\$530,585,000)~~) \$198,447,000 of the general fund--federal

1 appropriation are provided solely for supplemental payments to nursing
2 homes operated by rural public hospital districts. The payments shall
3 be conditioned upon (a) a contractual commitment by the association of
4 public hospital districts and participating rural public hospital
5 districts to make an intergovernmental transfer to the state treasurer,
6 for deposit into the health services account, equal to at least ((98))
7 95 percent of the supplemental payments; and (b) a contractual
8 commitment by the participating districts to not allow expenditures
9 covered by the supplemental payments to be used for medicaid nursing
10 home rate-setting. The participating districts shall retain no more
11 than a total of \$20,000,000 for the 2001-03 biennium. ((If the
12 ~~medicare upper payment limit revenues referenced in this subsection are~~
13 ~~not received in an amount or within a time frame sufficient to support~~
14 ~~spending from the health services account, the governor shall take~~
15 ~~actions in accordance with RCW 43.88.110(8).~~))

16 (12) ((~~\$38,766,000~~)) \$25,370,000 of the health services account
17 appropriation for fiscal year 2002, ((~~\$40,494,000~~)) \$14,654,000 of the
18 health services account appropriation for fiscal year 2003, and
19 ((~~\$79,839,000~~)) \$40,402,000 of the general fund--federal appropriation
20 are provided solely for additional disproportionate share and medicare
21 upper payment limit payments to public hospital districts.

22 The payments shall be conditioned upon a contractual commitment by
23 the participating public hospital districts to make an
24 intergovernmental transfer to the health services account equal to at
25 least 91 percent of the additional payments. ((~~At least 28 percent of~~
26 ~~the amounts retained by the participating hospital districts shall be~~
27 ~~allocated to the state's teaching hospitals.~~)) The state's teaching
28 hospitals shall retain whichever is less of (a) at least 28 percent of
29 the amounts retained by hospitals under these programs, or (b) the
30 maximum allowable under the state teaching hospitals' limits as set
31 forth under federal rules.

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

1 (14) The department may continue to use any federal money available
2 to continue to provide medicaid matching funds for funds contributed by
3 local governments for purposes of conducting eligibility outreach to
4 children and underserved groups. The department shall ensure
5 cooperation with the anticipated audit of the school districts'
6 matchable expenditures for this program and advise the appropriate
7 legislative fiscal committees of the findings.

8 (15) The department shall coordinate with the health care authority
9 and with community and migrant health clinics to actively assist
10 children and immigrant adults not eligible for medicaid to enroll in
11 the basic health plan.

12 (16) \$8,500,000 of the general fund--state appropriation for fiscal
13 year 2002, or so much thereof as may be necessary, is provided solely
14 for settlement of *Providence St. Peter's Hospital et al. vs. Department*
15 *of Social and Health Services*.

16 (17) In consultation and coordination with the department of
17 health, the department shall establish mechanisms to assure that the
18 AIDS insurance program operates within budgeted levels. Such
19 mechanisms shall include a system under which the state's contribution
20 to the cost of coverage is adjusted on a sliding-scale basis.

21 (18) The department shall implement an academic detailing program
22 that educates prescribers on the availability of generic versions of
23 off-patent brand drugs. To the extent the net cost of generics, after
24 accounting for rebates, is less than the off-patent drug, generics will
25 be substituted, with the prescriber's approval, consistent with
26 criteria developed by the department in consultation with the state
27 medical association and the state pharmacists association.

28 (19) Within available resources, the department shall design and
29 initiate a general assistance medical care management project in two
30 counties, one in eastern Washington and one in western Washington. In
31 designing the project, the department shall consult with the mental
32 health division, migrant and community health centers, and any other
33 managed care provider that has the capacity to offer coordinated
34 medical and mental health care. The projects shall be designed in such
35 a way that a designated provider network is established for general
36 assistance clients so that care management can be maximized. The
37 department shall report on the design of the pilot project to the
38 policy and fiscal committees of the legislature by October 15, 2002.

1 or proposes to take, within current funding levels to resolve the
2 organizational problems identified in the department's February 2001
3 report to the legislature on current systems for billing third-party
4 payers for services delivered by the state psychiatric hospitals. The
5 secretary is authorized to transfer funds from this section to the
6 mental health program to the extent necessary to achieve the
7 organizational improvements recommended in that report.

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

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

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

34 (5) The department shall implement reductions in administrative
35 expenditures assumed in these appropriations that achieve ongoing
36 savings, reduce duplicative and redundant work processes, and, where
37 possible, eliminate entire administrative functions and offices. The
38 department may transfer amounts among sections and programs to achieve

1 these savings provided that reductions in direct services to clients
2 and recipients of the department shall not be counted as administrative
3 reductions. The department shall report to the appropriate committees
4 of the legislature a spending plan to achieve these reductions by July
5 1, 2002, and shall report actual achieved administrative savings and
6 projected saving for the remainder of the biennium by December 1, 2002.

7 **Sec. 211.** 2002 c 371 s 212 (uncodified) is amended to read as
8 follows:

9 **FOR THE STATE HEALTH CARE AUTHORITY**

10	General Fund--State Appropriation (FY 2002)	\$6,655,000
11	State Health Care Authority Administrative	
12	Account--State Appropriation	(\$20,032,000)
13		<u>\$20,215,000</u>
14	Health Services Account--State Appropriation	(\$538,828,000)
15		<u>\$515,233,000</u>
16	General Fund--Federal Appropriation	(\$4,240,000)
17		<u>\$3,533,000</u>
18	((Medical Aid Account--State Appropriation	\$45,000))
19	TOTAL APPROPRIATION	(\$569,800,000)
20		<u>\$545,636,000</u>

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

23 (1) \$6,551,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$6,550,000 of the health services account--state
25 appropriation for fiscal year 2003 are provided solely for health care
26 services provided through local community clinics.

27 (2) Within funds appropriated in this section and sections 205 and
28 206 of this 2001 act, the health care authority shall continue to
29 provide an enhanced basic health plan subsidy option for foster parents
30 licensed under chapter 74.15 RCW and workers in state-funded home care
31 programs. Under this enhanced subsidy option, foster parents and home
32 care workers with family incomes below 200 percent of the federal
33 poverty level shall be allowed to enroll in the basic health plan at a
34 cost of ten dollars per covered worker per month.

35 (3) The health care authority shall require organizations and
36 individuals which are paid to deliver basic health plan services and
37 which choose to sponsor enrollment in the subsidized basic health plan

1 to pay the following: (i) A minimum of fifteen dollars per enrollee
2 per month for persons below 100 percent of the federal poverty level;
3 and (ii) a minimum of twenty dollars per enrollee per month for persons
4 whose family income is 100 percent to 125 percent of the federal
5 poverty level.

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

14 (5) The administrator shall take at least the following actions to
15 assure that persons participating in the basic health plan are eligible
16 for the level of assistance they receive: (a) Require submission of
17 income tax returns and recent pay history from all applicants; (b)
18 check employment security payroll records at least once every twelve
19 months on all enrollees; (c) require enrollees whose income as
20 indicated by payroll records exceeds that upon which their subsidy is
21 based to document their current income as a condition of continued
22 eligibility; (d) require enrollees for whom employment security payroll
23 records cannot be obtained to document their current income at least
24 once every six months; and (e) pursue repayment and civil penalties
25 from persons who have received excessive subsidies, as provided in RCW
26 70.47.060(9).

27 ~~(6) ((The health services account revenues generated by Initiative~~
28 ~~Measure No. 773 which are appropriated in this section shall be used to~~
29 ~~subsidize enrollments in excess of the 125,000 per month base~~
30 ~~enrollment level as follows:~~

31 ~~(a) \$20,000,000 is provided solely for))~~ Enrollment is authorized
32 in the subsidized basic health plan of persons who, solely by reason of
33 their immigration status, are not eligible for medicaid coverage of
34 their nonemergent medical care needs. From July 2002 to October 2002,
35 opportunities for subsidized coverage will be offered on a phased-in
36 basis to this group of persons. Any entity or organization may sponsor
37 subsidized basic health plan enrollment.

1 ~~((b) Beginning January 1, 2003, subsidized basic health plan~~
2 ~~coverage shall be offered on a phased in basis to an additional 20,000~~
3 ~~enrollees.))~~

4 (7) \$3,000,000 of the health services account--state appropriation
5 for fiscal year 2003 is provided solely to increase the number of
6 persons not eligible for medicaid receiving dental care from nonprofit
7 community clinics, and for interpreter services to support dental and
8 medical services for persons for whom interpreters are not available
9 from any other source.

10 (8) The health care authority shall report to the fiscal committees
11 of the legislature on the costs, benefits, and feasibility of
12 implementing a system no later than January 1, 2004, under which the
13 state's contribution to the cost of employee medical coverage would be
14 graduated according to employee salary. Under the graduated system,
15 employees in higher salary ranges would pay a larger share of the cost
16 of their medical coverage, while those paid lower salaries would pay a
17 smaller percentage of their premium. The report shall be prepared in
18 consultation with the department of personnel and the state-supported
19 colleges and universities, and shall be submitted to the fiscal
20 committees no later than December 1, 2002.

21 (9) In consultation with the department of personnel and with the
22 state-supported colleges and universities, the health care authority
23 shall report to the fiscal committees of the legislature by October 1,
24 2002, a plan for expanding the availability and use of flexible
25 spending account plans under which employees may set aside pretax
26 earnings to cover their out-of-pocket medical costs. The authority is
27 authorized to proceed with implementation of such a plan to the extent
28 it can be accomplished within existing state funding levels.

29 ~~((10) \$685,000 of the health services account appropriation,~~
30 ~~\$629,000 of the general fund federal appropriation, and the medical~~
31 ~~aid account appropriation are provided solely for implementation of~~
32 ~~Substitute Senate Bill No. 6368 (prescription drug utilization and~~
33 ~~education). If the bill is not enacted by June 30, 2002, these amounts~~
34 ~~shall lapse.))~~

35 **Sec. 212.** 2002 c 371 s 215 (uncodified) is amended to read as
36 follows:

1 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

2 Municipal Criminal Justice Assistance Account--

3 Local Appropriation \$460,000

4 Death Investigations Account--State

5 Appropriation \$148,000

6 Public Safety and Education Account--State

7 Appropriation ((~~\$18,148,000~~))

8 \$18,177,000

9 TOTAL APPROPRIATION ((~~\$18,756,000~~))

10 \$18,785,000

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

13 (1) \$124,000 of the public safety and education account
14 appropriation is provided solely to allow the Washington association of
15 sheriffs and police chiefs to increase the technical and training
16 support provided to the local criminal justice agencies on the new
17 incident-based reporting system and the national incident-based
18 reporting system.

19 (2) \$136,000 of the public safety and education account
20 appropriation is provided solely to allow the Washington association of
21 prosecuting attorneys to enhance the training provided to criminal
22 justice personnel.

23 (3) \$19,000 of the public safety and education account
24 appropriation is provided solely to increase payment rates for the
25 criminal justice training commission's contracted food service
26 provider.

27 (4) \$27,000 of the public safety and education account
28 appropriation is provided solely to increase payment rates for the
29 criminal justice training commission's contract with the Washington
30 association of sheriffs and police chiefs.

31 (5) \$65,000 of the public safety and education account
32 appropriation is provided solely for regionalized training programs for
33 school district and local law enforcement officials on school safety
34 issues.

35 (6) \$450,000 of the public safety and education account
36 appropriation is provided solely for grants to be distributed by the
37 Washington association of sheriffs and police chiefs for electronic
38 mapping of school facilities.

1 **Sec. 213.** 2002 c 371 s 218 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

4 (1) HEADQUARTERS

5	General Fund--State Appropriation (FY 2002)	\$1,577,000
6	General Fund--State Appropriation (FY 2003)	(\$1,533,000)
7		<u>\$1,556,000</u>
8	Charitable, Educational, Penal, and Reformatory	
9	Institutions Account--State	
10	Appropriation	\$7,000
11	TOTAL APPROPRIATION	(\$3,117,000)
12		<u>\$3,140,000</u>

13 (2) FIELD SERVICES

14	General Fund--State Appropriation (FY 2002)	\$2,619,000
15	General Fund--State Appropriation (FY 2003)	(\$2,580,000)
16		<u>\$2,600,000</u>
17	General Fund--Federal Appropriation	\$310,000
18	General Fund--Private/Local Appropriation	(\$1,663,000)
19		<u>\$1,665,000</u>
20	TOTAL APPROPRIATION	(\$7,172,000)
21		<u>\$7,194,000</u>

22 (3) INSTITUTIONAL SERVICES

23	General Fund--State Appropriation (FY 2002)	\$5,765,000
24	General Fund--State Appropriation (FY 2003)	(\$5,516,000)
25		<u>\$5,629,000</u>
26	General Fund--Federal Appropriation	(\$27,437,000)
27		<u>\$27,529,000</u>
28	General Fund--Private/Local Appropriation	(\$22,828,000)
29		<u>\$22,898,000</u>
30	TOTAL APPROPRIATION	(\$61,546,000)
31		<u>\$61,821,000</u>

32 The appropriations in this subsection are subject to the following
33 terms and conditions: \$2,886,000 of the general fund--federal
34 appropriation and \$5,639,000 of the general fund--local appropriation
35 are provided solely for the department to acquire, establish, and
36 operate a nursing facility dedicated to serving men and women from
37 Washington who have served in the nation's armed forces.

1	State Toxics Control Account--State	
2	Appropriation	\$2,809,000
3	Medical Test Site Licensure Account--State	
4	Appropriation	\$1,801,000
5	Youth Tobacco Prevention Account--State	
6	Appropriation	\$1,797,000
7	Tobacco Prevention and Control Account--State	
8	Appropriation	\$43,737,000
9	TOTAL APPROPRIATION	((\$653,217,000))
10		<u>\$649,578,000</u>

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

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

25 (2) \$339,000 of the general fund--state appropriation for fiscal
26 year 2002, \$157,000 of the general fund--state appropriation for fiscal
27 year 2003, and the salmon recovery account appropriation are provided
28 solely for technical assistance to local governments and special
29 districts on water conservation and reuse.

30 (3) \$1,675,000 of the general fund--state fiscal year 2002
31 appropriation and \$1,676,000 of the general fund--state fiscal year
32 2003 appropriation are provided solely for the implementation of the
33 Puget Sound water work plan and agency action items, DOH-01, DOH-02,
34 DOH-03, and DOH-04.

35 (4) The department of health shall not initiate any services that
36 will require expenditure of state general fund moneys unless expressly
37 authorized in this act or other law. The department may seek, receive,
38 and spend, under RCW 43.79.260 through 43.79.282, federal moneys not

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

13 (5) (~~(\$19,778,000)~~) \$14,718,000 of the health services account--
14 state appropriation is provided solely for the state's program of
15 universal access to essential childhood vaccines. The department shall
16 utilize all available federal funding before expenditure of these
17 funds.

18 (6) \$85,000 of the general fund--state appropriation for fiscal
19 year 2002 and \$65,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely for the implementation of
21 Substitute House Bill No. 1365 (infant and child products). If the
22 bill is not enacted by June 30, 2001, the amounts provided in this
23 subsection shall lapse.

24 (7) From funds appropriated in this section, the state board of
25 health shall convene a broadly-based task force to review the available
26 information on the potential risks and benefits to public and personal
27 health and safety, and to individual privacy, of emerging technologies
28 involving human deoxyribonucleic acid (DNA). The board may reimburse
29 task force members for travel expenses according to RCW 43.03.220. The
30 task force shall consider information provided to it by interested
31 persons on: (a) The incidence of discriminatory actions based upon
32 genetic information; (b) strategies to safeguard civil rights and
33 privacy related to genetic information; (c) remedies to compensate
34 individuals for inappropriate use of their genetic information; and (d)
35 incentives for further research and development on the use of DNA to
36 promote public health, safety, and welfare. The task force shall
37 report on its findings and any recommendations to appropriate
38 committees of the legislature by October 1, 2002.

1 (8) \$533,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$847,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for performance-based contracts
4 with local jurisdictions to assure the safety of drinking water
5 provided by small "group B" water systems.

6 (9) By October 1, 2002, the department shall establish mechanisms
7 to assure that the HIV early intervention services program operates
8 within appropriated levels. This shall include a system under which
9 the state's contribution to the cost of care is adjusted on a sliding-
10 scale basis.

11 (10) By December 1, 2002, the department shall report to
12 appropriate committees of the legislature with a feasibility analysis
13 of implementing an electronic filing system for death certificates.
14 The study shall be conducted in consultation and cooperation with local
15 and state registrars, funeral directors, and physicians, and shall
16 include an analysis of applying an additional fee to death certificates
17 to cover the cost of developing and operating the electronic system.

18 **Sec. 216.** 2002 c 371 s 221 (uncodified) is amended to read as
19 follows:

20 **FOR THE DEPARTMENT OF CORRECTIONS**

21 The appropriations to the department of corrections in this act
22 shall be expended for the programs and in the amounts specified herein.
23 However, after May 1, ((2002)) 2003, after approval by the director of
24 financial management and unless specifically prohibited by this act,
25 the department may transfer general fund--state appropriations for
26 fiscal year ((2002)) 2003 between programs. The director of financial
27 management shall notify the appropriate fiscal committees of the senate
28 and house of representatives in writing prior to approving any
29 deviations from appropriation levels.

30 (1) ADMINISTRATION AND SUPPORT SERVICES

31	General Fund--State Appropriation (FY 2002)	\$36,786,000
32	General Fund--State Appropriation (FY 2003)	((\$36,434,000))
33		<u>\$37,933,000</u>
34	Public Safety and Education Account--State	
35	Appropriation	\$1,576,000
36	Violence Reduction and Drug Enforcement	
37	Account Appropriation	\$3,254,000

1 TOTAL APPROPRIATION ((~~\$78,050,000~~))
 2 \$79,549,000

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

- 13 (a) Include a description of any changes to the replacement
 14 project;
- 15 (b) Provide the estimated costs for each component in the 2001-03
 16 and subsequent biennia;
- 17 (c) Include a schedule that provides the time estimated to complete
 18 changes to each component of the replacement project; and
- 19 (d) Be provided to the office of financial management, the
 20 department of information services, the information services board, and
 21 the staff of the fiscal committees of the senate and the house of
 22 representatives no later than November 1, 2002.

23 (2) CORRECTIONAL OPERATIONS

24 General Fund--State Appropriation (FY 2002) \$404,390,000
 25 General Fund--State Appropriation (FY 2003) ((~~\$412,788,000~~))
 26 \$435,665,000
 27 General Fund--Federal Appropriation ((~~\$9,142,000~~))
 28 \$9,936,000
 29 Violence Reduction and Drug Enforcement Account--
 30 State Appropriation \$1,596,000
 31 Public Health Services Account Appropriation \$1,453,000
 32 TOTAL APPROPRIATION ((~~\$829,369,000~~))
 33 \$853,040,000

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

- 36 (a) The department may expend funds generated by contractual
 37 agreements entered into for mitigation of severe overcrowding in local

1 jails. Any funds generated in excess of actual costs shall be
2 deposited in the state general fund. Expenditures shall not exceed
3 revenue generated by such agreements and shall be treated as recovery
4 of costs.

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

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

13 (d) \$553,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$956,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely to increase payment rates for
16 contracted education providers, contracted chemical dependency
17 providers, and contracted work release facilities.

18 (e) (~~During the 2001-03 biennium, when contracts are established~~
19 ~~or renewed for offender pay phone and other telephone services provided~~
20 ~~to inmates, the department shall select the contractor or contractors~~
21 ~~primarily based on the following factors: (i) The lowest rate charged~~
22 ~~to both the inmate and the person paying for the telephone call; and~~
23 ~~(ii) the lowest commission rates paid to the department, while~~
24 ~~providing reasonable compensation to cover the costs of the department~~
25 ~~to provide the telephone services to inmates and provide sufficient~~
26 ~~revenues for the activities funded from the institutional welfare~~
27 ~~betterment account as of January 1, 2000.)) The Washington state
28 institute for public policy shall study whether the geographic location
29 of the department's facilities affects local crime rates. The
30 institute shall deliver a final report to the governor and the
31 legislature by December 31, 2003. Within the amounts appropriated
32 above the department shall allocate up to \$30,000 to the institute
33 during fiscal year 2003 for the study.~~

34 (f) For the acquisition of properties and facilities, the
35 department of corrections is authorized to enter into financial
36 contracts, paid for from operating resources, for the purposes
37 indicated and in not more than the principal amounts indicated, plus
38 financing expenses and required reserves pursuant to chapter 39.94 RCW.

1 This authority applies to the following: Lease-develop with the option
2 to purchase or lease-purchase approximately 50 work release beds in
3 facilities throughout the state for \$3,500,000.

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

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

13 ((+j)) (i) Within the amounts appropriated in this section,
14 funding is provided for the initial implementation of a medical
15 algorithm practice program within the department's facilities. The
16 program shall be designed to achieve clinical efficacy and costs
17 efficiency in the utilization of psychiatric drugs.

18 (3) COMMUNITY SUPERVISION

19	General Fund--State Appropriation (FY 2002)	\$68,097,000
20	General Fund--State Appropriation (FY 2003)	(\$75,720,000)
21		<u>\$79,273,000</u>
22	General Fund--Federal Appropriation	\$870,000
23	Public Safety and Education	
24	Account--State Appropriation	\$15,493,000
25	TOTAL APPROPRIATION	(\$160,180,000)
26		<u>\$163,733,000</u>

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

29 (a) The department of corrections shall accomplish personnel
30 reductions with the least possible impact on correctional custody
31 staff, community custody staff, and correctional industries. For the
32 purposes of this subsection, correctional custody staff means employees
33 responsible for the direct supervision of offenders.

34 (b) \$75,000 of the general fund--state appropriation for fiscal
35 year 2002 and \$75,000 of the general fund--state appropriation for
36 fiscal year 2003 are provided solely for the department of corrections
37 to contract with the institute for public policy for responsibilities

1 assigned in chapter 196, Laws of 1999 (offender accountability act) and
2 sections 7 through 12 of chapter 197, Laws of 1999 (drug offender
3 sentencing).

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

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

14 (4) CORRECTIONAL INDUSTRIES

15	General Fund--State Appropriation (FY 2002)	\$631,000
16	General Fund--State Appropriation (FY 2003)	\$629,000
17	TOTAL APPROPRIATION	\$1,260,000

18 The appropriations in this subsection are subject to the following
19 conditions and limitations: \$110,000 of the general fund--state
20 appropriation for fiscal year 2002 and \$110,000 of the general fund--
21 state appropriation for fiscal year 2003 are provided solely for
22 transfer to the jail industries board. The board shall use the amounts
23 provided only for administrative expenses, equipment purchases, and
24 technical assistance associated with advising cities and counties in
25 developing, promoting, and implementing consistent, safe, and efficient
26 offender work programs.

27 (5) INTERAGENCY PAYMENTS

28	General Fund--State Appropriation (FY 2002)	\$18,568,000
29	General Fund--State Appropriation (FY 2003)	(\$18,569,000)
30		<u>\$19,433,000</u>
31	TOTAL APPROPRIATION	(\$37,137,000)
32		<u>\$38,001,000</u>

33 **Sec. 217.** 2002 c 371 s 224 (uncodified) is amended to read as
34 follows:

35 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

36	General Fund--Federal Appropriation	\$180,628,000
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1	General Fund--Private/Local Appropriation	\$30,119,000
2	Unemployment Compensation Administration Account--	
3	Federal Appropriation	((\$194,167,000))
4		<u>\$194,011,000</u>
5	Administrative Contingency Account--State	
6	Appropriation	((\$15,514,000))
7		<u>\$13,914,000</u>
8	Employment Service Administrative Account--State	
9	Appropriation	((\$20,001,000))
10		<u>\$21,601,000</u>
11	TOTAL APPROPRIATION	((\$440,429,000))
12		<u>\$440,273,000</u>

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

15 (1) \$156,000 of the unemployment compensation administration
16 account is provided solely for the implementation of Substitute House
17 Bill No. 2355 (unemployment insurance). If the bill is not enacted by
18 June 30, 2002, the amount provided in this subsection shall lapse.

19 (2) Up to \$1,600,000 of the administrative contingency account--
20 state appropriation is provided solely for administrative costs related
21 to the implementation of Engrossed House Bill No. 2901 (unemployment
22 insurance). If the bill is not enacted by June 30, 2002, the amount
23 provided in this subsection shall lapse.

(End of part)

PART III
NATURAL RESOURCES

Sec. 301. 2002 c 371 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2002)	\$39,404,000
General Fund--State Appropriation (FY 2003)	\$34,283,000
General Fund--Federal Appropriation	\$56,805,000
General Fund--Private/Local Appropriation	\$4,351,000
Special Grass Seed Burning Research Account--	
State Appropriation	\$14,000
Reclamation Revolving Account--State	
Appropriation	\$1,935,000
Flood Control Assistance Account--	
State Appropriation	\$4,098,000
State Emergency Water Projects Revolving Account--	
State Appropriation	\$878,000
Waste Reduction/Recycling/Litter Control Account--	
State Appropriation	\$14,287,000
State Drought Preparedness Account--State	
Appropriation	\$2,575,000
Salmon Recovery Account--State Appropriation	\$250,000
State and Local Improvements Revolving Account	
(Water Supply Facilities)--State	
Appropriation	\$587,000
Water Quality Account--State Appropriation	\$22,985,000
Wood Stove Education and Enforcement Account--	
State Appropriation	\$353,000
Worker and Community Right-to-Know Account--	
State Appropriation	\$3,288,000
State Toxics Control Account--State	
Appropriation	\$70,001,000
State Toxics Control Account--Private/Local	
Appropriation	\$350,000
Local Toxics Control Account--State	
Appropriation	\$4,751,000

1	Water Quality Permit Account--State	
2	Appropriation	\$24,210,000
3	Underground Storage Tank Account--State	
4	Appropriation	\$2,682,000
5	Environmental Excellence Account--State	
6	Appropriation	\$504,000
7	Biosolids Permit Account--State Appropriation	\$764,000
8	Hazardous Waste Assistance Account--State	
9	Appropriation	\$4,308,000
10	Air Pollution Control Account--State	
11	Appropriation	\$1,366,000
12	Oil Spill Prevention Account--State	
13	Appropriation	\$7,921,000
14	Air Operating Permit Account--State	
15	Appropriation	\$3,608,000
16	Freshwater Aquatic Weeds Account--State	
17	Appropriation	\$1,898,000
18	Oil Spill Response Account--State	
19	Appropriation	\$7,078,000
20	Metals Mining Account--State Appropriation	\$5,000
21	Water Pollution Control Revolving Account--	
22	State Appropriation	((\$536,000))
23		<u>\$564,000</u>
24	Water Pollution Control Revolving Account--	
25	Federal Appropriation	\$2,802,000
26	TOTAL APPROPRIATION	((\$318,877,000))
27		<u>\$318,905,000</u>

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

30 (1) \$3,874,000 of the general fund--state appropriation for fiscal
31 year 2002, ((~~\$3,874,000~~)) \$2,684,000 of the general fund--state
32 appropriation for fiscal year 2003, \$394,000 of the general fund--
33 federal appropriation, \$2,070,000 of the oil spill prevention account--
34 state appropriation, \$1,190,000 of the state toxics control account,
35 and \$3,686,000 of the water quality permit account--state appropriation
36 are provided solely for the implementation of the Puget Sound work plan
37 and agency action items DOE-01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07,
38 DOE-08, and DOE-09.

1 (2) \$500,000 of the state toxics control account appropriation is
2 provided for an assessment of the financial assurance requirements of
3 hazardous waste management facilities. By September 30, 2002, the
4 department shall provide to the governor and appropriate committees of
5 the legislature a report that: (a) Evaluates current statutes and
6 regulations governing hazardous waste management facilities; (b)
7 analyzes and makes recommendations for improving financial assurance
8 regulatory control; and (c) makes recommendations for funding financial
9 assurance regulatory control of hazardous waste management facilities.

10 (3) \$814,000 of the state drought preparedness account--state
11 appropriation, \$549,000 of the water quality account--state
12 appropriation, and \$250,000 of the salmon recovery account--state
13 appropriation are provided solely for enhanced streamflow monitoring in
14 critical salmon recovery basins. \$640,000 of this amount is provided
15 solely to implement the Puget Sound work plan and agency action item
16 DOE-01.

17 (4) \$1,000,000 of the state toxics control account appropriation in
18 this section is provided solely for the department to work in
19 cooperation with local jurisdictions to address emerging storm water
20 management requirements. This work shall include developing a storm
21 water manual for eastern Washington, technical assistance to local
22 jurisdictions, and increased implementation of the department's
23 existing storm water program. \$200,000 of this amount is provided
24 solely for implementation of the Puget Sound work plan and agency
25 action item DOE-06.

26 (5) \$383,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$383,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely for water conservation plan
29 review, technical assistance, and project review for water conservation
30 and reuse projects. By December 1, 2003, the department in cooperation
31 with the department of health shall report to the governor and
32 appropriate committees of the legislature on the activities and
33 achievements related to water conservation and reuse during the past
34 two biennia. The report shall include an overview of technical
35 assistance provided, reuse project development activities, and water
36 conservation achievements.

37 (6) \$3,424,000 of the state toxics control account appropriation is
38 provided solely for methamphetamine lab clean up activities.

1 (7)(a) \$800,000 of the state toxics control account appropriation
2 is provided solely to implement the department's persistent,
3 bioaccumulative toxic chemical strategy.

4 (b) In developing its persistent bioaccumulative toxic chemical
5 strategy, the department must:

6 (i) First develop a planned strategy for the reduction of mercury
7 from the environment. This strategy will be known as the mercury
8 chemical action plan. The development of the mercury chemical action
9 plan will be a model for developing all future chemical action plans;

10 (ii) Develop a mercury chemical action plan that includes, but is
11 not limited to: (A) Identifying current mercury uses in Washington;
12 (B) analyzing current state and federal laws, regulations, rules, and
13 voluntary measures that can be used to reduce or eliminate mercury; (C)
14 identifying mercury reduction and elimination options; and (D)
15 implementing actions to reduce or eliminate mercury uses and releases;

16 (iii) Involve an advisory committee of up to twelve members
17 composed of adequate and balanced representation of local government,
18 business, agriculture, and environmental, public health, and community
19 groups in the development of the mercury chemical action plan. In
20 addition, the department must invite and strongly encourage any
21 interested tribes or federal agencies to participate in the advisory
22 committee process. The advisory committee must be involved in the
23 development of the mercury chemical action plan. All information that
24 will serve as the basis for any decisions in the mercury chemical
25 action plan's development must be available to the advisory committee
26 members. The advisory committee has sixty days to provide input to the
27 department on the elements of the mercury chemical action plan. The
28 comments and suggestions made by the advisory committee must be
29 considered by the department; however, consensus of the advisory
30 committee is not necessary for the department to move forward in the
31 development of the mercury chemical action plan. All meetings of the
32 advisory committee are subject to the provisions of chapter 42.30 RCW.
33 The advisory committee for the mercury chemical action plan must be
34 established by April 15, 2002;

35 (iv) By August 31, 2002, develop and issue a draft mercury chemical
36 action plan in consultation with the advisory committee. Following the
37 release of the draft plan, the department must allow for a sixty-day

1 public comment period. The advisory committee, following the comment
2 period, shall consider the public comments received; and

3 (v) The department shall finalize the mercury chemical action plan
4 by December 31, 2002. The final mercury chemical action plan,
5 developed after considering the public comments and the input of the
6 advisory committee, must outline actions for the department to take,
7 including, but not limited to, the development of any rules and
8 recommending any legislation. Implementation must begin no later than
9 February 1, 2003.

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

19 (9) \$200,000 of the state toxics control account appropriation is
20 provided to assess the effectiveness of the state's current toxic
21 pollution prevention and dangerous waste programs and policies. The
22 department shall work with affected stakeholder groups and the public
23 to evaluate the performance of existing programs, and identify feasible
24 methods of reducing the generation of these wastes. The department
25 shall report its findings to the governor and the appropriate
26 committees of the legislature by September 30, 2002.

27 (10) \$1,200,000 of the state toxics control account appropriation
28 is provided solely for the department, in conjunction with affected
29 local governments, to address emergent areawide soil contamination
30 problems. The department's efforts will include public involvement
31 processes and completing assessments of the geographical extent of
32 toxic contamination including highly contaminated areas.

33 (11) \$170,000 of the oil spill prevention account appropriation is
34 provided solely for implementation of the Puget Sound work plan action
35 item UW-02 through a contract with the University of Washington's sea
36 grant program to develop an educational program targeted to small
37 spills from commercial fishing vessels, ferries, cruise ships, ports,
38 and marinas.

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

8 (13) \$9,000,000 of the water quality account--state appropriation
9 is provided solely for grants to local governments to conduct watershed
10 planning and technical assistance. At least \$7,000,000 shall be
11 distributed as grants and shall include \$200,000 for facilitation of
12 the central Puget Sound regional initiative.

13 (14) \$3,114,000 of the water quality account appropriation is
14 provided solely to implement Engrossed Substitute House Bill No. 1832
15 (water resources management). Of this amount: (a) \$1,200,000 is
16 provided for grants to local governments for targeted watershed
17 assessments consistent with Engrossed Substitute House Bill No. 1832;
18 and (b) the remainder of the funding is provided solely for development
19 of a state environmental policy act template to streamline
20 environmental review, creation of a blue ribbon panel to develop long-
21 term watershed planning implementation funding options, and technical
22 assistance.

23 (15) \$200,000 of the water quality account appropriation is
24 provided solely to provide coordination and assistance to groups
25 established for the purpose of protecting, enhancing, and restoring the
26 biological, chemical, and physical processes of watersheds. These
27 groups may include those involved in coordinated resource management,
28 regional fisheries enhancement groups, conservation districts,
29 watershed councils, and private nonprofit organizations incorporated
30 under Title 24 RCW.

31 (16) \$325,000 of the state drought preparedness account--state
32 appropriation is provided solely for an environmental impact statement
33 of the Pine Hollow reservoir project to be conducted in conjunction
34 with the local irrigation district.

35 (17) \$1,352,000 of the general fund--state appropriation for fiscal
36 year 2002, \$700,000 of the general fund--state appropriation for fiscal
37 year 2003, \$700,000 of the water quality account appropriation, and

1 \$280,000 of the oil spill prevention account appropriation are provided
2 solely for oil spill prevention measures in Puget Sound. Of these
3 amounts:

4 (a) The general fund appropriation and the water quality account
5 appropriation are provided solely for the department of ecology to
6 provide for charter safety tug services, including the placement of a
7 dedicated tug at Neah Bay for not less than 200 days in fiscal year
8 2002 and fiscal year 2003. By January 10, 2002, the department shall
9 report to the appropriate committees of the legislature regarding the
10 number of dispatches, response time and distance, and other factors
11 pertaining to the safety tug services. The general fund--state
12 appropriation in this subsection is provided solely for implementation
13 of the Puget Sound work plan and agency action item DOE-09;

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

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

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

25 (18) \$600,000 of the water quality account--state appropriation is
26 provided solely for setting instream flows in six basins not currently
27 planning under the watershed planning act.

28 (19) \$200,000 of the water quality account appropriation is
29 provided solely for activities associated with development of the
30 Willapa River total maximum daily load (TMDL). The activities shall
31 include but are not limited to: (a) A contract with Pacific county to
32 complete the oxygen/bacteria and temperature model for the TMDL,
33 conduct a technical analysis of local options for waste load
34 allocations, and develop the first draft of the waste load allocation
35 plan; and (b) a contract for facilitation services for a public process
36 for the TMDL, assist in reaching consensus between parties involved in
37 the technical work, help ensure that there is an accurate public
38 record, and provide a forum for the waste load allocation.

1 (20) \$175,000 of the biosolids permit account is provided solely to
2 develop a statewide septage strategy. The department shall work with
3 affected stakeholders to address septage permit requirements, changes
4 to existing rules, clarification of state and local responsibilities,
5 and fee structure changes that are necessary to support the program in
6 future biennia. The department shall report its findings to the
7 governor and appropriate committees of the legislature by June 30,
8 2003.

9 (21) \$189,000 of the general fund--state appropriation for fiscal
10 year 2003 is provided solely for facilitation services and the
11 following activities:

12 (a)(i) A joint task force is created to study judicial and
13 administrative alternatives for resolving water disputes. The task
14 force shall be organized and led by the office of the attorney general.
15 In addition to the office of the attorney general, members of the task
16 force shall include:

17 (A) Representatives of the legislature, including one member from
18 each caucus appointed by the president of the senate and the speaker of
19 the house of representatives;

20 (B) Representatives of the superior courts appointed by the
21 president of the superior court judges association, and shall include
22 two judicial officers of the superior court from eastern Washington and
23 two judicial officers of the superior court from western Washington;

24 (C) A representative of the state court of appeals appointed by the
25 chief justice of the state supreme court;

26 (D) A representative of the environmental hearings office; and

27 (E) A representative of the department of ecology.

28 (ii) The objectives of the task force are to:

29 (A) Examine and characterize the types of water disputes to be
30 resolved;

31 (B) Examine the approach of other states to water dispute
32 resolution;

33 (C) Recommend one or more methods to resolve water disputes,
34 including, but not limited to, an administrative resolution process; a
35 judicial resolution process such as water court; or any combination
36 thereof; and

37 (D) Recommend an implementation plan that will address:

1 (I) A specific administrative structure for each method used to
2 resolve water disputes;

3 (II) The cost to implement the plan; and

4 (III) The changes to statutes and administrative rules necessary to
5 implement the plan.

6 (iii) The office of the attorney general shall work with the staff
7 of the standing committees of the legislature with jurisdiction over
8 water resources to research and compile information relevant to the
9 mission of the task force by December 31, 2002.

10 (iv) The task force shall submit its report to the appropriate
11 committees of the legislature no later than December 30, 2003.

12 (b) The department of ecology and the attorney general's office
13 shall conduct a study to identify possible ways to streamline the water
14 right general adjudication procedures. By December 1, 2002, the
15 agencies will report on their findings and recommendations to the
16 legislature.

17 (c)(i) The legislature finds that it is in the public interest to
18 investigate the feasibility of conducting negotiations with other
19 states and Canada regarding use of water bodies they share with the
20 state of Washington.

21 (ii) The governor, or the governor's designee, shall consult with
22 the states that share water bodies with the state of Washington, with
23 Canada, and with other states that have conducted similar negotiations,
24 regarding issues and strategies in those negotiations and shall report
25 to the standing committees of the legislature having jurisdiction over
26 water resources by January 1, 2003.

27 (iii) In conducting the consultations under this subsection (c),
28 the governor shall give priority consideration to the interstate issues
29 affecting the Spokane-Rathdrum Prairie aquifer including those issues
30 affecting a safe and adequate supply of public drinking water, as
31 provided by municipal governments.

32 (d) By October 1, 2002, the department of ecology shall provide to
33 the appropriate standing committees of the legislature, a plan,
34 schedule, and budget for improving the administration of water right
35 records held by the department of ecology. The department of ecology
36 shall work with the department of revenue and with county auditors in
37 developing recommendations for improving the administration of water
38 rights ownership information and integrating this information with real

1 property ownership records. The department of ecology shall evaluate
2 the need for grants to counties to assist with recording and
3 information management needs related to water rights ownership and
4 title.

5 (22) For applicants that meet eligibility requirements, the
6 department of ecology shall consider individual stormdrain treatment
7 systems to be classified as "activity" projects and eligible for grant
8 funding provided under section 319 the federal Clean Water Act. These
9 projects shall be prioritized for funding along with other grant
10 proposals. Receipt of funding shall be based on this prioritization.

11 **Sec. 302.** 2002 c 371 s 303 (uncodified) is amended to read as
12 follows:

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

14	General Fund--State Appropriation (FY 2002)	\$32,198,000
15	General Fund--State Appropriation (FY 2003)	((\$30,340,000))
16		<u>\$30,356,000</u>
17	General Fund--Federal Appropriation	\$2,690,000
18	General Fund--Private/Local Appropriation	\$60,000
19	Winter Recreation Program Account--State	
20	Appropriation	\$1,087,000
21	Off Road Vehicle Account--State Appropriation	\$274,000
22	Snowmobile Account--State Appropriation	\$4,682,000
23	Aquatic Lands Enhancement Account--State	
24	Appropriation	\$337,000
25	Public Safety and Education Account--State	
26	Appropriation	\$47,000
27	Salmon Recovery Account--State Appropriation	\$200,000
28	Water Trail Program Account--State	
29	Appropriation	\$24,000
30	Parks Renewal and Stewardship Account--	
31	State Appropriation	((\$27,193,000))
32		<u>\$27,733,000</u>
33	TOTAL APPROPRIATION	((\$99,132,000))
34		<u>\$99,688,000</u>

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

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

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

9 (3) \$79,000 of the general fund--state appropriation for fiscal
10 year 2002, \$79,000 of the general fund--state appropriation for fiscal
11 year 2003, and \$8,000 of the winter recreation program account--state
12 appropriation are provided solely for a grant for the operation of the
13 Northwest avalanche center.

14 (4) \$432,000 of the parks renewal and stewardship account
15 appropriation is provided for the operation of the Silver Lake visitor
16 center. If a long-term management agreement is not reached with the
17 U.S. forest service by September 30, 2001, the amount provided in this
18 subsection shall lapse.

19 (5) \$189,000 of the aquatic lands enhancement account appropriation
20 is provided solely for the implementation of the Puget Sound work plan
21 and agency action item P+RC-02.

22 (6) The task force on the funding of state parks and outdoor
23 recreation is hereby created, to consider and develop legislation on
24 the operation and funding of the state parks and outdoor recreation
25 programs of the state. The committee shall be composed of fifteen
26 members, four members of the senate appointed by the president of the
27 senate and to include two members from each caucus, four members of the
28 house of representatives appointed by the speaker of the house of
29 representatives and to include two members from each caucus, three
30 members appointed by the governor and to include at least one
31 representative of a broad coalition of users of the state's parks and
32 outdoor recreation programs, one member appointed by the commissioner
33 of public lands, one member appointed by the chair of the fish and
34 wildlife commission, and one member appointed by the chair of the state
35 parks and recreation commission, and one member appointed by the
36 interagency committee for outdoor recreation. The task force shall
37 elect its own officers, shall be staffed by staff of the legislature,
38 the executive agencies, and the office of the governor, and may appoint

1 an advisory committee of additional persons and organizations
 2 interested in the operation and funding of state parks and outdoor
 3 recreation. The task force shall specifically review and incorporate
 4 into its work the reports prepared pursuant to budget provisos by the
 5 Washington state parks and recreation commission regarding its
 6 operating budget needs, deferred maintenance backlog, and capital
 7 facilities renovation and replacement requirements. The task force
 8 shall prepare recommendations for improving the operation of state
 9 parks and outdoor recreation programs and for securing adequate funding
 10 on a permanent basis for supporting the needs of the state parks and
 11 outdoor recreation programs of the state, including a legislative
 12 proposal for the implementation of an evergreen recreation pass that
 13 would combine the various permits and licenses of the participating
 14 agencies into a single pass for recreational day use. The
 15 recommendations shall be developed no later than January 1, 2003, and
 16 shall be designed for enactment by the legislature during 2003 for
 17 implementation in the 2005-07 biennium. The task force shall cease to
 18 exist on June 30, 2003.

19 **Sec. 303.** 2002 c 371 s 307 (uncodified) is amended to read as
 20 follows:

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

22	General Fund--State Appropriation (FY 2002)	\$46,375,000
23	General Fund--State Appropriation (FY 2003)	((\$44,334,000))
24		<u>\$44,421,000</u>
25	General Fund--Federal Appropriation	((\$37,716,000))
26		<u>\$46,242,000</u>
27	General Fund--Private/Local Appropriation	((\$24,365,000))
28		<u>\$29,039,000</u>
29	Off Road Vehicle Account--State	
30	Appropriation	\$475,000
31	Aquatic Lands Enhancement Account--State	
32	Appropriation	((\$5,133,000))
33		<u>\$5,366,000</u>
34	Public Safety and Education Account--State	
35	Appropriation	\$574,000
36	Recreational Fisheries Enhancement Account--	
37	State Appropriation	\$3,354,000

1	Salmon Recovery Account--State Appropriation	\$1,612,000
2	Warm Water Game Fish Account--State	
3	Appropriation	\$2,567,000
4	Eastern Washington Pheasant Enhancement Account--	
5	State Appropriation	\$750,000
6	Wildlife Account--State Appropriation	(\$50,680,000)
7		<u>\$50,925,000</u>
8	Wildlife Account--Federal Appropriation	(\$38,182,000)
9		<u>\$29,656,000</u>
10	Wildlife Account--Private/Local	
11	Appropriation	(\$15,133,000)
12		<u>\$10,459,000</u>
13	Game Special Wildlife Account--State	
14	Appropriation	\$1,941,000
15	Game Special Wildlife Account--Federal	
16	Appropriation	\$9,591,000
17	Game Special Wildlife Account--Private/Local	
18	Appropriation	\$350,000
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	(\$285,995,000)
28		<u>\$286,560,000</u>

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

31 (1) \$1,682,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$1,189,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided solely for the implementation of the
34 Puget Sound work plan and agency action items DFW-01 through DFW-07.

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

1 (3) \$250,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$250,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for the department to implement a
4 hatchery endangered species act response. The response shall include
5 emergency hatchery responses, production, and retrofitting of
6 hatcheries for salmon recovery.

7 (4) \$600,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$600,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for local salmon recovery
10 technical assistance.

11 (5) \$250,000 of the salmon recovery account appropriation is
12 provided solely for a grant to the lower Skykomish River habitat
13 conservation group for the purpose of developing a salmon recovery
14 plan, in coordination with the lead entity established under chapter
15 77.85 RCW for that area. The salmon recovery plan must be consistent
16 with the regional recovery plans of the Puget Sound shared strategy and
17 criteria developed by the department for the regional salmon recovery
18 planning program.

19 (6) \$91,000 of the warm water game fish account appropriation is
20 provided solely for warm water fish culture at the Rod Meseberg warm
21 water fish production facility.

22 (7) \$200,000 of the general fund--state appropriation for fiscal
23 year 2002 and \$200,000 of the general fund--state appropriation for
24 fiscal year 2003 are provided solely to fund three cooperative
25 compliance programs, both in Western and Eastern Washington. The
26 cooperative compliance program shall conduct fish screen, fish way, and
27 fish passage barrier assessments and correction plans for landowners
28 seeking cooperative compliance agreements with the department.

29 (8) \$1,300,000 of the salmon recovery account appropriation,
30 \$400,000 of the general fund--state appropriation for fiscal year 2003,
31 and \$5,000,000 of the general fund--federal appropriation are provided
32 solely for economic adjustment assistance to fishermen pursuant to the
33 1999 Pacific salmon treaty agreement.

34 (9) \$810,000 of the general fund--state appropriation for fiscal
35 year 2002, \$790,000 of the general fund--state appropriation for fiscal
36 year 2003, and \$250,000 of the wildlife account--state appropriation
37 are provided solely for enforcement and biological staff to respond and
38 take appropriate action to public complaints regarding bear and cougar.

1 (10) \$75,000 of the general fund--state appropriation for fiscal
2 year 2003 is provided solely to the department to execute an
3 interagency agreement with the joint legislative audit and review
4 committee to complete an independent organizational and operational
5 review of the fish management division of the fish program. This
6 review shall include:

7 (a) Identifying those actual functions carried out by the fish
8 management division, including all expenditures by fund source linked
9 to those functions, and the agency's rationale for its current staffing
10 and expenditure levels;

11 (b) Distinguishing those specific division activities and
12 expenditures that are mandated by court decisions, federal laws or
13 treaties, federal contracts, state laws, and fish and wildlife
14 commission directives, as apart from department discretionary policies;

15 (c) Reviewing the extent to which division activities and related
16 program expenditures contribute to meeting legislative intent, agency
17 goals, and programmatic objectives; and

18 (d) Evaluating how performance in meeting intent, goals, and
19 objectives through program activities is measured, reported, and
20 improved.

21 The committee shall provide a status report on this review to the
22 appropriate legislative policy and fiscal committees by November 1,
23 2002, and a final report by December 1, 2003.

24 (11) The department shall implement a lands program manager
25 consolidation program. The consolidation program shall target the
26 department's south central region. The savings from this consolidation
27 shall be used by the department for additional maintenance on agency
28 lands within the south central region.

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

35 (13) \$388,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$388,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided solely to implement the forests and fish
38 agreement and includes funding to continue statewide coordination and

1 implementation of the forests and fish rules, integration of portions
2 of the hydraulic code into the forest practices rules to provide permit
3 streamlining, and sharing the responsibility of developing and
4 implementing the required forests and fish agreement monitoring and
5 adaptive management program.

6 (14) \$194,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$195,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for staff to represent the state's
9 fish and wildlife interests in hydroelectric project relicensing
10 processes by the federal energy regulatory commission.

11 (15) \$156,000 of the wildlife account--state appropriation is
12 provided solely for a youth fishing coordinator to develop partnerships
13 with local communities, and to identify, develop, fund, and promote
14 youth fishing events and opportunities. Event coordination and
15 promotion services shall be contracted to a private consultant.

16 (16) \$135,000 of the oyster reserve land account appropriation is
17 provided solely to implement chapter 273, Laws of 2001, Engrossed
18 Second Substitute House Bill No. 1658 (state oyster reserve lands).

19 (17) \$43,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$42,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided solely for staffing and operation of the
22 Tennant Lake interpretive center.

23 (18) \$32,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$33,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely to support the activities of the
26 aquatic nuisance species coordination committee to foster state,
27 federal, tribal, and private cooperation on aquatic nuisance species
28 issues. The committee shall strive to prevent the introduction of
29 nonnative aquatic species and to minimize the spread of species that
30 are introduced.

31 (19) \$25,000 of the wildlife account--state appropriation is
32 provided solely for the WildWatchCam program to provide internet
33 transmission of live views of wildlife.

34 (20) \$8,000 of the general fund--state appropriation for fiscal
35 year 2002 and \$7,000 of the general fund--state appropriation for
36 fiscal year 2003 are provided solely for the payment of the
37 department's share of approved lake management district assessments.
38 By December 15, 2001, the department shall provide the legislature a

1 summary of its activities related to lake management districts as well
2 as recommendations for establishing equitable lake management district
3 assessments.

4 (21) The department shall emphasize enforcement of laws related to
5 protection of fish habitat and the illegal harvest of salmon and
6 steelhead. Within the amount provided for the agency, the department
7 shall provide support to the department of health to enforce state
8 shellfish harvest laws.

9 (22) The fish and wildlife commission shall evaluate the adequacy,
10 structure, and amount of fees for hunting and fishing licenses and make
11 recommendations for revision of the fee structure and schedule as
12 appropriate. The evaluation shall consider, but is not limited to:
13 Assessment of the fish and wildlife resource management needs, fees in
14 adjacent states and countries, and efficiencies made possible through
15 automation. The commission shall report to the legislature and the
16 office of financial management by November 1, 2002.

17 (23) The department shall establish a hydraulic project approval
18 program technical review task force. The task force shall be composed
19 of a balanced representation of both hydraulic project proponents and
20 conservation interests. The task force shall conduct a thorough
21 evaluation of the hydraulic project approval program and make
22 recommendations to the legislature by November 30, 2002, based upon its
23 evaluation. The task force recommendations shall include a potential
24 fee structure and schedule for hydraulic project approval permits.

25 **Sec. 304.** 2002 c 371 s 308 (uncodified) is amended to read as
26 follows:

27 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

28	General Fund--State Appropriation (FY 2002)	\$35,949,000
29	General Fund--State Appropriation (FY 2003)	((\$30,465,000))
30		<u>\$47,045,000</u>
31	General Fund--Federal Appropriation	((\$10,936,000))
32		<u>\$20,593,000</u>
33	General Fund--Private/Local Appropriation	\$2,265,000
34	Forest Development Account--State	
35	Appropriation	\$50,088,000
36	Off Road Vehicle Account--State	
37	Appropriation	\$3,684,000

1	Surveys and Maps Account--State	
2	Appropriation	\$2,689,000
3	Aquatic Lands Enhancement Account--State	
4	Appropriation	\$3,923,000
5	Resources Management Cost Account--State	
6	Appropriation	\$79,156,000
7	Surface Mining Reclamation Account--State	
8	Appropriation	\$2,416,000
9	Salmon Recovery Account--State	
10	Appropriation	\$625,000
11	Water Quality Account--State Appropriation	\$2,900,000
12	Aquatic Land Dredged Material Disposal Site	
13	Account--State Appropriation	\$1,056,000
14	Natural Resource Conservation Areas Stewardship	
15	Account Appropriation	\$209,000
16	State Toxics Account--State Appropriation	\$1,865,000
17	Air Pollution Control Account--State	
18	Appropriation	\$629,000
19	Metals Mining Account--State Appropriation	\$64,000
20	Agricultural College Trust Management Account	
21	Appropriation	\$1,790,000
22	Derelict Vessel Removal Account--State	
23	Appropriation	(\$89,000)
24		<u>\$289,000</u>
25	TOTAL APPROPRIATION	(\$230,798,000)
26		<u>\$257,235,000</u>

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

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

34 (2)(a) \$625,000 of the salmon recovery account appropriation,
35 \$1,250,000 of the general fund--state appropriation for fiscal year
36 2002, \$1,250,000 of the general fund--state appropriation for fiscal
37 year 2003, and \$2,900,000 of the water quality account--state

1 appropriation are provided solely for implementation of chapter 4, Laws
2 of 1999 sp. sess. (forest practices and salmon recovery).

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

8 (3) \$2,000,000 of the forest development account appropriation is
9 provided solely for road decommissioning, maintenance, and repair in
10 the Lake Whatcom watershed.

11 (4) \$543,000 of the forest fire protection assessment account
12 appropriation, \$22,000 of the forest development account appropriation,
13 and \$76,000 of the resource management cost account appropriation are
14 provided solely to implement chapter 279, Laws of 2001, Substitute
15 House Bill No. 2104, (modifying forest fire protection assessments).

16 (5) \$354,000 of the general fund--state appropriation for fiscal
17 year 2002 and \$895,000 of the general fund--state appropriation for
18 fiscal year 2003 shall be transferred to the agricultural college trust
19 management account and are provided solely to manage approximately
20 70,700 acres of Washington State University's agricultural college
21 trust lands.

22 (6) \$4,000 of the general fund--state appropriation for fiscal year
23 2002 and \$4,000 of the general fund--state appropriation for fiscal
24 year 2003 are provided solely to compensate the forest board trust for
25 a portion of the lease to the Crescent television improvement district
26 consistent with RCW 79.12.055.

27 (7) \$828,000 of the surface mine reclamation account appropriation
28 is provided to implement Engrossed House Bill No. 1845 (surface mining
29 fees). If the bill is not enacted by June 30, 2001, the amount
30 provided in this subsection shall lapse.

31 (8) \$800,000 of the aquatic lands enhancement account appropriation
32 and \$200,000 of the resources management cost account appropriation are
33 provided solely to improve asset management on state-owned aquatic
34 lands. The department shall streamline the use authorization process
35 for businesses operating on state-owned aquatic lands and issue
36 decisions on 325 pending lease applications by June 30, 2003. The
37 department, in consultation with the attorney general, shall develop a

1 strategic program to resolve claims related to contaminated sediments
2 on state-owned aquatic lands.

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

5 (10) \$100,000 of the aquatic lands enhancement account is provided
6 solely for the development and initial implementation of a statewide
7 management plan for marine reserves.

8 (11) \$7,657,859 of the general fund--state appropriation for fiscal
9 year 2002 and (~~(\$4,153,859)~~) \$20,733,859 of the general fund--state
10 appropriation for fiscal year 2003 are provided solely for emergency
11 fire suppression.

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

16 (13) \$100,000 of the general fund--state appropriation for fiscal
17 year 2002, \$550,000 of the aquatic lands enhancement account--state
18 appropriation, and \$209,000 of the natural resources conservation areas
19 stewardship account--state appropriation are provided solely to the
20 department for planning, management, and stewardship of natural area
21 preserves and natural resources conservation areas.

22 (14) \$187,000 of the general fund--state appropriation for fiscal
23 year 2002 and \$188,000 of the general fund--state appropriation for
24 fiscal year 2003 are provided solely to the department for maintenance
25 and stewardship of public lands.

26 (15) \$100,000 of the general fund--state appropriation for fiscal
27 year 2002, \$100,000 of the general fund--state appropriation for fiscal
28 year 2003, and \$400,000 of the aquatic lands enhancement account
29 appropriation are provided solely for spartina control.

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

33 (17) The entire state toxics control account appropriation is
34 provided solely for the department to meet its settlement obligation
35 with the U.S. Environmental Protection Agency for the clean-up of the
36 Thea Foss Waterway.

37 (~~(+19)~~) (18) \$250,000 of the resource management cost account--
38 state appropriation and \$250,000 of the forest development account--

1 state appropriation are deposited in the contract harvesting revolving
2 account--nonappropriated to implement Substitute Senate Bill No. 6257
3 (contract harvesting). If Substitute Senate Bill No. 6257 is not
4 enacted the deposit in this subsection shall not occur.

5 ~~((+20+))~~ (19) Within the amounts appropriated in this section, the
6 department shall review the current procedures used to mobilize
7 resources to fight forest fires under the state mobilization plan and
8 through the department of natural resources. The review must include
9 recommendations to ensure that the people closest to a fire are called
10 first, to allow private contractors to be mobilized under the state
11 mobilization plan, and to identify other efficiencies. The department
12 shall review recent studies regarding ways to improve forest fire
13 fighting in the state. The department shall consult with
14 representatives of private contractors, fire districts, municipal fire
15 departments, the state fire marshal, appropriate federal agencies, and
16 other interested groups in developing the recommendations. The
17 department shall report their findings and recommendations to the
18 appropriate committees of the legislature by January 1, 2003.

19 ~~((+21+))~~ (20) \$4,000,000 of the resource management cost account
20 appropriation is provided solely for the purposes of RCW 79.64.020 and
21 is contingent upon the establishment, management, and protection of the
22 following marine reserves: Tidelands and bedlands adjacent to Cherry
23 Point in Whatcom county; tidelands and bedlands surrounding Maury
24 Island in King county; tidelands, bedlands, harbor areas, and waterways
25 adjacent to the Puyallup River delta, within Commencement Bay in Pierce
26 county; tidelands and bedlands surrounding Cypress Island in Skagit
27 county; and tidelands and bedlands within Fidalgo Bay in Skagit county.

28 ~~((+22+))~~ (21) Within the amounts appropriated in this section, the
29 department shall update the Washington State University asset
30 diversification plan to diversify at least ten percent of the
31 commercial forest land base within ten years and report recommendations
32 for implementing the plan to the appropriate committees of the
33 legislature by December 1, 2002.

34 **Sec. 305.** 2002 c 371 s 309 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF AGRICULTURE**
37 General Fund--State Appropriation (FY 2002) \$7,815,000

1	General Fund--State Appropriation (FY 2003)	\$7,434,000
2	General Fund--Federal Appropriation	\$7,441,000
3	General fund--Private/Local Appropriation	\$1,110,000
4	Aquatic Lands Enhancement Account--State	
5	Appropriation	\$2,304,000
6	State Toxics Control Account--State	
7	Appropriation	((\$2,917,000))
8		<u>\$2,484,000</u>
9	TOTAL APPROPRIATION	((\$29,021,000))
10		<u>\$28,588,000</u>

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

13 (1) \$36,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$37,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for implementation of the Puget
16 Sound work plan and agency action item DOA-01.

17 (2) \$1,077,000 of the state toxics control account appropriation
18 and \$298,000 of the agricultural local account are provided solely to
19 establish a program to monitor pesticides in surface water, sample and
20 analyze surface waters for pesticide residues, evaluate pesticide
21 exposure on salmon species listed under the provisions of the
22 endangered species act, and implement actions needed to protect
23 salmonids.

24 (3) \$1,480,000 of the aquatic lands enhancement account
25 appropriation is provided solely to initiate a plan to eradicate
26 infestations of spartina in Puget Sound, Hood Canal, and Grays Harbor
27 and begin the reduction in spartina infestations in Willapa Bay.

28 (4) \$75,000 of the general fund--state appropriation for fiscal
29 year 2002, \$75,000 of the general fund--state appropriation for fiscal
30 year 2003, and \$150,000 of the general fund--federal appropriation are
31 provided solely to the small farm and direct marketing program to
32 support small farms in complying with federal, state, and local
33 regulations, facilitating access to food processing centers, and
34 assisting with grant funding requests.

35 (5) \$700,000 of the general fund--federal appropriation and
36 \$700,000 of the general fund--private/local appropriation are provided
37 solely to implement chapter 324, Laws of 2001 (Substitute House Bill
38 No. 1891, marketing of agriculture).

1 (6) (~~(\$450,000)~~) \$242,000 of the state toxics control account--
2 state appropriation is provided solely for deposit in the agricultural
3 local nonappropriated account for the plant pest account to reimburse
4 county horticultural pest and disease boards for the costs of pest
5 control activities, including tree removal, conducted under their
6 existing authorities in chapters 15.08 and 15.09 RCW.

7 (7) The district manager for district two as defined in WAC 16-458-
8 075 shall transfer four hundred fifty thousand dollars from the fruit
9 and vegetable district fund to the plant pest account within the
10 agricultural local fund. The amount transferred must be derived from
11 fees collected for state inspections of tree fruits and shall be used
12 solely to reimburse county horticultural pest and disease boards in
13 district two for the cost of pest control activities, including tree
14 removal, conducted under their existing authority in chapters 15.08 and
15 15.09 RCW. The transfer of funds shall occur by July 1, 2001. On June
16 30, 2003, any unexpended portion of the four hundred fifty thousand
17 dollars shall be returned to the fruit and vegetable district fund.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2002 c 371 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2002)	\$5,366,000
General Fund--State Appropriation (FY 2003)	(\$5,300,000)
	<u>\$5,417,000</u>
Architects' License Account--State	
Appropriation	(\$684,000)
	<u>\$688,000</u>
Cemetery Account--State Appropriation	(\$200,000)
	<u>\$203,000</u>
Professional Engineers' Account--State	
Appropriation	(\$3,102,000)
	<u>\$3,123,000</u>
Real Estate Commission--State Appropriation	(\$6,837,000)
	<u>\$6,895,000</u>
Master License Account--State Appropriation	(\$8,278,000)
	<u>\$8,314,000</u>
Uniform Commercial Code Account--State	
Appropriation	(\$2,900,000)
	<u>\$2,916,000</u>
Real Estate Education Account--State	
Appropriation	\$276,000
Funeral Directors and Embalmers Account--State	
Appropriation	(\$459,000)
	<u>\$461,000</u>
Washington Real Estate Research Account	
Appropriation	\$307,000
<u>Geologists' Account--State Appropriation</u>	<u>\$2,000</u>
Data Processing Revolving Account--State	
Appropriation	\$23,000
Derelict Vessel Removal Account--State	
Appropriation	\$86,000
TOTAL APPROPRIATION	(\$33,818,000)

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

Sec. 402. 2002 c 371 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2002)	\$21,567,000
General Fund--State Appropriation (FY 2003)	(\$7,933,000)
	<u>\$8,370,000</u>
General Fund--Federal Appropriation	(\$4,178,000)
	<u>\$4,818,000</u>
General Fund--Private/Local Appropriation	\$369,000
Death Investigations Account--State	
Appropriation	\$4,024,000
Public Safety and Education Account--State	
Appropriation	(\$14,769,000)
	<u>\$14,810,000</u>
County Criminal Justice Assistance Account--State	
Appropriation	\$2,870,000
Municipal Criminal Justice Assistance Account--	
State Appropriation	\$1,367,000
Fire Service Trust Account--State	
Appropriation	\$125,000
Fire Service Training Account--State	
Appropriation	\$6,328,000
State Toxics Control Account--State	
Appropriation	\$461,000

1	Violence Reduction and Drug Enforcement Account--	
2	State Appropriation	\$274,000
3	Fingerprint Identification Account--State	
4	Appropriation	(\$5,316,000)
5		<u>\$6,028,000</u>
6	TOTAL APPROPRIATION	(\$69,581,000)
7		<u>\$71,411,000</u>

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

10 (1) \$354,000 of the public safety and education account
11 appropriation is provided solely for additional law enforcement and
12 security coverage on the west capitol campus.

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

21 (3) \$100,000 of the public safety and education account
22 appropriation is provided solely for the implementation of Substitute
23 Senate Bill No. 5896 (DNA testing of evidence). If the bill is not
24 enacted by June 30, 2001, the amount provided in this subsection shall
25 lapse.

26 (4) \$1,419,000 of the public safety and education account--state
27 appropriation is provided solely for combating the proliferation of
28 methamphetamine labs. The amounts in this subsection are provided
29 solely for the following activities: (a) The establishment of a
30 regional methamphetamine enforcement, training, and education program;
31 (b) additional members for the statewide methamphetamine incident
32 response team; and (c) two forensic scientists with the necessary
33 equipment to perform lab analysis in the crime laboratory division.

34 (5) Within the amounts appropriated in this section, funding is
35 provided to implement Substitute House Bill No. 2468 (offender DNA
36 database).

(End of part)

PART V
EDUCATION

Sec. 501. 2002 c 371 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2002)	\$12,302,000
General Fund--State Appropriation (FY 2003)	\$12,000,000
General Fund--Federal Appropriation	(\$53,760,000)
	<u>\$15,248,000</u>
TOTAL APPROPRIATION	(\$78,062,000)
	<u>\$39,550,000</u>

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

(a) \$11,385,000 of the general fund--state appropriation for fiscal year 2002 and \$11,101,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Of this amount, a maximum of \$350,000 is provided in each fiscal year for upgrading information systems including the general apportionment and student information systems.

(b) \$486,000 of the general fund--state appropriation for fiscal year 2002 and \$481,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of the general fund--state appropriation, \$100,000 is provided solely for certificate of mastery development and validation.

(c) \$431,000 of the general fund--state appropriation for fiscal year 2002 and \$418,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the Washington professional educator standards board.

(d) \$49,000 of the general fund--state appropriation for fiscal year 2003 is provided solely to support the joint task force on local effort assistance created by House Bill No. 3011.

(2) STATEWIDE PROGRAMS

1	General Fund--State Appropriation (FY 2002)	\$17,280,000
2	General Fund--State Appropriation (FY 2003)	(\$9,990,000)
3		<u>\$9,898,000</u>
4	General Fund--Federal Appropriation	(\$85,395,000)
5		<u>\$139,140,000</u>
6	TOTAL APPROPRIATION	(\$112,665,000)
7		<u>\$166,318,000</u>

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

11 (a) HEALTH AND SAFETY

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

15 (ii) A maximum \$2,621,000 of the general fund--state appropriation
16 for fiscal year 2002 and a maximum of \$2,542,000 of the general fund--
17 state appropriation for fiscal year 2003 are provided for a corps of
18 nurses located at educational service districts, as determined by the
19 superintendent of public instruction, to be dispatched to the most
20 needy schools to provide direct care to students, health education, and
21 training for school staff.

22 (iii) A maximum of \$100,000 of the general fund--state
23 appropriation for fiscal year 2002 and a maximum of \$97,000 of the
24 general fund--state appropriation for fiscal year 2003 are provided to
25 create a school safety center subject to the following conditions and
26 limitations.

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

36 (B) The school safety center shall be established in the office of
37 the superintendent of public instruction. The superintendent of public
38 instruction shall participate in a school safety center advisory

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

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

13 (iv) A maximum of \$113,000 of the general fund--state appropriation
14 for fiscal year 2002 and a maximum of \$100,000 of the general fund--
15 state appropriation for fiscal year 2003 are provided for a school
16 safety training program provided by the criminal justice training
17 commission subject to the following conditions and limitations:

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

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

27 (v) A maximum of \$250,000 of the general fund--state appropriation
28 for fiscal year 2002 and a maximum of \$243,000 of the general fund--
29 state appropriation for fiscal year 2003 are provided for training in
30 school districts regarding the prevention of bullying and harassment.
31 The superintendent of public instruction shall use the funds to develop
32 a model bullying and harassment prevention policy and training
33 materials for school and educational service districts. The
34 information may be disseminated in a variety of ways, including
35 workshops and other staff development activities such as videotape or
36 broadcasts.

37 (vi) A maximum of \$6,048,000 of the general fund--state

1 appropriation for fiscal year 2002 is provided for a safety allocation
2 to districts subject to the following conditions and limitations:

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

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

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

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

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

36 (vii) A maximum of \$200,000 of the general fund--state
37 appropriation for fiscal year 2002, a maximum of \$194,000 of the
38 general fund--state appropriation for fiscal year 2003, and \$400,000 of

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

13 (viii) A maximum of \$150,000 of the general fund--state
14 appropriation for fiscal year 2002 and a maximum of \$145,000 of the
15 general fund--state appropriation for fiscal year 2003 are provided for
16 a nonviolence and leadership training program provided by the institute
17 for community leadership. The program shall provide the following:

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

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

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

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

32 (b) TECHNOLOGY

33 (i) A maximum of \$2,000,000 of the general fund--state
34 appropriation for fiscal year 2002 and a maximum of \$1,940,000 of the
35 general fund--state appropriation for fiscal year 2003 are provided for
36 K-20 telecommunications network technical support in the K-12 sector to
37 prevent system failures and avoid interruptions in school utilization
38 of the data processing and video-conferencing capabilities of the

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

5 (ii) A maximum of \$617,000 of the general fund--state appropriation
6 for fiscal year 2002 and a maximum of \$1,079,000 of the general fund--
7 state appropriation for fiscal year 2003 are provided for the
8 Washington state leadership assistance for science education reform
9 (LASER) regional partnership coordinated at the Pacific Science Center.

10 (c) GRANTS AND ALLOCATIONS

11 (i) A maximum of \$25,000 of the general fund--state appropriation
12 for fiscal year 2002 and a maximum of \$1,916,000 of the general fund--
13 state appropriation for fiscal year 2003 are provided for Senate Bill
14 No. 5695 (alternative certification routes). If the bill is not
15 enacted by June 30, 2001, the amount provided in this subsection shall
16 lapse. The stipend allocation per teacher candidate and mentor pair
17 shall not exceed \$28,300. The professional educator standards board
18 shall report to the education committees of the legislature by December
19 15, 2002, on the districts applying for partnership grants, the
20 districts receiving partnership grants, and the number of interns per
21 route enrolled in each district.

22 (ii) A maximum of \$31,500 of the general fund--state appropriation
23 for fiscal year 2002 and a maximum of \$31,000 of the general fund--
24 state appropriation for fiscal year 2003 are provided for operation of
25 the Cispus environmental learning center.

26 (iii) A maximum of \$150,000 of the general fund--state
27 appropriation for fiscal year 2002 and a maximum of \$146,000 of the
28 general fund--state appropriation for fiscal year 2003 are provided for
29 the Washington civil liberties education program.

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

34 (v) A maximum of \$1,377,000 of the general fund--state
35 appropriation for fiscal year 2002 is provided for educational centers,
36 including state support activities. \$50,000 of this amount for fiscal
37 year 2002 is provided to help stabilize funding through distribution

1 among existing education centers that are currently funded by the state
2 at an amount less than \$50,000 a fiscal year.

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

8 (vii) A maximum of \$1,262,000 of the general fund--state
9 appropriation for fiscal year 2002 and a maximum of \$1,224,000 of the
10 general fund--state appropriation for fiscal year 2003 are provided for
11 in-service training and educational programs conducted by the Pacific
12 Science Center.

13 (viii) A maximum of \$100,000 of the general fund--state
14 appropriation for fiscal year 2002 and a maximum of \$97,000 of the
15 general fund--state appropriation for fiscal year 2003 are provided to
16 support vocational student leadership organizations.

17 (ix) (~~(\$9,900,000)~~) \$13,955,000 of the general fund--federal
18 appropriation is provided for the Washington Reads project to enhance
19 high quality reading instruction and school programs.

20 (x) A maximum of \$150,000 of the general fund--state appropriation
21 for fiscal year 2002 and a maximum of \$146,000 of the general fund--
22 state appropriation for fiscal year 2003 are provided for the World War
23 II oral history project.

24 (xi) \$13,942,000 of the general fund--federal appropriation is
25 provided for school renovation grants for school districts with urgent
26 school renovation needs, special education-related renovations, and
27 technology related renovations.

28 (xii) (~~(\$4,962,000)~~) \$4,698,000 of the general fund--federal
29 appropriation is provided for LINKS technology challenge grants to
30 integrate educational reform with state technology systems and
31 development of technology products that enhance professional
32 development and classroom instruction.

33 (xiii) (~~(\$536,000)~~) \$1,763,000 of the general fund--federal
34 appropriation is provided for the advanced placement fee program to
35 increase opportunities for low-income students and under-represented
36 populations to participate in advanced placement courses and to
37 increase the capacity of schools to provide advanced placement courses
38 to students.

1 (xiv) (~~(\$12,318,000)~~) \$8,197,000 of the general fund--federal
2 appropriation is provided for comprehensive school reform demonstration
3 projects to provide grants to low-income schools for improving student
4 achievement through adoption and implementation of research-based
5 curricula and instructional programs.

6 (xv) (~~(\$2,612,000)~~) \$2,473,000 of the general fund--federal
7 appropriation is provided for teacher quality enhancement through
8 provision of consortia grants to school districts and higher education
9 institutions to improve teacher preparation and professional
10 development.

11 **Sec. 502.** 2002 c 371 s 502 (uncodified) is amended to read as
12 follows:

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

14	General Fund--State Appropriation (FY 2002)	\$3,786,124,000
15	General Fund--State Appropriation (FY 2003)	((\$3,711,897,000))
16		<u>\$3,719,663,000</u>
17	TOTAL APPROPRIATION	((\$7,498,021,000))
18		<u>\$7,505,787,000</u>

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 certificated staff salaries for the 2001-02 and
25 2002-03 school years shall be determined using formula-generated staff
26 units calculated pursuant to this subsection. Staff allocations for
27 small school enrollments in (d) through (f) of this subsection shall be
28 reduced for vocational full-time equivalent enrollments. Staff
29 allocations for small school enrollments in grades K-6 shall be the
30 greater of that generated under (a) of this subsection, or under (d)
31 and (e) of this subsection. Certificated staffing allocations shall be
32 as follows:

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

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

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

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

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

12 (v) For class size reduction and expanded learning opportunities
13 under the better schools program, an additional 2.2 certificated
14 instructional staff units for the 2001-02 school year and an additional
15 0.8 certificated instructional staff units for the 2002-03 school year
16 for grades K-4 per thousand full-time equivalent students. Funds
17 allocated for these additional certificated units shall not be
18 considered as basic education funding. The allocation may be used for
19 reducing class sizes in grades K-4 or to provide additional classroom
20 contact hours for kindergarten, before-and-after-school programs,
21 weekend school programs, summer school programs, and intercession
22 opportunities to assist elementary school students in meeting the
23 essential academic learning requirements and student assessment
24 performance standards. For purposes of this subsection, additional
25 classroom contact hours provided by teachers beyond the normal school
26 day under a supplemental contract shall be converted to a certificated
27 full-time equivalent by dividing the classroom contact hours by 900.

28 (A) Funds provided under this subsection (2)(a)(iv) and (v) in
29 excess of the amount required to maintain the statutory minimum ratio
30 established under RCW 28A.150.260(2)(b) shall be allocated only if the
31 district documents an actual ratio in grades K-4 equal to or greater
32 than 55.4 certificated instructional staff per thousand full-time
33 equivalent students in the 2001-02 school year and 54.0 certificated
34 instructional staff per thousand full-time equivalent students in the
35 2002-03 school year. For any school district documenting a lower
36 certificated instructional staff ratio, the allocation shall be based
37 on the district's actual grades K-4 certificated instructional staff

1 ratio achieved in that school year, or the statutory minimum ratio
2 established under RCW 28A.150.260(2)(b), if greater;

3 (B) Districts at or above 51.0 certificated instructional staff per
4 one thousand full-time equivalent students in grades K-4 may dedicate
5 up to 1.3 of the 55.4 funding ratio in the 2001-02 school year, and up
6 to 1.3 of the 54.0 funding ratio in the 2002-03 school year, to employ
7 additional classified instructional assistants assigned to basic
8 education classrooms in grades K-4. For purposes of documenting a
9 district's staff ratio under this section, funds used by the district
10 to employ additional classified instructional assistants shall be
11 converted to a certificated staff equivalent and added to the
12 district's actual certificated instructional staff ratio. Additional
13 classified instructional assistants, for the purposes of this
14 subsection, shall be determined using the 1989-90 school year as the
15 base year;

16 (C) Any district maintaining a ratio in grades K-4 equal to or
17 greater than 55.4 certificated instructional staff per thousand full-
18 time equivalent students in the 2001-02 school year, and a ratio equal
19 to or greater than 54.0 certificated instructional staff per thousand
20 full-time equivalent students in the 2002-03 school year, may use
21 allocations generated under this subsection (2)(a)(iv) and (v) in
22 excess of that required to maintain the minimum ratio established under
23 RCW 28A.150.260(2)(b) to employ additional basic education certificated
24 instructional staff or classified instructional assistants in grades 5-
25 6. Funds allocated under this subsection (2)(a)(iv) and (v) shall only
26 be expended to reduce class size in grades K-6. No more than 1.3 of
27 the certificated instructional funding ratio amount may be expended for
28 provision of classified instructional assistants;

29 (b) For school districts with a minimum enrollment of 250 full-time
30 equivalent students whose full-time equivalent student enrollment count
31 in a given month exceeds the first of the month full-time equivalent
32 enrollment count by 5 percent, an additional state allocation of 110
33 percent of the share that such increased enrollment would have
34 generated had such additional full-time equivalent students been
35 included in the normal enrollment count for that particular month;

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

37 (A) Vocational education programs approved by the superintendent of

1 public instruction, a maximum of 0.92 certificated instructional staff
2 units and 0.08 certificated administrative staff units for each 19.5
3 full-time equivalent vocational students; and

4 (B) Skills center programs meeting the standards for skills center
5 funding established in January 1999 by the superintendent of public
6 instruction, 0.92 certificated instructional staff units and 0.08
7 certificated administrative units for each 16.67 full-time equivalent
8 vocational students;

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

14 (iii) For the 2002-03 school year, indirect cost charges by a
15 school district to vocational-secondary programs shall not exceed 15
16 percent of the combined basic education and vocational enhancement
17 allocations of state funds;

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

24 (i) For those enrolling no students in grades 7 and 8, 1.76
25 certificated instructional staff units and 0.24 certificated
26 administrative staff units for enrollment of not more than five
27 students, plus one-twentieth of a certificated instructional staff unit
28 for each additional student enrolled; and

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

34 (e) For specified enrollments in districts enrolling more than
35 twenty-five but not more than one hundred average annual full-time
36 equivalent students in grades K-8, and for small school plants within
37 any school district which enroll more than twenty-five average annual

1 full-time equivalent students in grades K-8 and have been judged to be
2 remote and necessary by the state board of education:

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

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

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

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

18 (ii) For all other small high schools under this subsection, nine
19 certificated instructional staff units and one-half of a certificated
20 administrative staff unit for the first sixty average annual full time
21 equivalent students, and additional staff units based on a ratio of
22 0.8732 certificated instructional staff units and 0.1268 certificated
23 administrative staff units per each additional forty-three and one-half
24 average annual full time equivalent students.

25 Units calculated under (f)(ii) of this subsection shall be reduced
26 by certificated staff units at the rate of forty-six certificated
27 instructional staff units and four certificated administrative staff
28 units per thousand vocational full-time equivalent students;

29 (g) For each nonhigh school district having an enrollment of more
30 than seventy annual average full-time equivalent students and less than
31 one hundred eighty students, operating a grades K-8 program or a grades
32 1-8 program, an additional one-half of a certificated instructional
33 staff unit; and

34 (h) For each nonhigh school district having an enrollment of more
35 than fifty annual average full-time equivalent students and less than
36 one hundred eighty students, operating a grades K-6 program or a grades
37 1-6 program, an additional one-half of a certificated instructional
38 staff unit.

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

4 (a) For enrollments generating certificated staff unit allocations
5 under subsection (2)(d) through (h) of this section, one classified
6 staff unit for each three certificated staff units allocated under such
7 subsections;

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

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

15 (4) Fringe benefit allocations shall be calculated at a rate of
16 10.76 percent in the 2001-02 school year and 9.57 percent in the 2002-
17 03 school year for certificated salary allocations provided under
18 subsection (2) of this section, and a rate of 12.73 percent in the
19 2001-02 school year and 12.36 percent in the 2002-03 school year for
20 classified salary allocations provided under subsection (3) of this
21 section.

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

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

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

33 (6)(a) For nonemployee-related costs associated with each
34 certificated staff unit allocated under subsection (2)(a), (b), and (d)
35 through (h) of this section, there shall be provided a maximum of
36 \$8,519 per certificated staff unit in the 2001-02 school year and a
37 maximum of \$8,604 per certificated staff unit in the 2002-03 school
38 year.

1 (b) For nonemployee-related costs associated with each vocational
2 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
3 section, there shall be provided a maximum of \$20,920 per certificated
4 staff unit in the 2001-02 school year and a maximum of \$21,129 per
5 certificated staff unit in the 2002-03 school year.

6 (c) For nonemployee-related costs associated with each vocational
7 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
8 section, there shall be provided a maximum of \$16,233 per certificated
9 staff unit in the 2001-02 school year and a maximum of \$16,395 per
10 certificated staff unit in the 2002-03 school year.

11 (7) Allocations for substitute costs for classroom teachers shall
12 be distributed at a maintenance rate of \$494.34 for the 2001-02 and
13 2002-03 school years per allocated classroom teachers exclusive of
14 salary increase amounts provided in section 504 of this act. Solely
15 for the purposes of this subsection, allocated classroom teachers shall
16 be equal to the number of certificated instructional staff units
17 allocated under subsection (2) of this section, multiplied by the ratio
18 between the number of actual basic education certificated teachers and
19 the number of actual basic education certificated instructional staff
20 reported statewide for the prior school year.

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

30 (9) The superintendent may distribute a maximum of \$6,424,000
31 outside the basic education formula during fiscal years 2002 and 2003
32 as follows:

33 (a) For fire protection for school districts located in a fire
34 protection district as now or hereafter established pursuant to chapter
35 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002
36 and a maximum of \$485,000 may be expended in fiscal year 2003;

37 (b) For summer vocational programs at skills centers, a maximum of

1 \$2,098,000 may be expended for the 2001-02 fiscal year and a maximum of
2 \$2,035,000 for the 2003 fiscal year;

3 (c) A maximum of \$341,000 may be expended for school district
4 emergencies; and

5 (d) A maximum of \$500,000 for fiscal year 2002 and \$485,000 for
6 fiscal year 2003 may be expended for programs providing skills training
7 for secondary students who are enrolled in extended day school-to-work
8 programs, as approved by the superintendent of public instruction. The
9 funds shall be allocated at a rate not to exceed \$500 per full-time
10 equivalent student enrolled in those programs.

11 (10) For purposes of RCW 84.52.0531, the increase per full-time
12 equivalent student in state basic education appropriations provided
13 under this act, including appropriations for salary and benefits
14 increases, is 2.5 percent from the 2000-01 school year to the 2001-02
15 school year.

16 (11) For purposes of RCW 84.52.0531, the increase in appropriations
17 per full-time equivalent student provided in this act, including
18 appropriations for salary and benefits increases, is 2.9 percent from
19 the 2001-02 school year to the 2002-03 school year.

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

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

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

34 **Sec. 503.** 2002 c 371 s 504 (uncodified) is amended to read as
35 follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**

1 **COMPENSATION ADJUSTMENTS**

2	General Fund--State Appropriation (FY 2002)	\$124,903,000
3	General Fund--State Appropriation (FY 2003)	(\$255,910,000)
4		<u>\$255,997,000</u>
5	General Fund--Federal Appropriation (FY 2003)	(\$191,000)
6		<u>\$257,000</u>
7	TOTAL APPROPRIATION	(\$381,004,000)
8		<u>\$381,157,000</u>

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

11 (1) A total of ~~(\$329,316,000)~~ \$329,457,000 is provided for a cost
12 of living adjustment for state formula staff units of 3.7 percent
13 effective September 1, 2001, and 3.6 percent effective on September 1,
14 2002, consistent with the provisions of chapter 4, Laws of 2001
15 (Initiative Measure No. 732). The appropriations include associated
16 incremental fringe benefit allocations at rates of 10.12 percent for
17 school year 2001-02 and 8.93 percent for school year 2002-03 for
18 certificated staff and 9.23 percent for school year 2001-02 and 8.86
19 for school year 2002-03 for classified staff.

20 (a) The appropriations in this section include the increased
21 portion of salaries and incremental fringe benefits for all relevant
22 state-funded school programs in part V of this act, in accordance with
23 chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary
24 adjustments for state employees in the office of superintendent of
25 public instruction and the education reform program are provided in
26 part VII of this act. Increases for general apportionment (basic
27 education) are based on the salary allocation schedules and methodology
28 in section 502 of this act. Increases for special education result
29 from increases in each district's basic education allocation per
30 student. Increases for educational service districts and institutional
31 education programs are determined by the superintendent of public
32 instruction using the methodology for general apportionment salaries
33 and benefits in section 502 of this act.

34 (b) The appropriations in this section provide cost-of-living and
35 incremental fringe benefit allocations based on formula adjustments as
36 follows:

37

	School Year	
	2001-02	2002-03
Pupil Transportation (per weighted pupil mile)	\$0.77	\$1.54
Highly Capable (per formula student)	\$8.71	\$16.70
Transitional Bilingual Education (per eligible bilingual student)	\$22.63	\$44.74
Learning Assistance (per entitlement unit)	\$11.19	\$22.26
Substitute Teacher (allocation per teacher, section 502(7))	\$18.29	\$36.75

(2) This act appropriates general fund--state funds and other funds for the purpose of providing the annual salary cost-of-living increase required by section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for teachers and other school district employees in the state-funded salary base. For employees not included in the state-funded salary base, the annual salary cost-of-living increase may be provided by school districts from the federal funds appropriated in this act and local revenues, including the adjusted levy base as provided in RCW 84.52.053 and section 502 of this act, and state discretionary funds provided under this act.

(3) (~~(\$51,688,000)~~) \$51,700,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$427.73 per month for the 2001-02 and 2002-03 school years. The appropriations in this section provide for a rate increase to \$455.27 per month for the 2001-02 school year and \$457.07 per month for the 2002-03 school year at the following rates:

	School Year	
	2001-02	2002-03
Pupil Transportation (per weighted pupil mile)	\$0.25	\$0.27
Highly Capable (per formula student)	\$1.74	\$1.81
Transitional Bilingual Education (per eligible bilingual student)	\$4.46	\$4.75
Learning Assistance (per entitlement unit)	\$3.51	\$3.73

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

Sec. 504. 2002 c 371 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION
 General Fund--State Appropriation (FY 2002) \$192,402,000

1	General Fund--State Appropriation (FY 2003)	((\$193,293,000))
2		<u>\$209,831,000</u>
3	TOTAL APPROPRIATION	((\$385,695,000))
4		<u>\$402,233,000</u>

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

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

10 (2) A maximum of \$767,000 of this fiscal year 2002 appropriation
11 and a maximum of \$752,000 of the fiscal year 2003 appropriation may be
12 expended for regional transportation coordinators and related
13 activities. The transportation coordinators shall ensure that data
14 submitted by school districts for state transportation funding shall,
15 to the greatest extent practical, reflect the actual transportation
16 activity of each district.

17 (3) \$5,000 of the fiscal year 2002 appropriation and \$5,000 of the
18 fiscal year 2003 appropriation are provided solely for the
19 transportation of students enrolled in "choice" programs.
20 Transportation shall be limited to low-income students who are
21 transferring to "choice" programs solely for educational reasons.

22 (4) Allocations for transportation of students shall be based on
23 reimbursement rates of \$37.07 per weighted mile in the 2001-02 school
24 year and \$37.12 per weighted mile in the 2002-03 school year exclusive
25 of salary and benefit adjustments provided in section 504 of this act.
26 Allocations for transportation of students transported more than one
27 radius mile shall be based on weighted miles as determined by
28 superintendent of public instruction multiplied by the per mile
29 reimbursement rates for the school year pursuant to the formulas
30 adopted by the superintendent of public instruction. Allocations for
31 transportation of students living within one radius mile shall be based
32 on the number of enrolled students in grades kindergarten through five
33 living within one radius mile of their assigned school multiplied by
34 the per mile reimbursement rate for the school year multiplied by 1.29.

35 **Sec. 505.** 2001 2nd sp.s. c 7 s 506 (uncodified) is amended to read
36 as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
2 **PROGRAMS**

3	General Fund--State Appropriation (FY 2002)	\$3,100,000
4	General Fund--State Appropriation (FY 2003)	\$3,100,000
5	General Fund--Federal Appropriation	(\$225,630,000)
6		<u>\$236,435,000</u>
7	TOTAL APPROPRIATION	(\$231,830,000)
8		<u>\$242,635,000</u>

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

11 (1) \$3,000,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$3,000,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided for state matching money for federal
14 child nutrition programs.

15 (2) \$100,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$100,000 of the 2003 fiscal year appropriation are
17 provided for summer food programs for children in low-income areas.

18 **Sec. 506.** 2002 c 371 s 506 (uncodified) is amended to read as
19 follows:

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

22	General Fund--State Appropriation (FY 2002)	\$420,165,000
23	General Fund--State Appropriation (FY 2003)	(\$408,761,000)
24		<u>\$408,933,000</u>
25	General Fund--Federal Appropriation	(\$256,407,000)
26		<u>\$295,188,000</u>
27	TOTAL APPROPRIATION	(\$1,085,333,000)
28		<u>\$1,124,286,000</u>

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

31 (1) Funding for special education programs is provided on an excess
32 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
33 that special education students as a class receive their full share of
34 the general apportionment allocation accruing through sections 502 and
35 504 of this act. To the extent a school district cannot provide an
36 appropriate education for special education students under chapter

1 28A.155 RCW through the general apportionment allocation, it shall
2 provide services through the special education excess cost allocation
3 funded in this section.

4 (2)(a) Effective with the 2001-02 school year, the superintendent
5 of public instruction shall change the S-275 personnel reporting system
6 and all related accounting requirements to ensure that:

7 (i) Special education students are basic education students first;
8 (ii) As a class, special education students are entitled to the
9 full basic education allocation; and

10 (iii) Special education students are basic education students for
11 the entire school day.

12 (b) Effective with the 2001-02 school year, the S-275 and
13 accounting changes shall supercede any prior excess cost methodologies
14 and shall be required of all school districts.

15 (3) Each fiscal year appropriation includes such funds as are
16 necessary to complete the school year ending in the fiscal year and for
17 prior fiscal year adjustments.

18 (4) The superintendent of public instruction shall distribute state
19 funds to school districts based on two categories: The optional birth
20 through age two program for special education eligible developmentally
21 delayed infants and toddlers, and the mandatory special education
22 program for special education eligible students ages three to twenty-
23 one. A "special education eligible student" means a student receiving
24 specially designed instruction in accordance with a properly formulated
25 individualized education program.

26 (5)(a) For the 2001-02 and 2002-03 school years, the superintendent
27 shall make allocations to each district based on the sum of:

28 (i) A district's annual average headcount enrollment of
29 developmentally delayed infants and toddlers ages birth through two,
30 multiplied by the district's average basic education allocation per
31 full-time equivalent student, multiplied by 1.15; and

32 (ii) A district's annual average full-time equivalent basic
33 education enrollment multiplied by the funded enrollment percent
34 determined pursuant to subsection (6)(b) of this section, multiplied by
35 the district's average basic education allocation per full-time
36 equivalent student multiplied by 0.9309.

37 (b) For purposes of this subsection, "average basic education

1 allocation per full-time equivalent student" for a district shall be
2 based on the staffing ratios required by RCW 28A.150.260 and shall not
3 include enhancements, secondary vocational education, or small schools.

4 (6) The definitions in this subsection apply throughout this
5 section.

6 (a) "Annual average full-time equivalent basic education
7 enrollment" means the resident enrollment including students enrolled
8 through choice (RCW 28A.225.225) and students from nonhigh districts
9 (RCW 28A.225.210) and excluding students residing in another district
10 enrolled as part of an interdistrict cooperative program (RCW
11 28A.225.250).

12 (b) "Enrollment percent" means the district's resident special
13 education annual average enrollment, excluding the birth through age
14 two enrollment, as a percent of the district's annual average full-time
15 equivalent basic education enrollment.

16 (i) For the 2001-02 school year, each district's funded enrollment
17 percent shall be the lesser of the district's actual enrollment percent
18 or 12.7 percent.

19 (ii) For the 2002-03 school year, each district's general fund--
20 state funded special education enrollment shall be the lesser of the
21 district's actual enrollment percent or 12.7 percent. Increases in
22 enrollment percent from 12.7 percent to 13.0 percent shall be funded
23 from the general fund--federal appropriation.

24 (7) At the request of any interdistrict cooperative of at least 15
25 districts in which all excess cost services for special education
26 students of the districts are provided by the cooperative, the maximum
27 enrollment percent shall be calculated in accordance with subsection
28 (6)(b) of this section, and shall be calculated in the aggregate rather
29 than individual district units. For purposes of this subsection, the
30 average basic education allocation per full-time equivalent student
31 shall be calculated in the aggregate rather than individual district
32 units.

33 (8) Safety net funding shall be awarded by the state safety net
34 oversight committee subject to the following conditions and
35 limitations:

36 (a) A maximum of \$8,500,000 of the general fund--state
37 appropriation and a maximum of \$3,500,000 of the general fund--federal
38 appropriation for fiscal year 2002 are provided as safety net funding

1 for districts with demonstrated needs for state special education
2 funding beyond the amounts provided in subsection (5) of this section.

3 (b) The safety net oversight committee shall first consider the
4 needs of districts adversely affected by the 1995 change in the special
5 education funding formula. Awards shall be based on the lesser of the
6 amount required to maintain the 1994-95 state special education excess
7 cost allocation to the school district in aggregate or on a dollar per
8 funded student basis.

9 (c) The committee shall then consider unmet needs for districts
10 that can convincingly demonstrate that all legitimate expenditures for
11 special education exceed all available revenues from state funding
12 formulas. In the determination of need, the committee shall also
13 consider additional available revenues from federal and local sources.
14 Differences in program costs attributable to district philosophy,
15 service delivery choice, or accounting practices are not a legitimate
16 basis for safety net awards.

17 (d) The maximum allowable indirect cost for calculating safety net
18 eligibility may not exceed the federal restricted indirect cost rate
19 for the district plus one percent.

20 (e) Safety net awards shall be adjusted based on the percent of
21 potential medicaid eligible students billed as calculated by the
22 superintendent in accordance with chapter 318, Laws of 1999.

23 (f) Safety net awards must be adjusted for any audit findings or
24 exceptions related to special education funding.

25 (g) The superintendent may expend up to \$120,000 of the amounts
26 provided in this subsection (8) to provide staff assistance to the
27 committee in analyzing applications for safety net funds received by
28 the committee.

29 (9) For fiscal year 2003 to the extent necessary, \$12,873,000 of
30 the general fund--federal appropriation is provided for safety net
31 awards for districts with demonstrated needs for state special
32 education funding beyond the amounts provided in subsection (5) of this
33 section. If safety net awards exceed the amount appropriated in this
34 subsection (9), the superintendent shall expend all available federal
35 discretionary funds necessary to meet this need. Safety net funds
36 shall be awarded by the state safety net oversight committee subject to
37 the following conditions and limitations:

1 (a) The committee shall consider unmet needs for districts that can
2 convincingly demonstrate that all legitimate expenditures for special
3 education exceed all available revenues from state funding formulas.
4 In the determination of need, the committee shall also consider
5 additional available revenues from federal and local sources.
6 Differences in program costs attributable to district philosophy,
7 service delivery choice, or accounting practices are not a legitimate
8 basis for safety net awards.

9 (b) The committee shall then consider the extraordinary high cost
10 needs of one or more individual special education students.
11 Differences in costs attributable to district philosophy, service
12 delivery choice, or accounting practices are not a legitimate basis for
13 safety net awards.

14 (c) The maximum allowable indirect cost for calculating safety net
15 eligibility may not exceed the federal restricted indirect cost rate
16 for the district plus one percent.

17 (d) Safety net awards shall be adjusted based on the percent of
18 potential medicaid eligible students billed as calculated by the
19 superintendent in accordance with chapter 318, Laws of 1999.

20 (e) Safety net awards must be adjusted for any audit findings or
21 exceptions related to special education funding.

22 (f) The superintendent may expend up to \$120,000 of the amount
23 provided from the general fund--federal appropriation in this
24 subsection (9) to provide staff assistance to the committee in
25 analyzing applications for safety net funds received by the committee.

26 (10) The superintendent of public instruction may adopt such rules
27 and procedures as are necessary to administer the special education
28 funding and safety net award process. Prior to revising any standards,
29 procedures, or rules, the superintendent shall consult with the office
30 of financial management and the fiscal committees of the legislature.

31 (11) The safety net oversight committee appointed by the
32 superintendent of public instruction shall consist of:

33 (a) One staff from the office of superintendent of public
34 instruction;

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

36 (c) Staff of the office of the financial management; and

37 (d) One or more representatives from school districts or

1 educational service districts knowledgeable of special education
2 programs and funding.

3 (12) To the extent necessary, in fiscal year 2002, \$2,250,000 of
4 the general fund--federal appropriation shall be expended for safety
5 net funding to meet the extraordinary needs of one or more individual
6 special education students. If safety net awards to meet the
7 extraordinary needs exceed \$2,250,000 of the general fund--federal
8 appropriation, the superintendent shall expend all available federal
9 discretionary funds necessary to meet this need. General fund--state
10 funds shall not be expended for this purpose.

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

16 (14) \$1,000,000 of the general fund--federal appropriation is
17 provided for projects to provide special education students with
18 appropriate job and independent living skills, including work
19 experience where possible, to facilitate their successful transition
20 out of the public school system. The funds provided by this subsection
21 shall be from federal discretionary grants.

22 (15) The superintendent shall maintain the percentage of federal
23 flow-through to school districts at 85 percent for the 2001-02 school
24 year. For the 2002-03 school year, the superintendent shall allocate
25 the federal funds as specified in this section and shall adjust federal
26 flow-through funds accordingly. In addition to other purposes, school
27 districts may use increased federal funds for high-cost students, for
28 purchasing regional special education services from educational service
29 districts, and for staff development activities particularly relating
30 to inclusion issues.

31 (16) A maximum of \$1,200,000 of the general fund--federal
32 appropriation may be expended by the superintendent for projects
33 related to use of inclusion strategies by school districts for
34 provision of special education services. The superintendent shall
35 prepare an information database on laws, best practices, examples of
36 programs, and recommended resources. The information may be
37 disseminated in a variety of ways, including workshops and other staff
38 development activities.

1 (17) A school district may carry over from one year to the next
2 year up to 10 percent of general fund--state funds allocated under this
3 program; however, carry over funds shall be expended in the special
4 education program.

5 (18) The superintendent of public instruction shall implement the
6 recommendations of the joint legislative audit and review committee
7 study on special education (report 01-11) only to the extent that funds
8 have been specifically provided therefor.

9 **Sec. 507.** 2002 c 371 s 507 (uncodified) is amended to read as
10 follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**
12 **EDUCATION PROGRAMS**

13	General Fund--State Appropriation (FY 2002)	\$3,765,000
14	General Fund--State Appropriation (FY 2003)	(((\$512,000))
15		<u>\$613,000</u>
16	((Public Safety and Education Account	
17	Appropriation	\$6,567,000))
18	TOTAL APPROPRIATION	(((\$10,844,000))
19		<u>\$4,378,000</u>

20 ~~((1))~~ The general fund--state appropriations in this section are
21 subject to the following conditions and limitations:

22 ~~((a))~~ (1) The appropriations include such funds as are necessary
23 to complete the school year ending in each fiscal year and for prior
24 fiscal year adjustments.

25 ~~((b))~~ (2) A maximum of \$253,000 of the fiscal year 2002 general
26 fund appropriation may be expended for regional traffic safety
27 education coordinators.

28 ~~((c))~~ (3) Allocations to provide tuition assistance for students
29 eligible for free and reduced price lunch who complete the program
30 shall be a maximum of \$203.97 per eligible student in the 2001-02
31 school year.

32 ~~((2) The public safety and education account appropriation in this~~
33 ~~section is subject to the following conditions and limitations:~~

34 ~~(a) The public safety and education account appropriation shall~~
35 ~~lapse if House Bill No. 2573 (traffic safety education) is not enacted~~
36 ~~by June 30, 2002.~~

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

3 (1) Each general fund--state fiscal year appropriation includes
4 such funds as are necessary to complete the school year ending in the
5 fiscal year and for prior fiscal year adjustments.

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

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

15 (4) The funded staffing ratios for education programs for juveniles
16 age 18 or less in department of corrections facilities shall be the
17 same as those provided in the 1997-99 biennium.

18 (5) \$141,000 of the general fund--state appropriation for fiscal
19 year 2002 and (~~(\$139,000)~~) \$182,000 of the general fund--state
20 appropriation for fiscal year 2003 are provided solely to maintain at
21 least one certificated instructional staff and related support services
22 at an institution whenever the K-12 enrollment is not sufficient to
23 support one full-time equivalent certificated instructional staff to
24 furnish the educational program. The following types of institutions
25 are included: Residential programs under the department of social and
26 health services for developmentally disabled juveniles, programs for
27 juveniles under the department of corrections, and programs for
28 juveniles under the juvenile rehabilitation administration.

29 (6) Ten percent of the funds allocated for each institution may be
30 carried over from one year to the next.

31 **Sec. 510.** 2002 c 371 s 511 (uncodified) is amended to read as
32 follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
34 **CAPABLE STUDENTS**

35	General Fund--State Appropriation (FY 2002)	\$6,470,000
36	General Fund--State Appropriation (FY 2003)	((\$6,229,000))
37		<u>\$6,244,000</u>

1 TOTAL APPROPRIATION ((~~\$12,699,000~~))
2 \$12,714,000

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

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

8 (2) Allocations for school district programs for highly capable
9 students shall be distributed at a maximum rate of \$327.22 per funded
10 student for the 2001-02 school year and (~~(\$313.07)~~) \$313.11 per funded
11 student for the 2002-03 school year, exclusive of salary and benefit
12 adjustments pursuant to section 504 of this act. The number of funded
13 students shall be a maximum of two percent of each district's full-time
14 equivalent basic education enrollment.

15 (3) \$175,000 of the fiscal year 2002 appropriation and \$170,000 of
16 the fiscal year 2003 appropriation are provided for the centrum program
17 at Fort Worden state park.

18 (4) \$93,000 of the fiscal year 2002 appropriation and \$90,000 of
19 the fiscal year 2003 appropriation are provided for the Washington
20 imagination network and future problem-solving programs.

21 **Sec. 511.** 2002 c 371 s 512 (uncodified) is amended to read as
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS**
24 **PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND**
25 **THE NO CHILD LEFT BEHIND ACT**

26 General Fund--Federal Appropriation ((~~\$201,737,000~~))
27 \$199,660,000

28 **Sec. 512.** 2002 c 371 s 513 (uncodified) is amended to read as
29 follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
31 **PROGRAMS**

32 General Fund--State Appropriation (FY 2002) \$36,880,000
33 General Fund--State Appropriation (FY 2003) ((~~\$30,150,000~~))
34 \$30,269,000
35 General Fund--Federal Appropriation \$60,571,000
36 TOTAL APPROPRIATION ((~~\$127,601,000~~))

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

(1) \$322,000 of the general fund--state appropriation for fiscal year 2002 and \$312,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the academic achievement and accountability commission.

(2) \$12,209,000 of the general fund--state appropriation for fiscal year 2002, \$8,872,000 of the general fund--state appropriation for fiscal year 2003, and \$4,000,000 of the general fund--federal appropriation are provided for development and implementation of the Washington assessments of student learning. Up to \$689,000 of the appropriation may be expended for data analysis and data management of test results.

(3) \$1,095,000 of the fiscal year 2002 general fund--state appropriation and \$548,000 of the fiscal year 2003 general fund--state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(4) \$4,695,000 of the general fund--state appropriation for fiscal year 2002 and \$2,348,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(a) A teacher assistance program is a program that provides to a first year beginning teacher peer mentor services that include but are not limited to:

(i) An orientation process and individualized assistance to help beginning teachers who have been hired prior to the start of the school year prepare for the start of a school year;

(ii) The assignment of a peer mentor whose responsibilities to the beginning teacher include but are not limited to constructive feedback, the modeling of instructional strategies, and frequent meetings and other forms of contact;

1 (iii) The provision by peer mentors of strategies, training, and
2 guidance in critical areas such as classroom management, student
3 discipline, curriculum management, instructional skill, assessment,
4 communication skills, and professional conduct. A district may provide
5 these components through a variety of means including one-on-one
6 contact and workshops offered by peer mentors to groups, including
7 cohort groups, of beginning teachers;

8 (iv) The provision of release time, substitutes, mentor training in
9 observation techniques, and other measures for both peer mentors and
10 beginning teachers, to allow each an adequate amount of time to observe
11 the other and to provide the classroom experience that each needs to
12 work together effectively;

13 (v) Assistance in the incorporation of the essential academic
14 learning requirements into instructional plans and in the development
15 of complex teaching strategies, including strategies to raise the
16 achievement of students with diverse learning styles and backgrounds;
17 and

18 (vi) Guidance and assistance in the development and implementation
19 of a professional growth plan. The plan shall include a professional
20 self-evaluation component and one or more informal performance
21 assessments. A peer mentor may not be involved in any evaluation under
22 RCW 28A.405.100 of a beginning teacher whom the peer mentor has
23 assisted through this program.

24 (b) In addition to the services provided in (a) of this subsection,
25 an eligible peer mentor program shall include but is not limited to the
26 following components:

27 (i) Strong collaboration among the peer mentor, the beginning
28 teacher's principal, and the beginning teacher;

29 (ii) Stipends for peer mentors and, at the option of a district,
30 for beginning teachers. The stipends shall not be deemed compensation
31 for the purposes of salary lid compliance under RCW 28A.400.200 and are
32 not subject to the continuing contract provisions of Title 28A RCW; and

33 (iii) To the extent that resources are available for this purpose
34 and that assistance to beginning teachers is not adversely impacted,
35 the program may serve second year and more experienced teachers who
36 request the assistance of peer mentors.

37 (5) \$2,025,000 of the general fund--state appropriation for fiscal
38 year 2002 and \$1,964,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided for improving technology infrastructure,
2 monitoring and reporting on school district technology development,
3 promoting standards for school district technology, promoting statewide
4 coordination and planning for technology development, and providing
5 regional educational technology support centers, including state
6 support activities, under chapter 28A.650 RCW. The superintendent of
7 public instruction shall coordinate a process to facilitate the
8 evaluation and provision of online curriculum courses to school
9 districts which includes the following: Creation of a general listing
10 of the types of available online curriculum courses; a survey conducted
11 by each regional educational technology support center of school
12 districts in its region regarding the types of online curriculum
13 courses desired by school districts; a process to evaluate and
14 recommend to school districts the best online courses in terms of
15 curriculum, student performance, and cost; and assistance to school
16 districts in procuring and providing the courses to students.

17 (6) \$3,600,000 of the general fund--state appropriation for fiscal
18 year 2002 and \$3,600,000 of the general fund--state appropriation for
19 fiscal year 2003 are provided for grants to school districts to provide
20 a continuum of care for children and families to help children become
21 ready to learn. Grant proposals from school districts shall contain
22 local plans designed collaboratively with community service providers.
23 If a continuum of care program exists in the area in which the school
24 district is located, the local plan shall provide for coordination with
25 existing programs to the greatest extent possible. Grant funds shall
26 be allocated pursuant to RCW 70.190.040.

27 (7) \$2,500,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$2,500,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely for the meals for kids program
30 under RCW 28A.235.145 through 28A.235.155.

31 (8) \$1,409,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$705,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided solely for the leadership internship
34 program for superintendents, principals, and program administrators.

35 (9) \$1,828,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$1,773,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided solely for the mathematics helping corps
38 subject to the following conditions and limitations:

1 (a) In order to increase the availability and quality of technical
2 mathematics assistance statewide, the superintendent of public
3 instruction shall employ mathematics school improvement specialists to
4 provide assistance to schools and districts. The specialists shall be
5 hired by and work under the direction of a statewide school improvement
6 coordinator. The mathematics improvement specialists shall serve on a
7 rotating basis from one to three years and shall not be permanent
8 employees of the superintendent of public instruction.

9 (b) The school improvement specialists shall provide the following:

10 (i) Assistance to schools to disaggregate student performance data
11 and develop improvement plans based on those data;

12 (ii) Consultation with schools and districts concerning their
13 performance on the Washington assessment of student learning and other
14 assessments emphasizing the performance on the mathematics assessments;

15 (iii) Consultation concerning curricula that aligns with the
16 essential academic learning requirements emphasizing the academic
17 learning requirements for mathematics, the Washington assessment of
18 student learning, and meets the needs of diverse learners;

19 (iv) Assistance in the identification and implementation of
20 research-based instructional practices in mathematics;

21 (v) Staff training that emphasizes effective instructional
22 strategies and classroom-based assessment for mathematics;

23 (vi) Assistance in developing and implementing family and community
24 involvement programs emphasizing mathematics; and

25 (vii) Other assistance to schools and school districts intended to
26 improve student mathematics learning.

27 (10) A maximum of \$500,000 of the general fund--state appropriation
28 for fiscal year 2002 and a maximum of \$485,000 of the general fund--
29 state appropriation for fiscal year 2003 are provided for summer
30 accountability institutes offered by the superintendent of public
31 instruction and the academic achievement and accountability commission.
32 The institutes shall provide school district staff with training in the
33 analysis of student assessment data, information regarding successful
34 district and school teaching models, research on curriculum and
35 instruction, and planning tools for districts to improve instruction in
36 reading, mathematics, language arts, and guidance and counseling.

37 (11) \$3,930,000 of the general fund--state appropriation for fiscal

1 year 2002 and \$3,714,000 of the general fund--state appropriation for
2 fiscal year 2003 are provided solely for the Washington reading corps
3 subject to the following conditions and limitations:

4 (a) Grants shall be allocated to schools and school districts to
5 implement proven, research-based mentoring and tutoring programs in
6 reading for low-performing students in grades K-6. If the grant is
7 made to a school district, the principals of schools enrolling targeted
8 students shall be consulted concerning design and implementation of the
9 program.

10 (b) The programs may be implemented before, after, or during the
11 regular school day, or on Saturdays, summer, intercessions, or other
12 vacation periods.

13 (c) Two or more schools may combine their Washington reading corps
14 programs.

15 (d) A program is eligible for a grant if it meets the following
16 conditions:

17 (i) The program employs methods of teaching and student learning
18 based on reliable reading/literacy research and effective practices;

19 (ii) The program design is comprehensive and includes instruction,
20 on-going student assessment, professional development,
21 parental/community involvement, and program management aligned with the
22 school's reading curriculum;

23 (iii) It provides quality professional development and training for
24 teachers, staff, and volunteer mentors and tutors;

25 (iv) It has measurable goals for student reading aligned with the
26 essential academic learning requirements; and

27 (v) It contains an evaluation component to determine the
28 effectiveness of the program.

29 (e) Funding priority shall be given to low-performing schools.

30 (f) Beginning and end-of-program testing data shall be available to
31 determine the effectiveness of funded programs and practices. Common
32 evaluative criteria across programs, such as grade-level improvements
33 shall be available for each reading corps program. The superintendent
34 of public instruction shall provide program evaluations to the governor
35 and the appropriate committees of the legislature. Administrative and
36 evaluation costs may be assessed from the annual appropriation for the
37 program.

1 (g) Grants provided under this section may be used by schools and
2 school districts for expenditures from September 2001 through August
3 31, 2003.

4 (12) \$375,000 of the general fund--state appropriation for fiscal
5 year 2002 and (~~(\$725,000)~~) \$844,000 of the general fund--state
6 appropriation for fiscal year 2003 are provided solely for salary
7 bonuses for teachers who attain certification by the national board for
8 professional teaching standards, subject to the following conditions
9 and limitations:

10 (a) Teachers who have attained certification by the national board
11 shall receive an annual bonus not to exceed \$3,500.

12 (b) The annual bonus shall be paid in a lump sum amount and shall
13 not be included in the definition of "earnable compensation" under RCW
14 41.32.010(10).

15 (c) It is the intent of the legislature that teachers achieving
16 certification by the national board of professional teaching standards
17 will receive no more than four annual bonus payments for attaining
18 certification by the national board.

19 (13) \$625,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$313,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided for a principal support program. The
22 office of the superintendent of public instruction may contract with an
23 independent organization to administer the program. The program shall
24 include: (a) Development of an individualized professional growth plan
25 for a new principal or principal candidate; and (b) participation of a
26 mentor principal who works over a period of between one and three years
27 with the new principal or principal candidate to help him or her build
28 the skills identified as critical to the success of the professional
29 growth plan.

30 (14) \$71,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$71,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for the second grade reading test.
33 The funds shall be expended for assessment training for new second
34 grade teachers and replacement of assessment materials.

35 (15) \$384,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$372,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided for the superintendent to assist schools
38 in implementing high academic standards, aligning curriculum with these

1 standards, and training teachers to use assessments to improve student
2 learning. Funds may also be used to increase community and parental
3 awareness of education reform.

4 (16) \$130,000 of the general fund--state appropriation for fiscal
5 year 2002 and \$126,000 of the general fund--state appropriation for
6 fiscal year 2003 are provided for the development and posting of web-
7 based instructional tools, assessment data, and other information that
8 assists schools and teachers implementing higher academic standards.

9 (17) \$1,000,000 of the general fund--state appropriation for fiscal
10 year 2002 and \$1,746,000 of the general fund--state appropriation for
11 fiscal year 2003 are provided solely to the office of the
12 superintendent of public instruction for focused assistance. The
13 office of the superintendent of public instruction shall conduct
14 educational audits of low-performing schools and enter into performance
15 agreements between school districts and the office to implement the
16 recommendations of the audit and the community. Of the amounts
17 provided, \$219,000 of the fiscal year 2002 appropriation and \$201,000
18 of the fiscal year 2003 appropriation are provided to the office of the
19 superintendent of public instruction for the administrative duties
20 arising under this subsection. Each educational audit shall include
21 recommendations for best practices and ways to address identified needs
22 and shall be presented to the community in a public meeting to seek
23 input on ways to implement the audit and its recommendations.

24 (18) \$100,000 of the general fund--state appropriation for fiscal
25 year 2002 is provided solely for grants to school districts to adopt or
26 revise district-wide and school-level plans to achieve performance
27 improvement goals established under RCW 28A.655.030, and to post a
28 summary of the improvement plans on district websites using a common
29 format provided by the office of the superintendent of public
30 instruction.

31 (19) \$100,000 of the general fund--state appropriation for fiscal
32 year 2002 is provided solely for recognition plaques for schools that
33 successfully met the fourth grade reading improvement goal established
34 under RCW 28A.655.050.

35 (20) \$46,554,000 of the general fund--federal appropriation is
36 provided for preparing, training, and recruiting high quality teachers
37 and principals under Title II of the no child left behind act.

1 (21) \$6,591,000 of the general fund--federal appropriation is
2 provided for the reading first program under Title I of the no child
3 left behind act.

4 (22) In addition to amounts provided in subsection (2) of this
5 section, \$3,426,000 of the general fund--federal appropriation is
6 provided for the development of state assessments as required under
7 Title VI of the no child left behind act.

8 **Sec. 513.** 2002 c 371 s 514 (uncodified) is amended to read as
9 follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
11 **BILINGUAL PROGRAMS**

12	General Fund--State Appropriation (FY 2002)	\$42,767,000
13	General Fund--State Appropriation (FY 2003)	(\$44,734,000)
14		<u>\$44,083,000</u>
15	General Fund--Federal Appropriation (FY 2003)	(\$20,280,000)
16		<u>\$19,755,000</u>
17	TOTAL APPROPRIATION	(\$107,781,000)
18		<u>\$106,605,000</u>

19 (1) The general fund--state appropriations in this section are
20 subject to the following conditions and limitations:

21 (a) 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 (b) The superintendent shall distribute a maximum of \$684.36 per
25 eligible bilingual student in the 2001-02 school year and \$674.69 in
26 the 2002-03 school year, exclusive of salary and benefit adjustments
27 provided in section 504 of this act.

28 (c) The superintendent may withhold up to \$295,000 in school year
29 2001-02 and up to \$700,000 in school year 2002-03, and adjust the per
30 eligible pupil rates in subsection (2) of this section accordingly, for
31 the central provision of assessments as provided in section 2(1) and
32 (2) of Engrossed Second Substitute House Bill No. 2025.

33 (d) \$70,000 of the amounts appropriated in this section are
34 provided solely to develop a system for the tracking of current and
35 former transitional bilingual program students.

36 (e) Sufficient funding is provided to implement Engrossed Second
37 Substitute House Bill No. 2025 (schools/bilingual instruction).

1 (2) The general fund--federal appropriation in this section is
2 provided for migrant education, English language acquisition, and
3 language enhancement grants under Title III of the no child left behind
4 act.

5 **Sec. 514.** 2002 c 371 s 515 (uncodified) is amended to read as
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
8 **ASSISTANCE PROGRAM**

9	General Fund--State Appropriation (FY 2002)	\$71,342,000
10	General Fund--State Appropriation (FY 2003)	(\$64,614,000)
11		<u>\$63,694,000</u>
12	General Fund--Federal Appropriation (FY 2003)	\$130,631,000
13	TOTAL APPROPRIATION	(\$266,587,000)
14		<u>\$265,667,000</u>

15 (1) The general fund--state appropriations in this section are
16 subject to the following conditions and limitations:

17 (a) Each general fund--state fiscal year appropriation includes
18 such funds as are necessary to complete the school year ending in the
19 fiscal year and for prior fiscal year adjustments.

20 (b) Funding for school district learning assistance programs shall
21 be allocated at maximum rates of \$407.39 per funded unit for the 2001-
22 02 school year and \$404.78 per funded unit for the 2002-03 school year
23 exclusive of salary and benefit adjustments provided under section 504
24 of this act.

25 (c) For purposes of this section, "test results" refers to the
26 district results from the norm-referenced test administered in the
27 specified grade level. The norm-referenced test results used for the
28 third and sixth grade calculations shall be consistent with the third
29 and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

30 (d) A school district's general fund--state funded units for the
31 2001-02 school year shall be the sum of the following:

32 (i) The district's full-time equivalent enrollment in grades K-6,
33 multiplied by the 5-year average 4th grade lowest quartile test results
34 as adjusted for funding purposes in the school years prior to 1999-
35 2000, multiplied by 0.92. As the 3rd grade test becomes available, it
36 shall be phased into the 5-year average on a 1-year lag; and

1 (ii) The district's full-time equivalent enrollment in grades 7-9,
2 multiplied by the 5-year average 8th grade lowest quartile test results
3 as adjusted for funding purposes in the school years prior to 1999-
4 2000, multiplied by 0.92. As the 6th grade test becomes available, it
5 shall be phased into the 5-year average for these grades on a 1-year
6 lag; and

7 (iii) The district's full-time equivalent enrollment in grades 10-
8 11 multiplied by the 5-year average 11th grade lowest quartile test
9 results, multiplied by 0.92. As the 9th grade test becomes available,
10 it shall be phased into the 5-year average for these grades on a 1-year
11 lag; and

12 (iv) If, in the prior school year, the district's percentage of
13 October headcount enrollment in grades K-12 eligible for free and
14 reduced price lunch exceeded the state average, subtract the state
15 average percentage of students eligible for free and reduced price
16 lunch from the district's percentage and multiply the result by the
17 district's K-12 annual average full-time equivalent enrollment for the
18 current school year multiplied by 22.3 percent.

19 (e)(i) A school district's general fund--state funded units for the
20 2002-03 school year shall be the sum of the following:

21 (A) The district's full-time equivalent enrollment in grades K-6,
22 multiplied by the 5-year average 4th grade lowest quartile test results
23 as adjusted for funding purposes in the school years prior to 1999-
24 2000, multiplied by 0.82. As the 3rd grade test becomes available, it
25 shall be phased into the 5-year average on a 1-year lag;

26 (B) The district's full-time equivalent enrollment in grades 7-9,
27 multiplied by the 5-year average 8th grade lowest quartile test results
28 as adjusted for funding purposes in the school years prior to 1999-
29 2000, multiplied by 0.82. As the 6th grade test becomes available, it
30 shall be phased into the 5-year average for these grades on a 1-year
31 lag; and

32 (C) The district's full-time equivalent enrollment in grades 10-11
33 multiplied by the 5-year average 11th grade lowest quartile test
34 results, multiplied by 0.82. As the 9th grade test becomes available,
35 it shall be phased into the 5-year average for these grades on a 1-year
36 lag; and

37 (D) If, in the prior school year, the district's percentage of
38 October headcount enrollment in grades K-12 eligible for free and

1 reduced price lunch exceeded the state average, subtract the state
2 average percentage of students eligible for free and reduced price
3 lunch from the district's percentage and multiply the result by the
4 district's K-12 annual average full-time equivalent enrollment for the
5 current school year multiplied by 22.3 percent.

6 (ii) In addition to amounts allocated under (a) of this subsection,
7 the superintendent shall provide additional amounts as follows:

8 (A) For school districts receiving less than a 3.0 percent increase
9 in federal Title I Part A (basic program) funds, the multiplier in
10 (i)(A), (B), and (C) of this subsection (e) shall be .92;

11 (B) For school districts not eligible for additional funds under
12 (b)(i) of this subsection, and whose effective increase in federal
13 Title I Part A (basic program) funds is less than 3.0 percent after
14 taking into account the change in the multiplier from .92 to .82, an
15 additional amount to provide a 3.0 percent increase.

16 (f) School districts may carry over from one year to the next up to
17 10 percent of general fund--state funds allocated under this program;
18 however, carryover funds shall be expended for the learning assistance
19 program.

20 (2) The general fund--federal appropriation in this section is
21 provided for Title I Part A allocations of the no child left behind act
22 of 2001.

23 **Sec. 515.** 2002 c 371 s 516 (uncodified) is amended to read as
24 follows:

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

26	General Fund--State Appropriation (FY 2002)	\$19,663,000
27	General Fund--State Appropriation (FY 2003)	((\$3,541,000))
28		<u>\$3,534,000</u>
29	TOTAL APPROPRIATION	((\$23,204,000))
30		<u>\$23,197,000</u>

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

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

36 (2) Funds are provided for local education program enhancements to

1 meet educational needs as identified by the school district, including
2 alternative education programs.

3 (3) Allocations for the 2001-02 school year shall be at a maximum
4 annual rate of \$18.48 per full-time equivalent student. Allocations
5 shall be made on the monthly apportionment payment schedule provided in
6 RCW 28A.510.250 and shall be based on school district annual average
7 full-time equivalent enrollment in grades kindergarten through twelve:
8 PROVIDED, That for school districts enrolling not more than one hundred
9 average annual full-time equivalent students, and for small school
10 plants within any school district designated as remote and necessary
11 schools, the allocations shall be as follows:

12 (a) Enrollment of not more than sixty average annual full-time
13 equivalent students in grades kindergarten through six shall generate
14 funding based on sixty full-time equivalent students;

15 (b) Enrollment of not more than twenty average annual full-time
16 equivalent students in grades seven and eight shall generate funding
17 based on twenty full-time equivalent students; and

18 (c) Enrollment of not more than sixty average annual full-time
19 equivalent students in grades nine through twelve shall generate
20 funding based on sixty full-time equivalent students.

21 (4) Funding provided pursuant to this section does not fall within
22 the definition of basic education for purposes of Article IX of the
23 state Constitution and the state's funding duty thereunder.

24 (5) The superintendent shall not allocate up to one-fourth of a
25 district's funds under this section if:

26 (a) The district is not maximizing federal matching funds for
27 medical services provided through special education programs, pursuant
28 to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); or

29 (b) The district is not in compliance in filing truancy petitions
30 as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

31 **Sec. 516.** 2002 c 371 s 518 (uncodified) is amended to read as
32 follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
34 **PROGRAM**

35 Student Achievement Fund--State
36 Appropriation (FY 2002) \$180,837,000
37 Student Achievement Fund--State

1	Appropriation (FY 2003)	((\$210,312,000))
2		<u>\$210,376,000</u>
3	TOTAL APPROPRIATION	((\$391,149,000))
4		<u>\$391,213,000</u>

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

7 (1) The appropriation is allocated for the following uses as
8 specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001
9 (Initiative Measure No. 728):

10 (a) To reduce class size by hiring certificated elementary
11 classroom teachers in grades K-4 and paying nonemployee-related costs
12 associated with those new teachers;

13 (b) To make selected reductions in class size in grades 5-12, such
14 as small high school writing classes;

15 (c) To provide extended learning opportunities to improve student
16 academic achievement in grades K-12, including, but not limited to,
17 extended school year, extended school day, before-and-after-school
18 programs, special tutoring programs, weekend school programs, summer
19 school, and all-day kindergarten;

20 (d) To provide additional professional development for educators
21 including additional paid time for curriculum and lesson redesign and
22 alignment, training to ensure that instruction is aligned with state
23 standards and student needs, reimbursement for higher education costs
24 related to enhancing teaching skills and knowledge, and mentoring
25 programs to match teachers with skilled, master teachers. The funding
26 shall not be used for salary increases or additional compensation for
27 existing teaching duties, but may be used for extended year and extend
28 day teaching contracts;

29 (e) To provide early assistance for children who need
30 prekindergarten support in order to be successful in school; or

31 (f) To provide improvements or additions to school building
32 facilities which are directly related to the class size reductions and
33 extended learning opportunities under (a) through (c) of this
34 subsection.

35 (2) Funding for school district student achievement programs shall
36 be allocated at a maximum rate of \$190.19 per FTE student for the 2001-
37 02 school year and ((~~\$219.84~~)) \$220.00 per FTE student for the 2002-03
38 school year. For the purposes of this section and in accordance with

1 RCW 84.52.068, FTE student refers to the annual average full-time
2 equivalent enrollment of the school district in grades kindergarten
3 through twelve for the prior school year.

4 (3) The office of the superintendent of public instruction shall
5 distribute ten percent of the annual allocation to districts each month
6 for the months of September through June.

(End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2002 c 371 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2002)	\$576,097,000
General Fund--State Appropriation (FY 2003)	((\$622,540,000))
	<u>\$582,500,000</u>
State Building Construction Account--State Appropriation	((\$7,999,000))
	<u>\$3,882,000</u>
<u>Debt-Limit General Fund Bond Retirement Account--</u>	
State Appropriation	<u>\$400,000</u>
Debt-Limit Reimbursable Bond Retire Account--	
State Appropriation	\$2,591,000
State Taxable Building Construction Account--	
State Appropriation	((\$496,000))
	<u>\$59,000</u>
TOTAL APPROPRIATION	((\$1,209,723,000))
	<u>\$1,165,529,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2002 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2002.

Sec. 702. 2002 c 371 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund--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))

1 Account--State Appropriation ((~~\$130,000~~))
2 \$22,000
3 State Taxable Building Construction Account--
4 State Appropriation ((~~\$50,000~~))
5 \$51,000
6 TOTAL APPROPRIATION ((~~\$3,022,000~~))
7 \$2,025,000

8 **Sec. 704.** 2002 c 371 s 712 (uncodified) is amended to read as
9 follows:

10 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT**
11 **SYSTEMS.** The appropriations in this section are subject to the
12 following conditions and limitations: The appropriations for the law
13 enforcement officers' and fire fighters' retirement system shall be
14 made on a monthly basis beginning July 1, 2001, consistent with chapter
15 41.45 RCW, and the appropriations for the judges and judicial
16 retirement systems shall be made on a quarterly basis consistent with
17 chapters 2.10 and 2.12 RCW.

18 (1) There is appropriated for state contributions to the law
19 enforcement officers' and fire fighters' retirement system:

20 General Fund--State Appropriation (FY 2002) \$15,437,000
21 General Fund--State Appropriation (FY 2003) ((~~\$16,208,000~~))
22 \$16,440,000

23 The appropriations in this subsection are subject to the following
24 conditions and limitations: The appropriations include reductions to
25 reflect savings resulting from the implementation of state pension
26 contribution rates effective April 1, 2002, as provided in House Bill
27 No. 2782.

28 (2) There is appropriated for contributions to the judicial
29 retirement system:

30 General Fund--State Appropriation (FY 2002) \$6,000,000
31 General Fund--State Appropriation (FY 2003) \$6,000,000

32 (3) There is appropriated for contributions to the judges
33 retirement system:

34 General Fund--State Appropriation (FY 2002) \$250,000
35 General Fund--State Appropriation (FY 2003) \$250,000
36 TOTAL APPROPRIATION ((~~\$44,145,000~~))

Sec. 705. 2001 2nd sp.s. c 7 s 730 (uncodified) is amended to read as follows:

FOR THE LIABILITY ACCOUNT

General Fund--State Appropriation (FY 2003)	((\$19,392,000))
	<u>\$31,392,000</u>
((State Surplus Assets Reserve Fund--State	
Appropriation	\$25,000,000
TOTAL APPROPRIATION	\$31,392,000))

The appropriation((s)) in this section ((are)) is provided solely for deposit in the liability account.

Sec. 706. 2002 c 371 s 726 (uncodified) is amended to read as follows:

FOR SUNDRY CLAIMS. The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of general administration, except as otherwise provided, as follows:

- (1) Reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110:
 - (a) Eythor Westman, claim number SCJ 02-01 \$7,000
 - (b) Stacey Julian, claim number SCJ 02-02 \$59,136
 - (c) Christopher Denney, claim number SCJ 02-03 \$11,598
 - (d) Onofre Vazquez, claim number SCJ 02-04 \$200
 - (e) William Voorhies, claim number SCJ 02-05 \$3,694
 - (f) Glenn Rowlison, claim number SCJ 02-06 \$14,395
 - (g) Frankie Doerr, claim number SCJ 02-07 \$9,100
 - (h) Ralph Howard, claim number SCJ 00-09 \$99,497
 - (i) Johnny Adams, claim number SCJ 01-17 \$11,916
 - (j) Shane Mathus, claim number SCJ 02-08 \$13,043
 - (k) Timothy Farnam, claim number SCJ 02-09 \$21,822
 - (l) Rebecca Williams, claim number SCJ 02-10 \$2,241
 - (m) Stewart Bailey, claim number SCJ 02-11 \$4,186
 - (n) Aaron Knaack, claim number SCJ 02-13 \$4,330
 - (o) Jacob Clark, claim number SCJ 02-14 \$11,613

1	<u>(p) Victor Stanculescu, claim number SCJ 03-01</u>	<u>\$6,696</u>
2	<u>(q) Darin Tidball, claim number SCJ 03-02</u>	<u>\$4,125</u>
3	<u>(r) Keith Dusky, claim number SCJ 03-03</u>	<u>\$2,065</u>
4	<u>(s) Carmen Cornell, claim number SCJ 03-04</u>	<u>\$8,128</u>
5	<u>(t) Wesley Roggenkamp, claim number SCJ 03-05</u>	<u>\$3,918</u>
6	<u>(u) Philip Athanas, claim number SCJ 03-06</u>	<u>\$5,810</u>
7	(2) Payment from the state wildlife account for damage to crops by	
8	wildlife, pursuant to RCW 77.36.050:	
9	<u>(a) Ronald Palmer, claim number SCG 02-01</u>	<u>\$1,522</u>
10	<u>(b) Keith Morris, claim number SCG 02-02</u>	<u>\$1,315</u>
11	<u>(c) Edgar Roush, claim number SCG 02-03</u>	<u>\$1,459</u>
12	<u>(d) Keith Nelson, claim number SCG 03-01</u>	<u>\$2,765</u>
13	<u>(e) Alton Haymaker, claim number SCG 03-02</u>	<u>\$40</u>
14	<u>(f) Circle S Landscape Supplies, SCG 03-04</u>	<u>\$14,037</u>
15	<u>(3) Payment from the state general fund for death benefit claims to</u>	
16	<u>the estate of an employee of any state agency or higher education</u>	
17	<u>institution not otherwise provided a death benefit through coverage</u>	
18	<u>under their enrolled retirement system, pursuant to section 715,</u>	
19	<u>chapter 7, Laws of 2001:</u>	
20	<u>(a) Ok Chin Erdman, claim number SCO 03-08</u>	<u>\$150,000</u>
21	<u>(b) Baardson Estate, claim number SCO 03-10</u>	<u>\$150,000</u>

22 NEW SECTION. Sec. 707. A new section is added to 2001 2nd sp.s.
 23 c 7 (uncodified) to read as follows:

24 **FOR THE HEALTH SERVICES ACCOUNT**
 25 General Fund--State Appropriation (FY 2003) \$35,000,000

26 The appropriation in this section is provided solely for deposit in
 27 the health services account.

28 NEW SECTION. Sec. 708. A new section is added to 2001 2nd sp.s.
 29 c 7 (uncodified) to read as follows:

30 **FOR THE EMERGENCY MEDICAL SERVICES AND TRAUMA CARE SYSTEM TRUST**
 31 **ACCOUNT**
 32 General Fund--State Appropriation (FY 2003) \$5,571,000

33 The appropriation in this section is provided solely for deposit in
 34 the emergency medical services and trauma care system trust account.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2002 c 371 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

For transfers in this section to the state general fund, pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased by the amount of the transfer. The increase shall occur in the fiscal year in which the transfer occurs.

Public Facilities Construction Loan and

Grant Revolving Account: For transfer to the digital government revolving account on or before December 31, 2001 \$1,418,456

Financial Services Regulation Fund: To be

transferred from the financial services regulation fund to the digital government revolving account during the period between July 1, 2001, and December 31, 2001 \$2,000,000

Local Toxics Control Account: For transfer

to the state toxics control account. Transferred funds will be utilized for methamphetamine lab cleanup, to address areawide soil contamination problems, and clean up contaminated sites as part of the clean sites initiative \$6,000,000

State Toxics Control Account: For transfer

to the water quality account for water quality related projects funded in the capital budget \$9,000,000

General Fund: For transfer to the flood

control assistance account \$4,000,000

Water Quality Account: For transfer to the

water pollution control account. Transfers

1 shall be made at intervals coinciding with
 2 deposits of federal capitalization grant
 3 money into the account. The amounts
 4 transferred shall not exceed the match
 5 required for each federal deposit \$12,564,487
 6 Health Services Account: For transfer
 7 to the water quality account \$6,447,500
 8 State Treasurer's Service Account: For
 9 transfer to the general fund on or
 10 before June 30, 2003, an amount in excess
 11 of the cash requirements of the state
 12 treasurer's service account. Pursuant to
 13 RCW 43.135.035(5), the state expenditure
 14 limit shall be increased by \$4,000,000 in
 15 fiscal year 2002 and by \$8,393,000 in fiscal
 16 year 2003 to reflect this transfer \$12,393,000
 17 Public Works Assistance Account: For
 18 transfer to the drinking water
 19 assistance account \$7,700,000
 20 Tobacco Settlement Account: For transfer
 21 to the health services account, in an
 22 amount not to exceed the actual balance
 23 of the tobacco settlement account \$256,700,000
 24 General Fund: For transfer to the water quality
 25 account \$60,821,172
 26 Health Services Account: For
 27 transfer to the state general fund
 28 by June 30, 2002. Pursuant to RCW
 29 43.135.035(5), the state expenditure
 30 limit shall be increased in fiscal
 31 year 2002 to reflect this transfer \$150,000,000
 32 Multimodal Transportation Account: For
 33 transfer to the state general fund
 34 by June 30, 2002. Pursuant to RCW
 35 43.135.035(5), the state expenditure
 36 limit shall be increased in fiscal
 37 year 2002 to reflect this transfer \$70,000,000
 38 Health Service Account: For transfer

1 to the violence reduction and drug
2 enforcement account \$6,497,500
3 Gambling Revolving Account: For transfer
4 to the state general fund, \$2,000,000
5 for fiscal year 2002 and \$450,000 for
6 fiscal year 2003 \$2,450,000
7 (~~Horticultural Districts Account: For transfer~~
8 ~~to the fruit and vegetable inspection~~
9 ~~account \$11,075,000~~
10 ~~Agricultural Local Account: For~~
11 ~~transfer to the fruit and vegetable~~
12 ~~inspection account \$605,000~~))
13 Nisqually Earthquake Account: For transfer to
14 the disaster response account for fire
15 suppression and mobilization costs \$32,802,000
16 Enhanced 911 Account: For transfer to
17 the state general fund for fiscal
18 year 2003 \$6,000,000
19 Clarke-McNary Fund: For transfer to the
20 state general fund for fiscal year 2002 \$4,000,000
21 State Drought Preparedness Account: For
22 transfer to the state general fund for
23 fiscal year 2002 \$3,000,000
24 Financial Services Regulation Fund: For
25 transfer to the state general fund,
26 \$2,250,000 for fiscal year 2002 and
27 \$357,000 for fiscal year 2003 \$2,607,000
28 Industrial Insurance Premium Refund Account:
29 For transfer to the state general fund
30 for fiscal year 2002 \$1,000,000
31 Liquor Control Board Construction and
32 Maintenance Account: For transfer
33 to the state general fund for fiscal
34 year 2003 \$504,000
35 Liquor Revolving Account: For transfer
36 to the state general fund for fiscal
37 year 2003 \$2,059,000
38 Lottery Administrative Account: For transfer

1 to the state general fund for fiscal
2 year 2003 \$335,000
3 Emergency Medical Services and Trauma Care
4 System Trust Account: For transfer
5 to the state general fund for fiscal
6 year 2002 \$6,000,000
7 Public Service Revolving Account: For transfer
8 to the state general fund for fiscal
9 year 2003 \$406,000
10 Local Leasehold Excise Tax Account: For transfer
11 of interest to the state general fund by
12 June 1, 2002, for fiscal year 2002 \$1,000,000
13 Insurance Commissioner's Regulatory Account:
14 For transfer to the state general fund
15 for fiscal year 2003 \$366,000
16 Health Services Account: For transfer to the
17 tobacco prevention and control account \$21,980,000
18 From the Emergency Reserve Fund: For transfer
19 to the state general fund:
20 On June 28, 2002 \$300,000,000
21 On June 28, 2003 \$25,000,000
22 Tobacco Securitization Trust Account: For
23 transfer to the state general fund for
24 fiscal year 2003 \$450,000,000

(End of part)

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