

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5883

65th Legislature
2017 3rd Special Session

Passed by the Senate June 30, 2017
Yeas 39 Nays 10

President of the Senate

Passed by the House June 30, 2017
Yeas 70 Nays 23

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5883** as passed by Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5883

Passed Legislature - 2017 3rd Special Session

State of Washington 65th Legislature 2017 Regular Session

By Senate Ways & Means (originally sponsored by Senator Braun)

READ FIRST TIME 06/30/17.

1 AN ACT Relating to fiscal matters; amending RCW 19.118.110,
2 28B.15.210, 28B.15.310, 28B.35.370, 28B.50.360, 28B.95.092,
3 28B.115.070, 28B.122.050, 28C.04.535, 36.70A.725, 38.52.105,
4 41.26.450, 41.26.802, 41.60.050, 43.08.190, 43.09.475, 43.41.450,
5 43.43.839, 43.79.445, 43.79.460, 43.101.220, 43.101.200, 43.330.250,
6 43.320.110, 50.16.010, 66.08.170, 69.50.540, 70.105D.070, 71.24.580,
7 74.13.621, 77.12.201, 77.12.203, 79.64.040, 79.64.110, 79.105.150,
8 79A.80.090, 82.19.040, 82.19.040, 83.100.230, 39.26.200, and
9 79A.25.210; amending 2013 2nd sp.s. c 15 s 8 (uncodified); amending
10 2015 c 15 ss 8 and 9 (uncodified); amending 2017 c 313 s 201
11 (uncodified); amending 2016 sp.s. c 36 ss 112, 113, 114, 117, 119,
12 118, 120, 121, 124, 125, 127, 128, 130, 131, 132, 134, 135, 136, 137,
13 139, 141, 143, 147, 148, 149, 201, 202, 203, 204, 205, 206, 207, 208,
14 209, 210, 211, 212, 213, 214, 216, 217, 218, 219, 220, 221, 301, 302,
15 303, 304, 305, 306, 307, 308, 310, 311, 402, 501, 502, 503, 504, 505,
16 506, 507, 508, 509, 511, 512, 513, 514, 516, 517, 602, 603, 604, 605,
17 606, 607, 608, 609, 610, 611, 612, 613, 615, 617, 701, 706, 801, and
18 804 (uncodified); amending 2015 3rd sp.s. c 4 ss 125, 506, and 703
19 (uncodified); reenacting and amending RCW 43.155.050 and 43.155.050;
20 adding new sections to 2015 3rd sp.s. c 4 (uncodified); adding a new
21 section to chapter 43.31 RCW; adding a new section to chapter 43.41
22 RCW; adding a new section to chapter 28B.76 RCW; making

1 appropriations; providing effective dates; providing an expiration
2 date; and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and,
5 subject to the provisions set forth in the following sections, the
6 several amounts specified in parts I through IX of this act, or so
7 much thereof as shall be sufficient to accomplish the purposes
8 designated, are hereby appropriated and authorized to be incurred for
9 salaries, wages, and other expenses of the agencies and offices of
10 the state and for other specified purposes for the fiscal biennium
11 beginning July 1, 2017, and ending June 30, 2019, except as otherwise
12 provided, out of the several funds of the state hereinafter named.

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

15 (a) "Fiscal year 2018" or "FY 2018" means the fiscal year ending
16 June 30, 2018.

17 (b) "Fiscal year 2019" or "FY 2019" means the fiscal year ending
18 June 30, 2019.

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

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

22 (e) "Provided solely" means the specified amount may be spent
23 only for the specified purpose. Unless otherwise specifically
24 authorized in this act, any portion of an amount provided solely for
25 a specified purpose which is not expended subject to the specified
26 conditions and limitations to fulfill the specified purpose shall
27 lapse.

28 **PART I**
29 **GENERAL GOVERNMENT**

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

31	General Fund—State Appropriation (FY 2018).	\$37,642,000
32	General Fund—State Appropriation (FY 2019).	\$39,205,000
33	Motor Vehicle Account—State Appropriation.	\$2,011,000
34	TOTAL APPROPRIATION.	\$78,858,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The speaker shall designate one member
3 from each of the major caucuses in the house of representatives as a
4 work group to facilitate public discussions throughout the state
5 regarding Washington's tax structure. As part of this effort, the
6 work group may hold up to seven public meetings in geographically
7 dispersed areas of the state throughout the 2017-2019 fiscal
8 biennium. These discussions may include but are not limited to the
9 advantages and disadvantages of the state's current tax structure and
10 potential options to improve the current structure for the benefit of
11 individuals, families, and businesses in Washington state. The work
12 group is staffed by the office of program research. The work group
13 may report to the house of representatives finance committee and
14 other house of representatives committees upon request of the
15 committee chair.

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

17 General Fund—State Appropriation (FY 2018).	\$26,369,000
18 General Fund—State Appropriation (FY 2019).	\$29,451,000
19 Motor Vehicle Account—State Appropriation.	\$1,903,000
20 TOTAL APPROPRIATION.	\$57,723,000

21 **NEW SECTION. Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND**
22 **REVIEW COMMITTEE**

23 General Fund—State Appropriation (FY 2018).	\$135,000
24 General Fund—State Appropriation (FY 2019).	\$29,000
25 Performance Audits of Government—State Appropriation. . .	\$8,619,000
26 TOTAL APPROPRIATION.	\$8,783,000

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

29 (1) Notwithstanding the provisions of this section, the joint
30 legislative audit and review committee may adjust the due dates for
31 projects included on the committee's 2017-2019 work plan as necessary
32 to efficiently manage workload.

33 (2) The committee shall complete its analysis of fire suppression
34 funding and costs for the department of natural resources and the
35 state fire marshal. A report on the results of the analysis with any
36 findings and recommendations shall be submitted to the appropriate
37 committees of the legislature by December 2017.

1 (3) \$308,000 of the performance audits of government account—
2 state appropriation is provided solely for the implementation of
3 chapter 303, Laws of 2017 (ESHB 1594) (public records
4 administration).

5 (4) \$500,000 of the performance audits of government account—
6 state appropriation is provided solely for an evaluation and
7 comparison of the cost efficiency of market rate housing in
8 Washington versus publicly subsidized housing projects intended to
9 assist low-income households.

10 (a) The comparison will include, but not be limited to, a
11 comparison of the costs of:

12 (i) Land acquisition;

13 (ii) Preconstruction activities including development and design,
14 environmental review, permitting, and other state and local review
15 processes;

16 (iii) Construction and rehabilitation;

17 (iv) Capital and financing;

18 (v) Labor costs;

19 (vi) Construction administrative costs including legal, contract,
20 and finance activities; and

21 (vii) Ongoing maintenance and operating of the housing
22 constructed.

23 (b) The comparison will include a review of the department of
24 commerce housing root cause analysis due to the governor on June 1,
25 2018. Included in the review will be a consideration of geographic
26 and regional factors affecting costs. The report will include a
27 recommendation for publicly available and easy to read sources and
28 labels for each publicly subsidized housing project. For purposes of
29 the evaluation and comparison, publicly subsidized housing project
30 means housing that is funded, in whole or in part, by state, local,
31 or federal funds or financing programs to assist low-income
32 households.

33 (c) The evaluation must solicit input from interested housing
34 stakeholders, including representatives from the Washington state
35 affordable housing advisory board, the department of commerce, the
36 Washington state housing finance commission, representatives from the
37 private rental housing industry, housing authorities, community
38 action agencies, local governments, and nonprofit and for-profit
39 housing developers.

1 (d) The evaluation and comparison is due to the legislature by
2 December 31, 2018.

3 (5) \$100,000 of the performance audits of government account—
4 state appropriation is provided solely for an evaluation of: (a) The
5 adequacy and effectiveness of the department of commerce office of
6 youth homelessness performance based contracting with homelessness
7 service providers; and (b) compliance with the performance
8 measurement, reporting, and quality award program application
9 requirements of chapter 43.185C RCW.

10 (6) The agency is directed to use its moneys in the savings
11 incentive account for one-time relocation, furniture, equipment, and
12 tenant improvements costs to move to the 1063 building.

13 (7)(a) \$250,000 of the performance audit of government—state
14 appropriation is provided solely for the committee to conduct a study
15 of the employment services and community access services provided by
16 the department of social and health services for individuals with a
17 developmental disability. The study should explore the following
18 topics:

19 (i) The costs and benefits associated with prevocational training
20 programs;

21 (ii) The process of requesting and authorizing prevocational
22 services;

23 (iii) The costs and benefits associated with employment programs,
24 including a review of hours worked each month and the usage of job
25 coaches;

26 (iv) The process of requesting and authorizing employment
27 services, including a review of clients over the age of 21 who have
28 requested service and received a denial due to a lack of funding;

29 (v) The costs and benefits associated with community access
30 services; and

31 (vi) The process of requesting and authorizing community access
32 services, including a review of who have been denied an exception to
33 policy for community access services.

34 (b) The evaluation must solicit input from interested
35 stakeholders to include, but not be limited to, the ARC of
36 Washington, the developmental disabilities council, the Washington
37 association of counties, and disability rights of Washington.

38 (c) The evaluation is due to the legislature by December 1, 2018.

1 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
2 **ACCOUNTABILITY PROGRAM COMMITTEE**

3 Performance Audits of Government—State Appropriation. . . \$4,175,000

4 The appropriation in this section is subject to the following
5 conditions and limitations: The agency is directed to use its moneys
6 in the savings incentive account for one-time relocation, furniture,
7 equipment, and tenant improvements costs to move to the 1063
8 building.

9 NEW SECTION. **Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS**
10 **COMMITTEE**

11 General Fund—State Appropriation (FY 2018). \$10,730,000

12 General Fund—State Appropriation (FY 2019). \$10,254,000

13 TOTAL APPROPRIATION. \$20,984,000

14 NEW SECTION. **Sec. 106. FOR THE OFFICE OF THE STATE ACTUARY**

15 General Fund—State Appropriation (FY 2018). \$302,000

16 General Fund—State Appropriation (FY 2019). \$308,000

17 State Health Care Authority Administrative Account—State
18 Appropriation. \$406,000

19 Department of Retirement Systems Expense
20 Account—State Appropriation. \$5,110,000

21 TOTAL APPROPRIATION. \$6,126,000

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

23 General Fund—State Appropriation (FY 2018). \$4,936,000

24 General Fund—State Appropriation (FY 2019). \$5,455,000

25 TOTAL APPROPRIATION. \$10,391,000

26 NEW SECTION. **Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT**
27 **SERVICES**

28 General Fund—State Appropriation (FY 2018). \$4,043,000

29 General Fund—State Appropriation (FY 2019). \$4,485,000

30 TOTAL APPROPRIATION. \$8,528,000

31 NEW SECTION. **Sec. 109. LEGISLATIVE AGENCIES**

32 In order to achieve operating efficiencies within the financial
33 resources available to the legislative branch, the executive rules
34 committee of the house of representatives and the facilities and

1 operations committee of the senate by joint action may transfer funds
2 among the house of representatives, senate, joint legislative audit
3 and review committee, legislative evaluation and accountability
4 program committee, joint transportation committee, office of the
5 state actuary, joint legislative systems committee, statute law
6 committee, and office of legislative support services.

7 NEW SECTION. **Sec. 110. FOR THE SUPREME COURT**

8	General Fund—State Appropriation (FY 2018).	\$8,046,000
9	General Fund—State Appropriation (FY 2019).	\$8,368,000
10	TOTAL APPROPRIATION.	\$16,414,000

11 NEW SECTION. **Sec. 111. FOR THE LAW LIBRARY**

12	General Fund—State Appropriation (FY 2018).	\$1,685,000
13	General Fund—State Appropriation (FY 2019).	\$1,714,000
14	TOTAL APPROPRIATION.	\$3,399,000

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

16	General Fund—State Appropriation (FY 2018).	\$1,340,000
17	General Fund—State Appropriation (FY 2019).	\$1,236,000
18	TOTAL APPROPRIATION.	\$2,576,000

19 NEW SECTION. **Sec. 113. FOR THE COURT OF APPEALS**

20	General Fund—State Appropriation (FY 2018).	\$18,077,000
21	General Fund—State Appropriation (FY 2019).	\$18,860,000
22	TOTAL APPROPRIATION.	\$36,937,000

23 NEW SECTION. **Sec. 114. FOR THE ADMINISTRATOR FOR THE COURTS**

24	General Fund—State Appropriation (FY 2018).	\$56,910,000
25	General Fund—State Appropriation (FY 2019).	\$58,751,000
26	General Fund—Federal Appropriation.	\$2,175,000
27	General Fund—Private/Local Appropriation.	\$677,000
28	Judicial Information Systems Account—State	
29	Appropriation.	\$58,486,000
30	Judicial Stabilization Trust Account—State	
31	Appropriation.	\$6,691,000
32	TOTAL APPROPRIATION.	\$183,690,000

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

1 (1) The distributions made under this subsection and
2 distributions from the county criminal justice assistance account
3 made pursuant to section 801 of this act constitute appropriate
4 reimbursement for costs for any new programs or increased level of
5 service for purposes of RCW 43.135.060.

6 (2) \$1,399,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$1,399,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for school districts for
9 petitions to juvenile court for truant students as provided in RCW
10 28A.225.030 and 28A.225.035. The administrator for the courts shall
11 develop an interagency agreement with the superintendent of public
12 instruction to allocate the funding provided in this subsection.
13 Allocation of this money to school districts shall be based on the
14 number of petitions filed. This funding includes amounts school
15 districts may expend on the cost of serving petitions filed under RCW
16 28A.225.030 by certified mail or by personal service or for the
17 performance of service of process for any hearing associated with RCW
18 28A.225.030.

19 (3)(a) \$7,313,000 of the general fund—state appropriation for
20 fiscal year 2018 and \$7,313,000 of the general fund—state
21 appropriation for fiscal year 2019 are provided solely for
22 distribution to county juvenile court administrators to fund the
23 costs of processing truancy, children in need of services, and at-
24 risk youth petitions. The administrator for the courts, in
25 conjunction with the juvenile court administrators, shall develop an
26 equitable funding distribution formula. The formula shall neither
27 reward counties with higher than average per-petition processing
28 costs nor shall it penalize counties with lower than average per-
29 petition processing costs.

30 (b) Each fiscal year during the 2017-2019 fiscal biennium, each
31 county shall report the number of petitions processed and the total
32 actual costs of processing truancy, children in need of services, and
33 at-risk youth petitions. Counties shall submit the reports to the
34 administrator for the courts no later than 45 days after the end of
35 the fiscal year. The administrator for the courts shall
36 electronically transmit this information to the chairs and ranking
37 minority members of the house of representatives and senate fiscal
38 committees no later than 60 days after a fiscal year ends. These

1 reports are deemed informational in nature and are not for the
2 purpose of distributing funds.

3 (4) \$12,000,000 of the judicial information systems account—state
4 appropriation is provided solely for the continued implementation of
5 the superior courts case management system. Of the amount
6 appropriated, \$8,300,000 is provided solely for expenditures in
7 fiscal year 2018. The remaining appropriation of \$3,700,000 is
8 provided solely for expenditures in fiscal year 2019 and shall lapse
9 and remain unexpended if the superior court case management system is
10 not live and fully functional in Cowlitz, Grays Harbor, Klickitat,
11 Mason, Pacific, and Skamania counties by July 1, 2017, and Clallum,
12 Jefferson, Kitsap, Skagit, and Whatcom counties by January 1, 2018.

13 (5) \$4,339,000 of the judicial information systems account—state
14 appropriation is provided solely for the information network hub
15 project.

16 (6)(a) \$10,000,000 of the judicial information systems account—
17 state appropriation is provided solely for other judicial branch
18 information technology projects, including:

- 19 (i) The superior court case management system;
- 20 (ii) The courts of limited jurisdiction case management system;
- 21 (iii) Equipment replacement; and
- 22 (iv) Support staff for information technology projects.

23 (b) Expenditures from the judicial information systems account
24 shall not exceed available resources. The office must coordinate with
25 the steering committee for the superior court case management system
26 and the steering committee for the courts of limited jurisdiction
27 case management system to prioritize expenditures for judicial branch
28 information technology projects. For any competitive procurement
29 using amounts appropriated, the office of the chief information
30 officer must review the qualifications and proposed work plan of the
31 apparently successful bidder prior to final selection and review the
32 proposed vendor contract prior to its execution. The office shall not
33 enter into any contract using appropriated amounts that would cause
34 total information technology expenditures to exceed projected
35 resources in the judicial information systems account in the
36 2019-2021 fiscal biennium.

37 (7) \$406,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$405,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for the statewide fiscal impact

1 on Thurston county courts. The administrative office of the courts
2 must collaborate with Thurston county to create a new fee formula
3 that accurately represents the state's impact on Thurston county
4 courts.

5 (8) \$53,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for implementation of chapter 272, Laws
7 of 2017 (E2SHB 1163) (domestic violence).

8 (9) \$61,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$58,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for implementation of chapter
11 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

12 **NEW SECTION. Sec. 115. FOR THE OFFICE OF PUBLIC DEFENSE**

13	General Fund—State Appropriation (FY 2018).	\$41,558,000
14	General Fund—State Appropriation (FY 2019).	\$42,539,000
15	Judicial Stabilization Trust Account—State	
16	Appropriation.	\$3,710,000
17	TOTAL APPROPRIATION.	\$87,807,000

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

20 (1) The amounts provided include funding for expert and
21 investigative services in death penalty personal restraint petitions.

22 (2) \$1,101,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$1,101,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for parents representation
25 program costs related to increased parental rights termination
26 filings from the department of social and health services permanency
27 initiative.

28 (3) \$900,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$900,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for the purpose of improving the
31 quality of trial court public defense services. The department must
32 allocate these amounts so that \$450,000 per fiscal year is
33 distributed to counties, and \$450,000 per fiscal year is distributed
34 to cities, for grants under chapter 10.101 RCW.

35 (4) \$2,384,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$3,364,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the office to complete the
38 expansion of the parents representation program in the following

1 counties: Adams, Douglas, Island, Lewis, Lincoln, Okanogan, San Juan,
2 Walla Walla, and the remainder of Pierce.

3 (5) \$490,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$490,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the parents for parents
6 program. Funds must be used to expand services in four new sites, and
7 maintain and improve service models for the current programs in Grays
8 Harbor/Pacific, King, Kitsap, Pierce, Snohomish, Spokane, and
9 Thurston/Mason counties.

10 (6) \$432,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$432,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for vendor rate increases. Of
13 the amounts provided in this subsection, \$188,000 each fiscal year is
14 provided solely for an increase in the rate for contracted social
15 workers.

16 NEW SECTION. **Sec. 116. FOR THE OFFICE OF CIVIL LEGAL AID**

17	General Fund—State Appropriation (FY 2018).	\$14,855,000
18	General Fund—State Appropriation (FY 2019).	\$16,490,000
19	Judicial Stabilization Trust Account—State	
20	Appropriation.	\$1,463,000
21	TOTAL APPROPRIATION.	\$32,808,000

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

24 (1) An amount not to exceed \$40,000 of the general fund—state
25 appropriation for fiscal year 2018 and an amount not to exceed
26 \$40,000 of the general fund—state appropriation for fiscal year 2019
27 may be used to provide telephonic legal advice and assistance to
28 otherwise eligible persons who are sixty years of age or older on
29 matters authorized by RCW 2.53.030(2) (a) through (k) regardless of
30 household income or asset level.

31 (2) \$1,075,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$2,600,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the office to partially
34 implement the civil legal aid reinvestment plan.

35 NEW SECTION. **Sec. 117. FOR THE OFFICE OF THE GOVERNOR**

36	General Fund—State Appropriation (FY 2018).	\$6,406,000
37	General Fund—State Appropriation (FY 2019).	\$5,833,000

1 TOTAL APPROPRIATION. \$12,239,000

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

4 (1) \$703,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$703,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the office of the education
7 ombuds.

8 (2) \$730,000 of the general fund—state appropriation for fiscal
9 year 2018 is provided solely for implementation of Engrossed Second
10 Substitute House Bill No. 1661 (child, youth, families/department).
11 The amount of state and federal funding to be transferred from the
12 department of social and health services to the department of
13 children, youth, and families for the working connections child care
14 services, administration, and staff must be included in the report
15 required by the bill on how to incorporate the staff responsible for
16 determining eligibility for the working connections child care
17 program into the department of children, youth, and families. If the
18 bill is not enacted by July 31, 2017, the amount provided in this
19 subsection shall lapse.

20 NEW SECTION. **Sec. 118. FOR THE LIEUTENANT GOVERNOR**

21 General Fund—State Appropriation (FY 2018). \$833,000
22 General Fund—State Appropriation (FY 2019). \$859,000
23 General Fund—Private/Local Appropriation. \$90,000
24 TOTAL APPROPRIATION. \$1,782,000

25 NEW SECTION. **Sec. 119. FOR THE PUBLIC DISCLOSURE COMMISSION**

26 General Fund—State Appropriation (FY 2018). \$2,826,000
27 General Fund—State Appropriation (FY 2019). \$2,872,000
28 TOTAL APPROPRIATION. \$5,698,000

29 NEW SECTION. **Sec. 120. FOR THE SECRETARY OF STATE**

30 General Fund—State Appropriation (FY 2018). \$15,131,000
31 General Fund—State Appropriation (FY 2019). \$13,465,000
32 General Fund—Federal Appropriation. \$7,801,000
33 Public Records Efficiency, Preservation, and Access
34 Account—State Appropriation. \$9,223,000
35 Charitable Organization Education Account—State
36 Appropriation. \$673,000

1	Local Government Archives Account—State	
2	Appropriation.	\$10,946,000
3	Election Account—Federal Appropriation.	\$4,387,000
4	Washington State Heritage Center Account—State	
5	Appropriation.	\$10,383,000
6	TOTAL APPROPRIATION.	\$72,009,000

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

9 (1) \$3,301,000 of the general fund—state appropriation for fiscal
10 year 2018 is provided solely to reimburse counties for the state's
11 share of primary and general election costs and the costs of
12 conducting mandatory recounts on state measures. Counties shall be
13 reimbursed only for those odd-year election costs that the secretary
14 of state validates as eligible for reimbursement.

15 (2)(a) \$2,932,000 of the general fund—state appropriation for
16 fiscal year 2018 and \$3,011,000 of the general fund—state
17 appropriation for fiscal year 2019 are provided solely for
18 contracting with a nonprofit organization to produce gavel-to-gavel
19 television coverage of state government deliberations and other
20 events of statewide significance during the 2017-2019 fiscal
21 biennium. The funding level for each year of the contract shall be
22 based on the amount provided in this subsection. The nonprofit
23 organization shall be required to raise contributions or commitments
24 to make contributions, in cash or in kind, in an amount equal to
25 forty percent of the state contribution. The office of the secretary
26 of state may make full or partial payment once all criteria in this
27 subsection have been satisfactorily documented.

28 (b) The legislature finds that the commitment of on-going funding
29 is necessary to ensure continuous, autonomous, and independent
30 coverage of public affairs. For that purpose, the secretary of state
31 shall enter into a contract with the nonprofit organization to
32 provide public affairs coverage.

33 (c) The nonprofit organization shall prepare an annual
34 independent audit, an annual financial statement, and an annual
35 report, including benchmarks that measure the success of the
36 nonprofit organization in meeting the intent of the program.

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

1 (i) Attempting to influence the passage or defeat of any
2 legislation by the legislature of the state of Washington, by any
3 county, city, town, or other political subdivision of the state of
4 Washington, or by the congress, or the adoption or rejection of any
5 rule, standard, rate, or other legislative enactment of any state
6 agency;

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

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

10 (3) Any reductions to funding for the Washington talking book and
11 Braille library may not exceed in proportion any reductions taken to
12 the funding for the library as a whole.

13 (4) \$15,000 of the general fund—state appropriation for fiscal
14 year 2018, \$15,000 of the general fund—state appropriation for fiscal
15 year 2019, \$4,000 of the public records efficiency, preservation and
16 access account, and \$2,253,000 of the local government archives
17 account appropriation are provided solely for the implementation of
18 chapter 303, Laws of 2017 (ESHB 1594) (public records
19 administration).

20 (5) The office of the secretary of state will enter into an
21 agreement with the office of the attorney general to reimburse costs
22 associated with the requirements of chapter 303, Laws of 2017.

23 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**
24 **AFFAIRS**

25	General Fund—State Appropriation (FY 2018).	\$289,000
26	General Fund—State Appropriation (FY 2019).	\$276,000
27	TOTAL APPROPRIATION.	\$565,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: The office shall assist the department of
30 enterprise services on providing the government-to-government
31 training sessions for federal, state, local, and tribal government
32 employees. The training sessions shall cover tribal historical
33 perspectives, legal issues, tribal sovereignty, and tribal
34 governments. Costs of the training sessions shall be recouped through
35 a fee charged to the participants of each session. The department of
36 enterprise services shall be responsible for all of the
37 administrative aspects of the training, including the billing and
38 collection of the fees for the training.

1 NEW SECTION. **Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC**
2 **AMERICAN AFFAIRS**

3	General Fund—State Appropriation (FY 2018).	\$253,000
4	General Fund—State Appropriation (FY 2019).	\$263,000
5	TOTAL APPROPRIATION.	\$516,000

6 NEW SECTION. **Sec. 123. FOR THE STATE TREASURER**

7	State Treasurer's Service Account—State	
8	Appropriation.	\$18,918,000

9 The appropriation in this section is subject to the following
10 conditions and limitations: \$75,000 of the state treasurer's service
11 account—state appropriation is provided solely to establish a task
12 force on public infrastructure and a publicly-owned depository. The
13 task force must examine the scope of financial needs for local
14 governments for constructing public infrastructure; the feasibility
15 of creating a publicly-owned depository to facilitate investment in,
16 and financing of, public infrastructure systems that will increase
17 public health and safety, and leverage the financial capital and
18 resources of Washington state by working in partnership with
19 financial institutions that benefit local communities, or with
20 community-based organizations, economic development organizations,
21 local governments, guaranty agencies, and other stakeholder groups to
22 create jobs and economic opportunities within our state for public
23 benefit.

24 (1) The task force will consist of one member from each of the
25 two largest caucuses of the senate appointed by the president of the
26 senate; one member from each of the two largest caucuses of the house
27 of representatives appointed by the speaker of the house of
28 representatives; members representing a small sized state-chartered
29 bank, a medium sized state-chartered bank, a federally chartered
30 bank, local governments, and four citizens with a background in
31 financial issues or public infrastructure selected by the president
32 of the senate and the speaker of the house of representatives; and
33 the attorney general, the state auditor, the treasurer, and the
34 governor, or their designees. The task force will ensure that ample
35 opportunity for input from interested stakeholders is provided. The
36 department of commerce, the department of financial institutions, and
37 the treasurer must cooperate with the task force and provide
38 information and assistance at the request of the task force.

1 (2) The task force will report any recommendations identified by
2 the task force that involve statutory changes, funding
3 recommendations, or administrative action to the legislature as draft
4 legislation by December 1, 2017.

5 NEW SECTION. **Sec. 124. FOR THE STATE AUDITOR**

6	General Fund—State Appropriation (FY 2018).	\$28,000
7	General Fund—State Appropriation (FY 2019).	\$32,000
8	State Auditing Services Revolving Account—State	
9	Appropriation.	\$10,219,000
10	Performance Audit of Government Account—State	
11	Appropriation.	\$3,019,000
12	TOTAL APPROPRIATION.	\$13,298,000

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

15 (1) \$774,000 of the performance audit of government account—state
16 appropriation is provided solely for the state auditor's office to
17 conduct a performance audit of the department of health focused on
18 the fee setting for each health profession licensed by the
19 department. The performance audit must include, but is not limited
20 to:

21 (a) A review of each health profession's process for setting
22 application, licensure, renewal, examination, and indirect fees;

23 (b) A review of the costs of running each health profession
24 program or board;

25 (c) An analysis of how any moneys collected as indirect charges
26 levied on a health profession are used by the department; and

27 (d) A review of any department policies or procedures that have
28 been adopted in an attempt to reduce the fee levels of any of the
29 health professions.

30 (e) A final report of the performance audit must be submitted to
31 the appropriate legislative policy and fiscal committees by December
32 1, 2018.

33 (2) \$1,585,000 of the performance audit of government account—
34 state appropriation is provided solely for staff and related costs to
35 verify the accuracy of reported school district data submitted for
36 state funding purposes; conduct school district program audits of
37 state-funded public school programs; establish the specific amount of
38 state funding adjustments whenever audit exceptions occur and the

1 amount is not firmly established in the course of regular public
2 school audits; and to assist the state special education safety net
3 committee when requested.

4 (3) \$667,000 of the performance audits of government account—
5 state appropriation for fiscal year 2018 is provided solely for the
6 state auditor's office to conduct a performance audit of Washington
7 charter public schools to satisfy the requirement to contract for an
8 independent performance audit pursuant to RCW 28A.710.030(2). The
9 final report of the performance audit must be submitted to the
10 appropriate legislative policy committees by June 30, 2018. The audit
11 must include eight schools currently in their first year of operation
12 and, subject to the availability of data, must address the following
13 questions:

14 (a) Whether the charter school has a charter contract that
15 includes performance provisions based on a performance framework that
16 sets forth academic and operational performance indicators, measures,
17 and metrics;

18 (b) Whether the charter school performance framework includes
19 indicators, measures, and metrics for student academic proficiency,
20 student academic growth, achievement gaps in both proficiency and
21 growth between major student subgroups, attendance, recurrent
22 enrollment from year to year, financial performance and
23 sustainability, and charter school board compliance with applicable
24 laws, rules and terms of the charter contract; and

25 (c) Whether the charter school performance framework includes a
26 disaggregation of student performance data by major student
27 subgroups, including gender, race and ethnicity, poverty status,
28 special education status, English language learner status, and highly
29 capable status.

30 NEW SECTION. **Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES**
31 **FOR ELECTED OFFICIALS**

32	General Fund—State Appropriation (FY 2018).	\$204,000
33	General Fund—State Appropriation (FY 2019).	\$205,000
34	TOTAL APPROPRIATION.	\$409,000

35 NEW SECTION. **Sec. 126. FOR THE ATTORNEY GENERAL**

36	General Fund—State Appropriation (FY 2018).	\$8,641,000
37	General Fund—State Appropriation (FY 2019).	\$8,951,000

1	General Fund—Federal Appropriation.	\$6,969,000
2	New Motor Vehicle Arbitration Account—State	
3	Appropriation.	\$1,145,000
4	Legal Services Revolving Account—State	
5	Appropriation.	\$245,290,000
6	Tobacco Prevention and Control Account—State	
7	Appropriation.	\$273,000
8	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$3,526,000
9	Public Service Revolving Account—State	
10	Appropriation.	\$2,373,000
11	Child Rescue Fund—State Appropriation.	\$550,000
12	Local Government Archives Account—State Appropriation. . . .	\$660,000
13	TOTAL APPROPRIATION.	\$278,378,000

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

16 (1) The attorney general shall report each fiscal year on actual
17 legal services expenditures and actual attorney staffing levels for
18 each agency receiving legal services. The report shall be submitted
19 to the office of financial management and the fiscal committees of
20 the senate and house of representatives no later than ninety days
21 after the end of each fiscal year. As part of its by agency report to
22 the legislative fiscal committees and the office of financial
23 management, the office of the attorney general shall include
24 information detailing the agency's expenditures for its agency-wide
25 overhead and a breakdown by division of division administration
26 expenses.

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

32 (3) The attorney general shall annually report to the fiscal
33 committees of the legislature all new cy pres awards and settlements
34 and all new accounts, disclosing their intended uses, balances, the
35 nature of the claim or account, proposals, and intended timeframes
36 for the expenditure of each amount. The report shall be distributed
37 electronically and posted on the attorney general's web site. The
38 report shall not be printed on paper or distributed physically.

1 (4) \$353,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$353,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for a grant to the Washington
4 coalition of crime victim advocates to provide training,
5 certification, and technical assistance for crime victim service
6 center advocates.

7 (5) \$92,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$91,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for implementation of chapter
10 163, Laws of 2017 (SHB 1055) (military members/pro bono).

11 (6) \$49,000 of the legal services revolving account—state
12 appropriation is provided solely for implementation of chapter 268,
13 Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

14 (7) \$276,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$259,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for implementation of chapter
17 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

18 (8) \$22,000 of the legal services revolving account—state
19 appropriation is provided solely for implementation of chapter 295,
20 Laws of 2017 (SHB 1258) (first responders/disability).

21 (9) \$35,000 of the legal services revolving account—state
22 appropriation is provided solely for implementation of chapter 249,
23 Laws of 2017 (ESHB 1714) (nursing staffing/hospitals).

24 (10) \$361,000 of the legal services revolving account—state
25 appropriation and \$660,000 of the local government archives account—
26 state appropriation are provided solely for implementation of chapter
27 303, Laws of 2017 (ESHB 1594) (public records administration).

28 (11) \$40,000 of the general fund—state appropriation for fiscal
29 year 2018 is provided solely for the implementation of chapter 243,
30 Laws of 2017 (HB 1352) (small business owners).

31 (12) \$67,000 of the legal services revolving account—state
32 appropriation is provided solely for the implementation of chapter
33 320, Laws of 2017 (SSB 5322) (dentists and third parties).

34 (13) \$11,000 of the legal services revolving account—state
35 appropriation is provided solely for the implementation of chapter
36 53, Laws of 2017 (2SHB 1120) (regulatory fairness act).

37 NEW SECTION. **Sec. 127. FOR THE CASELOAD FORECAST COUNCIL**
38 General Fund—State Appropriation (FY 2018). \$1,606,000

1	General Fund—State Appropriation (FY 2019).	\$1,576,000
2	TOTAL APPROPRIATION.	\$3,182,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: In addition to caseload forecasts for
5 common schools as defined in RCW 43.88C.010(7), during the 2017-2019
6 fiscal biennium the council must provide a separate forecast of
7 enrollment for charter schools authorized by chapter 28A.710 RCW.

8 NEW SECTION. **Sec. 128. FOR THE DEPARTMENT OF COMMERCE**

9	General Fund—State Appropriation (FY 2018).	\$64,989,000
10	General Fund—State Appropriation (FY 2019).	\$65,634,000
11	General Fund—Federal Appropriation.	\$295,855,000
12	General Fund—Private/Local Appropriation.	\$8,623,000
13	Public Works Assistance Account—State	
14	Appropriation.	\$8,092,000
15	Drinking Water Assistance Administrative	
16	Account—State Appropriation.	\$508,000
17	Lead Paint Account—State Appropriation.	\$238,000
18	Building Code Council Account—State Appropriation.	\$15,000
19	Home Security Fund Account—State Appropriation.	\$48,400,000
20	Affordable Housing for All Account—State	
21	Appropriation.	\$13,867,000
22	Financial Fraud and Identity Theft Crimes	
23	Investigation and Prosecution Account—State	
24	Appropriation.	\$1,974,000
25	Low-Income Weatherization and Structural	
26	Rehabilitation Assistance Account—State	
27	Appropriation.	\$1,398,000
28	Community and Economic Development Fee Account—State	
29	Appropriation.	\$4,630,000
30	Washington Housing Trust Account—State	
31	Appropriation.	\$12,617,000
32	Prostitution Prevention and Intervention Account—	
33	State Appropriation.	\$26,000
34	Public Facility Construction Loan Revolving	
35	Account—State Appropriation.	\$842,000
36	Drinking Water Assistance Account—State	
37	Appropriation.	\$46,000

1	Liquor Revolving Account—State Appropriation.	\$5,613,000
2	Energy Freedom Account—State Appropriation.	\$6,000
3	Liquor Excise Tax Account—State Appropriation.	\$665,000
4	Economic Development Strategic Reserve Account—State	
5	Appropriation.	\$5,611,000
6	Financial Services Regulation Account—State	
7	Appropriation.	\$468,000
8	TOTAL APPROPRIATION.	\$540,117,000

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

11 (1) Repayments of outstanding mortgage and rental assistance
12 program loans administered by the department under RCW 43.63A.640
13 shall be remitted to the department, including any current revolving
14 account balances. The department shall collect payments on
15 outstanding loans, and deposit them into the state general fund.
16 Repayments of funds owed under the program shall be remitted to the
17 department according to the terms included in the original loan
18 agreements.

19 (2) \$500,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$500,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for a grant to resolution
22 Washington to building statewide capacity for alternative dispute
23 resolution centers and dispute resolution programs that guarantee
24 that citizens have access to low-cost resolution as an alternative to
25 litigation.

26 (3) \$375,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$375,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for a grant to the retired
29 senior volunteer program.

30 (4) The department shall administer its growth management act
31 technical assistance and pass-through grants so that smaller cities
32 and counties receive proportionately more assistance than larger
33 cities or counties.

34 (5) \$375,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$375,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely as pass-through funding to Walla
37 Walla Community College for its water and environmental center.

38 (6) \$5,602,000 of the economic development strategic reserve
39 account—state appropriation is provided solely for associate

1 development organizations. During the 2017-2019 fiscal biennium, the
2 department shall consider an associate development organization's
3 total resources when making contracting and fund allocation
4 decisions, in addition to the schedule provided in RCW 43.330.086.

5 (7) \$5,607,000 of the liquor revolving account—state
6 appropriation is provided solely for the department to contract with
7 the municipal research and services center of Washington.

8 (8)(a) \$500,000 of the general fund—state appropriation for
9 fiscal year 2018, \$500,000 of the general fund—state appropriation
10 for fiscal year 2019, \$24,734,000 of the home security fund—state
11 appropriation, and \$8,860,000 of the affordable housing for all
12 account—state appropriation are provided solely for the consolidated
13 homeless grant. Of the amounts appropriated, \$5,000,000 is provided
14 solely for emergency assistance to homeless families in the temporary
15 assistance for needy families program.

16 (b) The department must distribute appropriated amounts from the
17 home security account through performance-based contracts that
18 require, at a minimum, monthly reporting of performance and financial
19 metrics. The contracts must require that auditable documentation for
20 the performance and financial metrics be provided to the joint
21 legislative audit and review committee as requested for performance
22 audits.

23 (9) \$700,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$700,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the department to identify
26 and invest in strategic growth areas, support key sectors, and align
27 existing economic development programs and priorities. The department
28 must consider Washington's position as the most trade-dependent state
29 when identifying priority investments. The department must engage
30 states and provinces in the northwest as well as associate
31 development organizations, small business development centers,
32 chambers of commerce, ports, and other partners to leverage the funds
33 provided. For each dollar expended, the department must receive a one
34 hundred percent match. The match may be provided by the department
35 through nongeneral fund sources, or any partnering governments or
36 organizations. Sector leads established by the department must
37 include the industries of: (a) Tourism; (b) agriculture, wood
38 products, and other natural resource industries; and (c) clean
39 technology and renewable and nonrenewable energy. The department may

1 establish these sector leads by hiring new staff, expanding the
2 duties of current staff, or working with partner organizations and or
3 other agencies to serve in the role of sector lead.

4 (10) The department is authorized to require an applicant to pay
5 an application fee to cover the cost of reviewing the project and
6 preparing an advisory opinion on whether a proposed electric
7 generation project or conservation resource qualifies to meet
8 mandatory conservation targets.

9 (11) Within existing resources, the department shall provide
10 administrative and other indirect support to the developmental
11 disabilities council.

12 (12) \$150,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$150,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for the expansion of the current
15 long-term care ombuds program to meet the immediate needs of
16 individuals by advocating on behalf of and protecting residents of
17 long-term care facilities from abuse, neglect, and exploitation.

18 (13) Within existing resources, the department of commerce shall
19 consult with key crime victim services stakeholders to inform
20 decisions about the funding distribution for federal fiscal years
21 2017-2019 victims of crime act victim assistance funding. These
22 stakeholders must include, at a minimum, children's advocacy centers
23 of Washington, Washington association of prosecuting attorneys,
24 Washington association of sheriffs and police chiefs, Washington
25 coalition against domestic violence, Washington coalition of sexual
26 assault programs, Washington coalition of crime victim advocates, at
27 least one representative from a child health coalition, and other
28 organizations as determined by the department. Funding distribution
29 considerations shall include, but are not limited to, geographic
30 distribution of services, underserved populations, age of victims,
31 best practices, and the unique needs of individuals, families, youth,
32 and children who are victims of crime.

33 (14) \$643,000 of the liquor excise tax account—state
34 appropriation is provided solely for the department of commerce to
35 provide fiscal note assistance to local governments.

36 (15) \$300,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$300,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the northwest agriculture
39 business center.

1 (16) \$150,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$150,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the regulatory roadmap
4 program for the construction industry and to identify and coordinate
5 with businesses in key industry sectors to develop additional
6 regulatory roadmap tools.

7 (17) \$1,000,000 of the general fund—state appropriation for
8 fiscal year 2018 and \$1,000,000 of the general fund—state
9 appropriation for fiscal year 2019 are provided solely for the
10 Washington new Americans program.

11 (18) \$94,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$253,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for implementation of chapter
14 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

15 (19) \$60,000 of the general fund—state appropriation for fiscal
16 year 2018 is provided solely as a grant to the Hoh Indian tribe for
17 critical infrastructure, including a backup electrical power
18 generator to address recurrent power outages in the community.

19 (20) \$100,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$100,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for capacity-building grants
22 through the Latino community fund to promote and improve education,
23 economic empowerment, arts and culture, civic engagement, health, and
24 environmental justice for Latino communities in Washington state.

25 (21) \$643,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$643,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for the department to contract
28 with a private, nonprofit organization to provide developmental
29 disability ombuds services.

30 (22) \$39,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$39,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for implementation of chapter
33 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

34 (23) \$1,000,000 of the home security fund—state appropriation,
35 \$2,000,000 of the Washington housing trust account—state
36 appropriation, and \$1,000,000 of the affordable housing for all
37 account—state appropriation are provided solely for the department of
38 commerce for services to homeless families and youth through the
39 Washington youth and families fund.

1 (24)(a) \$500,000 of the general fund—state appropriation for
2 fiscal year 2018, \$500,000 of the general fund—state appropriation
3 for fiscal year 2019, and \$2,500,000 of the home security fund—state
4 appropriation are provided solely for the office of homeless youth
5 prevention and protection programs to:

6 (i) Contract with other public agency partners to test innovative
7 program models that prevent youth from exiting public systems into
8 homelessness; and

9 (ii) Support the development of an integrated services model,
10 increase performance outcomes, and ensure providers have the
11 necessary skills and expertise to effectively operate youth programs.

12 (b) Of the amounts provided in this subsection, \$1,750,000 is
13 provided solely for the department to decrease homelessness of youth
14 under 18 years of age through increasing shelter capacity statewide
15 with preference given to increasing the number of contracted HOPE
16 beds and crisis residential center beds.

17 (c) The department must distribute appropriated amounts from the
18 home security account through performance-based contracts that
19 require, at a minimum, monthly reporting of performance and financial
20 metrics. The contracts must require that auditable documentation for
21 the performance and financial metrics be provided to the joint
22 legislative audit and review committee as requested for performance
23 audits.

24 (25) \$140,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$140,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely to create a behavioral health
27 supportive housing administrator within the department to coordinate
28 development of effective behavioral health housing options and
29 services statewide to aide in the discharge of individuals from the
30 state psychiatric hospitals. This position must work closely with the
31 health care authority, department of social and health services, and
32 other entities to facilitate linkages among disparate behavioral
33 health community bed capacity-building efforts. This position must
34 work to integrate building infrastructure capacity with ongoing
35 supportive housing benefits, and must also develop and maintain a
36 statewide inventory of mental health community beds by bed type.

37 (26)(a) \$1,000,000 of the home security fund—state appropriation
38 for fiscal year 2018 and \$1,000,000 of the home security fund—state
39 appropriation for fiscal year 2019 are provided solely to administer

1 the grant program required in chapter 43.185C RCW, linking homeless
2 students and their families with stable housing.

3 (b) The department must distribute appropriated amounts from the
4 home security account through performance-based contracts that
5 require, at a minimum, monthly reporting of performance and financial
6 metrics. The contracts must require that auditable documentation for
7 the performance and financial metrics be provided to the joint
8 legislative audit and review committee as requested for performance
9 audits.

10 (27) \$990,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$1,980,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for 150 community beds for
13 individuals with a history of mental illness. Currently, there is
14 little to no housing specific to populations with these co-occurring
15 disorders; therefore, the department must consider how best to
16 develop new bed capacity in combination with individualized support
17 services, such as intensive case management and care coordination,
18 clinical supervision, mental health, substance abuse treatment, and
19 vocational and employment services. Case-management and care
20 coordination services must be provided. Increased case-managed
21 housing will help to reduce the use of jails and emergency services
22 and will help to reduce admissions to the state psychiatric
23 hospitals. The department must coordinate with the health care
24 authority and the department of social and health services in
25 establishing conditions for the awarding of these funds. The
26 department must contract with local entities to provide a mix of (a)
27 shared permanent supportive housing; (b) independent permanent
28 supportive housing; and (c) low and no-barrier housing beds for
29 people with a criminal history, substance abuse disorder, and/or
30 mental illness.

31 Priority for permanent supportive housing must be given to
32 individuals on the discharge list at the state psychiatric hospitals
33 or in community psychiatric inpatient beds whose conditions present
34 significant barriers to timely discharge.

35 (28) \$557,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$557,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the department to design and
38 administer the achieving a better life experience program.

1 (29) \$512,000 of the general fund—state appropriation for fiscal
2 year 2018 is provided solely to complete the requirements of the
3 agricultural labor skills and safety grant program in chapter 43.330
4 RCW. This program expires July 1, 2018.

5 (30) \$150,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$150,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the implementation of
8 chapter 225, Laws of 2017 (SSB 5713) (skilled worker program).

9 (31) \$50,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$50,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for the wildfire project in the
12 Wenatchee valley to provide public education on wildfire and forest
13 health issues.

14 (32) \$167,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$167,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for community mobilization
17 grants to safe Yakima and safe streets of Tacoma to foster community
18 engagement through neighborhood organizing, law enforcement-community
19 partnerships, neighborhood watch programs, youth mobilization, and
20 business engagement.

21 (33)(a) \$83,000 of the general fund—state appropriation for
22 fiscal year 2018 and \$83,000 of the general fund—state appropriation
23 for fiscal year 2019 are provided solely for the department to create
24 el nuevo camino pilot project for the purpose of addressing serious
25 youth gang problems in midsize counties in eastern Washington. El
26 nuevo camino pilot project must include one grant to an eligible
27 applicant for the 2017-2019 fiscal biennium. The department shall
28 adopt policies and procedures as necessary to administer the pilot
29 project, including the application process, disbursement of the grant
30 award to the selected applicant, and tracking compliance and
31 measuring outcomes.

32 (b) An eligible applicant:

33 (i) Is a county located in Washington or its designee;

34 (ii) Is located east of the Cascade mountain range with an
35 estimated county population between ninety thousand and one hundred
36 thousand as of January 1, 2017;

37 (iii) Has an identified gang problem;

38 (iv) Pledges and provides a minimum of sixty percent of matching
39 funds over the same time period of the grant;

1 (v) Has established a coordinated effort with committed partners,
2 including law enforcement, prosecutors, mental health practitioners,
3 and schools;

4 (vi) Has established goals, priorities, and policies in
5 compliance with the requirements of (c) of this subsection; and

6 (vii) Demonstrates a clear plan to engage in long-term antigang
7 efforts after the conclusion of the pilot project.

8 (c) The grant recipient must:

9 (i) Work to reduce youth gang crime and violence by implementing
10 the comprehensive gang model of the federal juvenile justice and
11 delinquency prevention act of 1974;

12 (ii) Increase mental health services to unserved and underserved
13 youth by implementing the best practice youth mental health model of
14 the national center for mental health and juvenile justice;

15 (iii) Work to keep high-risk youth in school, reenroll dropouts,
16 and improve academic performance and behavior by engaging in a grass
17 roots team approach in schools with the most serious youth violence
18 and mental health problems, which must include a unique and
19 identified team in each district participating in the project;

20 (iv) Hire a project manager and quality assurance coordinator;

21 (v) Adhere to recommended quality control standards for
22 Washington state research-based juvenile offender programs as set
23 forth by the Washington state institute for public policy; and

24 (vi) Report to the department by September 1, 2019, with the
25 following:

26 (A) The number of youth and adults served through the project and
27 the types of services accessed and received;

28 (B) The number of youth satisfactorily completing chemical
29 dependency treatment in the county;

30 (C) The estimated change in domestic violence rates;

31 (D) The estimated change in gang participation and gang violence;

32 (E) The estimated change in dropout and graduation rates;

33 (F) The estimated change in overall crime rates and crimes
34 typical of gang activity;

35 (G) The estimated change in recidivism for youth offenders in the
36 county; and

37 (H) Other information required by the department or otherwise
38 pertinent to the pilot project.

1 (d) The department shall report the information from (c)(vi) of
2 this subsection and other relevant data to the legislature and the
3 governor by October 1, 2019.

4 (34)(a) During the 2017-2019 fiscal biennium, the department must
5 revise its agreements and contracts with vendors to include a
6 provision to require that each vendor agrees to equality among its
7 workers by ensuring similarly employed individuals are compensated as
8 equals as follows:

9 (i) Employees are similarly employed if the individuals work for
10 the same employer, the performance of the job requires comparable
11 skill, effort, and responsibility, and the jobs are performed under
12 similar working conditions. Job titles alone are not determinative of
13 whether employees are similarly employed;

14 (ii) Vendors may allow differentials in compensation for its
15 workers based in good faith on any of the following:

16 (A) A seniority system; a merit system; a system that measures
17 earnings by quantity or quality of production; a bona fide job-
18 related factor or factors; or a bona fide regional difference in
19 compensation levels.

20 (B) A bona fide job-related factor or factors may include, but
21 not be limited to, education, training, or experience, that is:
22 Consistent with business necessity; not based on or derived from a
23 gender-based differential; and accounts for the entire differential.

24 (C) A bona fide regional difference in compensation level must
25 be: Consistent with business necessity; not based on or derived from
26 a gender-based differential; and account for the entire differential.

27 (b) The provision must allow for the termination of the contract
28 if the department or department of enterprise services determines
29 that the vendor is not in compliance with this agreement or contract
30 term.

31 (c) The department must implement this provision with any new
32 contract and at the time of renewal of any existing contract.

33 (35) \$102,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$75,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the implementation of
36 chapter 315, Laws of 2017 (ESB 5128) (incremental energy).

37 (36) \$26,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$12,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the implementation of
2 chapter 279, Laws of 2017 (SHB 1988) (vulnerable youth guardians).

3 (37) \$468,000 of the financial services regulation account—state
4 appropriation is provided solely for the family prosperity account
5 program.

6 (38) The department is authorized to suspend issuing any
7 nonstatutorily required grants or contracts of an amount less than
8 \$1,000,000 per year.

9 (39) The entire home security account appropriation in this
10 section is provided solely for administration through performance-
11 based contracts that require, at a minimum, monthly reporting of
12 performance and financial metrics. The contracts must require that
13 auditable documentation for the performance and financial metrics be
14 provided to the joint legislative audit and review committee as
15 requested for performance audits.

16 (40)(a) \$250,000 of the public works assistance account—state
17 appropriation is provided solely for the department to contract with
18 a consultant to study strategies for increasing the competitiveness
19 of rural businesses in securing local government contracts within
20 their same rural county, and for providing outreach services to
21 employers in rural communities. The consultant must:

22 (i) Be a 501(c)(3) nonprofit organization;

23 (ii) Be located in a county with a population of less than two
24 million; and

25 (iii) Provide statewide business representation and expertise
26 with relevant experience in the evaluation of rural economies.

27 (b) The study must include the following:

28 (i) An analysis of the net economic and employment impacts to
29 rural communities of awarding local government contracts to
30 businesses outside the rural county in comparison to awarding local
31 government contracts to businesses based in the same rural county;

32 (ii) A survey of local government entities to collect relevant
33 data to include but not be limited to: The total number and amount of
34 contracts awarded in 2015 and 2016 by local governments in rural
35 counties; the number and amount of contracts awarded to businesses
36 based in rural counties in comparison to the number and amounts
37 awarded to businesses based in nonrural counties; the number of
38 contracts where a rural business responded to a request for proposal
39 but was not the minimum bidder; the percentage spread between the
40 rural business and the lowest bidder; and the number of times the

1 local government moved to the next most qualified bidder in a request
2 for qualification out of the total professional service contracts
3 awarded;

4 (iii) A review of current regulations and best practices in other
5 jurisdictions. The study must identify existing policy barriers, if
6 present, and potential policy changes to increase the competitiveness
7 of rural businesses in securing local government contracts within
8 their same geographic region, including but not be limited to the
9 risks and benefits of establishing a preference for local businesses
10 for rural government contracts; and

11 (iv) Discussion on the implications for projects that receive
12 federal funding.

13 The study must be provided to the office of financial management and
14 fiscal committees of the legislature by December 31, 2017.

15 (c) The department's external relations division must expand
16 existing outreach services offered to rural employers to include
17 training on processes to compete effectively for public works
18 contracts within their communities. The external relations division
19 must receive training on contract law to better support their
20 outreach services. The cost of the training may not exceed \$10,000.

21 (41) \$40,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$40,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the Federal Way day center
24 to provide housing and other assistance to persons over 18
25 experiencing homelessness.

26 (42) \$200,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$200,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for implementation of Second
29 Substitute Senate Bill No. 5254 (buildable lands and zoning). If this
30 bill is not enacted by July 31, 2017, the amounts provided in this
31 subsection shall lapse.

32 (43) \$700,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$600,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for staff and upgrades to the
35 homeless management information system.

36 (44) \$50,000 of the general fund—state appropriation for fiscal
37 year 2018 is provided solely for the department to conduct a study on
38 the current state of data center industry in Washington and whether
39 changes to existing state policies would result in additional

1 investment and job creation in Washington as well as advance the
2 development of the state's technology ecosystems. The study is due to
3 the appropriate committees of the legislature by December 1, 2017.

4 (45) \$500,000 of the general fund—state appropriation for 2018 is
5 provided solely for the department to formulate a statewide tourism
6 marketing plan in collaboration with a nonprofit statewide tourism
7 organization as provided in Substitute Senate Bill No. 5251.

8 (46) \$80,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$80,000 of the general fund—state appropriation for
10 fiscal year 2019 is provided solely as a grant to Klickitat county
11 for a land use planner to process a backlog of permits that have not
12 been processed by the Columbia river gorge commission due to lack of
13 funds.

14 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**
15 **COUNCIL**

16	General Fund—State Appropriation (FY 2018).	\$850,000
17	General Fund—State Appropriation (FY 2019).	\$905,000
18	Lottery Administrative Account—State Appropriation.	\$50,000
19	TOTAL APPROPRIATION.	\$1,805,000

20 NEW SECTION. **Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

21	General Fund—State Appropriation (FY 2018).	\$11,711,000
22	General Fund—State Appropriation (FY 2019).	\$11,956,000
23	General Fund—Federal Appropriation.	\$39,716,000
24	General Fund—Private/Local Appropriation.	\$501,000
25	Economic Development Strategic Reserve Account—State	
26	Appropriation.	\$314,000
27	Personnel Service Fund—State Appropriation.	\$8,882,000
28	Higher Education Personnel Services Account—State	
29	Appropriation.	\$1,497,000
30	Performance Audits of Government Account—State	
31	Appropriation.	\$621,000
32	Statewide Information Technology System Development	
33	Revolving Account—State Appropriation.	\$6,503,000
34	OFM Central Services—State Appropriation.	\$19,237,000
35	TOTAL APPROPRIATION.	\$100,938,000

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

1 (1) The appropriations in this section represent a transfer of
2 expenditure authority of \$4,000,000 of the general fund—federal
3 appropriation from the health care authority to the office of
4 financial management to implement chapter 246, Laws of 2015 (all-
5 payer health care claims database).

6 (2)(a) The student achievement council and all institutions of
7 higher education eligible to participate in the state need grant
8 shall ensure that data needed to analyze and evaluate the
9 effectiveness of the state need grant program are promptly
10 transmitted to the education data center so that it is available and
11 easily accessible. The data to be reported must include but not be
12 limited to:

13 (i) The number of state need grant recipients;

14 (ii) The number of students on the unserved waiting list of the
15 state need grant;

16 (iii) Persistence and completion rates of state need grant
17 recipients and students on the state need grant unserved waiting
18 list, disaggregated by institutions of higher education;

19 (iv) State need grant recipients and students on state need grant
20 unserved waiting list grade point averages; and

21 (v) State need grant program costs.

22 (b) The student achievement council shall submit student unit
23 record data for the state need grant program applicants and
24 recipients to the education data center.

25 (3) \$149,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$144,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely to implement chapter 172, Laws
28 of 2017 (SHB 1741) (educator preparation data/PESB).

29 (4) \$84,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$75,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely to implement chapter 53, Laws of
32 2017 (2SHB 1120) (regulatory fairness act).

33 (5) The office of financial management must perform a legal and
34 policy review of whether the lead organization of the statewide
35 health claims database established in chapter 43.371 RCW may collect
36 certain data from drug manufacturers and use this data to bring
37 greater public transparency to prescription drug prices.
38 Specifically, the review must analyze whether the organization may
39 collect and use manufacturer's pricing data on high-cost new and

1 existing prescription drugs, including itemized production and sales
2 data and Canadian pricing. The office of financial management must
3 report by December 15, 2017, to the health care committees of the
4 legislature the results of the study and any necessary legislation to
5 authorize the collection of pricing data and to produce public
6 analysis and reports that help promote prescription drug
7 transparency.

8 (6) \$500,000 of the general fund—state appropriation for fiscal
9 year 2018, \$131,000 of the general fund—state appropriation for
10 fiscal year 2019, and \$139,000 of the personnel service account—state
11 appropriation are provided solely for implementation of Engrossed
12 Second Substitute House Bill No. 1661 (children, youth, families
13 department). The cost allocation contract must include a
14 determination of the amount of administrative funding to be
15 transferred between appropriations in sections 223(1) and 223(2) of
16 this act to section 222(3) of this act for the new department of
17 children, youth, and families. If the bill is not enacted by July 31,
18 2017, the amounts provided in this subsection shall lapse.

19 (7) \$4,503,000 of the statewide information technology system
20 development revolving account—state appropriation is provided solely
21 for readiness activities related to the One Washington replacement
22 project to modernize and improve administrative systems and related
23 business processes across state government over a multi-biennia time
24 period and this project is subject to the conditions, limitations,
25 and review provided in section 724 of this act. The funding provided
26 in this subsection is for conducting business warehouse planning and
27 system integrations and contracting with a strategic partner for the
28 design of the long-term program blueprint detailing the readiness,
29 planning, and implementation activities related to this project.
30 Legislative expectation is that the strategic partner selected for
31 this design of this long-term blueprint will have proven experience
32 in successfully managing similar efforts in other states or
33 jurisdictions and that the ultimate project scope will integrate
34 performance information and provide information on discrete units of
35 costs for state governmental activities with the goal of improved
36 management and efficiency. The office of financial management will
37 provide the needed management support for this design effort and will
38 ensure that state agencies fully participate in this initial design
39 effort, including the office of chief information officer. The office

1 of financial management will provide quarterly reports to the
2 legislative fiscal committees and the legislative evaluation and
3 accountability program committee. Before submitting additional
4 funding requests for this project, the office of financial management
5 will submit a comprehensive detailed feasibility study and financial
6 plan for the project to the legislative evaluation and accountability
7 program committee.

8 (8) \$4,000,000 of the general fund—federal appropriation is
9 provided solely for the procurement and implementation of the
10 Washington state all payer claims database project and this project
11 is subject to the conditions, limitations, and review provided in
12 section 724 of this act.

13 (9) \$140,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$140,000 of the general fund—federal appropriation are
15 provided solely for the authority to incorporate long-term inpatient
16 care as defined in RCW 71.24.025 into the psychiatric managed care
17 capitation risk model. The model shall be submitted to the governor
18 and appropriate committees of the legislature by December 1, 2017.
19 The model must integrate civil inpatient psychiatric hospital
20 services including ninety and one hundred eighty day commitments
21 provided in state hospitals or community settings into medicaid
22 managed care capitation rates and nonmedicaid contracts. The model
23 should phase-in the financial risk such that managed care
24 organizations bear full financial risk for long-term civil inpatient
25 psychiatric hospital commitments beginning January 2020. The model
26 must address strategies to ensure that the state is able to maximize
27 the state's allotment of federal disproportionate share funding.

28 (10) The office of financial management will convene a work group
29 consisting of the department of social and health services and
30 appropriate fiscal and policy staff from the house of representatives
31 office of program research and senate committee services for the
32 purpose of reviewing language traditionally added to section 201 in
33 supplemental operating omnibus appropriations acts to allow the
34 department to transfer moneys between sections of the act and to
35 allow for moneys that are provided solely for a specified purpose to
36 be used for other than that purpose. The work group will review the
37 department's use of the language, develop options to reduce or
38 eliminate the need for this language, and explore revisions to the
39 language. The work group must also discuss alternatives to the

1 language to achieve the shared goal of balancing expenditures to
2 appropriation while preserving the legislature's ability to direct
3 policy through appropriation. Alternatives should include increased
4 use of supplemental budget decision packages, the creation of a
5 reserve fund for unanticipated expenditures, and other measures the
6 work group develops.

7 (11) Within existing resources, the labor relations section shall
8 produce a report annually on workforce data and trends for the
9 previous fiscal year. At a minimum, the report must include a
10 workforce profile; information on employee compensation, including
11 salaries and cost of overtime; and information on retention,
12 including average length of service and workforce turnover.

13 NEW SECTION. **Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE**
14 **HEARINGS**

15 Administrative Hearings Revolving Account—State
16 Appropriation. \$38,898,000

17 NEW SECTION. **Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

18 Lottery Administrative Account—State
19 Appropriation. \$28,028,000

20 The appropriation in this section is subject to the following
21 conditions and limitations:

22 (1) No portion of this appropriation may be used for acquisition
23 of gaming system capabilities that violate state law.

24 (2) Pursuant to RCW 67.70.040, the commission shall take such
25 action necessary to reduce by \$6,000,000 each fiscal year the total
26 amount of compensation paid to licensed lottery sales agents. It is
27 anticipated that the result of this action will reduce retail
28 commissions to an average of 5.1 percent of sales.

29 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

30 General Fund—State Appropriation (FY 2018). \$258,000
31 General Fund—State Appropriation (FY 2019). \$268,000
32 TOTAL APPROPRIATION. \$526,000

33 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**
34 **AFFAIRS**

35 General Fund—State Appropriation (FY 2018). \$268,000

1 General Fund—State Appropriation (FY 2019). \$254,000
2 TOTAL APPROPRIATION. \$522,000

3 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS**
4 **—OPERATIONS**

5 Department of Retirement Systems Expense
6 Account—State Appropriation. \$56,498,000

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

8 General Fund—State Appropriation (FY 2018). \$140,954,000
9 General Fund—State Appropriation (FY 2019). \$138,496,000
10 Timber Tax Distribution Account—State
11 Appropriation. \$6,772,000
12 Waste Reduction/Recycling/Litter Control—State
13 Appropriation. \$157,000
14 State Toxics Control Account—State Appropriation. \$112,000
15 Business License Account—State Appropriation. \$28,211,000
16 Performance Audits of Government Account—State
17 Appropriation. \$4,640,000
18 Financial Services Regulation Account—State
19 Appropriations. \$5,000,000
20 TOTAL APPROPRIATION. \$324,342,000

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

23 (1) \$5,628,000 of the general fund—state appropriation for fiscal
24 year 2018, \$5,628,000 of the general fund—state appropriation for
25 fiscal year 2019, and \$11,257,000 of the business license account—
26 state appropriation are provided solely for the taxpayer legacy
27 system replacement project.

28 (2) The department must renegotiate the contract for the
29 collection and distribution of the Regional Transit Authority sales
30 tax under RCW 81.104.107 and the Regional Transit Authority rental
31 car tax under RCW 81.104.160 so that the administration fee for the
32 collection and distribution of the taxes is set at one percent. This
33 new contract must be in place by January 1, 2018.

34 (3) Prior to the suspension of the streamlined sales tax
35 mitigation program established under chapter 82.14 RCW, the
36 department must analyze if and when expected revenue gains from the
37 provisions of sections 201 through 213 of House Bill No. 2163 will be

1 equal to or exceed revenue losses to local taxing districts, as
 2 measured under the streamlined sales tax mitigation system from the
 3 switch to destination sourcing of sales tax. The analysis must
 4 include a comprehensive review of tax, wage, census, and economic
 5 data. The review must consider online sales tax and streamlined sales
 6 tax mitigation trends for areas with rich concentrations of
 7 warehousing distribution and manufacturing centers. The department
 8 must provide a report and recommendations to the governor and
 9 appropriate committees of the legislature by November 1, 2018. If
 10 House Bill No. 2163 (revenue) is not enacted by July 31, 2017, this
 11 subsection is void.

12 (4) \$8,028,000 of the general fund—state appropriation for fiscal
 13 year 2018 and \$6,304,000 of the general fund—state appropriation for
 14 fiscal year 2019 are provided solely for the implementation of House
 15 Bill No. 2163 (revenue). If the bill is not enacted by July 31, 2017,
 16 the amounts provided in this subsection shall lapse.

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

18	General Fund—State Appropriation (FY 2018).	\$1,409,000
19	General Fund—State Appropriation (FY 2019).	\$1,438,000
20	TOTAL APPROPRIATION.	\$2,847,000

21 **NEW SECTION. Sec. 138. FOR THE OFFICE OF MINORITY AND WOMEN'S**
 22 **BUSINESS ENTERPRISES**

23	OMWBE Enterprises Account—State Appropriation.	\$4,887,000
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24 **NEW SECTION. Sec. 139. FOR THE INSURANCE COMMISSIONER**

25	General Fund—Federal Appropriation.	\$4,615,000
26	Insurance Commissioners Regulatory Account—State	
27	Appropriation.	\$59,548,000
28	TOTAL APPROPRIATION.	\$64,163,000

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

31 (1) \$48,000 of the insurance commissioners regulatory account—
 32 state appropriation is provided solely for implementation of chapter
 33 103, Laws of 2017 (EHB 1450) (title insurance rating orgs.).

34 (2) \$12,000 of the insurance commissioners regulatory account—
 35 state appropriation is provided solely for implementation of chapter
 36 49, Laws of 2017 (SHB 1027) (surplus line broker licenses).

NEW SECTION. **Sec. 140. FOR THE STATE INVESTMENT BOARD**

State Investment Board Expense Account—State

Appropriation. \$48,916,000

NEW SECTION. **Sec. 141. FOR THE LIQUOR AND CANNABIS BOARD**

Dedicated Marijuana Fund—State Appropriation (FY 2018). . . \$10,400,000

Dedicated Marijuana Fund—State Appropriation (FY 2019). . . \$9,596,000

Liquor Revolving Account—State Appropriation. \$69,578,000

General Fund—Federal Appropriation. \$2,912,000

General Fund—State Appropriation (FY 2018). \$372,000

General Fund—State Appropriation (FY 2019). \$393,000

General Fund—Private/Local Appropriation. \$50,000

TOTAL APPROPRIATION. \$93,301,000

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

(1) \$11,000 of the liquor revolving account—state appropriation is provided solely for the implementation of chapter 96, Laws of 2017 (E2SHB 1351) (sale of spirits, beer and wine).

(2) The liquor and cannabis board may require electronic payment of the marijuana excise tax levied by RCW 69.50.535. The liquor and cannabis board may allow a waiver to the electronic payment requirement for good cause as provided by rule.

(3) \$1,420,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$885,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for the marijuana traceability system used to track the production, processing, and retail sale of each marijuana product as it moves through the regulated recreational and medical marketplace. The board may accept a proposal for a traceability system that is less than the amounts appropriated within this section if the proposal meets the board's requirements. The traceability system is subject to the conditions, limitations, and review provided in section 724 of this act.

(4) \$93,000 of the general fund—state appropriation for fiscal year 2018 and \$70,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement and enforce vapor products licensing, packaging, and sales regulations pursuant to chapter 38, Laws of 2016 (ESSB 6328).

1 (5) Within existing resources, the state liquor and cannabis
2 board shall establish a way by which any inspection or approval of a
3 marijuana processor's professional closed loop systems, equipment,
4 extraction operation, and facilities, may be performed by a qualified
5 person or entity other than a local fire code official, in the event
6 that a local fire code official does not perform such an inspection
7 or approval as required by state liquor and cannabis board rule.

8 NEW SECTION. **Sec. 142. FOR THE UTILITIES AND TRANSPORTATION**
9 **COMMISSION**

10	General Fund—Private/Local Appropriation.	\$16,464,000
11	Public Service Revolving Account—State	
12	Appropriation.	\$40,248,000
13	Pipeline Safety Account—State Appropriation.	\$3,412,000
14	Pipeline Safety Account—Federal Appropriation.	\$3,072,000
15	TOTAL APPROPRIATION.	\$63,196,000

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

18 (1) By December 31, 2017, the commission shall report findings
19 and recommendations to the energy committees of the legislature on
20 best practices and policies for electric utilities to develop
21 distributed energy resource plans, applying the traditional utility
22 regulatory principles of fairness, efficiency, reliability, and
23 revenue stability. The report must address: A review of policies and
24 practices for distributed energy resource planning in other states,
25 an inventory of current utility distribution planning practices and
26 capabilities in Washington, and recommendations for using distributed
27 energy resource planning to inform utility integrated resource plans.

28 (2) \$2,093,000 of the public service revolving account—state
29 appropriation is provided solely for the commission to cover the
30 costs of moving its offices to a new location, in cooperation with
31 the department of enterprise services.

32 NEW SECTION. **Sec. 143. FOR THE MILITARY DEPARTMENT**

33	General Fund—State Appropriation (FY 2018).	\$7,676,000
34	General Fund—State Appropriation (FY 2019).	\$7,910,000
35	General Fund—Federal Appropriation.	\$118,521,000
36	Enhanced 911 Account—State Appropriation.	\$51,857,000
37	Disaster Response Account—State Appropriation.	\$29,433,000

1	Disaster Response Account—Federal Appropriation.	\$81,560,000
2	Military Department Rent and Lease Account—State	
3	Appropriation.	\$615,000
4	Worker and Community Right-to-Know Account—State	
5	Appropriation.	\$2,339,000
6	Oil Spill Prevention Account—State Appropriation.	\$1,028,000
7	TOTAL APPROPRIATION.	\$300,939,000

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

10 (1) The military department shall submit a report to the office
11 of financial management and the legislative fiscal committees on
12 October 1st and February 1st of each year detailing information on
13 the disaster response account, including: (a) The amount and type of
14 deposits into the account; (b) the current available fund balance as
15 of the reporting date; and (c) the projected fund balance at the end
16 of the 2017-2019 biennium based on current revenue and expenditure
17 patterns.

18 (2) \$40,000,000 of the general fund—federal appropriation is
19 provided solely for homeland security, subject to the following
20 conditions: Any communications equipment purchased by local
21 jurisdictions or state agencies shall be consistent with standards
22 set by the Washington state interoperability executive committee.

23 (3) \$100,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$100,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the conditional scholarship
26 program pursuant to chapter 28B.103 RCW.

27 (4) \$5,389,000 of the enhanced 911 account—state appropriation is
28 provided solely for transitioning to an internet protocol based next
29 generation 911 network and increased network costs during the
30 transition and hardware required for the new system. The department's
31 activities and procurement is a major information technology project
32 subject to oversight and review by the office of the chief
33 information officer.

34 (5) \$11,000,000 of the enhanced 911 account—state appropriation
35 is provided solely for financial assistance to counties.

36 (6) \$2,000,000 of the enhanced 911 account—state appropriation is
37 provided solely for one-time grants to small and medium-sized, rural
38 counties for replacement of equipment necessary to maintain 911
39 service after the state's transition to a next generation 911 system,

1 including reimbursement of replacement and upgrades that have already
2 been made.

3 (7) \$784,000 of the disaster response account—state appropriation
4 is provided solely for fire suppression training and equipment to
5 national guard soldiers and airmen.

6 (8) \$38,000 of the enhanced 911 account—state appropriation is
7 provided solely for implementation of chapter 295, Laws of 2017 (SHB
8 1258) (first responders/disability).

9 (9) \$372,000 of the disaster response account—state appropriation
10 is provided solely for implementation of chapter 312, Laws of 2017
11 (SSB 5046) (language of public notices).

12 (10) Appropriations provided to the department are sufficient to
13 fund the administrative costs associated with implementation of
14 chapter 173, Laws of 2017 (E2SHB 1802) (veterans/shared leave
15 access).

16 (11) \$951,000 of the disaster response account—state
17 appropriation is provided solely to Okanogan and Ferry counties to
18 continue to address deficiencies within their communications
19 infrastructure for 911 dispatch. Funding will be used to replace
20 failing radio dispatching hardware within 911 dispatch centers; build
21 interoperable communications between each county's dispatch center
22 such that each can serve as a back-up to the other; and build upon
23 the existing wireless microwave network for 911 calls, dispatch
24 centers, and first responder radio operations.

25 NEW SECTION. **Sec. 144. FOR THE PUBLIC EMPLOYMENT RELATIONS**
26 **COMMISSION**

27	General Fund—State Appropriation (FY 2018).	\$2,076,000
28	General Fund—State Appropriation (FY 2019).	\$2,251,000
29	Higher Education Personnel Services Account—State	
30	Appropriation.	\$1,327,000
31	Personnel Service Account—State Appropriation.	\$4,032,000
32	TOTAL APPROPRIATION.	\$9,686,000

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

34	Certified Public Accountants' Account—State	
35	Appropriation.	\$2,907,000

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

1 Death Investigations Account—State Appropriation. \$633,000

2 The appropriation in this section is subject to the following
3 conditions and limitations:

4 (1) \$250,000 of the death investigations account appropriation is
5 provided solely for providing financial assistance to local
6 jurisdictions in multiple death investigations. The forensic
7 investigation council shall develop criteria for awarding these funds
8 for multiple death investigations involving an unanticipated,
9 extraordinary, and catastrophic event or those involving multiple
10 jurisdictions.

11 (2) \$210,000 of the death investigations account appropriation is
12 provided solely for providing financial assistance to local
13 jurisdictions in identifying human remains.

14 (3) \$130,000 of the death investigations account appropriation is
15 provided solely for the council to establish a statewide case
16 management system for coroners and medical examiners. The council
17 must confer with the state association of coroners and medical
18 examiners in the implementation of the system.

19 NEW SECTION. **Sec. 147. FOR THE DEPARTMENT OF ENTERPRISE**
20 **SERVICES**

21	General Fund—State Appropriation (FY 2018).	\$4,368,000
22	General Fund—State Appropriation (FY 2019).	\$4,405,000
23	General Fund—Private/Local Appropriation.	\$102,000
24	Building Code Council Account—State Appropriation.	\$1,056,000
25	TOTAL APPROPRIATION.	\$9,931,000

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

28 (1) \$4,031,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$4,082,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for the payment of facilities
31 and services charges, utilities and contracts charges, public and
32 historic facilities charges, and capital projects surcharges
33 allocable to the senate, house of representatives, statute law
34 committee, legislative support services, joint legislative systems
35 committee, and office of support services. The department shall
36 allocate charges attributable to these agencies among the affected
37 revolving funds. The department shall maintain an interagency
38 agreement with these agencies to establish performance standards,

1 prioritization of preservation and capital improvement projects, and
2 quality assurance provisions for the delivery of services under this
3 subsection. The legislative agencies named in this subsection shall
4 continue to enjoy all of the same rights of occupancy and space use
5 on the capitol campus as historically established.

6 (2) In accordance with RCW 46.08.172 and 43.135.055, the
7 department is authorized to increase parking fees in fiscal years
8 2018 and 2019 as necessary to meet the actual costs of conducting
9 business.

10 (3) Before any agency may purchase a passenger motor vehicle as
11 defined in RCW 43.19.560, the agency must have written approval from
12 the director of the department of enterprise services. Agencies that
13 are exempted from the requirement are the Washington state patrol,
14 Washington state department of transportation, and the department of
15 natural resources.

16 (4) From the fee charged to master contract vendors, the
17 department shall transfer to the office of minority and women's
18 business enterprises in equal monthly installments \$1,500,000 in
19 fiscal year 2018 and \$1,300,000 in fiscal year 2019.

20 (5) The risk management system project funded through the risk
21 management administration account created in RCW 4.92.220 is subject
22 to the conditions, limitations, and review provided in section 724 of
23 this act.

24 (6)(a) During the 2017-2019 fiscal biennium, the department must
25 revise its master contracts with vendors, including cooperative
26 purchasing agreements under RCW 39.26.060, to include a provision to
27 require that each vendor agrees to equality among its workers by
28 ensuring similarly employed individuals are compensated as equals as
29 follows:

30 (i) Employees are similarly employed if the individuals work for
31 the same employer, the performance of the job requires comparable
32 skill, effort, and responsibility, and the jobs are performed under
33 similar working conditions. Job titles alone are not determinative of
34 whether employees are similarly employed;

35 (ii) Vendors may allow differentials in compensation for its
36 workers based in good faith on any of the following:

37 (A) A seniority system; a merit system; a system that measures
38 earnings by quantity or quality of production; a bona fide job-
39 related factor or factors; or a bona fide regional difference in
40 compensation levels.

1 (B) A bona fide job-related factor or factors may include, but
2 not be limited to, education, training, or experience, that is:
3 Consistent with business necessity; not based on or derived from a
4 gender-based differential; and accounts for the entire differential.

5 (C) A bona fide regional difference in compensation level must
6 be: Consistent with business necessity; not based on or derived from
7 a gender-based differential; and account for the entire differential.

8 (b) The provision must allow for the termination of the contract
9 if the public entity using the contract or agreement of the
10 department of enterprise services determines that the vendor is not
11 in compliance with this agreement or contract term.

12 (c) The department must implement this provision with any new
13 contract and at the time of renewal of any existing contract.

14 (d) Any cost for the implementation of this section must be
15 recouped from the fees charged to master contract vendors.

16 **NEW SECTION. Sec. 148. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
17 **Volunteer Firefighters' and Reserve Officers'**

18 Administrative Account—State Appropriation. \$1,216,000

19 The appropriation in this section is subject to the following
20 conditions and limitations: \$256,000 of the volunteer firefighters'
21 and reserve officers' relief and pension administrative account—state
22 appropriation is provided solely to the pension and benefit tracking
23 system project and are subject to the conditions, limitations, and
24 review provided in section 724 of this act.

25 **NEW SECTION. Sec. 149. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
26 **HISTORIC PRESERVATION**

27 General Fund—State Appropriation (FY 2018). \$1,607,000

28 General Fund—State Appropriation (FY 2019). \$1,633,000

29 General Fund—Federal Appropriation. \$2,228,000

30 General Fund—Private/Local Appropriation. \$264,000

31 TOTAL APPROPRIATION. \$5,732,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$103,000 of the general fund—state
34 appropriation for fiscal year 2018 and \$103,000 of the general fund—
35 state appropriation for fiscal year 2019 are provided solely for
36 archaeological determinations and excavations of inadvertently

1 discovered skeletal human remains, and removal and reinterment of
2 such remains when necessary.

3 NEW SECTION. **Sec. 150. FOR THE CONSOLIDATED TECHNOLOGY SERVICES**
4 **AGENCY**

5	General Fund—State Appropriation (FY 2018).	\$187,000
6	General Fund—State Appropriation (FY 2019).	\$188,000
7	Consolidated Technology Services Revolving	
8	Account—State Appropriation	\$19,136,000
9	TOTAL APPROPRIATION.	\$19,511,000

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

12 (1) \$7,263,000 of the consolidated technology services revolving
13 account—state appropriation is for the office of the chief
14 information officer.

15 (2) \$9,443,000 of the consolidated technology services revolving
16 account—state appropriation is for the office of cyber security.

17 (3) The consolidated technology services agency shall work with
18 customer agencies using the Washington state electronic records vault
19 (WASERV) to identify opportunities to:

20 (a) Reduce storage volumes and costs associated with vault
21 records stored beyond the agencies' record retention schedules; and

22 (b) Assess a customized service charge as defined in chapter 304,
23 Laws of 2017 for costs of using WASERV to prepare data compilations
24 in response to public records requests.

25 (4) The consolidated technology services agency shall provide
26 desktop support services without charging a per device fee to the
27 following agencies: The governor's office of Indian affairs, the
28 commission on Asian Pacific American affairs, the citizen's
29 commission on salaries for elected officials, the commission on
30 Hispanic affairs, and the commission on African-American affairs. The
31 consolidated technology services agency must not withhold or reduce
32 desktop support services provided to small agencies that had been
33 receiving desktop support services and had not previously received
34 appropriations provided specifically for the purpose of reimbursing
35 the consolidated technology services agency for those services.

36 (5) In conjunction with the office of the chief information
37 officer's prioritization of proposed information technology
38 expenditures, agency budget requests for proposed information

1 technology expenditures shall include the following: The agency's
2 priority ranking of each information technology request; the
3 estimated cost for the current biennium; the estimated total cost of
4 the request over all biennia; and the expected timeline to complete
5 the request. The office of the chief information officer and the
6 office of financial management may request agencies to include
7 additional information on proposed information technology expenditure
8 requests.

9 (6) The consolidated technology services agency must not increase
10 fees charged for existing services without prior approval by the
11 office of financial management. The agency may develop fees to
12 recover the actual cost of new infrastructure to support increased
13 use of cloud technologies.

14 (7) \$500,000 of the consolidated technology services revolving
15 account—state appropriation is provided solely for the agency, in
16 collaboration with the office of financial management, to conduct a
17 zero-based budget review of the agency's services. Information and
18 analysis submitted by the department for the zero-based review under
19 this subsection shall include:

20 (a) A statement of the statutory basis or other basis for the
21 creation of each program or service and the history of each program
22 or service that is being reviewed;

23 (b) A description of how each program or service fits within the
24 strategic plan and goals of the agency and an analysis of the
25 quantified objectives of each program or service within the agency;

26 (c) Any available performance measures indicating the
27 effectiveness and efficiency of each program or service;

28 (d) A description with supporting cost and staffing data of each
29 program or service and the populations served by each program or
30 service, and the level of funding and staff required to accomplish
31 the goals of the program or service if different than the actual
32 maintenance level;

33 (e) An analysis of the major costs and benefits of operating each
34 program or service and the rationale for specific expenditure and
35 staffing levels;

36 (f) An analysis estimating each program's or service's
37 administrative and other overhead costs;

38 (g) An analysis of the levels of services provided;

39 (h) An analysis estimating the amount of funds or benefits that
40 actually reach the intended recipients; and

1 (i) An analysis and recommendations for alternative service
2 delivery models that would save money or improve service quality.

3 (8) \$1,779,000 of the consolidated technology services revolving
4 account—state appropriation is provided solely for the Washington
5 business onestop portal.

6 (9) Within existing resources, the agency must provide oversight
7 of state procurement and contracting for information technology goods
8 and services by the department of enterprise services.

(End of part)

1 **PART II**
2 **HUMAN SERVICES**

3 **NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
4 **SERVICES**

5 (1) The appropriations to the department of social and health
6 services in this act shall be expended for the programs and in the
7 amounts specified in this act. Appropriations made in this act to the
8 department of social and health services shall initially be allotted
9 as required by this act. Subsequent allotment modifications shall not
10 include transfers of moneys between sections of this act except as
11 expressly provided in this act, nor shall allotment modifications
12 permit moneys that are provided solely for a specified purpose to be
13 used for other than that purpose.

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

31 (3) The legislature finds that medicaid payment rates, as
32 calculated by the department pursuant to the appropriations in this
33 act, bear a reasonable relationship to the costs incurred by
34 efficiently and economically operated facilities for providing
35 quality services and will be sufficient to enlist enough providers so
36 that care and services are available to the extent that such care and
37 services are available to the general population in the geographic
38 area. The legislature finds that cost reports, payment data from the
39 federal government, historical utilization, economic data, and

1 clinical input constitute reliable data upon which to determine the
2 payment rates.

3 (4) The department shall to the maximum extent practicable use
4 the same system for delivery of spoken-language interpreter services
5 for social services appointments as the one established for medical
6 appointments in the health care authority. When contracting directly
7 with an individual to deliver spoken language interpreter services,
8 the department shall only contract with language access providers who
9 are working at a location in the state and who are state-certified or
10 state-authorized, except that when such a provider is not available,
11 the department may use a language access provider who meets other
12 certifications or standards deemed to meet state standards, including
13 interpreters in other states.

14 (5) Information technology projects or investments and proposed
15 projects or investments impacting time capture, payroll and payment
16 processes and systems, eligibility, case management, and
17 authorization systems within the department of social and health
18 services are subject to technical oversight by the office of the
19 chief information officer.

20 (6)(a) The department shall facilitate enrollment under the
21 medicaid expansion for clients applying for or receiving state funded
22 services from the department and its contractors. Prior to open
23 enrollment, the department shall coordinate with the health care
24 authority to provide referrals to the Washington health benefit
25 exchange for clients that will be ineligible for medicaid.

26 (b) To facilitate a single point of entry across public and
27 medical assistance programs, and to maximize the use of federal
28 funding, the health care authority, the department of social and
29 health services, and the health benefit exchange will coordinate
30 efforts to expand HealthPlanfinder access to public assistance and
31 medical eligibility staff. The department shall complete medicaid
32 applications in the HealthPlanfinder for households receiving or
33 applying for public assistance benefits.

34 (7) In accordance with RCW 71.24.380, the health care authority
35 and the department are authorized to purchase medical and behavioral
36 health services through integrated contracts upon request of all of
37 the county authorities in a regional service area to become an early
38 adopter of fully integrated purchasing of medical and behavioral
39 health services. The department may combine and transfer such amounts
40 appropriated under sections 204, 208, and 213 of this act as may be

1 necessary to fund early adopter contracts. The amount of medicaid
2 funding transferred from each program may not exceed the average per
3 capita cost assumed in this act for individuals covered by that
4 program, actuarially adjusted for the health condition of persons
5 enrolled, times the number of clients enrolled. The amount of non-
6 medicaid funding transferred from sections 204 and 208 may not exceed
7 the amount that would have been contracted with a behavioral health
8 organization if the county authorities had not requested to become an
9 early adopter of fully integrated purchasing. These limits do not
10 apply to the amounts provided in section 204(1)(s) of this act. If
11 any funding that this act provides solely for a specific purpose is
12 transferred under this subsection, that funding must be used
13 consistently with the provisions and conditions for which it was
14 provided.

15 (8) In accordance with RCW 71.24.380, the department is
16 authorized to purchase mental health and substance use disorder
17 services through integrated contracts with behavioral health
18 organizations. The department may combine and transfer such amounts
19 appropriated under sections 204 and 208 of this act as may be
20 necessary to finance these behavioral health organization contracts.
21 If any funding that this act provides solely for a specific purpose
22 is transferred under this subsection, that funding must be used
23 consistently with the provisions and conditions for which it was
24 provided.

25 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
26 **SERVICES—CHILDREN AND FAMILY SERVICES PROGRAM**

27	General Fund—State Appropriation (FY 2018).	\$348,992,000
28	General Fund—Federal Appropriation.	\$265,365,000
29	General Fund—Private/Local Appropriation.	\$1,477,000
30	Domestic Violence Prevention Account—State	
31	Appropriation.	\$1,002,000
32	TOTAL APPROPRIATION.	\$616,836,000

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

35 (1) \$748,000 of the general fund—state appropriation for fiscal
36 year 2018 is provided solely to contract for the operation of one
37 pediatric interim care center. The center shall provide residential
38 care for up to thirteen children through two years of age. Seventy-

1 five percent of the children served by the center must be in need of
2 special care as a result of substance abuse by their mothers. The
3 center shall also provide on-site training to biological, adoptive,
4 or foster parents. The center shall provide at least three months of
5 consultation and support to the parents accepting placement of
6 children from the center. The center may recruit new and current
7 foster and adoptive parents for infants served by the center. The
8 department shall not require case management as a condition of the
9 contract.

10 (2) \$253,000 of the general fund—state appropriation for fiscal
11 year 2018 is provided solely for the costs of hub home foster
12 families that provide a foster care delivery model that includes a
13 licensed hub home. Use of the hub home model is intended to support
14 foster parent retention, improve child outcomes, and encourage the
15 least restrictive community placements for children in out-of-home
16 care.

17 (3) \$579,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$55,000 of the general fund—federal appropriation are
19 provided solely for a receiving care center east of the Cascade
20 mountains.

21 (4) \$990,000 of the general fund—state appropriation for fiscal
22 year 2018 is provided solely for services provided through children's
23 advocacy centers.

24 (5) \$1,351,000 of the general fund—state appropriation for fiscal
25 year 2018 is provided solely for implementation of performance-based
26 contracts for family support and related services pursuant to RCW
27 74.13B.020.

28 (6) \$9,474,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$6,022,000 of the general fund—federal appropriation
30 are provided solely for family assessment response.

31 (7) \$94,000 of the general fund—state appropriation for fiscal
32 year 2018 is provided solely for a contract with a child advocacy
33 center in Spokane to provide continuum of care services for children
34 who have experienced abuse or neglect and their families.

35 (8) \$1,874,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$560,000 of the general fund—federal appropriation are
37 provided solely for the children's administration to reduce the
38 caseload ratios of social workers serving children in foster care to

1 promote decreased lengths of stay and to make progress towards
2 achievement of the Braam settlement caseload outcome.

3 (9)(a) \$539,000 of the general fund—state appropriation for
4 fiscal year 2018, \$328,000 of the general fund private/local
5 appropriation, and \$126,000 of the general fund—federal appropriation
6 are provided solely for a contract with an educational advocacy
7 provider with expertise in foster care educational outreach. The
8 amounts in this subsection are provided solely for contracted
9 education coordinators to assist foster children in succeeding in
10 K-12 and higher education systems and to assure a focus on education
11 during the department's transition to performance-based contracts.
12 Funding must be prioritized to regions with high numbers of foster
13 care youth, or regions where backlogs of youth that have formerly
14 requested educational outreach services exist. The children's
15 administration is encouraged to use private matching funds to
16 maintain educational advocacy services.

17 (b) The children's administration shall contract with the office
18 of the superintendent of public instruction, which in turn shall
19 contract with a nongovernmental entity or entities to provide
20 educational advocacy services pursuant to RCW 28A.300.590.

21 (10) The children's administration shall continue to implement
22 policies to reduce the percentage of parents requiring supervised
23 visitation, including clarification of the threshold for transition
24 from supervised to unsupervised visitation prior to reunification.

25 (11) \$111,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$26,000 of the general fund—federal appropriation are
27 provided solely for a base rate increase for licensed family child
28 care providers. In addition, \$45,000 of the general fund—state
29 appropriation for fiscal year 2018 and \$11,000 of the general fund—
30 federal appropriation are provided solely for increasing paid
31 professional days from three days to five days for licensed family
32 child care providers. Amounts in this subsection are provided solely
33 for the 2017-2019 collective bargaining agreement covering family
34 child care providers as set forth in section 940 of this act. Amounts
35 provided in this section are contingent upon the enactment of Senate
36 Bill No. 5969 (transparency in public employee collective
37 bargaining). If the bill is not enacted by July 31, 2017, the
38 appropriation in this subsection shall lapse.

1 (12) \$159,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$65,000 of the general fund—federal appropriation are
3 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)
4 (extended foster care).

5 (13) \$100,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for a contract with a national nonprofit
7 organization to, in partnership with private matching funds,
8 subcontract with a community organization for specialized, enhanced
9 adoption placement services for legally free children in state
10 custody. The contract must supplement, but not supplant, the work of
11 the children's administration to secure permanent adoptive homes for
12 children.

13 (14) \$375,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$56,000 of the general fund—federal appropriation are
15 provided solely for the children's administration to develop,
16 implement, and expand strategies to improve the capacity,
17 reliability, and effectiveness of contracted visitation services for
18 children in temporary out-of-home care and their parents and
19 siblings. Strategies may include, but are not limited to, increasing
20 mileage reimbursement for providers, offering transportation-only
21 contract options, and mechanisms to reduce the level of parent-child
22 supervision when doing so is in the best interest of the child. The
23 children's administration must submit an analysis of the strategies
24 and associated outcomes no later than October 1, 2018.

25 (15) \$63,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$19,000 of the general fund—federal appropriation are
27 provided solely for implementation of Engrossed Second Substitute
28 House Bill No. 1661 (child, youth, families/department). If the bill
29 is not enacted by July 31, 2017, the amounts provided in this
30 subsection shall lapse.

31 (16) The children's administration is encouraged to control
32 exceptional reimbursement decisions so that the child's needs are met
33 without excessive costs.

34 (17) \$839,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$160,000 of the general fund—federal appropriation are
36 provided solely for a six percent base rate increase for child care
37 center providers, effective September 1, 2017.

38 (18) \$1,230,000 of the general fund—state appropriation for
39 fiscal year 2018 and \$78,000 of the general fund—federal

1 appropriation are provided solely to increase the travel
2 reimbursement for in-home service providers.

3 (19) \$160,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$3,000 of the general fund—federal appropriation are
5 provided solely to implement chapter 207, Laws of 2017 (E2SHB 1819)
6 (paperwork requirements).

7 (20) \$25,000 of the general fund—state appropriation for fiscal
8 year 2018 is provided solely for an entity in Yakima county to
9 provide advocacy and support services to children in foster care.

10 (21) \$203,000 of the general fund—state appropriation for fiscal
11 year 2018 is provided solely for the department to conduct biennial
12 inspections and certifications of facilities, both overnight and day
13 shelters, that serve those who are under 18 years of age and are
14 homeless.

15 (22) \$863,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$573,000 of the general fund—federal appropriation are
17 provided solely to implement Engrossed Substitute Senate Bill No.
18 5890 (foster care and adoption). Within the amounts provided in this
19 subsection, \$366,000 of the general fund—state appropriation for
20 fiscal year 2018 and \$174,000 of the general fund—federal
21 appropriation are provided solely for short-term care for licensed
22 foster families. If the bill is not enacted by July 31, 2017, the
23 amounts provided in this subsection shall lapse.

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

26	General Fund—State Appropriation (FY 2018).	\$95,885,000
27	General Fund—State Appropriation (FY 2019).	\$97,123,000
28	General Fund—Federal Appropriation.	\$3,464,000
29	General Fund—Private/Local Appropriation.	\$1,985,000
30	Washington Auto Theft Prevention Authority Account—	
31	State Appropriation.	\$196,000
32	TOTAL APPROPRIATION.	\$198,653,000

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

35 (1) \$331,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$331,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for deposit in the county
38 criminal justice assistance account for costs to the criminal justice

1 system associated with the implementation of chapter 338, Laws of
2 1997 (juvenile code revisions). The amounts provided in this
3 subsection are intended to provide funding for county adult court
4 costs associated with the implementation of chapter 338, Laws of 1997
5 and shall be distributed in accordance with RCW 82.14.310.

6 (2) \$2,841,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$2,841,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for grants to county juvenile
9 courts for the following juvenile justice programs identified by the
10 Washington state institute for public policy (institute) in its
11 report: "Inventory of Evidence-based, Research-based, and Promising
12 Practices for Prevention and Intervention Services for Children and
13 Juveniles in the Child Welfare, Juvenile Justice, and Mental Health
14 Systems." Additional funding for this purpose is provided through an
15 interagency agreement with the health care authority. County juvenile
16 courts shall apply to the juvenile rehabilitation administration for
17 funding for program-specific participation and the administration
18 shall provide grants to the courts consistent with the per-
19 participant treatment costs identified by the institute.

20 (3) \$1,537,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$1,537,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for expansion of the following
23 juvenile justice treatments and therapies in juvenile rehabilitation
24 administration programs identified by the Washington state institute
25 for public policy in its report: "Inventory of Evidence-based,
26 Research-based, and Promising Practices for Prevention and
27 Intervention Services for Children and Juveniles in the Child
28 Welfare, Juvenile Justice, and Mental Health Systems." The
29 administration may concentrate delivery of these treatments and
30 therapies at a limited number of programs to deliver the treatments
31 in a cost-effective manner.

32 (4)(a) \$6,198,000 of the general fund—state appropriation for
33 fiscal year 2018 and \$6,198,000 of the general fund—state
34 appropriation for fiscal year 2019 are provided solely to implement
35 evidence- and research-based programs through community juvenile
36 accountability grants, administration of the grants, and evaluations
37 of programs funded by the grants. In addition to funding provided in
38 this subsection, funding to implement alcohol and substance abuse

1 treatment programs for locally committed offenders is provided
2 through an interagency agreement with the health care authority.

3 (b) The juvenile rehabilitation administration shall administer a
4 block grant to county juvenile courts for the purpose of serving
5 youth as defined in RCW 13.40.510(4)(a) in the county juvenile
6 justice system. Funds dedicated to the block grant include:
7 Consolidated juvenile service (CJS) funds, community juvenile
8 accountability act (CJAA) grants, chemical dependency/mental health
9 disposition alternative (CDDA), and suspended disposition alternative
10 (SDA). The juvenile rehabilitation administration shall follow the
11 following formula and must prioritize evidence-based programs and
12 disposition alternatives and take into account juvenile courts
13 program-eligible youth in conjunction with the number of youth served
14 in each approved evidence-based program or disposition alternative:
15 (i) Thirty-seven and one-half percent for the at-risk population of
16 youth ten to seventeen years old; (ii) fifteen percent for the
17 assessment of low, moderate, and high-risk youth; (iii) twenty-five
18 percent for evidence-based program participation; (iv) seventeen and
19 one-half percent for minority populations; (v) three percent for the
20 chemical dependency and mental health disposition alternative; and
21 (vi) two percent for the suspended dispositional alternatives.
22 Funding for the special sex offender disposition alternative (SSODA)
23 shall not be included in the block grant, but allocated on the
24 average daily population in juvenile courts. Funding for the
25 evidence-based expansion grants shall be excluded from the block
26 grant formula. Funds may be used for promising practices when
27 approved by the juvenile rehabilitation administration and juvenile
28 courts, through the community juvenile accountability act committee,
29 based on the criteria established in consultation with Washington
30 state institute for public policy and the juvenile courts.

31 (c) If Second Substitute House Bill No. 1280 (referred and
32 diverted youth) is enacted, then the administration must implement a
33 stop-loss policy when allocating funding under (b) of this subsection
34 in the 2017-2019 fiscal biennium. Under the stop-loss policy, funding
35 formula changes may not result in a funding loss for any juvenile
36 court of more than two percent from one year to the next. The
37 committee in (d) of this subsection must establish a minimum base
38 level of funding for juvenile courts with lower numbers of at-risk
39 youth age 10 - 17. The administration must report to the legislature
40 by December 1, 2018, about how funding is used for referred youth and

1 the impact of that use on overall use of funding. If the bill is not
2 enacted by July 31, 2017, this subsection is null and void.

3 (d) The juvenile rehabilitation administration and the juvenile
4 courts shall establish a block grant funding formula oversight
5 committee with equal representation from the juvenile rehabilitation
6 administration and the juvenile courts. The purpose of this committee
7 is to assess the ongoing implementation of the block grant funding
8 formula, utilizing data-driven decision making and the most current
9 available information. The committee will be co-chaired by the
10 juvenile rehabilitation administration and the juvenile courts, who
11 will also have the ability to change members of the committee as
12 needed to achieve its purpose. The committee may make changes to the
13 formula categories in (b) of this subsection if it determines the
14 changes will increase statewide service delivery or effectiveness of
15 evidence-based program or disposition alternative resulting in
16 increased cost/benefit savings to the state, including long-term
17 cost/benefit savings. The committee must also consider these outcomes
18 in determining when evidence-based expansion or special sex offender
19 disposition alternative funds should be included in the block grant
20 or left separate.

21 (e) The juvenile courts and administrative office of the courts
22 must collect and distribute information and provide access to the
23 data systems to the juvenile rehabilitation administration and the
24 Washington state institute for public policy related to program and
25 outcome data. The juvenile rehabilitation administration and the
26 juvenile courts must work collaboratively to develop program outcomes
27 that reinforce the greatest cost/benefit to the state in the
28 implementation of evidence-based practices and disposition
29 alternatives.

30 (5) \$98,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$98,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely to the juvenile block grant
33 funding formula oversight committee described in subsection (4)(d) of
34 this section to contract with research entities to: (a) Assist
35 juvenile justice programs identified as promising practices or
36 research-based in undergoing the research necessary to demonstrate
37 that the program is evidence-based; and (b) establish an annual,
38 county-level evaluation of existing evidence-based juvenile justice
39 programs.

1 (6) \$557,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$557,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for funding of the teamchild
4 project.

5 (7) \$283,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$283,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the juvenile detention
8 alternatives initiative.

9 (8) \$500,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$500,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for a grant program focused on
12 criminal street gang prevention and intervention. The juvenile
13 rehabilitation administration may award grants under this subsection.
14 The juvenile rehabilitation administration shall give priority to
15 applicants who have demonstrated the greatest problems with criminal
16 street gangs. Applicants composed of, at a minimum, one or more local
17 governmental entities and one or more nonprofit, nongovernmental
18 organizations that have a documented history of creating and
19 administering effective criminal street gang prevention and
20 intervention programs may apply for funding under this subsection.
21 Each entity receiving funds must report to the juvenile
22 rehabilitation administration on the number and types of youth
23 served, the services provided, and the impact of those services on
24 the youth and the community.

25 (9) The juvenile rehabilitation institutions may use funding
26 appropriated in this subsection to purchase goods and supplies
27 through hospital group purchasing organizations when it is cost-
28 effective to do so.

29 (10) \$75,000 of the general fund—state appropriation for fiscal
30 year 2018 is provided solely for the department to coordinate the
31 examination of data associated with juvenile gang and firearm
32 offenses. The review of data must include information from the
33 administrative office of the courts, the office of the superintendent
34 of public instruction, the office of financial management—education
35 research data center, the Washington association of sheriffs and
36 police chiefs, the caseload forecast council, and the department of
37 corrections. For the purpose of carrying out the data review, named
38 organizations are authorized to share data to include details of
39 criminal arrest and conviction data. The department shall report to

1 the governor and the appropriate legislative committees by February
2 1, 2018, with any recommendations for public policy that increases
3 public safety.

4 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES—MENTAL HEALTH PROGRAM**

6 (1) COMMUNITY SERVICES/BEHAVIORAL HEALTH ORGANIZATIONS

7 General Fund—State Appropriation (FY 2018).	\$391,457,000
8 General Fund—State Appropriation (FY 2019).	\$409,108,000
9 General Fund—Federal Appropriation.	\$1,021,705,000
10 General Fund—Private/Local Appropriation.	\$17,864,000
11 Dedicated Marijuana Account—State Appropriation	
12 (FY 2018).	\$3,684,000
13 Dedicated Marijuana Account—State Appropriation	
14 (FY 2019).	\$3,684,000
15 TOTAL APPROPRIATION.	\$1,847,502,000

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

18 (a) For the purposes of this subsection, amounts provided for
19 behavioral health organizations shall also be available for the
20 health care authority to contract with entities that assume the
21 responsibilities of behavioral health organizations in regions in
22 which the health care authority is purchasing medical and behavioral
23 health services through fully integrated contracts pursuant to RCW
24 71.24.380.

25 (b) \$6,590,000 of the general fund—state appropriation for fiscal
26 year 2018, \$6,590,000 of the general fund—state appropriation for
27 fiscal year 2019, and \$7,620,000 of the general fund—federal
28 appropriation are provided solely for the department and behavioral
29 health organizations to continue to contract for implementation of
30 high-intensity programs for assertive community treatment (PACT)
31 teams. In determining the proportion of medicaid and nonmedicaid
32 funding provided to behavioral health organizations with PACT teams,
33 the department shall consider the differences between behavioral
34 health organizations in the percentages of services and other costs
35 associated with the teams that are not reimbursable under medicaid.
36 The department may allow behavioral health organizations which have
37 nonmedicaid reimbursable costs that are higher than the nonmedicaid
38 allocation they receive under this section to supplement these funds

1 with local dollars or funds received under (g) of this subsection.
2 The department and behavioral health organizations shall maintain
3 consistency with all essential elements of the PACT evidence-based
4 practice model in programs funded under this section.

5 (c) From the general fund—state appropriations in this
6 subsection, the department shall assure that behavioral health
7 organizations reimburse the department of social and health services
8 aging and long term support administration for the general fund—state
9 cost of medicaid personal care services that enrolled behavioral
10 health organization consumers use because of their psychiatric
11 disability.

12 (d) \$3,520,000 of the general fund—federal appropriation is
13 provided solely for the department to maintain a pilot project to put
14 peer bridging staff into each behavioral health organization as part
15 of the state psychiatric liaison teams to promote continuity of
16 service as individuals return to their communities. The department
17 must collect data and submit a report to the office of financial
18 management and the appropriate committees of the legislature on the
19 impact of peer staff on state hospital discharges and community
20 placements by December 1, 2017.

21 (e) \$6,858,000 of the general fund—state appropriation for fiscal
22 year 2019 and \$4,023,000 of the general fund—federal appropriation
23 are provided solely for new crisis triage or stabilization centers.
24 The department must seek proposals from behavioral health
25 organizations for the use of these funds based on regional
26 priorities. Services in these facilities may include crisis
27 stabilization and intervention, individual counseling, peer support,
28 medication management, education, and referral assistance. The
29 department shall monitor each center's effectiveness at lowering the
30 rate of state psychiatric hospital admissions.

31 (f) \$15,862,000 of the general fund—state appropriation for
32 fiscal year 2018 is provided solely to assist behavioral health
33 organizations with the costs of providing services to medicaid
34 clients receiving services in psychiatric facilities classified as
35 institutions of mental diseases. The department must distribute these
36 amounts proportionate to the number of bed days for medicaid clients
37 in institutions for mental diseases that were excluded from
38 behavioral health organization fiscal year 2018 capitation rates
39 because they exceeded the amounts allowed under federal regulations.

1 The department must also use these amounts to directly pay for costs
2 that are ineligible for medicaid reimbursement in institutions of
3 mental disease facilities for American Indian and Alaska Natives who
4 opt to receive behavioral health services on a fee for service basis.
5 The amounts used for these individuals must be reduced from the
6 allocation of the behavioral health organization where the individual
7 resides. If a behavioral health organization receives more funding
8 through this subsection than is needed to pay for the cost of their
9 medicaid clients in institutions for mental diseases, they must use
10 the remainder of the amounts to provide other services not covered
11 under the medicaid program. The department must apply for a waiver
12 from the center for medicaid and medicare services to allow for the
13 full cost of stays in institutions of mental diseases to be included
14 in fiscal year 2019 behavioral health organization capitation rates.
15 The department must submit a report on the status of the waiver to
16 the office of financial management and the appropriate committees of
17 the legislature by December 1, 2017.

18 (g) \$81,930,000 of the general fund—state appropriation for
19 fiscal year 2018 and \$81,930,000 of the general fund—state
20 appropriation for fiscal year 2019 are provided solely for persons
21 and services not covered by the medicaid program. To the extent
22 possible, levels of behavioral health organization spending shall be
23 maintained in the following priority order: Crisis and commitment
24 services; community inpatient services; and residential care
25 services, including personal care and emergency housing assistance.
26 These amounts must be distributed to behavioral health organizations
27 proportionate to the fiscal year 2017 allocation of flexible
28 nonmedicaid funds. The department must include the following language
29 in medicaid contracts with behavioral health organizations unless
30 they are provided formal notification from the center for medicaid
31 and medicare services that the language will result in the loss of
32 federal medicaid participation: "The contractor may voluntarily
33 provide services that are in addition to those covered under the
34 state plan, although the cost of these services cannot be included
35 when determining payment rates unless including these costs are
36 specifically allowed under federal law or an approved waiver."

37 (h) The department is authorized to continue to contract
38 directly, rather than through contracts with behavioral health
39 organizations for children's long-term inpatient facility services.

1 (i) \$1,125,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$1,125,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the Spokane county
4 behavioral health organization to implement services to reduce
5 utilization and the census at eastern state hospital. Such services
6 shall include:

7 (A) High intensity treatment team for persons who are high
8 utilizers of psychiatric inpatient services, including those with co-
9 occurring disorders and other special needs;

10 (B) Crisis outreach and diversion services to stabilize in the
11 community individuals in crisis who are at risk of requiring
12 inpatient care or jail services;

13 (C) Mental health services provided in nursing facilities to
14 individuals with dementia, and consultation to facility staff
15 treating those individuals; and

16 (D) Services at the sixteen-bed evaluation and treatment
17 facility.

18 At least annually, the Spokane county behavioral health
19 organization shall assess the effectiveness of these services in
20 reducing utilization at eastern state hospital, identify services
21 that are not optimally effective, and modify those services to
22 improve their effectiveness.

23 (j) \$1,204,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$1,204,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely to reimburse Pierce and Spokane
26 counties for the cost of conducting 180-day commitment hearings at
27 the state psychiatric hospitals.

28 (k) Behavioral health organizations may use local funds to earn
29 additional federal medicaid match, provided the locally matched rate
30 does not exceed the upper-bound of their federally allowable rate
31 range, and provided that the enhanced funding is used only to provide
32 medicaid state plan or waiver services to medicaid clients.
33 Additionally, behavioral health organizations may use a portion of
34 the state funds allocated in accordance with (g) of this subsection
35 to earn additional medicaid match, but only to the extent that the
36 application of such funds to medicaid services does not diminish the
37 level of crisis and commitment, community inpatient, residential
38 care, and outpatient services presently available to persons not
39 eligible for medicaid.

1 (l) \$2,291,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$2,291,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for mental health services for
4 mentally ill offenders while confined in a county or city jail and
5 for facilitating access to programs that offer mental health services
6 upon release from confinement. The department must collect
7 information from the behavioral health organizations on their plan
8 for using these funds, the numbers of individuals served, and the
9 types of services provided and submit a report to the office of
10 financial management and the appropriate fiscal committees of the
11 legislature by December 1st of each year of the biennium.

12 (m) Within the amounts appropriated in this section, funding is
13 provided for the department to develop and phase in intensive mental
14 health services for high needs youth consistent with the settlement
15 agreement in *T.R. v. Dreyfus and Porter*.

16 (n) The department must establish minimum and maximum funding
17 levels for all reserves allowed under behavioral health organization
18 contracts and insert contract language that clearly states the
19 requirements and limitations. The department must monitor and ensure
20 that behavioral health organization reserves do not exceed maximum
21 levels. The department must monitor behavioral health organization
22 revenue and expenditure reports and must require a behavioral health
23 organization to submit a corrective action plan on how it will spend
24 its excess reserves within a reasonable period of time, when its
25 reported reserves exceed maximum levels established under the
26 contract. The department must review and approve such plans and
27 monitor to ensure compliance. If the department determines that a
28 behavioral health organization has failed to provide an adequate
29 excess reserve corrective action plan or is not complying with an
30 approved plan, the department must reduce payments to the behavioral
31 health organization in accordance with remedial actions provisions
32 included in the contract. These reductions in payments must continue
33 until the department determines that the behavioral health
34 organization has come into substantial compliance with an approved
35 excess reserve corrective action plan.

36 (o) \$2,309,000 of the general fund—state appropriation for fiscal
37 year 2018, \$3,079,000 of the general fund—state appropriation for
38 fiscal year 2019, and \$5,061,000 of the general fund—federal
39 appropriation are provided solely for the department to increase

1 rates for community hospitals that provide a minimum of 200 medicaid
2 psychiatric inpatient days. The department must increase both
3 medicaid and nonmedicaid psychiatric per-diem reimbursement rates for
4 these providers within these amounts. The amounts in this subsection
5 include funding for additional hold harmless payments resulting from
6 the rate increase. The department shall prioritize increases for
7 hospitals not currently paid based on provider specific costs using a
8 similar methodology used to set rate for existing inpatient
9 facilities and the latest available cost report information. Rate
10 increases for providers must be set so as not to exceed the amounts
11 provided within this subsection. The rate increase related to
12 nonmedicaid clients must be done to maintain the provider at the same
13 percentage as currently required under WAC 182-550-4800.

14 (p) \$100,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$100,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the department to
17 collaborate with tribal governments and develop a plan for
18 establishing an evaluation and treatment facility that will
19 specialize in providing care specifically to the American Indian and
20 Alaska Native population. The plan must include options for
21 maximizing federal participation and ensuring that utilization will
22 be based on medical necessity.

23 (q) \$1,466,000 of the general fund—state appropriation for fiscal
24 year 2018, \$7,103,000 of the general fund—state appropriation for
25 fiscal year 2019, and \$9,715,000 of the general fund—federal
26 appropriation are provided solely for the department to contract with
27 community hospitals or freestanding evaluation and treatment centers
28 to provide up to forty-eight long-term inpatient care beds as defined
29 in RCW 71.24.025. The department must seek proposals and contract
30 directly for these services rather than contracting through
31 behavioral health organizations. The department must coordinate with
32 the department of social and health services in developing the
33 contract requirements, selecting contractors, and establishing
34 processes for identifying patients that will be admitted to these
35 facilities. The department must not use any of the amounts provided
36 under this subsection for contracts with facilities that are subject
37 to federal funding restrictions that apply to institutions of mental
38 diseases, unless they have received a waiver that allows for full
39 federal participation in these facilities.

1 (r) \$1,133,000 of the general fund—state appropriation for fiscal
2 year 2019 and \$1,297,000 of the general fund—federal appropriation
3 are provided solely to increase the number of psychiatric residential
4 treatment beds for individuals transitioning from psychiatric
5 inpatient settings. The department must seek proposals from
6 behavioral health organizations for the use of these amounts and
7 coordinate with the department of social and health services in
8 awarding these funds. The department must not allow for any of the
9 amounts provided under this subsection to be used for services in
10 facilities that are subject to federal funding restrictions that
11 apply to institutions of mental diseases, unless they have received a
12 waiver that allows for full federal participation in these
13 facilities.

14 (s) \$4,983,000 of the general fund—state appropriation for fiscal
15 year 2018, \$6,744,000 of the general fund—state appropriation for
16 fiscal year 2019, and \$25,365,000 of the general fund—federal
17 appropriation are provided solely for the department to increase
18 medicaid capitation payments for behavioral health organizations. The
19 department must work with the actuaries responsible for certifying
20 behavioral health capitation rates to adjust average salary
21 assumptions in order to implement this increase. In developing
22 further updates for medicaid managed care rates for behavioral health
23 services, the department must include and make available all
24 applicable documents and analysis to legislative staff from the
25 fiscal committees throughout the process. The department must require
26 the actuaries to develop and submit rate ranges for each behavioral
27 health organization prior to certification of specific rates.

28 (t) The number of beds allocated for use by behavioral health
29 organizations at eastern state hospital shall be 192 per day. The
30 number of nonforensic beds allocated for use by behavioral health
31 organizations at western state hospital shall be 557 per day. In
32 fiscal year 2019, the department must reduce the number of beds
33 allocated for use by behavioral health organizations at western state
34 hospital by 30 beds to allow for the repurposing of a civil ward at
35 western state hospital to provide forensic services. The contracted
36 beds provided under (q) of this subsection shall be allocated to the
37 behavioral health organizations in lieu of beds at the state
38 hospitals and be incorporated in their allocation of state hospital
39 patient days of care for the purposes of calculating reimbursements

1 pursuant to RCW 71.24.310. It is the intent of the legislature to
2 continue the policy of expanding community based alternatives for
3 long term civil commitment services that allow for state hospital
4 beds to be prioritized for forensic patients.

5 (u) \$11,405,000 of the general fund—state appropriation for
6 fiscal year 2018, \$11,405,000 of the general fund—state appropriation
7 for fiscal year 2019, and \$17,680,000 of the general fund—federal
8 appropriation are provided solely to maintain enhancements of
9 community mental health services. The department must contract these
10 funds for the operation of community programs in which the department
11 determines there is a need for capacity that allows individuals to be
12 diverted or transitioned from the state hospitals including but not
13 limited to: (i) Community hospital or free standing evaluation and
14 treatment services providing short-term detention and commitment
15 services under the involuntary treatment act to be located in the
16 geographic areas of the King behavioral health organization, the
17 Spokane behavioral health organization outside of Spokane county, and
18 the Thurston Mason behavioral health organization; (ii) one new full
19 program of an assertive community treatment team in the King
20 behavioral health organization and two new half programs of assertive
21 community treatment teams in the Spokane behavioral health
22 organization and the Pierce behavioral health organization; and (iii)
23 three new recovery support services programs in the Great Rivers
24 behavioral health organization, the greater Columbia behavioral
25 health organization, and the north sound behavioral health
26 organization. In contracting for community evaluation and treatment
27 services, the department may not use these resources in facilities
28 that meet the criteria to be classified under federal law as
29 institutions for mental diseases. If the department is unable to come
30 to a contract agreement with a designated behavioral health
31 organization for any of the services identified above, it may
32 consider contracting for that service in another region that has the
33 need for such service.

34 (v) \$200,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$1,296,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for clubhouse programs. Of this
37 amount, \$400,000 must be used for support of the Spokane clubhouse
38 program and the remaining funds must be used for support of new
39 clubhouse programs. The department must develop options and cost

1 estimates for implementation of clubhouse programs statewide through
2 a medicaid state plan amendment or a medicaid waiver and submit a
3 report to the office of financial management and the appropriate
4 committees of the legislature by December 1, 2018.

5 (w) \$212,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$213,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely to fund one pilot project in
8 Pierce county and one in Yakima county to promote increased
9 utilization of assisted outpatient treatment programs. The department
10 shall require two behavioral health organizations to contract with
11 local government to establish the necessary infrastructure for the
12 programs. The department shall provide a report by October 15, 2018,
13 to the office of financial management and the appropriate fiscal and
14 policy committees of the legislature to include the number of
15 individuals served, outcomes to include reduced use of inpatient
16 treatment and state hospital stays, and recommendations for further
17 implementation based on lessons learned and best practices identified
18 by the pilot projects.

19 (x) The department, in collaboration with the health care
20 authority, shall work to ensure that a single platform provider
21 credentialing system is implemented. The authority and department
22 shall ensure that appropriate cost offsets and cost avoidance are
23 assumed for reduced staff time required for provider credentialing
24 activity and reductions in improper billing activity when
25 implementing provider credentialing systems.

26 (2) INSTITUTIONAL SERVICES

27 General Fund—State Appropriation (FY 2018).	\$286,936,000
28 General Fund—State Appropriation (FY 2019).	\$277,823,000
29 General Fund—Federal Appropriation.	\$148,093,000
30 General Fund—Private/Local Appropriation.	\$52,630,000
31 TOTAL APPROPRIATION.	\$765,482,000

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

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

37 (b) \$311,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$310,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for a community partnership

1 between western state hospital and the city of Lakewood to support
2 community policing efforts in the Lakewood community surrounding
3 western state hospital. The amounts provided in this subsection
4 (2)(b) are for the salaries, benefits, supplies, and equipment for
5 one full-time investigator, one full-time police officer, and one
6 full-time community service officer at the city of Lakewood. The
7 department must collect data from the city of Lakewood on the use of
8 the funds and the number of calls responded to by the community
9 policing program and submit a report with this information to the
10 office of financial management and the appropriate fiscal committees
11 of the legislature each December of the fiscal biennium.

12 (c) \$45,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$45,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for payment to the city of
15 Lakewood for police services provided by the city at western state
16 hospital and adjacent areas.

17 (d) \$44,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$19,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for payment to the city of
20 Medical Lake for police services provided by the city at eastern
21 state hospital and adjacent areas. The city must develop a proposal
22 and estimated costs for developing a community policing program in
23 the area surrounding eastern state hospital and submit the proposal
24 to the department by September 30, 2017.

25 (e) \$25,053,000 of the general fund—state appropriation for
26 fiscal year 2018 and \$25,847,000 of the general fund—state
27 appropriation for fiscal year 2019 are provided solely for
28 implementation of efforts to improve the timeliness of competency
29 restoration services pursuant to chapter 5, Laws of 2015 (SSB 5889)
30 (timeliness of competency treatment and evaluation services). These
31 amounts must be used to maintain and further increase the number of
32 forensic beds at western state hospital and eastern state hospital.
33 Pursuant to chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177)
34 (timeliness of competency treatment and evaluation services), the
35 department may contract some of these amounts for services at
36 alternative locations if the secretary determines that there is a
37 need.

38 (f) \$3,261,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$3,261,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely to maintain implementation of
2 efforts to improve the timeliness of competency evaluation services
3 for individuals who are in local jails pursuant to chapter 5, Laws of
4 2015 (SSB 5889) (timeliness of competency treatment and evaluation
5 services). This funding must be used solely to maintain increases in
6 the number of staff providing competency evaluation services.

7 (g) \$135,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$135,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for the department to hire an
10 on-site safety compliance officer, stationed at Western State
11 Hospital, to provide oversight and accountability of the hospital's
12 response to safety concerns regarding the hospital's work
13 environment.

14 (h) \$20,234,000 of the general fund—state appropriation for
15 fiscal year 2018 and \$20,234,000 of the general fund—state
16 appropriation for fiscal year 2019 are provided solely to meet the
17 requirements of the systems improvement agreement with the centers
18 for medicare and medicaid services as outlined in seven conditions of
19 participation and to maintain federal funding. The department shall
20 specifically account for all spending related to the agreement and
21 reconcile it back to the original funding plan. Changes of more than
22 ten percent in any area of the spending plan must be submitted to the
23 office of financial management for approval. The department must
24 submit a financial analysis to the office of financial management and
25 the appropriate committees of the legislature which compares current
26 staffing levels at eastern and western state hospitals, at the ward
27 level, with the specific staffing levels recommended in the state
28 hospitals' clinical model analysis project report submitted by OTB
29 Solutions in 2016. To the extent that the financial analysis includes
30 any differential in staffing from what was recommended in the report,
31 the department must clearly identify these differences and the
32 associated costs. The department must submit the financial analysis
33 by September 1, 2017.

34 (i) Within these amounts, the department must hire chemical
35 dependency professionals to provide integrated substance use disorder
36 and mental health treatment at the state psychiatric hospitals.

37 (j) \$1,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$2,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for the implementation of Senate

1 Bill No. 5118 (personal needs allowance). If the bill is not enacted
2 by July 31, 2017, the amounts provided in this subsection shall
3 lapse.

4 (3) SPECIAL PROJECTS

5	General Fund—State Appropriation (FY 2018).	\$514,000
6	General Fund—State Appropriation (FY 2019).	\$508,000
7	General Fund—Federal Appropriation.	\$25,852,000
8	TOTAL APPROPRIATION.	\$26,874,000

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

11 (a) \$446,000 of the general fund—state appropriation for fiscal
12 year 2018, \$446,000 of the general fund—state appropriation for
13 fiscal year 2019, and \$178,000 of the general fund—federal
14 appropriation are provided solely for the University of Washington's
15 evidence-based practice institute which supports the identification,
16 evaluation, and implementation of evidence-based or promising
17 practices. The institute must work with the department to develop a
18 plan to seek private, federal, or other grant funding in order to
19 reduce the need for state general funds. The department must collect
20 information from the institute on the use of these funds and submit a
21 report to the office of financial management and the appropriate
22 fiscal committees of the legislature by December 1st of each year of
23 the biennium.

24 (b) No more than \$19,557,000 of the general fund—federal
25 appropriation may be expended for supported housing and employment
26 services described in initiative 3a and 3b of the medicaid
27 transformation demonstration waiver under healthier Washington. Under
28 this initiative, the department and the health care authority shall
29 ensure that allowable and necessary services are provided to eligible
30 clients as identified by the department or its providers or third
31 party administrator. The department and the authority in consultation
32 with the medicaid forecast work group, shall ensure that reasonable
33 reimbursements are established for services deemed necessary within
34 an identified limit per individual. The department shall not increase
35 general fund—state expenditures under this initiative. The secretary
36 in collaboration with the director of the authority shall report to
37 the joint select committee on health care oversight no less than
38 quarterly on financial and health outcomes. The secretary in
39 cooperation with the director shall also report to the fiscal

1 committees of the legislature all of the expenditures of this
2 subsection and shall provide such fiscal data in the time, manner,
3 and form requested by the legislative fiscal committees.

4 (4) PROGRAM SUPPORT

5	General Fund—State Appropriation (FY 2018).	\$10,175,000
6	General Fund—State Appropriation (FY 2019).	\$9,543,000
7	General Fund—Federal Appropriation.	\$12,046,000
8	General Fund—Private/Local Appropriation.	\$502,000
9	TOTAL APPROPRIATION.	\$32,266,000

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

12 (a) The department must complete an update of the state quality
13 strategy required under federal managed care regulations and submit
14 to the center for medicaid and medicare services by October 1, 2017.
15 The department must provide a report to the office of financial
16 management and the appropriate committees of the legislature by
17 December 1, 2017, which includes the following: (i) A copy of the
18 quality strategy submitted to the center for medicaid and medicare
19 services; (ii) identification of all performance measures that are
20 currently being measured for behavioral health organizations, and
21 managed care organizations and the variations in performance among
22 these entities; (iii) identification of any performance measures that
23 are included in behavioral health organization and managed care
24 organization 2018 contracts and whether these measures are connected
25 to payment; and (iv) identification of any performance measures
26 planned for incorporation of behavioral health organization and
27 managed care organization 2019 contracts and whether these measures
28 will be connected to payment during that contract period.

29 (b) \$62,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$41,000 of the general fund—federal appropriation are
31 provided solely for the implementation of chapter 207, Laws of 2017
32 (E2SHB 1819) (children's mental health).

33 (c) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
34 the department is authorized to adopt license and certification fees
35 in fiscal years 2018 and 2019 to support the costs of the regulatory
36 program. The department's fee schedule shall have differential rates
37 for providers with proof of accreditation from organizations that the
38 department has determined to have substantially equivalent standards
39 to those of the department, including but not limited to the joint

1 commission on accreditation of health care organizations, the
2 commission on accreditation of rehabilitation facilities, and the
3 council on accreditation. To reflect the reduced costs associated
4 with regulation of accredited programs, the department's fees for
5 organizations with such proof of accreditation must reflect the lower
6 costs of licensing for these programs than for other organizations
7 which are not accredited.

8 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
9 **SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM**

10 (1) COMMUNITY SERVICES

11	General Fund—State Appropriation (FY 2018).	\$612,748,000
12	General Fund—State Appropriation (FY 2019).	\$662,252,000
13	General Fund—Federal Appropriation.	\$1,301,629,000
14	General Fund—Private/Local Appropriation.	\$534,000
15	TOTAL APPROPRIATION.	\$2,577,163,000

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

18 (a) Individuals receiving services as supplemental security
19 income (SSI) state supplemental payments shall not become eligible
20 for medical assistance under RCW 74.09.510 due solely to the receipt
21 of SSI state supplemental payments.

22 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
23 43.135.055, the department is authorized to increase nursing
24 facility, assisted living facility, and adult family home fees as
25 necessary to fully support the actual costs of conducting the
26 licensure, inspection, and regulatory programs. The license fees may
27 not exceed the department's annual licensing and oversight activity
28 costs and shall include the department's cost of paying providers for
29 the amount of the license fee attributed to medicaid clients.

30 (i) The current annual renewal license fee for adult family homes
31 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed
32 beginning in fiscal year 2019. A processing fee of \$2,750 shall be
33 charged to each adult family home when the home is initially
34 licensed. This fee is nonrefundable. A processing fee of \$700 shall
35 be charged when adult family home providers file a change of
36 ownership application.

1 (ii) The current annual renewal license fee for assisted living
2 facilities shall be \$106 per bed beginning in fiscal year 2018 and
3 \$106 per bed beginning in fiscal year 2019.

4 (iii) The current annual renewal license fee for nursing
5 facilities shall be \$359 per bed beginning in fiscal year 2018 and
6 \$359 per bed beginning in fiscal year 2019.

7 (c) \$7,142,000 of the general fund—state appropriation for fiscal
8 year 2018, \$18,249,000 of the general fund—state appropriation for
9 fiscal year 2019, and \$27,336,000 of the general fund—federal
10 appropriation are provided solely for the implementation of the
11 agreement reached between the governor and the service employees
12 international union healthcare 775nw under the provisions of chapters
13 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
14 contingent upon the enactment of Senate Bill No. 5969 (transparency
15 in public employee collective bargaining). If the bill is not enacted
16 by July 31, 2017, the appropriation in this subsection shall lapse.

17 (d) \$787,000 of the general fund—state appropriation for fiscal
18 year 2018, \$2,183,000 of the general fund—state appropriation for
19 fiscal year 2019, and \$3,714,000 of the general fund—federal
20 appropriation are provided solely for the homecare agency parity
21 impacts of the agreement between the governor and the service
22 employees international union healthcare 775nw. Funding is contingent
23 upon the enactment of Senate Bill No. 5969 (transparency in public
24 employee collective bargaining). If the bill is not enacted by July
25 31, 2017, the appropriation in this subsection shall lapse.

26 (e) The department may authorize a one-time waiver of all or any
27 portion of the licensing and processing fees required under RCW
28 70.128.060 in any case in which the department determines that an
29 adult family home is being relicensed because of exceptional
30 circumstances, such as death or incapacity of a provider, and that to
31 require the full payment of the licensing and processing fees would
32 present a hardship to the applicant. In these situations the
33 department is also granted the authority to waive the required
34 residential administrator training for a period of 120 days if
35 necessary to ensure continuity of care during the relicensing
36 process.

37 (f) Community residential cost reports that are submitted by or
38 on behalf of contracted agency providers are required to include

1 information about agency staffing including health insurance, wages,
2 number of positions, and turnover.

3 (g) \$650,000 of the general fund—state appropriation for fiscal
4 year 2018, \$650,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$800,000 of the general fund—federal
6 appropriation are provided solely for the development and
7 implementation of eight enhanced respite beds across the state for
8 children. These services are intended to provide families and
9 caregivers with a break in caregiving, the opportunity for behavioral
10 stabilization of the child, and the ability to partner with the state
11 in the development of an individualized service plan that allows the
12 child to remain in his or her family home. The department must
13 provide the legislature with a respite utilization report in January
14 of each year that provides information about the number of children
15 who have used enhanced respite in the preceding year, as well as the
16 location and number of days per month that each respite bed was
17 occupied.

18 (h) \$900,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$900,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the development and
21 implementation of eight community respite beds across the state for
22 adults. These services are intended to provide families and
23 caregivers with a break in caregiving and the opportunity for
24 stabilization of the individual in a community-based setting as an
25 alternative to using a residential habilitation center to provide
26 planned or emergent respite. The department must provide the
27 legislature with a respite utilization report by January of each year
28 that provides information about the number of individuals who have
29 used community respite in the preceding year, as well as the location
30 and number of days per month that each respite bed was occupied.

31 (i) \$100,000 of the general fund—state appropriation for fiscal
32 year 2018, \$95,000 of the general fund—state appropriation for fiscal
33 year 2019, and \$195,000 of the general fund—federal appropriation are
34 provided solely for discharge case managers stationed at the state
35 psychiatric hospitals. Discharge case managers will transition
36 clients ready for hospital discharge into less restrictive
37 alternative community placements. The transition of clients ready for
38 discharge will free up bed capacity at the state psychiatric
39 hospitals.

1 (j) \$1,239,000 of the general fund—state appropriation for fiscal
2 year 2018, \$2,055,000 of the general fund—state appropriation for
3 fiscal year 2019, and \$3,218,000 of the general fund—federal
4 appropriation are provided solely to create new community alternative
5 placement beds that prioritize the transition of clients who are
6 ready for discharge from the state psychiatric hospitals, but who
7 have additional long-term care or developmental disability needs.

8 (i) Community alternative placement beds include enhanced service
9 facility beds, adult family home beds, skilled nursing facility beds,
10 shared supportive housing beds, state operated living alternative
11 beds, and assisted living facility beds.

12 (ii) Each client must receive an individualized assessment prior
13 to leaving one of the state psychiatric hospitals. The individualized
14 assessment must identify and authorize personal care, nursing care,
15 behavioral health stabilization, physical therapy, or other necessary
16 services to meet the unique needs of each client. It is the
17 expectation that, in most cases, staffing ratios in all community
18 alternative placement options described in (j)(i) of this subsection
19 will need to increase to meet the needs of clients leaving the state
20 psychiatric hospitals. If specialized training is necessary to meet
21 the needs of a client before he or she enters a community placement,
22 then the person centered service plan must also identify and
23 authorize this training.

24 (iii) When reviewing placement options, the department must
25 consider the safety of other residents, as well as the safety of
26 staff, in a facility. An initial evaluation of each placement,
27 including any documented safety concerns, must occur within thirty
28 days of a client leaving one of the state psychiatric hospitals and
29 entering one of the community placement options described in (j)(i)
30 of this subsection. At a minimum, the department must perform two
31 additional evaluations of each placement during the first year that a
32 client has lived in the facility.

33 (iv) During fiscal year 2018, in a presentation to the select
34 committee on quality improvement in state hospitals, the department
35 must describe the process of fielding and subsequently investigating
36 complaints of abuse, neglect, and exploitation within the community
37 alternative placement options described in (j)(i) of this subsection.
38 At a minimum, the presentation must include data about the number of

1 complaints, and the nature of complaints, over the preceding five
2 fiscal years.

3 (v) During fiscal year 2019, in a presentation to the select
4 committee on quality improvement in state hospitals, the department
5 must provide an update about clients placed out of the state
6 psychiatric hospitals into the community alternative placement
7 options described in (j)(i) of this subsection. At a minimum, for
8 each setting, the presentation must include data about the number of
9 placements, average daily rate, complaints fielded, and complaints
10 investigated. The presentation must also include information about
11 modifications, including the placement of clients into alternate
12 settings, that occurred due to the evaluations required under
13 (j)(iii) of this subsection.

14 In developing bed capacity, the department shall consider the
15 complex needs of individuals waiting for discharge from the state
16 psychiatric hospitals.

17 (k) \$738,000 of the general fund—state appropriation for fiscal
18 year 2018, \$1,963,000 of the general fund—state appropriation for
19 fiscal year 2019, and \$2,701,000 of the general fund—federal
20 appropriation are provided solely for expanding the number of clients
21 receiving services under the basic plus medicaid waiver.
22 Approximately six hundred additional clients are anticipated to
23 graduate from high school during the 2017-2019 fiscal biennium and
24 will receive employment services under this expansion.

25 (l) \$14,127,000 of the general fund—state appropriation for
26 fiscal year 2018, \$25,428,000 of the general fund—state appropriation
27 for fiscal year 2019, and \$39,554,000 of the general fund—federal
28 appropriation are provided solely to increase the benchmark rate for
29 community residential service providers offering supported living,
30 group home, and licensed staff residential services to individuals
31 with development disabilities. The amounts in this subsection (l)(l)
32 include funding to increase the benchmark rate by the following
33 amounts:

- 34 (i) \$1.25 per hour effective July 1, 2017, and;
- 35 (ii) An additional \$1.00 per hour effective July 1, 2018.

36 The amounts provided in this subsection must be used to improve
37 the recruitment and retention of quality direct care staff to better
38 protect the health and safety of clients with developmental
39 disabilities.

1 (m) Respite personal care provided by individual providers to
2 developmental disabilities administration clients, as authorized by
3 the department and accessed by clients through a medicaid waiver,
4 must be funded in maintenance level of the operating budget on the
5 basis of actual and forecasted client utilization.

6 (n) \$4,000 of the general fund—state appropriation for fiscal
7 year 2018, \$11,000 of the general fund—state appropriation for fiscal
8 year 2019, and \$13,000 of the general fund—federal appropriation are
9 provided solely to implement chapter 270, Laws of 2017 (SB 5118)
10 (personal needs allowance).

11 (o) \$1,716,000 of the general fund—state appropriation for fiscal
12 year 2018, \$3,493,000 of the general fund—state appropriation for
13 fiscal year 2019, and \$4,267,000 of the general fund—federal
14 appropriation are provided solely for a targeted vendor rate increase
15 to contracted client service providers.

16 (i) Within the amounts provided in this subsection, \$1,674,000 of
17 the general fund—state appropriation for fiscal year 2018, \$3,424,000
18 of the general fund—state appropriation for fiscal year 2019, and
19 \$4,126,000 of the general fund—federal appropriation are provided
20 solely for a vendor rate increase of two percent in fiscal year 2018
21 and an additional two percent in fiscal year 2019 for all contracted
22 vendors with the exception of nursing home providers, the program of
23 all-inclusive care for the elderly, nurse delegators, community
24 residential service providers, individual providers, agency
25 providers, and adult family homes.

26 (ii) Within the amounts provided in this subsection, \$42,000 of
27 the general fund—state appropriation for fiscal year 2018, \$69,000 of
28 the general fund—state appropriation for fiscal year 2019, and
29 \$141,000 of the general fund—federal appropriation are provided
30 solely to increase vendor rates for adult residential care and
31 enhanced adult residential care in the 2017-2019 fiscal biennium up
32 to the statewide minimum wage established in Initiative Measure No.
33 1433.

34 (p) \$51,000 of the general fund—state appropriation for fiscal
35 year 2018, \$51,000 of the general fund—state appropriation for fiscal
36 year 2019, and \$102,000 of the general fund—federal appropriation are
37 provided solely to increase the daily rate for private duty nursing
38 in adult family homes by \$63.77.

1 (q) \$371,000 of the general fund—state appropriation for fiscal
2 year 2018, \$445,000 of the general fund—state appropriation for
3 fiscal year 2019, and \$1,069,000 of the general fund—federal
4 appropriation are provided solely for increasing the hourly rate for
5 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

6 (r) \$212,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$269,000 of the general fund—federal appropriation are
8 provided solely to implement Senate Bill No. . . . (S-2907.2). If the
9 bill is not enacted by July 31, 2017, the amounts provided in this
10 subsection shall lapse.

11 (s) \$2,199,000 of the general fund—state appropriation for fiscal
12 year 2018, \$2,878,000 of the general fund—state appropriation for
13 fiscal year 2019, and \$6,388,000 of the general fund—federal
14 appropriation are provided solely for the implementation of an
15 agreement reached between the governor and the adult family home
16 council under the provisions of chapter 41.56 RCW for the 2017-2019
17 fiscal biennium. Funding is contingent upon the enactment of Senate
18 Bill No. 5969 (transparency in public employee collective
19 bargaining). If the bill is not enacted by July 31, 2017, the amounts
20 provided in this subsection shall lapse.

21 (2) INSTITUTIONAL SERVICES

22	General Fund—State Appropriation (FY 2018).	\$104,159,000
23	General Fund—State Appropriation (FY 2019).	\$106,818,000
24	General Fund—Federal Appropriation.	\$195,757,000
25	General Fund—Private/Local Appropriation.	\$25,041,000
26	TOTAL APPROPRIATION.	\$431,775,000

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

29 (a) Individuals receiving services as supplemental security
30 income (SSI) state supplemental payments shall not become eligible
31 for medical assistance under RCW 74.09.510 due solely to the receipt
32 of SSI state supplemental payments.

33 (b) \$495,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$495,000 of the general fund—state appropriation for
35 fiscal year 2019 are for the department to fulfill its contracts with
36 the school districts under chapter 28A.190 RCW to provide
37 transportation, building space, and other support services as are

1 reasonably necessary to support the educational programs of students
2 living in residential habilitation centers.

3 (c) \$2,978,000 of the general fund—state appropriation for fiscal
4 year 2018, \$2,978,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$5,956,000 of the general fund—federal
6 appropriation are for additional staff to ensure compliance with
7 centers for medicare and medicaid services requirements for
8 habilitation, nursing care, staff safety, and client safety at the
9 residential habilitation centers.

10 (d) The residential habilitation centers may use funds
11 appropriated in this subsection to purchase goods and supplies
12 through hospital group purchasing organizations when it is cost-
13 effective to do so.

14 (e) \$2,000 of the general fund—state appropriation for fiscal
15 year 2018, \$5,000 of the general fund—state appropriation for fiscal
16 year 2019, and \$5,000 of the general fund—federal appropriation are
17 provided solely to implement chapter 270, Laws of 2017 (SB 5118)
18 (personal needs allowance).

19 (3) PROGRAM SUPPORT

20	General Fund—State Appropriation (FY 2018).	\$2,469,000
21	General Fund—State Appropriation (FY 2019).	\$2,531,000
22	General Fund—Federal Appropriation.	\$2,946,000
23	TOTAL APPROPRIATION.	\$7,946,000

24 (4) SPECIAL PROJECTS

25	General Fund—State Appropriation (FY 2018).	\$64,000
26	General Fund—State Appropriation (FY 2019).	\$64,000
27	General Fund—Federal Appropriation.	\$1,092,000
28	TOTAL APPROPRIATION.	\$1,220,000

29 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
30 **SERVICES—AGING AND ADULT SERVICES PROGRAM**

31	General Fund—State Appropriation (FY 2018).	\$1,099,017,000
32	General Fund—State Appropriation (FY 2019).	\$1,196,263,000
33	General Fund—Federal Appropriation.	\$2,839,653,000
34	General Fund—Private/Local Appropriation.	\$33,572,000
35	Traumatic Brain Injury Account—State Appropriation.	\$4,540,000
36	Skilled Nursing Facility Safety Net Trust Account—	
37	State Appropriation.	\$133,360,000

1 TOTAL APPROPRIATION. \$5,306,405,000

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

4 (1)(a) For purposes of implementing chapter 74.46 RCW, the
5 weighted average nursing facility payment rate shall not exceed
6 \$201.39 for fiscal year 2018 and shall not exceed \$209.35 for fiscal
7 year 2019.

8 (b) The department shall provide a medicaid rate add-on to
9 reimburse the medicaid share of the skilled nursing facility safety
10 net assessment as a medicaid allowable cost. The nursing facility
11 safety net rate add-on may not be included in the calculation of the
12 annual statewide weighted average nursing facility payment rate.

13 (2) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
14 43.135.055, the department is authorized to increase nursing
15 facility, assisted living facility, and adult family home fees as
16 necessary to fully support the actual costs of conducting the
17 licensure, inspection, and regulatory programs. The license fees may
18 not exceed the department's annual licensing and oversight activity
19 costs and shall include the department's cost of paying providers for
20 the amount of the license fee attributed to medicaid clients.

21 (a) The current annual renewal license fee for adult family homes
22 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed
23 beginning in fiscal year 2019. A processing fee of \$2,750 shall be
24 charged to each adult family home when the home is initially
25 licensed. This fee is nonrefundable. A processing fee of \$700 shall
26 be charged when adult family home providers file a change of
27 ownership application.

28 (b) The current annual renewal license fee for assisted living
29 facilities shall be \$106 per bed beginning in fiscal year 2018 and
30 \$106 per bed beginning in fiscal year 2019.

31 (c) The current annual renewal license fee for nursing facilities
32 shall be \$359 per bed beginning in fiscal year 2018 and \$359 per bed
33 beginning in fiscal year 2019.

34 (3) The department is authorized to place long-term care clients
35 residing in nursing homes and paid for with state only funds into
36 less restrictive community care settings while continuing to meet the
37 client's care needs.

38 (4) \$1,858,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$1,857,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for operation of the volunteer
2 services program. Funding shall be prioritized towards serving
3 populations traditionally served by long-term care services to
4 include senior citizens and persons with disabilities.

5 (5) \$14,674,000 of the general fund—state appropriation for
6 fiscal year 2018, \$37,239,000 of the general fund—state appropriation
7 for fiscal year 2019, and \$55,716,000 of the general fund—federal
8 appropriation are provided solely for the implementation of the
9 agreement reached between the governor and the service employees
10 international union healthcare 775nw under the provisions of chapters
11 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
12 contingent upon the enactment of Senate Bill No. 5969 (transparency
13 in public employee collective bargaining). If the bill is not enacted
14 by July 31, 2017, the appropriation in this subsection shall lapse.

15 (6) \$4,833,000 of the general fund—state appropriation for fiscal
16 year 2018, \$13,413,000 of the general fund—state appropriation for
17 fiscal year 2019, and \$22,812,000 of the general fund—federal
18 appropriation are provided solely for the homecare agency parity
19 impacts of the agreement between the governor and the service
20 employees international union healthcare 775nw. Funding is contingent
21 upon the enactment of Senate Bill No. 5969 (transparency in public
22 employee collective bargaining). If the bill is not enacted by July
23 31, 2017, the appropriation in this subsection shall lapse.

24 (7) \$5,094,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$5,094,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for services and support to
27 individuals who are deaf, hard of hearing, or deaf-blind.

28 (8) The department may authorize a one-time waiver of all or any
29 portion of the licensing and processing fees required under RCW
30 70.128.060 in any case in which the department determines that an
31 adult family home is being relicensed because of exceptional
32 circumstances, such as death or incapacity of a provider, and that to
33 require the full payment of the licensing and processing fees would
34 present a hardship to the applicant. In these situations the
35 department is also granted the authority to waive the required
36 residential administrator training for a period of 120 days if
37 necessary to ensure continuity of care during the relicensing
38 process.

1 (9) In accordance with RCW 18.390.030, the biennial registration
2 fee for continuing care retirement communities shall be \$1,889 for
3 each facility.

4 (10) \$234,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$234,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the kinship navigator
7 program in the Colville Indian reservation, Yakama Nation, and other
8 tribal areas.

9 (11) \$42,000 of the general fund—state appropriation for fiscal
10 year 2018, \$127,000 of the general fund—state appropriation for
11 fiscal year 2019, and \$169,000 of the general fund—federal
12 appropriation are provided solely to implement chapter 270, Laws of
13 2017 (SB 5118) (personal needs allowance).

14 (12) Within available funds, the aging and long term support
15 administration must maintain a unit within adult protective services
16 that specializes in the investigation of financial abuse allegations
17 and self-neglect allegations.

18 (13) Within amounts appropriated in this subsection, the
19 department shall assist the legislature to continue the work of the
20 joint legislative executive committee on planning for aging and
21 disability issues.

22 (a) A joint legislative executive committee on aging and
23 disability is continued, with members as provided in this subsection.

24 (i) Four members of the senate, with the leaders of the two
25 largest caucuses each appointing two members, and four members of the
26 house of representatives, with the leaders of the two largest
27 caucuses each appointing two members;

28 (ii) A member from the office of the governor, appointed by the
29 governor;

30 (iii) The secretary of the department of social and health
31 services or his or her designee;

32 (iv) The director of the health care authority or his or her
33 designee;

34 (v) A member from disability rights Washington and a member from
35 the office of long-term care ombuds;

36 (vi) The insurance commissioner or his or her designee, who shall
37 serve as an ex officio member; and

38 (vii) Other agency directors or designees as necessary.

1 (b) The committee must make recommendations and continue to
2 identify key strategic actions to prepare for the aging of the
3 population in Washington, including state budget and policy options,
4 by conducting at least, but not limited to, the following tasks:

5 (i) Identify strategies to better serve the health care needs of
6 an aging population and people with disabilities to promote healthy
7 living and palliative care planning;

8 (ii) Identify strategies and policy options to create financing
9 mechanisms for long-term service and supports that allow individuals
10 and families to meet their needs for service;

11 (iii) Identify policies to promote financial security in
12 retirement, support people who wish to stay in the workplace longer,
13 and expand the availability of workplace retirement savings plans;

14 (iv) Identify ways to promote advance planning and advance care
15 directives and implementation strategies for the Bree collaborative
16 palliative care and related guidelines;

17 (v) Identify ways to meet the needs of the aging demographic
18 impacted by reduced federal support;

19 (vi) Identify ways to protect the rights of vulnerable adults
20 through assisted decision-making and guardianship and other relevant
21 vulnerable adult protections;

22 (vii) Identify options for promoting client safety through
23 residential care services and consider methods of protecting older
24 people and people with disabilities from physical abuse and financial
25 exploitation;

26 (viii) Identify other policy options and recommendations to help
27 communities adapt to the aging demographic in planning for housing,
28 land use, and transportation; and

29 (ix) Identify ways to support individuals with developmental
30 disabilities with long-term care needs who are enrolled members of a
31 federally recognized Indian tribe, or residing in the household of an
32 enrolled members of a federally recognized Indian tribe, and are
33 receiving care from a family member.

34 (c) At least one committee meeting must be devoted to the
35 exploration of legislation that would allow family members to provide
36 personal care services to persons with developmental disabilities or
37 long-term care needs under a voluntary consumer-directed medicaid
38 service program. During the meeting, the committee should hear
39 testimony from as many impacted parties as possible, including
40 clients, providers, advocacy groups, and staff from state agencies.

1 Testimony should explore program design, program oversight, necessary
2 statutory changes, barriers to implementation, fiscal estimates, and
3 timeline for implementation.

4 (d) Staff support for the committee shall be provided by the
5 office of program research, senate committee services, the office of
6 financial management, and the department of social and health
7 services.

8 (e) Within existing appropriations, the cost of meetings must be
9 paid jointly by the senate, house of representatives, and the office
10 of financial management. Joint committee expenditures are subject to
11 approval by the senate facilities and operations committee and the
12 house of representatives executive rules committee, or their
13 successor committees. The joint committee members may be reimbursed
14 for travel expenses as authorized under RCW 43.03.050 and 43.03.060,
15 and chapter 44.04 RCW as appropriate. Advisory committee members may
16 not receive compensation or reimbursement for travel and expenses.

17 (14)(a) The department of social and health services must
18 facilitate a stakeholder work group consisting of assisted living
19 provider associations and the state long-term care ombuds in a
20 collaborative effort to redesign the medicaid payment methodology for
21 contracted assisted living, adult residential care, and enhanced
22 adult residential care. The department must submit a report with the
23 final work group recommendations to the appropriate legislative
24 committees by November 30, 2017. A proposed timeline for
25 implementation of the new methodology must be included in the report.
26 The new methodology must:

27 (i) Adhere to the standards of an acuity-based payment system as
28 originally intended by the legislature, and the department will rely
29 on the time study conducted in 2003 in establishing the acuity scale;

30 (ii) Create a standardized methodology that supports a reasonable
31 medicaid payment that promotes access, choice, and quality;

32 (iii) Incorporate metrics such as medians, lids, floors, and
33 other options that provide flexibility to adjust to economic
34 conditions while maintaining the integrity of the methodology;

35 (iv) Be supported by relevant, reliable, verifiable, and
36 independent data to the extent possible; and

37 (v) To the extent possible, repurpose and streamline data sources
38 and modeling that the aging and long-term support administration uses
39 for other rate-setting processes.

1 (b) In developing payment metrics for medicaid-covered services,
2 staff and service requirements must be reviewed for assisted living,
3 adult residential care, and enhanced adult residential care as
4 described in chapters 74.39A and 18.20 RCW. At a minimum, the
5 proposed rate methodology must include a component that recognizes
6 staffing for intermittent nursing and personal care services. Service
7 area adjustments based on population density must be reviewed and
8 compared with other options to recognize high-cost areas. The most
9 recent and complete wage data available through the bureau of labor
10 statistics must also be included for review and consideration. The
11 methodology work group must consider operational requirements and
12 indirect services in developing the model. The work group must
13 include a rate component that recognizes statutory and regulatory
14 physical plant requirements. The work group must review and consider
15 physical plant requirements for assisted living as described in
16 chapter 51.50 RCW. A fair rental valuation must be reviewed and
17 considered as an option for the capital component. The recognition of
18 food for medicaid residents must also be included in the work group
19 considerations. The department's current methodology to address room
20 and board requirements, and the appropriateness of the continued use
21 of the 2003 time study and whether it can be reasonably adjusted or
22 whether a new time study should be conducted, must be reviewed and
23 considered by the work group.

24 (15) Within amounts appropriated in this section, the department
25 must pay medicaid nursing facility payment rates for public hospital
26 district providers in rural communities as defined under chapter
27 70.44 RCW that are no less than June 30, 2016, reimbursement levels.
28 This action is intended to assure continued access to essential
29 services in rural communities.

30 (16) \$5,370,000 of the general fund—state appropriation for
31 fiscal year 2018, \$10,199,000 of the general fund—state appropriation
32 for fiscal year 2019, and \$18,346,000 of the general fund—federal
33 appropriation are provided solely for a targeted vendor rate increase
34 to contracted client service providers.

35 (a) Within the amounts provided in this subsection, \$2,763,000 of
36 the general fund—state appropriation for fiscal year 2018, \$5,741,000
37 of the general fund—state appropriation for fiscal year 2019, and
38 \$9,775,000 of the general fund—federal appropriation are provided
39 solely for a vendor rate increase of two percent in fiscal year 2018

1 and an additional two percent in fiscal year 2019 for all contracted
2 vendors with the exception of nursing home providers, the program of
3 all-inclusive care for the elderly, nurse delegators, community
4 residential service providers, individual providers, agency
5 providers, and adult family homes.

6 (b) Within the amounts provided in this subsection, \$2,607,000 of
7 the general fund—state appropriation for fiscal year 2018, \$4,458,000
8 of the general fund—state appropriation for fiscal year 2019, and
9 \$8,571,000 of the general fund—federal appropriation are provided
10 solely to increase vendor rates for nursing homes, assisted living
11 facilities including adult residential care and enhanced adult
12 residential care, adult day health and adult day care providers, and
13 home care agency administration in the 2017-2019 fiscal biennium up
14 to the statewide minimum wage established in Initiative Measure No.
15 1433.

16 (17) \$4,815,000 of the general fund—state appropriation for
17 fiscal year 2018, \$8,527,000 of the general fund—state appropriation
18 for fiscal year 2019, and \$12,277,000 of the general fund—federal
19 appropriation are provided solely to create new community alternative
20 placement beds that prioritize the transition of clients who are
21 ready for discharge from the state psychiatric hospitals, but who
22 have additional long-term care or developmental disability needs.

23 (a) Community alternative placement beds include enhanced service
24 facility beds, adult family home beds, skilled nursing facility beds,
25 shared supportive housing beds, state operated living alternative
26 beds, and assisted living facility beds.

27 (b) Each client must receive an individualized assessment prior
28 to leaving one of the state psychiatric hospitals. The individualized
29 assessment must identify and authorize personal care, nursing care,
30 behavioral health stabilization, physical therapy, or other necessary
31 services to meet the unique needs of each client. It is the
32 expectation that, in most cases, staffing ratios in all community
33 alternative placement options described in (a) of this subsection
34 will need to increase to meet the needs of clients leaving the state
35 psychiatric hospitals. If specialized training is necessary to meet
36 the needs of a client before he or she enters a community placement,
37 then the person centered service plan must also identify and
38 authorize this training.

1 (c) When reviewing placement options, the department must
2 consider the safety of other residents, as well as the safety of
3 staff, in a facility. An initial evaluation of each placement,
4 including any documented safety concerns, must occur within thirty
5 days of a client leaving one of the state psychiatric hospitals and
6 entering one of the community placement options described in (a) of
7 this subsection. At a minimum, the department must perform two
8 additional evaluations of each placement during the first year that a
9 client has lived in the facility.

10 (d) During fiscal year 2018, in a presentation to the select
11 committee on quality improvement in state hospitals, the department
12 must describe the process of fielding and subsequently investigating
13 complaints of abuse, neglect, and exploitation within the community
14 alternative placement options described in (a) of this subsection. At
15 a minimum, the presentation must include data about the number of
16 complaints, and the nature of complaints, over the preceding five
17 fiscal years.

18 (e) During fiscal year 2019, in a presentation to the select
19 committee on quality improvement in state hospitals, the department
20 must provide an update about clients placed out of the state
21 psychiatric hospitals into the community alternative placement
22 options described in (a) of this subsection. At a minimum, for each
23 setting, the presentation must include data about the number of
24 placements, average daily rate, complaints fielded, and complaints
25 investigated. The presentation must also include information about
26 modifications, including the placement of clients into alternate
27 settings, that occurred due to the evaluations required under (c) of
28 this subsection.

29 In developing bed capacity, the department shall consider the
30 complex needs of individuals waiting for discharge from the state
31 psychiatric hospitals.

32 (18) \$315,000 of the general fund—state appropriation for fiscal
33 year 2018, \$315,000 of the general fund—state appropriation for
34 fiscal year 2019, and \$630,000 of the general fund—federal
35 appropriation are provided solely for discharge case managers
36 stationed at the state psychiatric hospitals. Discharge case managers
37 will transition clients ready for hospital discharge into less
38 restrictive alternative community placements. The transition of

1 clients ready for discharge will free up bed capacity at the state
2 psychiatric hospitals.

3 (19) \$135,000 of the general fund—state appropriation for fiscal
4 year 2018, \$135,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$270,000 of the general fund—federal
6 appropriation are provided solely for financial service specialists
7 stationed at the state psychiatric hospitals. Financial service
8 specialists will help to transition clients ready for hospital
9 discharge into alternative community placements. The transition of
10 clients ready for discharge will free up bed capacity at the state
11 hospitals.

12 (20) \$5,007,000 of the general fund—state appropriation for
13 fiscal year 2018, \$5,143,000 of the general fund—state appropriation
14 for fiscal year 2019, and \$10,154,000 of the general fund—federal
15 appropriation are provided solely to implement chapter 286, Laws of
16 2017 (SB 5715) (nursing home payments).

17 (21) \$750,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$750,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely to implement chapter 287, Laws
20 of 2017 (SB 5736) (nutrition programs).

21 (22) \$183,000 of the general fund—state appropriation for fiscal
22 year 2018, \$92,000 of the general fund—state appropriation for fiscal
23 year 2019, and \$2,479,000 of the general fund—federal appropriation
24 are provided solely to finish the programming necessary to give the
25 department the ability to pay individual provider overtime when hours
26 over 40 hours per week are authorized for payment and are subject to
27 the conditions, limitations, and review provided in section 724 of
28 this act.

29 (23) \$229,000 of the general fund—state appropriation for fiscal
30 year 2018, \$229,000 of the general fund—state appropriation for
31 fiscal year 2019, and \$458,000 of the general fund—federal
32 appropriation are provided solely to increase the daily rate for
33 private duty nursing in adult family homes by \$63.77.

34 (24) \$246,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$313,000 of the general fund—federal appropriation are
36 provided solely to implement Senate Bill No. . . . (S-2907.2). If the
37 bill is not enacted by July 31, 2017, the amounts provided in this
38 subsection shall lapse.

1 (25)(a) No more than \$41,388,000 of the general fund—federal
2 appropriation may be expended for tailored support for older adults
3 and medicaid alternative care described in initiative 2 of the
4 medicaid transformation demonstration waiver under healthier
5 Washington. The department shall not increase general fund—state
6 expenditures on this initiative. The secretary in collaboration with
7 the director of the health care authority shall report to the joint
8 select committee on health care oversight no less than quarterly on
9 financial and health outcomes. The secretary in cooperation with the
10 director shall also report to the fiscal committees of the
11 legislature all of the expenditures of this subsection and shall
12 provide such fiscal data in the time, manner, and form requested by
13 the legislative fiscal committees.

14 (b) No more than \$2,200,000 of the general fund—federal
15 appropriation may be expended for supported housing and employment
16 services described in initiative 3a and 3b of the medicaid
17 transformation demonstration waiver under healthier Washington. Under
18 this initiative, the department and the health care authority shall
19 ensure that allowable and necessary services are provided to eligible
20 clients as identified by the department or its providers third party
21 administrator. The department and the authority in consultation with
22 the medicaid forecast work group shall ensure that reasonable
23 reimbursements are established for services deemed necessary within
24 an identified limit per individual. The department shall not increase
25 general fund—state expenditures under this initiative. The secretary
26 in cooperation with the director shall report to the joint select
27 committee on health care oversight no less than quarterly on
28 financial and health outcomes. The secretary in cooperation with the
29 director shall also report to the fiscal committees of the
30 legislature all of the expenditures of this subsection and shall
31 provide such fiscal data in the time, manner, and form requested by
32 the legislative fiscal committees.

33 (26) \$351,000 of the general fund—state appropriation for fiscal
34 year 2018, \$421,000 of the general fund—state appropriation for
35 fiscal year 2019, and \$1,012,000 of the general fund—federal
36 appropriation are provided solely for increasing the hourly rate for
37 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

38 (27) \$10,017,000 of the general fund—state appropriation for
39 fiscal year 2018, \$13,111,000 of the general fund—state appropriation

1 for fiscal year 2019, and \$29,104,000 of the general fund—federal
2 appropriation are provided solely for the implementation of an
3 agreement reached between the governor and the adult family home
4 council under the provisions of chapter 41.56 RCW for the 2017-2019
5 fiscal biennium. Funding is contingent upon the enactment of Senate
6 Bill No. 5969 (transparency in public employee collective
7 bargaining). If the bill is not enacted by July 31, 2017, the amounts
8 provided in this subsection shall lapse.

9 NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
10 **SERVICES—ECONOMIC SERVICES PROGRAM**

11	General Fund—State Appropriation (FY 2018).	\$396,063,000
12	General Fund—State Appropriation (FY 2019).	\$415,638,000
13	General Fund—Federal Appropriation.	\$1,421,095,000
14	General Fund—Private/Local Appropriation.	\$5,144,000
15	Administrative Contingency Account—State	
16	Appropriation.	\$5,400,000
17	TOTAL APPROPRIATION.	\$2,243,340,000

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

20 (1)(a) \$155,022,000 of the general fund—state appropriation for
21 fiscal year 2018, \$160,136,000 of the general fund—state
22 appropriation for fiscal year 2019, \$836,761,000 of the general fund—
23 federal appropriation, and \$5,400,000 of the administrative
24 contingency account—state appropriation are provided solely for all
25 components of the WorkFirst program. Within the amounts provided for
26 the WorkFirst program, the department may provide assistance using
27 state-only funds for families eligible for temporary assistance for
28 needy families. The department must create a WorkFirst budget
29 structure that allows for transparent tracking of budget units and
30 subunits of expenditures where these units and subunits are mutually
31 exclusive from other department budget units. The budget structure
32 must include budget units for the following: Cash assistance, child
33 care, WorkFirst activities, and administration of the program. Within
34 these budget units, the department must develop program index codes
35 for specific activities and develop allotments and track expenditures
36 using these codes. The department shall report to the office of
37 financial management and the relevant fiscal and policy committees of
38 the legislature prior to adopting a structure change.

1 (b) \$267,057,000 of the amounts in (a) of this subsection are
2 provided solely for assistance to clients, including grants,
3 diversion cash assistance, and additional diversion emergency
4 assistance including but not limited to assistance authorized under
5 RCW 74.08A.210. The department may use state funds to provide support
6 to working families that are eligible for temporary assistance for
7 needy families but otherwise not receiving cash assistance. Within
8 amounts provided in (b) of this subsection, \$1,622,000 of the general
9 fund—state appropriation for fiscal year 2019 is provided solely for
10 implementation of Engrossed Substitute Senate Bill No. 5890 (foster
11 care and adoption). If the bill is not enacted by July 31, 2017, the
12 amount provided in this subsection shall lapse.

13 (c) \$168,005,000 of the amounts in (a) of this subsection are
14 provided solely for WorkFirst job search, education and training
15 activities, barrier removal services, limited English proficiency
16 services, and tribal assistance under RCW 74.08A.040. The department
17 must allocate this funding based on client outcomes and cost
18 effectiveness measures. Amounts provided in (c) of this subsection
19 include funding for implementation of chapter 156, Laws of 2017 (2SSB
20 5347) (WorkFirst "work activity"). Within amounts provided in (c) of
21 this subsection, the department shall implement the working family
22 support program. The department shall adopt rules to take effect July
23 31, 2017, to limit the working family support program at 10,000
24 households.

25 (i) \$1,700,000 of the funds appropriated in (c) of this
26 subsection are provided solely for enhanced transportation assistance
27 provided that the department prioritize the use of these funds for
28 the recipients most in need of financial assistance to facilitate
29 their return to work. The department must not utilize these funds to
30 supplant repayment arrangements that are currently in place to
31 facilitate the reinstatement of drivers' licenses.

32 (ii) Prior to renewal of intergovernmental TANF agreements with a
33 tribe, the department shall request information on the total
34 expenditures and total number of clients served in the tribal TANF
35 program. When the per-client costs in the tribal TANF program have
36 increased since the initial agreement, the department may negotiate a
37 lower state maintenance of effort level based on the increased
38 resources provided by the tribe since the original agreement. The
39 department shall report to the office of financial management and the
40 fiscal committees of the legislature the revised amount of the state

1 maintenance of effort level within two weeks of each newly signed
2 intergovernmental TANF agreement.

3 (d)(i) \$501,608,000 of the amounts in (a) of this subsection are
4 provided solely for the working connections child care program under
5 RCW 43.215.135. In order to not exceed the appropriated amount, the
6 department shall manage the program so that the average monthly
7 caseload does not exceed 33,000 households and the department shall
8 give prioritized access into the program according to the following
9 order:

10 (A) Families applying for or receiving temporary assistance for
11 needy families (TANF);

12 (B) TANF families curing sanction;

13 (C) Foster children;

14 (D) Families that include a child with special needs;

15 (E) Families in which a parent of a child in care is a minor who
16 is not living with a parent or guardian and who is a full-time
17 student in a high school that has a school-sponsored on-site child
18 care center;

19 (F) Families with a child residing with a biological parent or
20 guardian who have received child protective services, child welfare
21 services, or a family assessment response from the department in the
22 past six months, and has received a referral for child care as part
23 of the family's case management.

24 (G) Families that received subsidies within the last thirty days
25 and:

26 (I) Have reapplied for subsidies; and

27 (II) Have household income of two hundred percent federal poverty
28 level or below; and

29 (H) All other eligible families.

30 (ii) The department, within existing appropriations, must ensure
31 quality control measures for the working connections child care
32 program by maximizing the use of information technology systems and
33 the development or modification of the application and standard
34 operating procedures to ensure that cases are:

35 (A) Appropriately and accurately processed; and

36 (B) Routinely monitored for eligibility in a manner that is
37 similar to processes and systems currently in place for regular
38 monitoring in other public assistance programs. Eligibility criteria
39 routinely monitored must include, at a minimum:

40 (I) Participation in work or other approved activities;

1 (II) Household composition; and

2 (III) Maximum number of subsidized child care hours authorized.

3 The department must submit a preliminary report by December 1, 2017,
4 and a final report by December 1, 2018, to the governor and the
5 appropriate fiscal and policy committees of the legislature detailing
6 the specific actions taken to implement this subsection.

7 (iii) Of the amounts provided in (d) of this subsection,
8 \$4,620,000 of the appropriation for fiscal year 2018 and \$4,792,000
9 of the appropriation for fiscal year 2019 are provided for a base
10 rate increase, a rate increase for Family Friend and Neighbor
11 providers, covering an increase for health insurance premiums, and
12 increasing paid professional development days from three days to five
13 days. This funding is for the 2017-2019 collective bargaining
14 agreement covering family child care providers as set forth in
15 section 940 of this act.

16 (iv) Of the amounts provided in (d) of this subsection,
17 \$8,547,000 of the general fund—state appropriation for fiscal year
18 2018 and \$10,438,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for subsidy base rate increases
20 for child care center providers.

21 (e) \$34,248,000 of the general fund—federal appropriation is
22 provided solely for child welfare services within the department of
23 children, youth, and families.

24 (f) \$170,442,000 of the amounts in (1)(a) of this section are
25 provided solely for WorkFirst and working connections child care
26 administration and overhead.

27 (g) The amounts in subsections (1)(b) through (e) of this section
28 shall be expended for the programs and in the amounts specified.
29 However, the department may transfer up to 10 percent of funding
30 between subsections (1)(b) through (f) of this section. The
31 department shall provide notification prior to any transfer to the
32 office of financial management and to the appropriate legislative
33 committees and the legislative-executive WorkFirst oversight task
34 force. The approval of the director of financial management is
35 required prior to any transfer under this subsection.

36 (h) Each calendar quarter, the department shall provide a
37 maintenance of effort and participation rate tracking report for
38 temporary assistance for needy families to the office of financial
39 management, the appropriate policy and fiscal committees of the

1 legislature, and the legislative-executive WorkFirst oversight task
2 force. The report must detail the following information for temporary
3 assistance for needy families:

4 (i) An overview of federal rules related to maintenance of
5 effort, excess maintenance of effort, participation rates for
6 temporary assistance for needy families, and the child care
7 development fund as it pertains to maintenance of effort and
8 participation rates;

9 (ii) Countable maintenance of effort and excess maintenance of
10 effort, by source, provided for the previous federal fiscal year;

11 (iii) Countable maintenance of effort and excess maintenance of
12 effort, by source, for the current fiscal year, including changes in
13 countable maintenance of effort from the previous year;

14 (iv) The status of reportable federal participation rate
15 requirements, including any impact of excess maintenance of effort on
16 participation targets;

17 (v) Potential new sources of maintenance of effort and progress
18 to obtain additional maintenance of effort; and

19 (vi) A two-year projection for meeting federal block grant and
20 contingency fund maintenance of effort, participation targets, and
21 future reportable federal participation rate requirements.

22 (i) In the 2017-2019 fiscal biennium, it is the intent of the
23 legislature to provide appropriations from the state general fund for
24 the purposes of (b) through (f) of this subsection if the department
25 does not receive additional federal temporary assistance for needy
26 families contingency funds in each fiscal year as assumed in the
27 budget outlook.

28 (2) \$1,657,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$1,657,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for naturalization services.

31 (3) \$2,366,000 of the general fund—state appropriation for fiscal
32 year 2018 is provided solely for employment services for refugees and
33 immigrants, of which \$1,774,000 is provided solely for the department
34 to pass through to statewide refugee and immigrant assistance
35 organizations for limited English proficiency pathway services; and
36 \$2,366,000 of the general fund—state appropriation for fiscal year
37 2019 is provided solely for employment services for refugees and
38 immigrants, of which \$1,774,000 is provided solely for the department

1 to pass through to statewide refugee and immigrant assistance
2 organizations for limited English proficiency pathway services.

3 (4) On December 1, 2017, and annually thereafter, the department
4 must report to the governor and the legislature on all sources of
5 funding available for both refugee and immigrant services and
6 naturalization services during the current fiscal year and the
7 amounts expended to date by service type and funding source. The
8 report must also include the number of clients served and outcome
9 data for the clients.

10 (5) To ensure expenditures remain within available funds
11 appropriated in this section, the legislature establishes the benefit
12 under the state food assistance program, pursuant to RCW 74.08A.120,
13 to be one hundred percent of the federal supplemental nutrition
14 assistance program benefit amount.

15 (6) The department shall review clients receiving services
16 through the aged, blind, or disabled assistance program, to determine
17 whether they would benefit from assistance in becoming naturalized
18 citizens, and thus be eligible to receive federal supplemental
19 security income benefits. Those cases shall be given high priority
20 for naturalization funding through the department.

21 (7) \$433,000 of the general fund—state appropriation for fiscal
22 year 2018, \$451,000 of the general fund—state appropriation for
23 fiscal year 2019, and \$6,451,000 of the general fund—federal
24 appropriation are provided solely for ESAR Architectural Development
25 and are subject to the conditions, limitations, and review provided
26 in section 724 of this act.

27 (8) The department shall continue the interagency agreement with
28 the department of veterans' affairs to establish a process for
29 referral of veterans who may be eligible for veterans' services. This
30 agreement must include out-stationing department of veterans' affairs
31 staff in selected community service office locations in King and
32 Pierce counties to facilitate applications for veterans' services.

33 (9) \$750,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$750,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for operational support of the
36 Washington information network 211 organization.

37 (10) \$90,000 of the general fund—state appropriation for fiscal
38 year 2018, \$8,000 of the general fund—state appropriation for fiscal
39 year 2019, and \$36,000 of the general fund—federal appropriation are

1 provided solely for implementation of chapter 270, Laws of 2017 (SB
2 5118) (personal needs allowance).

3 (11) \$127,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for implementation of Substitute House
5 Bill No. 1624 (working connections child care). If the bill is not
6 enacted by July 31, 2017, the amount provided in this subsection
7 shall lapse.

8 (12) \$22,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$22,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for a legislative-executive
11 WorkFirst poverty reduction oversight task force during the 2017-2019
12 fiscal biennium.

13 (a) The primary goals of the task force are to:

14 (i) Reduce the overall percentage of people living below two
15 hundred percent of the federal poverty level by fifty percent by the
16 year 2025. The task force must work toward this goal in a manner that
17 seeks to eliminate disparities including, but not limited to,
18 disparities by race, ethnicity, sex, gender, zip code, immigration
19 status, age, household type, and disability status; and

20 (ii) Prevent and address adverse childhood experiences and the
21 trauma of children who are living in poverty through the provision of
22 effective services.

23 (b) The task force shall include diverse, statewide
24 representation and its membership shall reflect regional, racial, and
25 cultural diversity to adequately represent the needs of all children
26 and families in the state. The task force shall consist of the
27 following members:

28 (i) Two members from each of the two largest caucuses of the
29 senate;

30 (ii) Two members from each of the two largest caucuses of the
31 house of representatives;

32 (iii) One governor appointed representative from each of the
33 following agencies: (A) The department of social and health services;
34 (B) the department of early learning; (C) the department of commerce;
35 (D) the employment security department; (E) the office of the
36 superintendent of public instruction; (F) the department of
37 corrections; and (G) the state board for community and technical
38 colleges;

1 (iv) One governor appointed representative from each of the
2 following agencies to serve in an advisory capacity to the task
3 force: The department of health, the health care authority, and the
4 workforce training and education coordinating board; and

5 (v) One or more representatives of tribal governments.

6 (vi) The cochairs of the intergenerational poverty advisory
7 committee created in this subsection shall serve as voting members of
8 the task force.

9 (c) The task force shall choose cochairs, one from among the
10 legislative members and one from among the executive branch members.
11 The legislative members shall convene the initial meeting of the task
12 force.

13 (d) The task force shall:

14 (i) Oversee the partner agencies' operation of the WorkFirst
15 program and operation of the temporary assistance for needy families
16 program to ensure that the programs are achieving desired outcomes
17 for their clients;

18 (ii) Determine evidence-based outcome measures for the WorkFirst
19 program, including measures related to equitably serving the needs of
20 historically underrepresented populations, such as English language
21 learners, immigrants, refugees, and other diverse communities;

22 (iii) Develop accountability measures for WorkFirst recipients
23 and the state agencies responsible for their progress toward self-
24 sufficiency;

25 (iv) Review existing statutes, administrative codes, and budget
26 appropriations for their impact on advancing the goal of fifty
27 percent poverty reduction by 2025;

28 (v) Seek input on best practices from service providers,
29 community-based organizations, legislators, state agencies,
30 stakeholders, the business community, and subject matter experts;

31 (vi) Collaborate with partner agencies to share and analyze data
32 and information collected from other sources regarding
33 intergenerational poverty in the state, with a primary focus on data
34 and information regarding children who are at risk of continuing the
35 cycle of poverty and welfare dependency unless outside intervention
36 is made;

37 (vii) Make recommendations to the governor and the legislature
38 regarding:

39 (A) Policies to improve the effectiveness of the WorkFirst
40 program over time;

1 (B) Early identification of those recipients most likely to
2 experience long stays on the program and strategies to improve their
3 ability to achieve progress toward self-sufficiency; and

4 (C) Necessary changes to the program, including taking into
5 account federal changes to the temporary assistance for needy
6 families program;

7 (viii) Direct the department of social and health services to
8 develop a five-year and ten-year plan to address intergenerational
9 poverty, subject to oversight and approval by the task force. Upon
10 approval by the task force, the department must submit these plans to
11 the governor and the appropriate committees of the legislature by
12 December 1, 2018; and

13 (ix) No later than December 1, 2018, provide a report to the
14 governor and the appropriate committees of the legislature on the
15 progress being made towards the goals identified in this section.

16 (e) Staff support for the task force must be provided by senate
17 committee services, the house of representatives office of program
18 research, and the state agency members of the task force.

19 (f) The task force shall meet on a quarterly basis, or as
20 determined necessary by the task force cochair.

21 (g) Legislative members of the task force are reimbursed for
22 travel expenses in accordance with RCW 44.04.120. Nonlegislative
23 members are not entitled to be reimbursed for travel expenses if they
24 are elected officials or are participating on behalf of an employer,
25 governmental entity, or other organization. Any reimbursement for
26 other nonlegislative members is subject to chapter 43.03 RCW.

27 (h) The expenses of the task force must be paid jointly by the
28 senate and the house of representatives. Task force expenditures are
29 subject to approval by the senate facilities and operations committee
30 and the house of representatives executive rules committee, or their
31 successor committees.

32 (i) During its tenure, the state agency members of the task force
33 shall respond in a timely manner to data requests from the cochair.

34 **NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
35 **SERVICES—ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

36	General Fund—State Appropriation (FY 2018).	\$78,842,000
37	General Fund—State Appropriation (FY 2019).	\$71,308,000
38	General Fund—Federal Appropriation.	\$575,249,000

1	General Fund—Private/Local Appropriation.	\$20,211,000
2	Criminal Justice Treatment Account—State	
3	Appropriation.	\$12,978,000
4	Problem Gambling Account—State Appropriation.	\$1,453,000
5	Dedicated Marijuana Account—State Appropriation	
6	(FY 2018).	\$24,802,000
7	Dedicated Marijuana Account—State Appropriation	
8	(FY 2019).	\$24,802,000
9	TOTAL APPROPRIATION.	\$809,645,000

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

12 (1) \$3,278,000 of the dedicated marijuana account—state
13 appropriation for fiscal year 2018 and \$3,278,000 of the dedicated
14 marijuana account—state appropriation for fiscal year 2019 are
15 provided solely for a memorandum of understanding with the department
16 of social and health services juvenile rehabilitation administration
17 to provide substance abuse treatment programs for juvenile offenders.
18 Of the amounts provided in this subsection:

19 (a) \$1,130,000 of the dedicated marijuana account—state
20 appropriation for fiscal year 2018 and \$1,130,000 of the dedicated
21 marijuana account—state appropriation for fiscal year 2019 are
22 provided solely for alcohol and substance abuse treatment programs
23 for locally committed offenders. The juvenile rehabilitation
24 administration shall award these funds as described in section 203(4)
25 of this act.

26 (b) \$282,000 of the dedicated marijuana account—state
27 appropriation for fiscal year 2017 and \$282,000 of the dedicated
28 marijuana account—state appropriation for fiscal year 2019 are
29 provided solely for the expansion of evidence-based treatments and
30 therapies as described in section 203(2) of this act.

31 (2) During the 2017-19 fiscal biennium, any amounts provided in
32 this section that are used for case management services for pregnant
33 and parenting women must be contracted directly between the
34 department and providers rather than through contracts with
35 behavioral health organizations.

36 (3) Within the amounts appropriated in this section, the
37 department may contract with the University of Washington and
38 community-based providers for the provision of the parent-child
39 assistance program or other specialized chemical dependency case

1 management providers for pregnant, post-partum, and parenting women.
2 For all contractors: (i) Service and other outcome data must be
3 provided to the department by request; and (ii) indirect charges for
4 administering the program shall not exceed ten percent of the total
5 contract amount.

6 (4) \$3,500,000 of the general fund—federal appropriation (from
7 the substance abuse prevention and treatment federal block grant) is
8 provided solely for the continued funding of existing county drug and
9 alcohol use prevention programs.

10 (5) \$200,000 of the dedicated marijuana account—state
11 appropriation for fiscal year 2018 and \$200,000 of the dedicated
12 marijuana account—state appropriation for fiscal year 2019 are
13 provided solely for a contract with the Washington state institute
14 for public policy to conduct cost-benefit evaluations of the
15 implementation of chapter 3, Laws of 2013 (Initiative Measure No.
16 502).

17 (6) \$500,000 of the dedicated marijuana account—state
18 appropriation for fiscal year 2018 and \$500,000 of the dedicated
19 marijuana account—state appropriation for fiscal year 2019 are
20 provided solely to design and administer the Washington state healthy
21 youth survey and the Washington state young adult behavioral health
22 survey.

23 (7) \$396,000 of the dedicated marijuana account—state
24 appropriation for fiscal year 2018 and \$396,000 of the dedicated
25 marijuana account—state appropriation for fiscal year 2019 are
26 provided solely for maintaining increased services to pregnant and
27 parenting women provided through the parent child assistance program.

28 (8) \$250,000 of the dedicated marijuana account—state
29 appropriation for fiscal year 2018 and \$250,000 of the dedicated
30 marijuana account—state appropriation for fiscal year 2019 are
31 provided solely for a grant to the office of superintendent of public
32 instruction to provide life skills training to children and youth in
33 schools that are in high needs communities.

34 (9) \$386,000 of the dedicated marijuana account—state
35 appropriation for fiscal year 2018 and \$386,000 of the dedicated
36 marijuana account—state appropriation for fiscal year 2019 are
37 provided solely to maintain increased prevention and treatment
38 services provided by tribes to children and youth.

1 (10) \$2,684,000 of the dedicated marijuana account—state
2 appropriation for fiscal year 2018, \$2,684,000 of the dedicated
3 marijuana account—state appropriation for fiscal year 2019, and
4 \$1,900,000 of the general fund—federal appropriation are provided
5 solely to maintain increased residential treatment services for
6 children and youth.

7 (11) \$250,000 of the dedicated marijuana account—state
8 appropriation for fiscal year 2018 and \$250,000 of the dedicated
9 marijuana account—state appropriation for fiscal year 2019 are
10 provided solely for training and technical assistance for the
11 implementation of evidence based, research based, and promising
12 programs which prevent or reduce substance use disorders.

13 (12) \$2,434,000 of the dedicated marijuana account—state
14 appropriation for fiscal year 2018 and \$2,434,000 of the dedicated
15 marijuana account—state appropriation for fiscal year 2019 are
16 provided solely for expenditure into the home visiting services
17 account.

18 (13) \$2,500,000 of the dedicated marijuana account—state
19 appropriation for fiscal year 2018 and \$2,500,000 of the dedicated
20 marijuana account—state appropriation for fiscal year 2019 are
21 provided solely for grants to community-based programs that provide
22 prevention services or activities to youth, including programs for
23 school-based resource officers. These funds must be utilized in
24 accordance with RCW 69.50.540.

25 (14) Within the amounts provided in this section, behavioral
26 health organizations must provide outpatient chemical dependency
27 treatment for offenders enrolled in the medicaid program who are
28 supervised by the department of corrections pursuant to a term of
29 community supervision. Contracts with behavioral health organizations
30 must require that behavioral health organizations include in their
31 provider network specialized expertise in the provision of
32 manualized, evidence-based chemical dependency treatment services for
33 offenders. The department of corrections and the department must
34 develop a memorandum of understanding for department of corrections
35 offenders on active supervision who are medicaid eligible and meet
36 medical necessity for outpatient substance use disorder treatment.
37 The agreement will ensure that treatment services provided are
38 coordinated, do not result in duplication of services, and maintain
39 access and quality of care for the individuals being served. The

1 department must provide all necessary data, access, and reports to
2 the department of corrections for all department of corrections
3 offenders that receive medicaid paid services.

4 (15) \$1,125,000 of the general fund—federal appropriation is
5 provided solely for the department to develop a memorandum of
6 understanding with the department of health for implementation of
7 chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs).
8 The department must use these amounts to reimburse the department of
9 health for costs incurred through the implementation of the bill.

10 (16) \$891,000 of the general fund—state appropriation for fiscal
11 year 2018, \$2,580,000 of the general fund—state appropriation for
12 fiscal year 2019, and \$2,755,000 of the general fund—federal
13 appropriation are provided solely for the development and operation
14 of two secure detoxification facilities. The department must not use
15 any of these amounts for services in facilities that are subject to
16 federal funding restrictions that apply to institutions for mental
17 diseases, unless they have received a waiver that allows for full
18 federal participation in these facilities.

19 (17) \$1,000,000 of the criminal justice treatment account—state
20 appropriation is provided solely to maintain increased funding for
21 substance abuse treatment and support services for offenders and
22 support of drug courts.

23 (18) The department must review the treatment services provided
24 by the behavioral health organizations (BHO) to individuals
25 supervised by the department of corrections in the community. In
26 reviewing, the department shall compile data specific to BHOs and in
27 the aggregate for access to services, timeliness, number of referrals
28 from the department of corrections, and number of individuals served.
29 The department will consult with the department of corrections and
30 must report to the governor and the appropriate legislative
31 committees no later than November 30, 2017, the transition of
32 services from the department of corrections to the BHOs and identify
33 barriers to access and services for community supervised individuals
34 and provide recommendations for improved services to this population.

35 (19) \$100,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$100,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for parenting education services
38 focused on pregnant and parenting women.

1 (20) Within existing appropriations, the department shall
2 prioritize the prevention and treatment of intravenous opiate-based
3 drug use.

4 (21) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,
5 and 43.135.055, the department is authorized to adopt fees for the
6 review and approval of mental health and substance use disorder
7 treatment programs in fiscal years 2018 and 2019 as necessary to
8 support the costs of the regulatory program. The department's fee
9 schedule shall have differential rates for providers with proof of
10 accreditation from organizations that the department has determined
11 to have substantially equivalent standards to those of the
12 department, including but not limited to the joint commission on
13 accreditation of health care organizations, the commission on
14 accreditation of rehabilitation facilities, and the council on
15 accreditation. To reflect the reduced costs associated with
16 regulation of accredited programs, the department's fees for
17 organizations with such proof of accreditation must reflect the lower
18 cost of licensing for these programs than for other organizations
19 which are not accredited. To the extent that the fees charged in
20 fiscal year 2018 are not expected to fully cover the cost of the
21 program, the department must submit a report to the office of
22 financial management and the appropriate fiscal committees of the
23 legislature identifying what further increases would be required and
24 the differential impact on providers. This report must be submitted
25 by December 1, 2017.

26 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
27 **SERVICES—VOCATIONAL REHABILITATION PROGRAM**

28	General Fund—State Appropriation (FY 2018).	\$14,899,000
29	General Fund—State Appropriation (FY 2019).	\$15,603,000
30	General Fund—Federal Appropriation.	\$97,328,000
31	TOTAL APPROPRIATION.	\$127,830,000

32 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
33 **SERVICES—SPECIAL COMMITMENT PROGRAM**

34	General Fund—State Appropriation (FY 2018).	\$45,488,000
35	General Fund—State Appropriation (FY 2019).	\$46,173,000
36	TOTAL APPROPRIATION.	\$91,661,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The special commitment center may use
3 funds appropriated in this subsection to purchase goods and supplies
4 through hospital group purchasing organizations when it is cost-
5 effective to do so.

6 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
7 **SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

8	General Fund—State Appropriation (FY 2018).	\$36,681,000
9	General Fund—State Appropriation (FY 2019).	\$30,791,000
10	General Fund—Federal Appropriation.	\$39,963,000
11	General Fund—Private/Local Appropriation.	\$654,000
12	TOTAL APPROPRIATION.	\$108,089,000

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

15 (1) \$300,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$300,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for a Washington state mentoring
18 organization to continue its public-private partnerships to provide
19 technical assistance and training to mentoring programs that serve
20 at-risk youth.

21 (2) Within amounts appropriated in this section, the department
22 shall provide to the department of health, where available, the
23 following data for all nutrition assistance programs funded by the
24 United States department of agriculture and administered by the
25 department. The department must provide the report for the preceding
26 federal fiscal year by February 1, 2018, and February 1, 2019. The
27 report must provide:

28 (a) The number of people in Washington who are eligible for the
29 program;

30 (b) The number of people in Washington who participated in the
31 program;

32 (c) The average annual participation rate in the program;

33 (d) Participation rates by geographic distribution; and

34 (e) The annual federal funding of the program in Washington.

35 (3) \$1,216,000 of the general fund—state appropriation for fiscal
36 year 2019 and \$515,000 of the general fund—federal appropriation are
37 provided solely for the implementation of Engrossed Second Substitute
38 House Bill No. 1661 (child, youth, families department). If the bill

1 is not enacted by July 31, 2017, the amount provided in this
2 subsection shall lapse.

3 (4) \$81,000 of the general fund—state appropriation for fiscal
4 year 2018, \$86,000 of the general fund—state appropriation for fiscal
5 year 2019, and \$167,000 of the general fund—federal appropriation are
6 provided solely for the implementation of an agreement reached
7 between the governor and the Washington federation of state employees
8 for the language access providers under the provisions of chapter
9 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent
10 upon the enactment of Senate Bill No. 5969 (transparency in public
11 employee collective bargaining). If the bill is not enacted by July
12 31, 2017, the amounts provided is this subsection shall lapse.

13 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
14 **SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM**

15	General Fund—State Appropriation (FY 2018).	\$81,319,000
16	General Fund—State Appropriation (FY 2019).	\$43,380,000
17	General Fund—Federal Appropriation.	\$57,578,000
18	TOTAL APPROPRIATION.	\$182,277,000

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

21 (1) \$39,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$11,000 of the general fund—federal appropriation are
23 provided solely for the implementation of Engrossed Second Substitute
24 House Bill No. 1661 (child, youth, families department). If the bill
25 is not enacted by July 31, 2017, the amounts provided in this
26 subsection shall lapse.

27 (2) \$12,000 of the general fund—state appropriation for fiscal
28 year 2018, \$12,000 of the general fund—state appropriation for fiscal
29 year 2019, and \$24,000 of the general fund—federal appropriation are
30 provided solely for the implementation of chapter 268, Laws of 2017
31 (2SHB 1402) (incapacitated persons/rights).

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

33 During the 2017-2019 fiscal biennium, the health care authority
34 shall provide support and data as required by the office of the state
35 actuary in providing the legislature with health care actuarial
36 analysis, including providing any information in the possession of
37 the health care authority or available to the health care authority

1 through contracts with providers, plans, insurers, consultants, or
2 any other entities contracting with the health care authority.

3 Information technology projects or investments and proposed
4 projects or investments impacting time capture, payroll and payment
5 processes and systems, eligibility, case management, and
6 authorization systems within the health care authority are subject to
7 technical oversight by the office of the chief information officer.

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

25 (1) MEDICAL ASSISTANCE

26	General Fund—State Appropriation (FY 2018)	\$2,065,747,000
27	General Fund—State Appropriation (FY 2019).	\$2,114,943,000
28	General Fund—Federal Appropriation.	\$11,503,815,000
29	General Fund—Private/Local Appropriation.	\$232,300,000
30	Emergency Medical Services and Trauma Care Systems	
31	Trust Account—State Appropriation.	\$15,086,000
32	Hospital Safety Net Assessment Account—State	
33	Appropriation.	\$725,012,000
34	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$28,163,000
35	Medical Aid Account—State Appropriation.	\$528,000
36	Dedicated Marijuana Account—State Appropriation	
37	(FY 2018).	\$16,205,000
38	Dedicated Marijuana Account—State Appropriation	
39	(FY 2019).	\$17,039,000

1	State Health Care Authority Administrative Account—	
2	State Appropriation.	\$7,000
3	TOTAL APPROPRIATION.	\$16,718,845,000

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

6 (a) \$256,645,000 of the general fund—state appropriation for
7 fiscal year 2018 and \$264,704,000 of the general fund—state
8 appropriation for fiscal year 2019 are provided solely for the
9 authority to implement a single, standard medicaid preferred drug
10 list to be used by all contracted medicaid managed health care
11 systems, on or before January 1, 2018. The preferred drug list shall
12 be developed in consultation with all contracted managed health care
13 systems and the state pharmacy and therapeutics committee or drug
14 utilization review board and shall further the goals and objectives
15 of the medicaid program. The list shall be designed to maximize
16 federal rebates and supplemental rebates and ensure access to
17 clinically effective and appropriate drug therapies under each class.
18 Entities eligible for 340B drug pricing shall continue to operate
19 under their current pricing agreement, unless otherwise required by
20 federal laws or regulations. The authority may utilize external
21 consultants with expertise in evidence-based drug class reviews,
22 pharmacy benefit management, and purchasing to assist with the
23 completion of this development and implementation. The authority
24 shall require each managed care organization that has contracted with
25 the authority to provide care to medicaid beneficiaries to use the
26 established preferred drug list; and shall prohibit each managed care
27 organization and any of its agents from negotiating or collecting
28 rebates for any medications listed in the state's medicaid single
29 preferred drug list whether preferred or nonpreferred. To assist in
30 the implementation of the single preferred drug list, contracted
31 medicaid managed health care systems shall provide the authority
32 drug-specific financial information in a format and frequency
33 determined by the authority to include the actual amounts paid to
34 pharmacies for prescription drugs dispensed to covered individuals
35 compared to the cost invoiced to the health plan and individual
36 rebates collected for prescription drugs dispensed to medicaid
37 members. The administration of the prescription drug benefit for
38 medicaid managed health care systems shall be carried out by a single
39 pharmacy benefits manager under the prescription drug purchasing

1 consortium with full transparency of all rebates, supplemental
2 rebates, and associated administrative costs. Information disclosed
3 to the authority by the manufacturer pursuant to this provision shall
4 only be used for the purposes of developing and implementing a
5 single, standard state preferred drug list in accordance with this
6 provision. The authority, medicaid managed care organizations, and
7 all other parties shall maintain the confidentiality of drug-specific
8 financial and other proprietary information and such information
9 shall not be subject to the Washington public records act. The
10 authority shall provide a report to the governor and appropriate
11 committees of the legislature by November 15, 2018, and by November
12 15, 2019, including a comparison of the amount spent in the previous
13 two fiscal years to expenditures under the new system by, at a
14 minimum, fund source, total expenditure, drug class, and top twenty-
15 five drugs. The data provided to the authority shall be aggregated in
16 any report by the authority, the legislature, or the office of
17 financial management so as not to disclose the proprietary or
18 confidential drug-specific information, or the proprietary or
19 confidential information that directly or indirectly identifies
20 financial information linked to a single manufacturer. It is the
21 intent of the legislature to revisit this policy in subsequent
22 biennia to determine whether it is in the best interest of the state.

23 (b) \$118,813,000 of the general fund—state appropriation for
24 fiscal year 2018 and \$120,265,000 of the general fund—state
25 appropriation for fiscal year 2019 are provided solely for holding
26 managed care capitation rates flat at calendar year 2017 levels in
27 state fiscal years and calendar years 2018 and 2019.

28 (c) \$122,244,000 of the general fund—state appropriation for
29 fiscal year 2018 and \$116,038,000 of the general fund—state
30 appropriation for fiscal year 2019 are provided solely for the
31 authority through the competitive procurement process, to contract
32 with licensed dental health plans or managed health care plans on a
33 prepaid or fixed-sum risk basis to provide carved-out managed dental
34 care services on a statewide basis that will result in greater
35 efficiency and will facilitate better access and oral health outcomes
36 for medicaid enrollees. Except in areas where only a single plan is
37 available, the authority must contract with at least two plans. The
38 authority shall include in the contracts: (i) Quarterly reporting
39 requirements to include medicaid utilization and encounter data by

1 current dental technology (CDT) code; (ii) a direction to increase
2 the dental provider network; (iii) a commitment to retain innovative
3 programs that improve access and care such as the access to baby and
4 child dentistry program; (iv) a program to reduce emergency room use
5 for dental purposes; (v) a requirement to ensure that dental care is
6 being coordinated with the primary care provider of the patient to
7 ensure integrated care; (vi) a provision that no less than eighty-
8 five percent of the contracting fee be used to directly offset the
9 cost of providing direct patient care as opposed to administrative
10 costs; and (vii) a provision to ensure the contracting fee shall be
11 sufficient to compensate county health departments and federally
12 qualified health centers for dental patient care. The plan(s) awarded
13 this contract must absorb all start-up costs associated with moving
14 the program from fee-for-service to managed care and shall commit to
15 achieving an overall savings to the program based on 2016 fee-for-
16 service experience. In order to comply with state insurance
17 underwriting standards, the authority shall ensure that savings
18 offered by dental plans are actuarially sound. Starting January 31,
19 2019, and every year thereafter through December 2024, the authority
20 shall submit an annual report to the governor and the appropriate
21 committees of the legislature detailing how the contracted entities
22 have met the requirements of the contract. The report shall include
23 specific information to include utilization, how the contracted
24 entities have increased their dental provider networks, how the
25 emergency room use for dental purposes has been reduced, and how
26 dental care has been integrated with patients' primary care
27 providers. If after the end of five years the data reported does not
28 demonstrate sufficient progress to address the stated contracted
29 goals, the legislature will reevaluate whether carved-out dental
30 managed care needs to be replaced with a different delivery model.
31 The authority is authorized to seek any necessary state plan
32 amendments or federal waivers to implement this subsection.
33 Additional dental program savings achieved by the plans beyond those
34 assumed in the 2017-2019 omnibus appropriations act will be used to
35 increase dental provider reimbursement rates.

36 (d) \$1,540,849,000 of the general fund—state appropriation for
37 fiscal year 2018 and \$1,585,513,000 of the general fund—state
38 appropriation for fiscal year 2019 are provided solely for medicaid
39 services and the medicaid program. However, the authority shall not
40 accept or expend any federal funds received under a medicaid

1 transformation waiver under healthier Washington except as described
2 in (e) and (f) of this subsection until specifically approved and
3 appropriated by the legislature. To ensure compliance with
4 legislative directive budget requirements and terms and conditions of
5 the waiver, the authority shall implement the waiver and reporting
6 requirements with oversight from the office of financial management.
7 The legislature finds that appropriate management of the innovation
8 waiver requires better analytic capability, transparency,
9 consistency, timeliness, accuracy, and lack of redundancy with other
10 established measures and that the patient must be considered first
11 and foremost in the implementation and execution of the demonstration
12 waiver. In order to effectuate these goals, the authority shall: (i)
13 Require the Dr. Robert Bree collaborative and the health technology
14 assessment program to reduce the administrative burden upon providers
15 by only requiring performance measures that are nonduplicative of
16 other nationally established measures. The joint select committee on
17 health care oversight will evaluate the measures chosen by the
18 collaborative and the health technology assessment program for
19 effectiveness and appropriateness; (ii) develop a patient
20 satisfaction survey with the goal to gather information about whether
21 it was beneficial for the patient to use the center of excellence
22 location in exchange for additional out-of-pocket savings; (iii)
23 ensure patients and health care providers have significant input into
24 the implementation of the demonstration waiver, in order to ensure
25 improved patient health outcomes; and (iv) in cooperation with the
26 department of social and health services, consult with and provide
27 notification of work on applications for federal waivers, including
28 details on waiver duration, financial implications, and potential
29 future impacts on the state budget, to the joint select committee on
30 health care oversight prior to submitting waivers for federal
31 approval. By federal standard, the medicaid transformation
32 demonstration waiver shall not exceed the duration originally granted
33 by the centers for medicare and medicaid services and any programs
34 created or funded by this waiver do not create an entitlement.

35 (e) No more than \$479,600,000 of the general fund—federal
36 appropriation and no more than \$154,289,000 of the general fund—local
37 appropriation may be expended for transformation through accountable
38 communities of health described in initiative 1 of the medicaid
39 transformation demonstration wavier under healthier Washington,
40 including preventing youth drug use, opioid prevention and treatment,

1 and physical and behavioral health integration. Under this
2 initiative, the authority shall take into account local input
3 regarding community needs. In order to ensure transparency to the
4 appropriate fiscal committees of the legislature, the authority shall
5 provide fiscal staff of the legislature query ability into any
6 database of the fiscal intermediary that authority staff would be
7 authorized to access. The authority shall not increase general fund—
8 state expenditures under this initiative. The director shall report
9 to the joint select committee on health care oversight no less than
10 quarterly, and include details for each accountable community of
11 health, on the financial status and measurable health outcomes. The
12 director shall also report to the fiscal committees of the
13 legislature all of the expenditures under this subsection and shall
14 provide such fiscal data in the time, manner, and form requested by
15 the legislative fiscal committees. By December 15, 2019, the
16 authority in collaboration with each accountable community of health
17 shall demonstrate how it will be self-sustaining by the end of the
18 demonstration waiver period, including sources of outside funding,
19 and provide this reporting to the joint select committee on health
20 care oversight. If by the third year of the demonstration waiver
21 there are not measurable, improved patient outcomes and financial
22 returns, the Washington state institute for public policy will
23 conduct an audit of the accountable communities of health, in
24 addition to the process set in place through the independent
25 evaluation required by the agreement with centers for medicare and
26 medicaid services. Prior to the 2018 legislative session, the human
27 services, health care, and judiciary committees of the legislature
28 will convene a joint work session to review models in the delivery
29 system and the impacts on medical liability. The work sessions should
30 include integrated delivery models with multiple health care
31 providers and medical malpractice insurance carriers.

32 (f) No more than \$42,584,000 of the general fund—federal
33 appropriation may be expended for supported housing and employment
34 services described in initiative 3a and 3b of the medicaid
35 transformation demonstration waiver under healthier Washington. Under
36 this initiative, the authority and the department of social and
37 health services shall ensure that allowable and necessary services
38 are provided to eligible clients as identified by the department or
39 its third party administrator. The authority and the department in
40 consultation with the medicaid forecast work group, shall ensure that

1 reasonable reimbursements are established for services deemed
2 necessary within an identified limit per individual. The authority
3 shall not increase general fund—state expenditures under this
4 initiative. The director shall report to the joint select committee
5 on health care oversight no less than quarterly on financial and
6 health outcomes. The director shall also report to the fiscal
7 committees of the legislature all of the expenditures of this
8 subsection and shall provide such fiscal data in the time, manner,
9 and form requested by the legislative fiscal committees.

10 (g) Sufficient amounts are appropriated in this subsection to
11 implement the medicaid expansion as defined in the social security
12 act, section 1902(a)(10)(A)(i)(VIII).

13 (h) The legislature finds that medicaid payment rates, as
14 calculated by the health care authority pursuant to the
15 appropriations in this act, bear a reasonable relationship to the
16 costs incurred by efficiently and economically operated facilities
17 for providing quality services and will be sufficient to enlist
18 enough providers so that care and services are available to the
19 extent that such care and services are available to the general
20 population in the geographic area. The legislature finds that the
21 cost reports, payment data from the federal government, historical
22 utilization, economic data, and clinical input constitute reliable
23 data upon which to determine the payment rates.

24 (i) Based on quarterly expenditure reports and caseload
25 forecasts, if the health care authority estimates that expenditures
26 for the medical assistance program will exceed the appropriations,
27 the health care authority shall take steps including but not limited
28 to reduction of rates or elimination of optional services to reduce
29 expenditures so that total program costs do not exceed the annual
30 appropriation authority.

31 (j) In determining financial eligibility for medicaid-funded
32 services, the health care authority is authorized to disregard
33 recoveries by Holocaust survivors of insurance proceeds or other
34 assets, as defined in RCW 48.104.030.

35 (k) The legislature affirms that it is in the state's interest
36 for Harborview medical center to remain an economically viable
37 component of the state's health care system.

38 (l) When a person is ineligible for medicaid solely by reason of
39 residence in an institution for mental diseases, the health care
40 authority shall provide the person with the same benefits as he or

1 she would receive if eligible for medicaid, using state-only funds to
2 the extent necessary.

3 (m) \$4,261,000 of the general fund—state appropriation for fiscal
4 year 2018, \$4,261,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$8,522,000 of the general fund—federal
6 appropriation are provided solely for low-income disproportionate
7 share hospital payments.

8 (n) Within the amounts appropriated in this section, the health
9 care authority shall provide disproportionate share hospital payments
10 to hospitals that provide services to children in the children's
11 health program who are not eligible for services under Title XIX or
12 XXI of the federal social security act due to their citizenship
13 status.

14 (o) \$6,000,000 of the general fund—federal appropriation is
15 provided solely for supplemental payments to nursing homes operated
16 by public hospital districts. The public hospital district shall be
17 responsible for providing the required nonfederal match for the
18 supplemental payment, and the payments shall not exceed the maximum
19 allowable under federal rules. It is the legislature's intent that
20 the payments shall be supplemental to and shall not in any way offset
21 or reduce the payments calculated and provided in accordance with
22 part E of chapter 74.46 RCW. It is the legislature's further intent
23 that costs otherwise allowable for rate-setting and settlement
24 against payments under chapter 74.46 RCW shall not be disallowed
25 solely because such costs have been paid by revenues retained by the
26 nursing home from these supplemental payments. The supplemental
27 payments are subject to retrospective interim and final cost
28 settlements based on the nursing homes' as-filed and final medicare
29 cost reports. The timing of the interim and final cost settlements
30 shall be at the health care authority's discretion. During either the
31 interim cost settlement or the final cost settlement, the health care
32 authority shall recoup from the public hospital districts the
33 supplemental payments that exceed the medicaid cost limit and/or the
34 medicare upper payment limit. The health care authority shall apply
35 federal rules for identifying the eligible incurred medicaid costs
36 and the medicare upper payment limit.

37 (p) The health care authority shall continue the inpatient
38 hospital certified public expenditures program for the 2017-2019
39 fiscal biennium. The program shall apply to all public hospitals,

1 including those owned or operated by the state, except those
2 classified as critical access hospitals or state psychiatric
3 institutions. The health care authority shall submit reports to the
4 governor and legislature by November 1, 2017, and by November 1,
5 2018, that evaluate whether savings continue to exceed costs for this
6 program. If the certified public expenditures (CPE) program in its
7 current form is no longer cost-effective to maintain, the health care
8 authority shall submit a report to the governor and legislature
9 detailing cost-effective alternative uses of local, state, and
10 federal resources as a replacement for this program. During fiscal
11 year 2018 and fiscal year 2019, hospitals in the program shall be
12 paid and shall retain one hundred percent of the federal portion of
13 the allowable hospital cost for each medicaid inpatient fee-for-
14 service claim payable by medical assistance and one hundred percent
15 of the federal portion of the maximum disproportionate share hospital
16 payment allowable under federal regulations. Inpatient medicaid
17 payments shall be established using an allowable methodology that
18 approximates the cost of claims submitted by the hospitals. Payments
19 made to each hospital in the program in each fiscal year of the
20 biennium shall be compared to a baseline amount. The baseline amount
21 will be determined by the total of (i) the inpatient claim payment
22 amounts that would have been paid during the fiscal year had the
23 hospital not been in the CPE program based on the reimbursement rates
24 developed, implemented, and consistent with policies approved in the
25 2017-2019 biennial operating appropriations act and in effect on July
26 1, 2015, (ii) one-half of the indigent assistance disproportionate
27 share hospital payment amounts paid to and retained by each hospital
28 during fiscal year 2005, and (iii) all of the other disproportionate
29 share hospital payment amounts paid to and retained by each hospital
30 during fiscal year 2005 to the extent the same disproportionate share
31 hospital programs exist in the 2017-2019 fiscal biennium. If payments
32 during the fiscal year exceed the hospital's baseline amount, no
33 additional payments will be made to the hospital except the federal
34 portion of allowable disproportionate share hospital payments for
35 which the hospital can certify allowable match. If payments during
36 the fiscal year are less than the baseline amount, the hospital will
37 be paid a state grant equal to the difference between payments during
38 the fiscal year and the applicable baseline amount. Payment of the
39 state grant shall be made in the applicable fiscal year and
40 distributed in monthly payments. The grants will be recalculated and

1 redistributed as the baseline is updated during the fiscal year. The
2 grant payments are subject to an interim settlement within eleven
3 months after the end of the fiscal year. A final settlement shall be
4 performed. To the extent that either settlement determines that a
5 hospital has received funds in excess of what it would have received
6 as described in this subsection, the hospital must repay the excess
7 amounts to the state when requested. \$10,575,000 of the general fund—
8 state appropriation for fiscal year 2018 and \$13,185,000 of the
9 general fund—state appropriation for fiscal year 2019 are provided
10 solely for state grants for the participating hospitals.

11 (q) The health care authority shall seek public-private
12 partnerships and federal funds that are or may become available to
13 provide on-going support for outreach and education efforts under the
14 federal children's health insurance program reauthorization act of
15 2009.

16 (r) The health care authority shall target funding for maternity
17 support services towards pregnant women with factors that lead to
18 higher rates of poor birth outcomes, including hypertension, a
19 preterm or low birth weight birth in the most recent previous birth,
20 a cognitive deficit or developmental disability, substance abuse,
21 severe mental illness, unhealthy weight or failure to gain weight,
22 tobacco use, or African American or Native American race. The health
23 care authority shall prioritize evidence-based practices for delivery
24 of maternity support services. To the extent practicable, the health
25 care authority shall develop a mechanism to increase federal funding
26 for maternity support services by leveraging local public funding for
27 those services.

28 (s) The authority shall submit reports to the governor and the
29 legislature by September 15, 2018, and no later than September 15,
30 2019, that delineate the number of individuals in medicaid managed
31 care, by carrier, age, gender, and eligibility category, receiving
32 preventative services and vaccinations. The reports should include
33 baseline and benchmark information from the previous two fiscal years
34 and should be inclusive of, but not limited to, services recommended
35 under the United States preventative services task force, advisory
36 committee on immunization practices, early and periodic screening,
37 diagnostic, and treatment (EPSDT) guidelines, and other relevant
38 preventative and vaccination medicaid guidelines and requirements.

39 (t) Managed care contracts must incorporate accountability
40 measures that monitor patient health and improved health outcomes,

1 and shall include an expectation that each patient receive a wellness
2 examination that documents the baseline health status and allows for
3 monitoring of health improvements and outcome measures.

4 (u) Sufficient amounts are appropriated in this section for the
5 authority to provide an adult dental benefit.

6 (v) The health care authority shall coordinate with the
7 department of social and health services to provide referrals to the
8 Washington health benefit exchange for clients that will be
9 ineligible for medicaid.

10 (w) To facilitate a single point of entry across public and
11 medical assistance programs, and to maximize the use of federal
12 funding, the health care authority, the department of social and
13 health services, and the health benefit exchange will coordinate
14 efforts to expand HealthPlanfinder access to public assistance and
15 medical eligibility staff. The health care authority shall complete
16 medicaid applications in the HealthPlanfinder for households
17 receiving or applying for medical assistance benefits.

18 (x) \$90,000 of the general fund—state appropriation for fiscal
19 year 2018, \$90,000 of the general fund—state appropriation for fiscal
20 year 2019, and \$180,000 of the general fund—federal appropriation are
21 provided solely to continue operation by a nonprofit organization of
22 a toll-free hotline that assists families to learn about and enroll
23 in the apple health for kids program.

24 (y) The appropriations in this section reflect savings and
25 efficiencies by transferring children receiving medical care provided
26 through fee-for-service to medical care provided through managed
27 care.

28 (z) Within the amounts appropriated in this section, the
29 authority shall reimburse for primary care services provided by
30 naturopathic physicians.

31 (aa) Within the amounts appropriated in this section, the
32 authority shall continue to provide coverage for pregnant teens that
33 qualify under existing pregnancy medical programs, but whose
34 eligibility for pregnancy related services would otherwise end due to
35 the application of the new modified adjusted gross income eligibility
36 standard.

37 (bb) Sufficient amounts are appropriated in this section to
38 remove the mental health visit limit and to provide the shingles
39 vaccine and screening, brief intervention, and referral to treatment

1 benefits that are available in the medicaid alternative benefit plan
2 in the classic medicaid benefit plan.

3 (cc) The authority shall use revenue appropriated from the
4 dedicated marijuana fund for contracts with community health centers
5 under RCW 69.50.540 in lieu of general fund—state payments to
6 community health centers for services provided to medical assistance
7 clients, and it is the intent of the legislature that this policy
8 will be continued in subsequent fiscal biennia.

9 (dd) \$127,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$1,144,000 of the general fund—federal appropriation
11 are provided solely to the ProviderOne provider overtime project and
12 are subject to the conditions, limitations, and review provided in
13 section 724 of this act.

14 (ee) \$175,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$825,000 of the general fund—federal appropriation are
16 provided solely to the ProviderOne CORE operating rules project and
17 are subject to the conditions, limitations, and review provided in
18 section 724 of this act.

19 (ff) \$2,200,000 of the general fund—state appropriation for
20 fiscal year 2018 and \$2,701,000 of the general fund—state
21 appropriation for fiscal year 2019 are provided solely for
22 performance payments to reward successful beneficiary engagement in
23 the health homes program for dual eligible enrollees and these are
24 the maximum amounts in each fiscal year the authority may expend for
25 this purpose.

26 (gg) \$450,000 of the general fund—state appropriation for fiscal
27 year 2018, \$450,000 of the general fund—state appropriation for
28 fiscal year 2019, and \$1,058,000 of the general fund—federal
29 appropriation are provided solely for the authority to hire ten nurse
30 case managers to coordinate medically assisted treatment and
31 movements to medical homes for those being treated for opioid use
32 disorder. Nurses shall be located in areas and provider settings with
33 the highest concentration of opioid use disorder patients.

34 (hh) Sufficient amounts are appropriated in this section for the
35 authority to provide a collaborative care benefit beginning July 1,
36 2017.

37 (ii) The authority and the department of social and health
38 services shall convene a work group consisting of representatives of
39 skilled nursing facilities, adult family homes, assisted living

1 facilities, managers of in-home long-term care, hospitals, and
2 managed health care systems. The work group shall identify barriers
3 that may prevent skilled nursing facilities from accepting and
4 admitting clients from acute care hospitals in a timely and
5 appropriate manner. The work group shall consider what additional
6 resources are needed to allow for faster transfers of enrollees,
7 including those with complex needs. By December 1, 2017, the
8 authority shall report the work group's findings to the governor and
9 the appropriate committees of the legislature.

10 (jj) Within the amounts appropriated within this section, the
11 authority shall implement the plan to show how improved access to
12 home health nursing reduces potentially preventable readmissions,
13 increases access to care, reduces hospital length of stay, and
14 prevents overall hospital admissions for clients receiving private
15 duty nursing, medically intensive care, or home health benefits as
16 described in their report to the legislature dated December 15, 2016,
17 entitled home health nursing. The authority shall report to the
18 governor and appropriate committees of the legislature by December
19 31, 2017, information regarding the effect of the ten dollar rate
20 increases for skilled nursing care delivered via private duty nursing
21 or home health nursing, and how the rate changes impacted the
22 utilization and cost of emergency room visits, reduced the length of
23 stay for initial hospital admissions, and reduced utilization and
24 costs of preventable hospital readmissions. The report will quantify
25 potential cost saving opportunities that may exist through improved
26 access to private duty and home health nursing statewide.

27 (kk) Within the amounts appropriated within this section,
28 beginning July 1, 2017, the authority must increase facility fees to
29 birth centers to the amount listed on page two of their report to the
30 legislature dated October 15, 2016, entitled reimbursement for births
31 performed at birth centers. This increased rate is applicable in both
32 a fee for service setting and is the minimum allowable rate in a
33 managed care setting. The authority shall report to the governor and
34 appropriate committees of the legislature by October 15, 2018,
35 updated information regarding access to care, improvements to the
36 Cesarean section rate, and savings outcomes for utilizing birth
37 centers as an alternative to hospitals.

38 (ll) Beginning no later than January 1, 2018, for any service
39 eligible under the medicaid state plan for encounter payments,
40 managed care organizations at the request of a rural health clinic

1 shall pay the full published encounter rate directly to the clinic.
2 At no time will a managed care organization be at risk for or have
3 any right to the supplemental portion of the claim. Payments will be
4 reconciled on at least an annual basis between the managed care
5 organization and the authority, with final review and approval by the
6 authority. By September 31, 2017, the authority shall report to the
7 legislature on its progress implementing this subsection.

8 (mm) Within the amounts appropriated in this section, and in
9 consultation with appropriate parties, including the rural health
10 clinic association of Washington and the centers for medicare and
11 medicaid services, by December 1, 2017, the authority shall submit a
12 report to the governor and appropriate committees of the legislature
13 evaluating legislative and administrative options to reduce or
14 eliminate any amounts owed by rural health clinics under the payment
15 reconciliation process established in the medicaid state plan.

16 (nn) \$500,000 of the general fund—state appropriation for fiscal
17 year 2019 and \$500,000 of the general fund—federal appropriation are
18 provided solely for the authority to implement the oral health
19 connections pilot project in Yakima, Adams, and Cowlitz counties. The
20 authority shall work in collaboration with Washington dental service
21 foundation to jointly develop and implement the program. The purpose
22 of the three-year pilot is to test the effect that enhanced dental
23 benefits for adult medicaid clients with diabetes and pregnant women
24 have on access to dental care, health outcomes, and medical care
25 costs. The authority must model the pilot on the access to baby and
26 child dentistry program. The pilot program must include enhanced
27 reimbursement rates for participating dental providers, including
28 denturists licensed under chapter 18.30 RCW, and an increase in the
29 allowable number of periodontal treatments to up to four per calendar
30 year. Diabetic or pregnant adult medicaid clients who are receiving
31 dental care within the pilot region(s), regardless of location of the
32 service within the pilot region(s), are eligible for the increased
33 number of periodontal treatments. The Washington dental service
34 foundation shall partner with the authority and provide wraparound
35 services to link patients to care. The authority and Washington
36 dental service foundation shall jointly develop the program. The
37 authority and foundation shall provide a joint progress report to the
38 appropriate committees of the legislature on December 1, 2017, and
39 December 1, 2018.

1 (oo) Sufficient amounts are appropriated in this section to
2 increase the daily rate by \$155.20 for skilled nursing performed by
3 licensed practical nurses and registered nurses who serve medically
4 intensive children's program clients who reside in a group home
5 setting.

6 (pp) During the 2017-2019 fiscal biennium, the authority must
7 revise its agreements and contracts with vendors to include a
8 provision to require that each vendor agrees to equality among its
9 workers by ensuring similarly employed individuals are compensated as
10 equals as follows:

11 (i) Employees are similarly employed if the individuals work for
12 the same employer, the performance of the job requires comparable
13 skill, effort, and responsibility, and the jobs are performed under
14 similar working conditions. Job titles alone are not determinative of
15 whether employees are similarly employed;

16 (ii) Vendors may allow differentials in compensation for its
17 workers based in good faith on any of the following:

18 (A) A seniority system; a merit system; a system that measures
19 earnings by quantity or quality of production; a bona fide job-
20 related factor or factors; or a bona fide regional difference in
21 compensation levels.

22 (B) A bona fide job-related factor or factors may include, but
23 not be limited to, education, training, or experience, that is:
24 Consistent with business necessity; not based on or derived from a
25 gender-based differential; and accounts for the entire differential.

26 (C) A bona fide regional difference in compensation level must
27 be: Consistent with business necessity; not based on or derived from
28 a gender-based differential; and account for the entire differential.

29 (iii) The provision must allow for the termination of the
30 contract if the authority or department of enterprise services
31 determines that the vendor is not in compliance with this agreement
32 or contract term.

33 (iv) The authority must implement this provision with any new
34 contract and at the time of renewal of any existing contract.

35 (qq) \$100,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$100,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for a pilot program for
38 treatment of inmates at the Snohomish county jail who are undergoing
39 detoxification from heroin and other opioids and for connecting those

1 individuals with treatment providers in the community upon their
2 release.

3 (rr) \$6,487,000 of the general fund—state appropriation for
4 fiscal year 2018 and \$1,340,000 of the general fund—state
5 appropriation for fiscal year 2019 are provided solely for the
6 physical health care costs of medicaid clients receiving services in
7 facilities classified as institutions for mental diseases for longer
8 than 15 days in a calendar month. The authority must apply for a
9 waiver from the center for medicare and medicaid services to allow
10 for the full cost of stays in institutions for mental diseases to be
11 included in managed care rates beginning on July 1, 2018. The
12 authority must submit a report on the status of the waiver to the
13 office of financial management and the appropriate committees of the
14 legislature by December 1, 2017.

15 (ss) The authority shall evaluate adding a tele-pyschiatry
16 consultation benefit for medicaid covered individuals. The authority
17 shall submit a report with the cost associated with adding such a
18 benefit to the governor and appropriate committees of the legislature
19 by October 1, 2017.

20 (tt) \$33,000 of the general fund—state appropriation for fiscal
21 year 2018, \$7,000 of the state health care authority administrative
22 account—state appropriation, and \$42,000 of the general fund—federal
23 appropriation are provided solely for the bleeding disorder
24 collaborative for care.

25 (uu) \$304,000 of the general fund—state appropriation for fiscal
26 year 2018, \$304,000 of the general fund—state appropriation for
27 fiscal year 2019, and \$608,000 of the general fund—federal
28 appropriation are provided solely for the authority to contract with
29 the University of Washington tele-pain pain management program and
30 pain management call center to advance primary care provider
31 knowledge of complex pain management issues, including opioid
32 addiction.

33 (vv) \$165,000 of the general fund—state appropriation for fiscal
34 year 2018, \$329,000 of the general fund—state appropriation for
35 fiscal year 2019, and \$604,000 of the general fund—federal
36 appropriation are provided solely for implementation of chapter 202,
37 Laws of 2017 (Engrossed Second Substitute House Bill No. 1713)
38 (children's mental health).

1 (ww) \$1,813,000 of the general fund—state appropriation for
2 fiscal year 2018, \$3,764,000 of the general fund—state appropriation
3 for fiscal year 2019, and \$12,930,000 of the general fund—federal
4 appropriation are provided solely for implementation of chapter 110,
5 Laws of 2017 (Second Substitute House Bill No. 1338) (state health
6 insurance pool).

7 (xx) \$347,000 of the general fund—state appropriation for fiscal
8 year 2018, \$839,000 of the general fund—state appropriation for
9 fiscal year 2019, and \$943,000 of the general fund—federal
10 appropriation are provided solely for implementation of chapter 198,
11 Laws of 2017 (Substitute House Bill No. 1520) (hospital payment
12 methodology).

13 (yy) Sufficient amounts are appropriated in this section for the
14 implementation of chapter 273, Laws of 2017 (Engrossed Second
15 Substitute House Bill No. 1358) (community asst. referral programs).

16 (zz) \$69,000 of the general fund—state appropriation for fiscal
17 year 2018, \$560,000 of the general fund—state appropriation for
18 fiscal year 2019, and \$308,000 of the general fund—federal
19 appropriation are provided solely for the authority to implement,
20 operate, and maintain a provider credentialing system and are subject
21 to the conditions, limitations, and review provided in section 724 of
22 this act. The authority, in collaboration with the department of
23 health, department of corrections, department of social and health
24 services, the public employees' benefits board, and the department of
25 labor and industries, shall work to ensure that a single platform
26 provider credentialing system is implemented. The authority,
27 departments, and board shall ensure that appropriate cost offsets and
28 cost avoidance are assumed for reduced staff time required for
29 provider credentialing activity and reductions in improper billing
30 activity when implementing provider credentialing systems. The
31 authority must enter into agreements with the department of labor and
32 industries and the public employees' benefits board to pay their
33 share of the costs of implementing and operating a new provider
34 credentialing system. The authority shall submit a report to the
35 office of financial management and appropriate committees of the
36 legislature outlining projected cost savings and cost avoidance no
37 later than December 1, 2018.

38 (2) PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS
39 PROGRAMS

1 State Health Care Authority Administration Account—

2 State Appropriation. \$42,061,000

3 The appropriation in this subsection is subject to the following
4 conditions and limitations:

5 (a) The authority and the public employees' benefits board shall
6 consult with the Washington state institute for public policy on the
7 cost-effectiveness of the wellness plan and any changes to the plan
8 that can be made to increase the health care efficiency of the
9 wellness plan. The authority shall report its findings to the
10 governor and the appropriate committees of the legislature by October
11 15, 2018.

12 (b) The authority and the public employees' benefits board shall
13 ensure that procurement for employee health benefits during the
14 2019-2021 fiscal biennium is consistent with the funding limitations
15 provided in part 9 of this act.

16 (c) \$236,000 of the state health care authority administration
17 account—state appropriation for fiscal year 2018 and \$236,000 of the
18 state health care authority administration account—state
19 appropriation for fiscal year 2019 are provided solely to the
20 affordable care act employer shared responsibility project and are
21 subject to the conditions, limitations, and review provided in
22 section 724 of this act.

23 (d) All savings resulting from reduced claim costs or other
24 factors identified after December 31, 2016, must be reserved for
25 funding employee health benefits in the 2019-2021 fiscal biennium.
26 Any changes to benefits, including covered prescription drugs, must
27 be approved by the public employees' benefits board. Upon procuring
28 benefits for calendar years 2018 and 2019, the public employees'
29 benefits board shall: (1) Not consider any changes to benefits,
30 including prescription drugs, without considering comprehensive
31 analysis of the cost of those changes; and (2) not adopt a package of
32 benefits and premiums that results in a projected unrestricted
33 reserve funding level lower than was projected under the assumptions
34 made prior to procurement. For this purpose, assumptions means
35 projections about the levels of future claims, costs, enrollment and
36 other factors, prior to any changes in benefits. The certificates of
37 coverage agreed to by the health care authority for calendar years
38 2018 and 2019 must ensure that no increases in coverage of
39 prescription drugs, services, or other benefits may occur prior to

1 approval by the public employees' benefits board at the time of
2 procurement of benefits for the ensuing calendar year.

3 (e) Within the amounts appropriated within this section, the
4 authority, in consultation with one Washington within the office of
5 financial management, the office of the chief information officer,
6 and other state agencies with statewide payroll or benefit systems,
7 shall prepare a report describing options for the replacement of the
8 Pay 1 information technology system. The report shall evaluate the
9 potential costs, benefits, and feasibility of integrating the
10 functions currently performed by Pay 1 into an existing or new
11 statewide system, as well for a stand-alone system. The report shall
12 also update the business and system requirements documents previously
13 developed for a Pay 1 replacement system. This report shall be
14 provided to the governor and appropriate committees of the
15 legislature by September 30, 2018.

16 (f) \$8,000,000 of the health care authority administrative
17 account—state appropriation is provided solely for implementation of
18 the school employees' benefits board until the new board commences
19 provision of benefits on January 1, 2020. This expenditure shall be
20 reimbursed to the health care authority administrative account from
21 the newly created school employees' insurance administrative account
22 after January 1, 2020.

23 (g) The public employees' benefits board, in collaboration with
24 the authority, shall work to ensure that a single platform provider
25 credentialing system is implemented. The authority and the board
26 shall ensure that appropriate cost offsets and cost avoidance are
27 assumed for reduced staff time required for provider credentialing
28 activity and reductions in improper billing activity when
29 implementing provider credentialing systems. The board must enter
30 into an agreement with the authority to pay its share of the costs of
31 implementing and operating a new provider credentialing system.

32 (3) HEALTH BENEFIT EXCHANGE

33 General Fund—State Appropriation (FY 2018).	\$5,184,000
34 General Fund—State Appropriation (FY 2019).	\$5,184,000
35 General Fund—Federal Appropriation.	\$52,837,000
36 Health Benefit Exchange Account—State Appropriation. . .	\$56,736,000
37 TOTAL APPROPRIATION.	\$119,941,000

38 The appropriations in this subsection are subject to the
39 following conditions and limitations:

1 (a) The receipt and use of medicaid funds provided to the health
2 benefit exchange from the health care authority are subject to
3 compliance with state and federal regulations and policies governing
4 the Washington apple health programs, including timely and proper
5 application, eligibility, and enrollment procedures.

6 (b)(i) By July 15th and January 15th of each year, the authority
7 shall make a payment of one-half the general fund—state appropriation
8 and one-half the health benefit exchange account—state appropriation
9 to the exchange.

10 (ii) For the 2017-2019 biennium, for the purpose of annually
11 calculating issuer assessments, exchange operational costs may
12 include up to three months of additional operating costs.

13 (iii) The exchange shall monitor actual to projected revenues and
14 make necessary adjustments in expenditures or carrier assessments to
15 ensure expenditures do not exceed actual revenues.

16 (iv) Payments made from general fund—state appropriation and
17 health benefit exchange account—state appropriation shall be
18 available for expenditure for no longer than the period of the
19 appropriation from which it was made. When the actual cost of
20 materials and services have been fully determined, and in no event
21 later than the lapsing of the appropriation, any unexpended balance
22 of the payment shall be returned to the authority for credit to the
23 fund or account from which it was made, and under no condition shall
24 expenditures exceed actual revenue.

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

26	General Fund—State Appropriation (FY 2018)	\$2,317,000
27	General Fund—State Appropriation (FY 2019)	\$2,359,000
28	General Fund—Federal Appropriation	\$2,427,000
29	TOTAL APPROPRIATION.	\$7,103,000

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

31 **APPEALS**

32	Worker and Community Right-to-Know Account—State	
33	Appropriation	\$10,000
34	Accident Account—State Appropriation	\$22,437,000
35	Medical Aid Account—State Appropriation	\$22,438,000
36	TOTAL APPROPRIATION.	\$44,885,000

1 **NEW SECTION. Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**
2 **COMMISSION**

3	General Fund—State Appropriation (FY 2018)	\$21,703,000
4	General Fund—State Appropriation (FY 2019)	\$20,705,000
5	General Fund—Private/Local Appropriation	\$5,905,000
6	Death Investigations Account—State Appropriation	\$148,000
7	Municipal Criminal Justice Assistance Account—State	
8	Appropriation	\$460,000
9	Washington Auto Theft Prevention Authority Account—State	
10	Appropriation	\$8,167,000
11	24/7 Sobriety Account—State Appropriation	\$30,000
12	TOTAL APPROPRIATION.	\$57,118,000

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

15 (1) \$5,000,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$5,000,000 of the general fund—state appropriation for
17 fiscal year 2019, are provided to the Washington association of
18 sheriffs and police chiefs solely to verify the address and residency
19 of registered sex offenders and kidnapping offenders under RCW
20 9A.44.130. The association may use no more than \$50,000 per fiscal
21 year of the amounts provided on program management activities.

22 (2) \$1,284,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$1,283,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for seventy-five percent of the
25 costs of providing six additional statewide basic law enforcement
26 trainings in each fiscal year. The criminal justice training
27 commission must schedule its funded classes to minimize wait times
28 throughout each fiscal year and meet statutory wait time
29 requirements.

30 (3) \$745,000 of the general fund—local appropriation is provided
31 solely to purchase ammunition for the basic law enforcement academy.
32 Jurisdictions shall reimburse to the criminal justice training
33 commission the costs of ammunition, based on the average cost of
34 ammunition per cadet, for cadets that they enroll in the basic law
35 enforcement academy.

36 (4) The criminal justice training commission may not run a basic
37 law enforcement academy class of fewer than 30 students.

38 (5) \$100,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$100,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for a school safety program. The
2 commission, in collaboration with the school safety center advisory
3 committee, shall provide the school safety training for all school
4 administrators and school safety personnel hired after the effective
5 date of this section.

6 (6) \$96,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$96,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the school safety center
9 within the commission. The safety center shall act as an information
10 dissemination and resource center when an incident occurs in a school
11 district in Washington or in another state, coordinate activities
12 relating to school safety, and review and approve manuals and
13 curricula used for school safety models and training. Through an
14 interagency agreement, the commission shall provide funding for the
15 office of the superintendent of public instruction to continue to
16 develop and maintain a school safety information web site. The school
17 safety center advisory committee shall develop and revise the
18 training program, using the best practices in school safety, for all
19 school safety personnel. The commission shall provide research-
20 related programs in school safety and security issues beneficial to
21 both law enforcement and schools.

22 (7) \$146,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$146,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for the costs of providing
25 statewide advanced driving training with the use of a driving
26 simulator.

27 (8) \$679,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$587,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for implementation of chapter
30 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

31 (9) \$57,000 of the general fund—state appropriation for fiscal
32 year 2018 is provided solely for implementation of chapter 295, Laws
33 of 2017 (SHB 1258) (first responders/disability).

34 (10) \$198,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$414,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for implementation of chapter
37 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

38 (11) \$117,000 of the general fund—state appropriation for fiscal
39 year 2018, \$117,000 of the general fund—state appropriation for

1 fiscal year 2019, and \$1,000,000 of the Washington auto theft
2 prevention account—state appropriation are provided solely for the
3 first responder building mapping information system.

4 (12) \$595,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$595,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely to continue crisis intervention
7 training required in chapter 87, Laws of 2015.

8 (13) \$250,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$250,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for the criminal justice
11 training commission to deliver research-based programs to instruct,
12 guide, and support local law enforcement agencies in fostering the
13 "guardian philosophy" of policing, which emphasizes de-escalating
14 conflicts and reducing the use of force.

15 (14) \$429,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$429,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for expenditure into the
18 nonappropriated Washington internet crimes against children account
19 for the implementation of chapter 84, Laws of 2015.

20 (15) \$842,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$353,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for the purpose of creating and
23 funding on an ongoing basis the: (a) Updating and providing of basic
24 and in-service training for peace officers and corrections officers
25 that emphasizes de-escalation and use of less lethal force; and (b)
26 creation and provision of an evidence-based leadership development
27 program, in partnership with Microsoft, that trains, equips, and
28 supports law enforcement leaders using research-based strategies to
29 reduce crime and improve public trust.

30 (16) \$100,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$100,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely to the Washington association of
33 sheriffs and police chiefs to fund pilot projects in Benton county to
34 support local law enforcement education for law enforcement, medical
35 professionals, first responders, courts, educators, and others to
36 raise awareness and identifying warning signs of human trafficking.
37 Any educational opportunities created through the pilot projects in
38 Benton county may provide access for adjacent counties if resources
39 and availability permits.

1 (17) \$500,000 of the general fund—state appropriation for fiscal
 2 year 2018 is provided solely to the Washington association of
 3 sheriffs and police chiefs to administer statewide training in the
 4 use of the Washington state gang database, established in compliance
 5 with RCW 43.43.762, and provide grant funding to ensure agencies
 6 enter appropriate and reliable data into the database. The training
 7 shall develop professionals with regional responsibilities for
 8 database administration throughout the state.

9 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
 10 **INDUSTRIES**

11	General Fund—State Appropriation (FY 2018)	\$7,671,000
12	General Fund—State Appropriation (FY 2019)	\$8,897,000
13	General Fund—Federal Appropriation	\$11,876,000
14	Asbestos Account—State Appropriation	\$527,000
15	Electrical License Account—State Appropriation	\$52,100,000
16	Farm Labor Contractor Account—State Appropriation	\$28,000
17	Worker and Community Right-to-Know Account—State	
18	Appropriation	\$993,000
19	Public Works Administration Account—State	
20	Appropriation	\$6,303,000
21	Manufactured Home Installation Training	
22	Account—State Appropriation	\$378,000
23	Accident Account—State Appropriation	\$320,314,000
24	Accident Account—Federal Appropriation	\$16,765,000
25	Medical Aid Account—State Appropriation	\$333,053,000
26	Medical Aid Account—Federal Appropriation	\$3,739,000
27	Plumbing Certificate Account—State Appropriation	\$1,882,000
28	Pressure Systems Safety Account—State Appropriation	\$4,442,000
29	Construction Registration Inspection Account—State	
30	Appropriation.	\$19,128,000
31	TOTAL APPROPRIATION.	\$788,096,000

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

34 (1)(a) \$100,000 of the general fund—state appropriation for
 35 fiscal year 2018 is provided solely to engage in rule making under
 36 RCW 49.46.020 to review the minimum wage for employees under eighteen
 37 years of age in light of the enactment of Initiative Measure No.

1 1433. In the development of a proposed rule for public comment and
2 consideration, the department shall consider:

3 (i) Academic research on the contribution employment has on high
4 school graduation rates; admission to institutions of higher
5 education, apprenticeship programs, and other post-secondary
6 educational opportunities; and earnings outcomes later in life;

7 (ii) Data, where available, on the impact on teen employment in
8 cities that have implemented increases in their minimum wage;

9 (iii) Options that provide incentives for employers to hire teen
10 workers in their first job, or in roles connected to training
11 programs; and

12 (iv) Options that insure the safety of teens and adherence to
13 state and federal youth employment laws.

14 (b) The results of the review and a proposed rule for
15 consideration must be complete by December 1, 2017.

16 (2)(a) \$250,000 of the medical aid account—state appropriation
17 and \$250,000 of the accident fund—state appropriation are provided
18 solely for the department to conduct a study on occupational disease
19 claims. The purpose of the study is to identify medical providers who
20 are inappropriately submitting occupational diseases claims and to
21 develop best practices to better identify where employment is the
22 proximate cause of diseases and conditions that are covered under
23 industrial insurance. The study must specifically develop new tools
24 and practices for the department and medical providers to use to
25 assess when a disease or infection is proximately caused by
26 distinctive conditions in employment as opposed to exposure to the
27 disease or infection outside of his or her employment or as an
28 ordinary condition of life to which the general public is exposed
29 without regard to employment. The department, in consultation with
30 the workers' compensation advisory committee, may select distinct
31 diseases, infections, or conditions for review such as hearing loss.

32 (b) The department must work with its appropriate advisory
33 committees to develop the study and provide a written report on the
34 study to the appropriate committees of the legislature in December
35 2017 and December 2018.

36 (3) \$123,000 of the accident account—state appropriation and
37 \$22,000 of the medical aid—state appropriation are provided solely
38 for implementation of chapter 150, Laws of 2017 (House Bill No. 1906)
39 (farm internship).

1 (4) The department, in collaboration with the health care
2 authority, shall work to ensure that a single platform provider
3 credentialing system is implemented. The authority and department
4 shall ensure that appropriate cost offsets and cost avoidance are
5 assumed for reduced staff time required for provider credentialing
6 activity and reductions in improper billing activity when
7 implementing provider credentialing systems. The department must
8 enter into an agreement with the health care authority to pay its
9 share of the costs of implementing and operating a new provider
10 credentialing system.

11 (5) \$6,124,000 of the accident account—state appropriation and
12 \$5,989,000 of the medical aid account—state appropriation are
13 provided solely for business transformation projects and are subject
14 to the conditions, limitations, and review provided in section 724 of
15 this act.

16 (6) \$19,128,000 of the construction registration inspection
17 account—state appropriation is provided solely to implement House
18 Bill No. 1716 (construction inspection account). If the bill is not
19 enacted by July 31, 2017, the amounts provided in this subsection
20 shall lapse.

21 (7) \$2,000,000 of the accident account—state appropriation and
22 \$2,000,000 of the medical account—state appropriation are provided
23 solely for a contract with a workforce institute to provide
24 supplemental instruction for information technology apprentices.
25 Funds spent for this purpose must be matched by an equal amount of
26 funding from the information technology industry members.

27 **NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

28 (1) HEADQUARTERS

29	General Fund—State Appropriation (FY 2018)	. . . . .	\$2,004,000
30	General Fund—State Appropriation (FY 2019)	. . . . .	\$1,997,000
31	Charitable, Educational, Penal, and Reformatory		
32	Institutions Account—State Appropriation	. . . . .	\$10,000
33	TOTAL APPROPRIATION.	. . . . .	\$4,011,000

34 The appropriations in this subsection are subject to the
35 following conditions and limitations: \$85,000 of the general fund—
36 state appropriation for fiscal year 2018 and \$84,000 of the general
37 fund—state appropriation for fiscal year 2019 are provided solely for

1 the implementation of chapter 173, Laws of 2017 (ESSB 1802)
2 (veterans' shared leave pool).

3 (2) FIELD SERVICES

4	General Fund—State Appropriation (FY 2018)	\$6,220,000
5	General Fund—State Appropriation (FY 2019)	\$6,278,000
6	General Fund—Federal Appropriation	\$3,751,000
7	General Fund—Private/Local Appropriation	\$4,799,000
8	Veteran Estate Management Account—Private/Local	
9	Appropriation	\$666,000
10	TOTAL APPROPRIATION.	\$21,714,000

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

13 (a) \$300,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$300,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely to provide crisis and emergency
16 relief and education, training, and employment assistance to veterans
17 and their families in their communities through the veterans
18 innovation program.

19 (b) \$200,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$200,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the implementation of
22 chapter 192, Laws of 2017 (SB 5849) (veterans' services).

23 (c) \$110,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$110,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the expansion of the
26 veterans conservation corps by fifteen paid internships.

27 (3) INSTITUTIONAL SERVICES

28	General Fund—State Appropriation (FY 2018)	\$2,105,000
29	General Fund—State Appropriation (FY 2019)	\$2,307,000
30	General Fund—Federal Appropriation	\$93,767,000
31	General Fund—Private/Local Appropriation	\$35,687,000
32	TOTAL APPROPRIATION.	\$133,866,000

33 NEW SECTION. **Sec. 219. FOR THE DEPARTMENT OF HEALTH**

34	General Fund—State Appropriation (FY 2018)	\$71,759,000
35	General Fund—State Appropriation (FY 2019)	\$72,148,000
36	General Fund—Federal Appropriation	\$550,186,000
37	General Fund—Private/Local Appropriation	\$185,189,000

1	Hospital Data Collection Account—State Appropriation	\$348,000
2	Health Professions Account—State Appropriation	\$129,629,000
3	Aquatic Lands Enhancement Account—State Appropriation	\$623,000
4	Emergency Medical Services and Trauma Care Systems	
5	Trust Account—State Appropriation	\$9,247,000
6	Safe Drinking Water Account—State Appropriation	\$5,678,000
7	Drinking Water Assistance Account—Federal	
8	Appropriation	\$16,016,000
9	Waterworks Operator Certification—State Appropriation	\$1,671,000
10	Drinking Water Assistance Administrative Account—State	
11	Appropriation	\$372,000
12	Site Closure Account—State Appropriation	\$169,000
13	Biotoxin Account—State Appropriation	\$1,972,000
14	State Toxics Control Account—State Appropriation	\$4,259,000
15	Medicaid Fraud Penalty Account—State Appropriation	\$938,000
16	Medical Test Site Licensure Account—State	
17	Appropriation	\$2,594,000
18	Youth Tobacco and Vapor Products Prevention Account—State	
19	Appropriation	\$4,963,000
20	Dedicated Marijuana Account—State Appropriation	
21	(FY 2018).	\$9,761,000
22	Dedicated Marijuana Account—State Appropriation	
23	(FY 2019).	\$9,766,000
24	Public Health Supplemental Account—Private/Local	
25	Appropriation	\$3,248,000
26	Accident Account—State Appropriation	\$344,000
27	Medical Aid Account—State Appropriation	\$53,000
28	Suicide-Safer Homes Project Account—State Appropriation.	\$50,000
29	TOTAL APPROPRIATION.	\$1,080,983,000

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

32 (1) The department of health shall not initiate any services that
33 will require expenditure of state general fund moneys unless
34 expressly authorized in this act or other law. The department of
35 health and the state board of health shall not implement any new or
36 amended rules pertaining to primary and secondary school facilities
37 until the rules and a final cost estimate have been presented to the
38 legislature, and the legislature has formally funded implementation

1 of the rules through the omnibus appropriations act or by statute.
2 The department may seek, receive, and spend, under RCW 43.79.260
3 through 43.79.282, federal moneys not anticipated in this act as long
4 as the federal funding does not require expenditure of state moneys
5 for the program in excess of amounts anticipated in this act. If the
6 department receives unanticipated unrestricted federal moneys, those
7 moneys shall be spent for services authorized in this act or in any
8 other legislation that provides appropriation authority, and an equal
9 amount of appropriated state moneys shall lapse. Upon the lapsing of
10 any moneys under this subsection, the office of financial management
11 shall notify the legislative fiscal committees. As used in this
12 subsection, "unrestricted federal moneys" includes block grants and
13 other funds that federal law does not require to be spent on
14 specifically defined projects or matched on a formula basis by state
15 funds.

16 (2) During the 2017-2019 fiscal biennium, each person subject to
17 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
18 twenty-five dollars annually for the purposes of RCW 43.70.112,
19 regardless of how many professional licenses the person holds.

20 (3) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
21 the department is authorized to adopt license and certification fees
22 in fiscal years 2018 and 2019 to support the costs of the regulatory
23 program. The department's fee schedule shall have differential rates
24 for providers with proof of accreditation from organizations that the
25 department has determined to have substantially equivalent standards
26 to those of the department, including but not limited to the joint
27 commission on accreditation of health care organizations, the
28 commission on accreditation of rehabilitation facilities, and the
29 council on accreditation. To reflect the reduced costs associated
30 with regulation of accredited programs, the department's fees for
31 organizations with such proof of accreditation must reflect the lower
32 costs of licensing for these programs than for other organizations
33 which are not accredited.

34 (4)(a) \$5,000,000 of the general fund—state appropriation for
35 fiscal year 2018 and \$5,000,000 of the general fund—state
36 appropriation for fiscal year 2019 are provided solely for the
37 department to support the local health jurisdictions to improve their
38 ability to address (i) communicable disease monitoring and prevention
39 and (ii) chronic disease and injury prevention. The department and
40 representatives of local health jurisdictions must work together to

1 arrive at a mutually acceptable allocation and distribution of funds
2 and to determine the best accountability measures to ensure efficient
3 and effective use of funds, emphasizing the use of shared services.

4 (b) By December 31, 2017, the department shall provide a
5 preliminary report, and by November 30, 2018, a final report, to the
6 appropriate committees of the legislature regarding:

7 (i) The allocation of funding, as provided in this subsection, to
8 the local health jurisdictions;

9 (ii) Steps taken by the local health jurisdictions that received
10 funding to improve communicable disease monitoring and prevention and
11 chronic disease and injury prevention;

12 (iii) An assessment of the effectiveness of the steps taken by
13 local health jurisdictions and the criteria measured; and

14 (iv) Any recommendations for future models for service delivery
15 to address communicable and chronic diseases.

16 (5)(a) \$1,000,000 of the general fund—state appropriation for
17 fiscal year 2018 and \$1,000,000 of the general fund—state
18 appropriation for fiscal year 2019 are provided solely for the
19 department, as part of foundational public health services, to
20 implement strategies to control the spread of communicable diseases
21 and other health threats. These strategies may include updating or
22 replacing equipment in the state public health laboratory; addressing
23 health inequities among state residents; reporting on the root cause
24 analyses of adverse events at medical facilities; performing critical
25 activities to prevent adverse health consequences of hepatitis C; or
26 assessing information technology system consolidation and
27 modernization opportunities for statewide public health data systems.

28 (b) By November 30, 2018, the department shall develop a
29 statewide governmental public health improvement plan and provide it
30 to the appropriate committees of the legislature.

31 (6) \$26,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$10,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the implementation of
34 chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

35 (7) Within amounts appropriated in this section, funding is
36 provided to implement chapter 312, Laws of 2017 (SSB 5046) (language
37 of public notices).

1 (8) \$39,000 of the general fund—local appropriation is provided
2 solely for the implementation of chapter 249, Laws of 2017 (ESHB
3 1714) (nurse staffing plans).

4 (9) \$27,000 of the health professions account—state appropriation
5 and \$50,000 of the Suicide-Safer Homes Project account are provided
6 solely for the implementation of chapter 262, Laws of 2017 (E2SHB
7 1612) (reducing access to lethal means).

8 (10) \$269,000 of the health professions account—state
9 appropriation is provided solely for the implementation of chapter
10 297, Laws of 2017 (ESHB 1427) (opioid treatment program).

11 (11) \$350,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$350,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided to the department solely to cover costs
14 of providing increased capacity under existing contracts with suicide
15 prevention lines to respond to calls to the national suicide
16 prevention lifeline.

17 (12) \$40,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$40,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for the midwifery licensure and
20 regulatory program to supplement revenue from fees. The department
21 shall charge no more than five hundred twenty-five dollars annually
22 for new or renewed licenses for the midwifery program.

23 (13)(a) Within amounts appropriated in this section, the
24 department, in consultation with advocacy groups and experts that
25 focus on hunger and poverty issues, shall produce a report regarding
26 ongoing nutrition assistance programs funded by the United States
27 department of agriculture and administered in Washington state. The
28 report must be a compilation, by program, of data already collected
29 by the department of social and health services, the department of
30 health, the office of the superintendent of public instruction, and
31 the Washington state department of agriculture, and it must include,
32 where available, but is not limited to:

33 (i) The number of people in Washington who are eligible for the
34 program;

35 (ii) The number of people in Washington who participated in the
36 program;

37 (iii) The average annual participation rate in the program;

38 (iv) Participation rates by geographic distribution; and

39 (v) The annual federal funding of the program in Washington.

1 (b) The department shall report to the appropriate committees of
2 the legislature and to the governor. An initial report is due by
3 April 30, 2018, and a second report is due by April 30, 2019.

4 (14) Information technology projects or investments and proposed
5 projects or investments impacting time capture, payroll and payment
6 processes and systems eligibility, case management, and authorization
7 systems within the department of health are subject to technical
8 oversight by the office of the state chief information officer.

9 (15) \$2,604,000 of the health professions account—state
10 appropriation is provided solely for the medical quality assurance
11 commission to address increased workload.

12 (16) \$896,000 of the health professions account—state
13 appropriation is provided solely for the pharmacy commission to
14 improve research and communication to pharmacies regarding the
15 development and implementation of new and changing rules.

16 (17) \$9,000,000 of the general fund—federal appropriation is
17 provided solely for the department to implement projects and
18 activities during the 2017-2019 fiscal biennium that are designed to
19 improve the health and well-being of individuals living with human
20 immunodeficiency virus, including:

21 (a) A health disparity project to increase access to dental,
22 mental health, and housing services for populations that have
23 historically experienced limited access to needed services, including
24 Latino individuals in central Washington;

25 (b) A project to establish a peer-to-peer network for individuals
26 living with human immunodeficiency virus. Trained navigators will
27 work to link individuals living with human immunodeficiency virus to
28 medical care, housing support, training, and other needed services;

29 (c) A project to expand the MAX clinic within Harborview hospital
30 to serve an increased number of high-need clients and establishing a
31 MAX clinic to serve high-need clients in Pierce county. This project
32 shall also provide statewide training for staff of the department, of
33 local health jurisdictions, and of providers of services for persons
34 with human immunodeficiency virus;

35 (d) The development of a single eligibility portal to allow
36 statewide usage and streamlined case management for individuals who
37 are living with human immunodeficiency virus and receiving public
38 health services; and

1 (e) An assessment and evaluation of the effectiveness of each of
2 the projects outlined in subsections (a) through (d) of this
3 subsection.

4 (18) \$6,096,000 of the general fund—local appropriation is
5 provided solely for the department to target its efforts in the HIV
6 early intervention program toward populations with health
7 disparities.

8 (19) \$1,118,000 of the general fund—local appropriation is
9 provided solely for equipment, testing supplies, and materials
10 necessary to add x-linked adrenoleukodystrophy to the mandatory
11 newborn screening panel. The department is authorized to increase the
12 newborn screening fee by \$8.10.

13 (20) \$1,500,000 of the general fund—state appropriation for
14 fiscal year 2018 and \$1,500,000 of the general fund—state
15 appropriation for fiscal year 2019 are provided solely for:

16 (a) Increased screening, case management, and an electronic data
17 reporting system to identify children who are at the highest risk of
18 having elevated levels of lead in their blood, prioritizing children
19 who live in areas where the risk is highest; and

20 (b) Sampling and testing of drinking water and water fixtures in
21 public schools. The department, in collaboration with the educational
22 service districts, must prioritize testing within elementary schools
23 where drinking water and water fixtures have not been tested for
24 contaminants at any time, and elementary schools where drinking water
25 and water fixtures have not been tested within the past three years.
26 Consistent with the United States environmental protection agency's
27 manual, "3Ts for Reducing Lead in Drinking Water in Schools—Revised
28 Technical Guidance," the department must develop guidance and testing
29 protocols for the lead action level for drinking water and for
30 testing drinking water and drinking water fixtures in public and
31 private schools. The guidance must include:

32 (i) Actions to take if test results exceed the federal action
33 level or public drinking water standard;

34 (ii) Recommendations to schools on prioritizing fixture
35 replacement, and options for further reducing lead, including
36 replacement of fixtures or use of certified filters when results are
37 below the federal action level for schools, but exceed the maximum
38 level recommended by the American Academy of Pediatrics; and

1 (iii) Recommendations for communicating test results and risk to
2 parents and the community, including that there is no safe level of
3 lead in water and that action may be warranted even if levels are
4 below the action level.

5 (21) \$277,000 of the general fund—local appropriation is provided
6 solely to implement chapter 207, Laws of 2017 (E2SHB 1819)
7 (children's mental health).

8 (22) \$130,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$130,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely to increase the funding for the
11 breast, cervical, and colon health program administered by the
12 department.

13 (23) Within the amounts appropriated in this section, and in
14 accordance with RCW 43.20B.110 and 70.41.100, the department shall
15 set fees to include the full costs of the performance of inspections
16 pursuant to RCW 70.41.080.

17 (24) Within the amounts appropriated in this section, and in
18 accordance with RCW 43.70.110 and 71.12.470, the department shall set
19 fees to include the full costs of the performance of inspections
20 pursuant to RCW 71.12.485.

21 (25) \$250,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$250,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the department to contract
24 with a nongovernmental entity that has experience in adapting global
25 health strategies to underserved communities for a pilot program to
26 develop strategies to address health disparities in rural
27 communities. The program should engage marginalized communities in
28 order to identify barriers and social determinants that most impact
29 health, including access to housing and food and economic stability.
30 The department must report to the legislature by December 1, 2018,
31 regarding identified barriers and any recommendations for
32 interventions.

33 (26) \$27,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$16,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the implementation of
36 chapter 273, Laws of 2017 (E2SHB 1358) (community assistance referral
37 programs).

1 (27) \$224,000 of the health professions account—state
2 appropriation is provided solely for the implementation of chapter
3 320, Laws of 2017 (SSB 5322) (dentists and third parties).

4 (28) \$93,000 of the health professions account—state
5 appropriation is provided solely for the implementation of chapter
6 101, Laws of 2017 (ESHB 1431) (osteopathic medicine and surgery).

7 (29) \$82,000 of the general fund—local appropriation is provided
8 solely for the implementation of chapter 263, Laws of 2017 (SSB 5152)
9 (pediatric transitional care).

10 (30) \$25,000 of the general fund—state appropriation for fiscal
11 year 2018 is provided solely for the department to prepare and submit
12 a report about the certificate of need program to the governor and
13 the appropriate fiscal and policy committees of the legislature by
14 October 1, 2017. By health care setting, for each of the preceding
15 ten fiscal years, the report must show the total number of
16 applications, the total number of accepted applications, the total
17 number of beds requested, the total number of beds approved, and a
18 summary of the most common reasons for declining an application. The
19 report must include suggestions for modifying the program to increase
20 the number of successful applications. At least one suggestion must
21 address the goal of adding psychiatric beds within hospitals.

22 (31) The department, in collaboration with the health care
23 authority, shall work to ensure that a single platform provider
24 credentialing system is implemented. The authority and department
25 shall ensure that appropriate cost offsets and cost avoidance are
26 assumed for reduced staff time required for provider credentialing
27 activity and reductions in improper billing activity when
28 implementing provider credentialing systems.

29 (32) \$28,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$28,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for staffing capacity at the
32 department to support a performance audit of the fee-setting process
33 for each health profession licensed by the department.

34 (33) The appropriations in this section include sufficient
35 funding for the implementation of chapter 294, Laws of 2017 (SSB
36 5835) (health outcomes/pregnancy).

37 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF CORRECTIONS**

38 (1) ADMINISTRATION AND SUPPORT SERVICES

1	General Fund—State Appropriation (FY 2018)	. . . . .	\$64,492,000
2	General Fund—State Appropriation (FY 2019)	. . . . .	\$64,219,000
3	TOTAL APPROPRIATION.	. . . . .	\$128,711,000

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

6 (a) \$35,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$35,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the support of a statewide
9 council on mentally ill offenders that includes as its members
10 representatives of community-based mental health treatment programs,
11 current or former judicial officers, and directors and commanders of
12 city and county jails and state prison facilities. The council will
13 investigate and promote cost-effective approaches to meeting the
14 long-term needs of adults and juveniles with mental disorders who
15 have a history of offending or who are at-risk of offending,
16 including their mental health, physiological, housing, employment,
17 and job training needs.

18 (b)(i) During the 2017-2019 fiscal biennium, the department must
19 revise its agreements and contracts with vendors to include a
20 provision to require that each vendor agrees to equality among its
21 workers by ensuring similarly employed individuals are compensated as
22 equals as follows:

23 (A) Employees are similarly employed if the individuals work for
24 the same employer, the performance of the job requires comparable
25 skill, effort, and responsibility, and the jobs are performed under
26 similar working conditions. Job titles alone are not determinative of
27 whether employees are similarly employed;

28 (B) Vendors may allow differentials in compensation for its
29 workers based in good faith on any of the following:

30 (I) A seniority system; a merit system; a system that measures
31 earnings by quantity or quality of production; a bona fide job-
32 related factor or factors; or a bona fide regional difference in
33 compensation levels.

34 (II) A bona fide job-related factor or factors may include, but
35 not be limited to, education, training, or experience, that is:
36 Consistent with business necessity; not based on or derived from a
37 gender-based differential; and accounts for the entire differential.

1 (III) A bona fide regional difference in compensation level must
2 be: Consistent with business necessity; not based on or derived from
3 a gender-based differential; and account for the entire differential.

4 (ii) The provision must allow for the termination of the contract
5 if the department or department of enterprise services determines
6 that the vendor is not in compliance with this agreement or contract
7 term.

8 (iii) The department must implement this provision with any new
9 contract and at the time of renewal of any existing contract.

10 (c) \$865,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$587,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for information technology
13 business solutions and are subject to the conditions, limitations,
14 and review provided in section 724 of this act.

15 (d) The department, in collaboration with the health care
16 authority, shall work to ensure that a single platform provider
17 credentialing system is implemented. The authority and department
18 shall ensure that appropriate cost offsets and cost avoidance are
19 assumed for reduced staff time required for provider credentialing
20 activity and reductions in improper billing activity when
21 implementing provider credentialing systems.

22 (2) CORRECTIONAL OPERATIONS

23	General Fund—State Appropriation (FY 2018)	\$541,061,000	
24	General Fund—State Appropriation (FY 2019)	\$562,878,000	
25	General Fund—Federal Appropriation	\$818,000	
26	Washington Auto Theft Prevention Authority Account—State 27	Appropriation	\$4,608,000
28	TOTAL APPROPRIATION.	\$1,109,365,000	

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

31 (a) The department may contract for beds statewide to the extent
32 that it is at no net cost to the department. The department shall
33 calculate and report the average cost per offender per day, inclusive
34 of all services, on an annual basis for a facility that is
35 representative of average medium or lower offender costs. The
36 duration of the contracts may be for up to four years. The department
37 shall not pay a rate greater than \$85 per day per offender for all
38 costs associated with the offender while in the local correctional
39 facility to include programming and health care costs, or the

1 equivalent of \$85 per day per bed including programming and health
2 care costs for full units. The capacity provided at local
3 correctional facilities must be for offenders whom the department of
4 corrections defines as medium or lower security offenders.
5 Programming provided for inmates held in local jurisdictions is
6 included in the rate, and details regarding the type and amount of
7 programming, and any conditions regarding transferring offenders must
8 be negotiated with the department as part of any contract. Local
9 jurisdictions must provide health care to offenders that meet
10 standards set by the department. The local jail must provide all
11 medical care including unexpected emergent care. The department must
12 utilize a screening process to ensure that offenders with existing
13 extraordinary medical/mental health needs are not transferred to
14 local jail facilities. If extraordinary medical conditions develop
15 for an inmate while at a jail facility, the jail may transfer the
16 offender back to the department, subject to terms of the negotiated
17 agreement. Health care costs incurred prior to transfer are the
18 responsibility of the jail.

19 (b) \$501,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$501,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the department to maintain
22 the facility, property, and assets at the institution formerly known
23 as the maple lane school in Rochester.

24 (c) \$1,379,000 of the general fund—state appropriation for fiscal
25 year 2018, and \$1,379,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the department to contract
27 for the use of inmate bed capacity in lieu of prison beds operated by
28 the state to meet prison capacity needs.

29 (d) \$250,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$250,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for the department to enter into
32 an agreement to purchase electricity for the Monroe correctional
33 complex from a sawmill waste cogeneration system that is connected to
34 a lumber mill that employs at least 150 people. The agreement cannot
35 increase the total cost for the purchase of electricity for the
36 entire complex.

37 (e) Within the amounts appropriated in this section, funding is
38 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
39 offense/felony).

1 (f) The appropriations in this section include sufficient funding
2 for the implementation of chapter 226, Laws of 2017 (HB 1153)
3 (vulnerable persons/crimes).

4 (g) The appropriations in this section include sufficient funding
5 for the implementation of Senate Bill No. 5934 (concerning convicted
6 persons).

7 (i) Within the amounts appropriated in this section, the
8 department of corrections must review the use of full body scanners
9 at state correctional facilities for women to reduce the frequency of
10 strip and body cavity searches and report with recommendations to the
11 governor and the appropriate legislative committees by November 15,
12 2017. The report must address the cost of technology, installation,
13 and maintenance; the benefits to personnel and inmates; information
14 regarding accumulated exposure to radiation; and general guidelines
15 for implementation at a pilot facility.

16 (3) COMMUNITY SUPERVISION

17	General Fund—State Appropriation (FY 2018)	. . . . .	\$181,670,000
18	General Fund—State Appropriation (FY 2019)	. . . . .	\$187,807,000
19	General Fund—Federal Appropriation	. . . . .	\$2,368,000
20	TOTAL APPROPRIATION.	. . . . .	\$371,845,000

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

23 (a) The department of corrections shall contract with local and
24 tribal governments for the provision of jail capacity to house
25 offenders who violate the terms of their community supervision. A
26 contract shall not have a cost of incarceration in excess of \$85 per
27 day per offender. A contract shall not have a year-to-year increase
28 in excess of three percent per year. The contracts may include rates
29 for the medical care of offenders which exceed the daily cost of
30 incarceration and the limitation on year-to-year increases, provided
31 that medical payments conform to the department's offender health
32 plan and pharmacy formulary, and all off-site medical expenses are
33 preapproved by department utilization management staff.

34 (b) The department shall engage in ongoing mitigation strategies
35 to reduce the costs associated with community supervision violators,
36 including improvements in data collection and reporting and
37 alternatives to short-term confinement for low-level violators.

38 (c) By January 1, 2018, the department of corrections shall
39 provide a report to the office of financial management and the

1 appropriate fiscal and policy committees of the legislature to
2 include a review of the department's policies and procedures related
3 to swift and certain sanctioning, and identification of legal
4 decisions that impact caseload and operations. The report shall
5 include recommendations for improving public and staff safety while
6 decreasing recidivism through improved alignment of the department's
7 policies and procedures with current best practices concerning swift
8 and certain sanctioning. The report shall include a review of
9 department practices, legal decisions that impact caseload and
10 operations, an analysis of current best practices in other
11 jurisdictions that have adopted swift and certain sanctioning, and
12 recommendations to improve the department's practices and procedures.

13 (d) Within the amounts appropriated in this section, funding is
14 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
15 offense/felony).

16 (e) The appropriations in this section include sufficient funding
17 for the implementation of Senate Bill No. 5934 (concerning convicted
18 persons).

19 (4) CORRECTIONAL INDUSTRIES

20	General Fund—State Appropriation (FY 2018)	\$5,985,000
21	General Fund—State Appropriation (FY 2019)	\$6,085,000
22	TOTAL APPROPRIATION.	\$12,070,000

23 (5) INTERAGENCY PAYMENTS

24	General Fund—State Appropriation (FY 2018)	\$44,091,000
25	General Fund—State Appropriation (FY 2019)	\$41,176,000
26	TOTAL APPROPRIATION.	\$85,267,000

27 (6) OFFENDER CHANGE

28	General Fund—State Appropriation (FY 2018)	\$55,170,000
29	General Fund—State Appropriation (FY 2019)	\$56,426,000
30	TOTAL APPROPRIATION.	\$111,596,000

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

33 (a) The department of corrections shall use funds appropriated in
34 this subsection (6) for offender programming. The department shall
35 develop and implement a written comprehensive plan for offender
36 programming that prioritizes programs which follow the risk-needs-
37 responsivity model, are evidence-based, and have measurable outcomes.
38 The department is authorized to discontinue ineffective programs and

1 to repurpose underspent funds according to the priorities in the
2 written plan.

3 (b) Within the amounts appropriated in this section, funding is
4 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
5 offense/felony).

6 (7) HEALTH CARE SERVICES

7	General Fund—State Appropriation (FY 2018)	\$128,680,000
8	General Fund—State Appropriation (FY 2019)	\$127,782,000
9	TOTAL APPROPRIATION.	\$256,462,000

10 The appropriations in this subsection are subject to the
11 following conditions and limitations: The state prison medical
12 facilities may use funds appropriated in this subsection to purchase
13 goods and supplies through hospital or other group purchasing
14 organizations when it is cost effective to do so.

15 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**
16 **BLIND**

17	General Fund—State Appropriation (FY 2018)	\$2,478,000
18	General Fund—State Appropriation (FY 2019)	\$2,525,000
19	General Fund—Federal Appropriation	\$25,276,00
20	General Fund—Private/Local Appropriation	\$60,000
21	TOTAL APPROPRIATION.	\$30,339,000

22 NEW SECTION. **Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

23	General Fund—Federal Appropriation	\$216,993,000
24	General Fund—Private/Local Appropriation	\$35,426,000
25	Unemployment Compensation Administration Account—Federal	
26	Appropriation	\$270,643,000
27	Administrative Contingency Account—State Appropriation .	\$20,386,000
28	Employment Service Administrative Account—State	
29	Appropriation	\$53,555,000
30	Family and Medical Leave Insurance Account—State	
31	Appropriation.	\$82,000,000
32	TOTAL APPROPRIATION.	\$679,003,000

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

1 (1) The department is directed to maximize the use of federal
2 funds. The department must update its budget annually to align
3 expenditures with anticipated changes in projected revenues.

4 (2) \$4,152,000 of the unemployment compensation administration
5 account—federal appropriation is provided solely to the unemployment
6 tax and benefits systems and is subject to the conditions,
7 limitations, and review provided in section 724 of this act.

8 (3) \$82,000,000 of the family and medical leave insurance account
9 —state appropriation is provided solely for implementation of
10 Substitute House Bill No. 1116 (family and medical leave insurance),
11 Senate Bill No. 5975 (paid family and medical leave), or Senate Bill
12 No. 5032 (family and medical leave insurance). If none of the bills
13 are enacted by July 31, 2017, the amount provided in this subsection
14 shall lapse.

15 (4) \$240,000 of the administrative contingency account—state
16 appropriation is provided solely for the employment security
17 department to contract with a center for workers in King county. The
18 amount appropriated in this subsection shall be used by the
19 contracted center for workers to support initiatives that generate
20 high-skill, high-wage jobs; improve workforce and training systems;
21 improve service delivery for dislocated workers; and build alliances
22 with community and environmental organizations.

23 NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF CHILDREN, YOUTH,**
24 **AND FAMILIES**

25 (1) CHILDREN AND FAMILIES SERVICES PROGRAM

26 General Fund—State Appropriation (FY 2019).	\$366,467,000
27 General Fund—Federal Appropriation.	\$236,770,000
28 General Fund—Private/Local Appropriation.	\$1,477,000
29 Domestic Violence Prevention Account—State	
30 Appropriation.	\$1,002,000
31 TOTAL APPROPRIATION.	\$605,716,000

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

34 (a) \$748,000 of the general fund—state appropriation for fiscal
35 year 2019 is provided solely to contract for the operation of one
36 pediatric interim care center. The center shall provide residential
37 care for up to thirteen children through two years of age. Seventy-
38 five percent of the children served by the center must be in need of

1 special care as a result of substance abuse by their mothers. The
2 center shall also provide on-site training to biological, adoptive,
3 or foster parents. The center shall provide at least three months of
4 consultation and support to the parents accepting placement of
5 children from the center. The center may recruit new and current
6 foster and adoptive parents for infants served by the center. The
7 department shall not require case management as a condition of the
8 contract.

9 (b) \$253,000 of the general fund—state appropriation for fiscal
10 year 2019 is provided solely for the costs of hub home foster
11 families that provide a foster care delivery model that includes a
12 licensed hub home. Use of the hub home model is intended to support
13 foster parent retention, improve child outcomes, and encourage the
14 least restrictive community placements for children in out-of-home
15 care.

16 (c) \$579,000 of the general fund—state appropriation for fiscal
17 year 2019 and \$55,000 of the general fund—federal appropriation are
18 provided solely for a receiving care center east of the Cascade
19 mountains.

20 (d) \$990,000 of the general fund—state appropriation for fiscal
21 year 2019 is provided solely for services provided through children's
22 advocacy centers.

23 (e) \$1,351,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for implementation of performance-based
25 contracts for family support and related services pursuant to RCW
26 74.13B.020.

27 (f) \$7,173,000 of the general fund—state appropriation for fiscal
28 year 2019 and \$6,022,000 of the general fund—federal appropriation
29 are provided solely for family assessment response.

30 (g) \$94,000 of the general fund—state appropriation for fiscal
31 year 2019 is provided solely for a contract with a child advocacy
32 center in Spokane to provide continuum of care services for children
33 who have experienced abuse or neglect and their families.

34 (h) \$2,933,000 of the general fund—state appropriation for fiscal
35 year 2019 and \$876,000 of the general fund—federal appropriation are
36 provided solely for the department to reduce the caseload ratios of
37 social workers serving children in foster care to promote decreased
38 lengths of stay and to make progress towards achievement of the Braam
39 settlement caseload outcome.

1 (i)(A) \$540,000 of the general fund—state appropriation for
2 fiscal year 2019, \$328,000 of the general fund private/local
3 appropriation, and \$126,000 of the general fund—federal appropriation
4 are provided solely for a contract with an educational advocacy
5 provider with expertise in foster care educational outreach. The
6 amounts in this subsection are provided solely for contracted
7 education coordinators to assist foster children in succeeding in
8 K-12 and higher education systems and to assure a focus on education
9 during the department's transition to performance-based contracts.
10 Funding must be prioritized to regions with high numbers of foster
11 care youth, or regions where backlogs of youth that have formerly
12 requested educational outreach services exist. The department is
13 encouraged to use private matching funds to maintain educational
14 advocacy services.

15 (B) The department shall contract with the office of the
16 superintendent of public instruction, which in turn shall contract
17 with a nongovernmental entity or entities to provide educational
18 advocacy services pursuant to RCW 28A.300.590.

19 (j) The department shall continue to implement policies to reduce
20 the percentage of parents requiring supervised visitation, including
21 clarification of the threshold for transition from supervised to
22 unsupervised visitation prior to reunification.

23 (k) \$111,000 of the general fund—state appropriation for fiscal
24 year 2019 and \$26,000 of the general fund—federal appropriation are
25 provided solely for a base rate increase for licensed family child
26 care providers. In addition, \$45,000 of the general fund—state
27 appropriation for fiscal year 2019 and \$11,000 of the general fund—
28 federal appropriation are provided solely for increasing paid
29 professional days from three days to five days for licensed family
30 child care providers. Amounts in this subsection are provided solely
31 for the 2017-2019 collective bargaining agreement covering family
32 child care providers as set forth in section 940 of this act. Amounts
33 provided in this subsection are contingent on the enactment of Senate
34 Bill No. 5969 (transparency in public employee collective
35 bargaining). If the bill is not enacted by July 31, 2017, the amounts
36 provided in this subsection (k) shall lapse.

37 (l) \$321,000 of the general fund—state appropriation for fiscal
38 year 2019 and \$133,000 of the general fund—federal appropriation are

1 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)
2 (ext. foster care transitions).

3 (m) \$400,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for a contract with a national nonprofit
5 organization to, in partnership with private matching funds,
6 subcontract with a community organization for specialized, enhanced
7 adoption placement services for legally free children in state
8 custody. The contract must supplement, but not supplant, the work of
9 the department to secure permanent adoptive homes for children.

10 (n) \$375,000 of the general fund—state appropriation for fiscal
11 year 2019 and \$56,000 of the general fund—federal appropriation are
12 provided solely for the department to develop, implement, and expand
13 strategies to improve the capacity, reliability, and effectiveness of
14 contracted visitation services for children in temporary out-of-home
15 care and their parents and siblings. Strategies may include, but are
16 not limited to, increasing mileage reimbursement for providers,
17 offering transportation-only contract options, and mechanisms to
18 reduce the level of parent-child supervision when doing so is in the
19 best interest of the child. The department must submit an analysis of
20 the strategies and associated outcomes no later than October 1, 2018.

21 (o) \$3,600,000 of the general fund—state appropriation for fiscal
22 year 2019 is provided solely for state supplemental payments for the
23 state maintenance of effort requirement to qualify for medicaid
24 federal financial participation.

25 (p) \$1,018,000 of the general fund—state appropriation for fiscal
26 year 2019 and \$195,000 of the general fund—federal appropriation are
27 provided solely for a six percent base rate increase for child care
28 center providers, effective September 1, 2017.

29 (q) \$1,230,000 of the general fund—state appropriation for fiscal
30 year 2019 and \$78,000 of the general fund—federal appropriation are
31 provided solely to increase the travel reimbursement for in-home
32 service providers.

33 (r) The department is encouraged to control exceptional
34 reimbursement decisions so that the child's needs are met without
35 excessive costs.

36 (s) \$1,342,000 of the general fund—state appropriation for fiscal
37 year 2019 and \$959,000 of the general fund—federal appropriation are
38 provided solely to implement Engrossed Substitute Senate Bill No.
39 5890 (foster care and adoption). Within the amounts provided in this

1 section, \$366,000 of the general fund—state appropriation for fiscal
2 year 2019 and \$174,000 of the general fund—federal appropriation are
3 provided solely for short-term care for licensed foster families. If
4 the bill is not enacted by July 31, 2017, the amounts provided in
5 this subsection shall lapse.

6 (t) \$197,000 of the general fund—state appropriation for fiscal
7 year 2019 is provided solely for the department to conduct biennial
8 inspections and certifications of facilities, both overnight and day
9 shelters, that serve those who are under 18 years old and are
10 homeless.

11 (2) EARLY LEARNING PROGRAM

12	General Fund—State Appropriation (FY 2019)	\$126,721,000
13	General Fund—Federal Appropriation	\$148,179,000
14	Education Legacy Trust Account—State Appropriation	\$14,192,000
15	Home Visiting Services Account—State Appropriation	\$3,191,000
16	Home Visiting Services Account—Federal Appropriation	\$11,708,000
17	WA Opportunity Pathways Account—State Appropriation	\$40,000,000
18	TOTAL APPROPRIATION.	\$343,991,000

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

21 (a) \$67,938,000 of the general fund—state appropriation for
22 fiscal year 2019, \$12,125,000 of the education legacy trust account—
23 state appropriation, and \$40,000,000 of the opportunity pathways
24 account appropriation are provided solely for the early childhood
25 education and assistance program. These amounts shall support at
26 least 13,491 slots in fiscal year 2019.

27 (b) \$200,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely to develop and provide culturally
29 relevant supports for parents, family, and other caregivers.

30 (c) The department is the lead agency for and recipient of the
31 federal child care and development fund grant. Amounts within this
32 grant shall be used to fund child care licensing, quality
33 initiatives, agency administration, and other costs associated with
34 child care subsidies. The department shall transfer a portion of this
35 grant to the department of social and health services to fund the
36 child care subsidies paid by the department of social and health
37 services on behalf of the department.

1 (d)(i) \$76,650,000 of the general fund—federal appropriation is
2 provided solely for the working connections child care program under
3 RCW 43.215.135. In order to not exceed the appropriated amount, the
4 department shall manage the program so that the average monthly
5 caseload does not exceed 33,000 households. The department shall give
6 prioritized access into the program according to the following order:

7 (A) Families applying for or receiving temporary assistance for
8 needy families (TANF);

9 (B) TANF families curing sanction;

10 (C) Foster children;

11 (D) Families that include a child with special needs;

12 (E) Families in which a parent of a child in care is a minor who
13 is not living with a parent or guardian and who is a full-time
14 student in a high school that has a school-sponsored on-site child
15 care center;

16 (F) Families with a child residing with a biological parent or
17 guardian who have received child protective services, child welfare
18 services, or a family assessment response from the department in the
19 past six months, and has received a referral for child care as part
20 of the family's case management;

21 (G) Families that received subsidies within the last thirty days
22 and:

23 (I) Have reapplied for subsidies; and

24 (II) Have household income of two hundred percent federal poverty
25 level or below; and

26 (H) All other eligible families.

27 (ii) The department, in collaboration with the department of
28 social and health services, must submit a final report by December 1,
29 2018, to the governor and the appropriate fiscal and policy
30 committees of the legislature on quality control measures for the
31 working connections child care program. The report must include:

32 (A) A detailed narrative of the procurement and implementation of
33 an improved time and attendance system, including a detailed
34 accounting of the costs of procurement and implementation;

35 (B) A comprehensive description of all processes, including
36 computer algorithms and additional rule development, that the
37 department and the department of social and health services plan to
38 establish prior to and after full implementation of the time and
39 attendance system. At a minimum, processes must be designed to:

1 (I) Ensure the department's auditing efforts are informed by
2 regular and continuous alerts of the potential for overpayments;

3 (II) Avoid overpayments to the maximum extent possible and
4 expediently recover overpayments that have occurred;

5 (III) Withhold payment from providers when necessary to
6 incentivize receipt of the necessary documentation to complete an
7 audit;

8 (IV) Establish methods for reducing future payments or
9 establishing repayment plans in order to recover any overpayments;

10 (V) Sanction providers, including termination of eligibility, who
11 commit intentional program violations or fail to comply with program
12 requirements, including compliance with any established repayment
13 plans; and

14 (VI) Consider pursuit of prosecution in cases with fraudulent
15 activity; and

16 (C) A description of the process by which fraud is identified and
17 how fraud investigations are prioritized and expedited.

18 (iii) Beginning July 1, 2018, and annually thereafter, the
19 department, in collaboration with the department of social and health
20 services, must report to the governor and the appropriate fiscal and
21 policy committees of the legislature on the status of overpayments in
22 the working connections child care program. The report must include
23 the following information for the previous fiscal year:

24 (A) A summary of the number of overpayments that occurred;

25 (B) The reason for each overpayment;

26 (C) The total cost of overpayments;

27 (D) A comparison to overpayments that occurred in the past two
28 preceding fiscal years; and

29 (E) Any planned modifications to internal processes that will
30 take place in the coming fiscal year to further reduce the occurrence
31 of overpayments.

32 (e) Within available amounts, the department in consultation with
33 the office of financial management and the department of social and
34 health services shall report enrollments and active caseload for the
35 working connections child care program to the legislative fiscal
36 committees and the legislative-executive WorkFirst oversight task
37 force on an agreed upon schedule. The report shall also identify the
38 number of cases participating in both temporary assistance for needy
39 families and working connections child care. The department must also
40 report on the number of children served through contracted slots.

1 (f) \$1,560,000 of the general fund—state appropriation for fiscal
2 year 2019 and \$6,712,000 of the general fund—federal appropriation
3 are provided solely for the seasonal child care program. If federal
4 sequestration cuts are realized, cuts to the seasonal child care
5 program must be proportional to other federal reductions made within
6 the department.

7 (g) \$2,522,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for the early childhood intervention
9 prevention services (ECLIPSE) program. The department shall contract
10 for ECLIPSE services to provide therapeutic child care and other
11 specialized treatment services to abused, neglected, at-risk, and/or
12 drug-affected children. Priority for services shall be given to
13 children referred from the department.

14 (h) \$45,359,000 of the general fund—state appropriation for
15 fiscal year 2019 and \$13,954,000 of the general fund—federal
16 appropriation are provided solely to maintain the requirements set
17 forth in chapter 7, Laws of 2015, 3rd sp. sess. The department shall
18 place a ten percent administrative overhead cap on any contract
19 entered into with the University of Washington. In its annual report
20 to the governor and the legislature, the department shall report the
21 total amount of funds spent on the quality rating and improvements
22 system and the total amount of funds spent on degree incentives,
23 scholarships, and tuition reimbursements. Of the amounts provided in
24 this subsection (h), \$577,000 of the general fund—state appropriation
25 for fiscal year 2019 is provided solely for a six percent base rate
26 increase for child care center providers.

27 (i) \$1,728,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely for reducing barriers for low-income
29 providers to participate in the early achievers program.

30 (j) \$300,000 of the general fund—state appropriation for fiscal
31 year 2019 is provided solely for a contract with a nonprofit entity
32 experienced in the provision of promoting early literacy for children
33 through pediatric office visits.

34 (k) \$2,000,000 of the education legacy trust account—state
35 appropriation is provided solely for early intervention assessment
36 and services.

37 (l) \$3,445,000 of the general fund—federal appropriation for
38 fiscal year 2019 is provided solely for the department to procure a

1 time and attendance system and are subject to the conditions,
2 limitations, and review provided in section 724 of this act.

3 (m) Information technology projects or investments and proposed
4 projects or investments impacting time capture, payroll and payment
5 processes and systems, eligibility, case management and authorization
6 systems within the department are subject to technical oversight by
7 the office of the chief information officer. The department must
8 collaborate with the office of the chief information officer to
9 develop a strategic business and technology architecture plan for a
10 child care attendance and billing system that supports a statewide
11 architecture.

12 (n)(i)(A) The department is required to provide to the education
13 research and data center, housed at the office of financial
14 management, data on all state-funded early childhood programs. These
15 programs include the early support for infants and toddlers, early
16 childhood education and assistance program (ECEAP), and the working
17 connections and seasonal subsidized childcare programs including
18 license exempt facilities or family, friend, and neighbor care. The
19 data provided by the department to the education research data center
20 must include information on children who participate in these
21 programs, including their name and date of birth, and dates the child
22 received services at a particular facility.

23 (B) ECEAP early learning professionals must enter any new
24 qualifications into the department's professional development
25 registry starting in the 2015-16 school year, and every school year
26 thereafter. By October 2017, and every October thereafter, the
27 department must provide updated ECEAP early learning professional
28 data to the education research data center.

29 (C) The department must request federally funded head start
30 programs to voluntarily provide data to the department and the
31 education research data center that is equivalent to what is being
32 provided for state-funded programs.

33 (D) The education research and data center must provide an
34 updated report on early childhood program participation and K-12
35 outcomes to the house of representatives appropriations committee and
36 the senate ways and means committee using available data by March
37 2018 for the school year ending in 2017.

38 (ii) The department, in consultation with the department of
39 social and health services, must withhold payment for services to
40 early childhood programs that do not report on the name, date of

1 birth, and the dates a child received services at a particular
2 facility.

3 (o) The department shall work with state and local law
4 enforcement, federally recognized tribal governments, and tribal law
5 enforcement to develop a process for expediting fingerprinting and
6 data collection necessary to conduct background checks for tribal
7 early learning and child care providers.

8 (p) \$2,651,000 of the general fund—state appropriation for fiscal
9 year 2019 is provided solely for the 2017-2019 collective bargaining
10 agreement covering family child care providers as set forth in
11 section 940 of this act. Amounts provided in this subsection (p) are
12 contingent upon the enactment of Senate Bill No. 5969 (transparency
13 in public employee collective bargaining). If the bill is not enacted
14 by July 31, 2017, the amount provided in this subsection shall lapse.
15 Of the amounts provided in this subsection:

16 (i) \$273,000 is for a base rate increase;

17 (ii) \$55,000 is for increasing paid professional development days
18 from three days to five days;

19 (iii) \$1,708,000 is for the family child care providers 501(c)(3)
20 organization for the substitute pool, training and quality
21 improvement support services, and administration;

22 (iv) \$114,000 is for increasing licensing incentive payments; and

23 (v) \$500,000 is for needs based grants.

24 (q) \$175,000 of the general fund—state appropriation for fiscal
25 year 2019 is provided solely for the department to contract with a
26 nonprofit entity that provides quality improvement services to
27 participants in the early achievers program to implement a community-
28 based training module that supports licensed child care providers who
29 have been rated in early achievers and who are specifically
30 interested in serving children in the early childhood education and
31 assistance program. The module must be functionally translated into
32 Spanish and Somali. The module must prepare trainees to administer
33 all aspects of the early childhood education and assistance program
34 for eligible children in their licensed program and must be offered
35 to 105 child care providers to serve children eligible for the early
36 childhood education and assistance program by June 30, 2019.

37 (r) \$219,000 of the general fund—state appropriation for fiscal
38 year 2019 is provided solely for implementation of chapter 236, Laws
39 of 2017 (SHB 1445) (dual language in early learning & K-12).

1 (s) \$100,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for implementation of chapter 202, Laws
3 of 2017 (E2SHB 1713) (children's mental health).

4 (t) \$317,000 of the general fund—state appropriation for fiscal
5 year 2019 are provided solely for implementation of chapter 162, Laws
6 of 2017 (SSB 5357) (outdoor early learning programs).

7 (3) PROGRAM SUPPORT

8	General Fund—State Appropriation (FY 2019)	\$50,448,000
9	General Fund—Federal Appropriation.	\$15,928,000
10	TOTAL APPROPRIATION.	\$66,376,000

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

13 (a) The appropriations provided in this subsection are provided
14 solely for implementation of Engrossed Second Substitute House Bill
15 No. 1661 (child, youth, families department). If the bill is not
16 enacted by July 31, 2017, the amount provided in this subsection
17 shall lapse.

18 (b)(i) During the 2017-2019 fiscal biennium, the department must
19 revise its agreements and contracts with vendors to include a
20 provision to require that each vendor agrees to equality among its
21 workers by ensuring similarly employed individuals are compensated as
22 equals as follows:

23 (A) Employees are similarly employed if the individuals work for
24 the same employer, the performance of the job requires comparable
25 skill, effort, and responsibility, and the jobs are performed under
26 similar working conditions. Job titles alone are not determinative of
27 whether employees are similarly employed;

28 (B) Vendors may allow differentials in compensation for its
29 workers based in good faith on any of the following:

30 (I) A seniority system; a merit system; a system that measures
31 earnings by quantity or quality of production; a bona fide job-
32 related factor or factors; or a bona fide regional difference in
33 compensation levels.

34 (II) A bona fide job-related factor or factors may include, but
35 not be limited to, education, training, or experience, that is:
36 Consistent with business necessity; not based on or derived from a
37 gender-based differential; and accounts for the entire differential.

1 (III) A bona fide regional difference in compensation level must
2 be: Consistent with business necessity; not based on or derived from
3 a gender-based differential; and account for the entire differential.

4 (ii) The provision must allow for the termination of the contract
5 if the department or department of enterprise services determines
6 that the vendor is not in compliance with this agreement or contract
7 term.

8 (iii) The department must implement this provision with any new
9 contract and at the time of renewal of any existing contract.

(End of part)

PART III
NATURAL RESOURCES

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

General Fund—State Appropriation (FY 2018)	\$485,000
General Fund—State Appropriation (FY 2019)	\$507,000
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	\$960,000
TOTAL APPROPRIATION.	\$1,984,000

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

General Fund—State Appropriation (FY 2018)	\$20,877,000
General Fund—State Appropriation (FY 2019)	\$21,411,000
General Fund—Federal Appropriation	\$106,575,000
General Fund—Private/Local Appropriation	\$23,028,000
Reclamation Account—State Appropriation	\$4,106,000
Flood Control Assistance Account—State Appropriation	\$2,175,000
State Emergency Water Projects Revolving Account—State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State Appropriation	\$13,736,000
State Drought Preparedness Account—State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	\$164,000
Aquatic Algae Control Account—State Appropriation	\$522,000
Water Rights Tracking System Account—State Appropriation	\$47,000
Site Closure Account—State Appropriation	\$582,000
Wood Stove Education and Enforcement Account—State Appropriation	\$560,000
Worker and Community Right-to-Know Account—State Appropriation	\$1,872,000
Water Rights Processing Account—State Appropriation	\$39,000
State Toxics Control Account—State Appropriation	\$147,806,000
State Toxics Control Account—Private/Local Appropriation	\$499,000
Local Toxics Control Account—State Appropriation	\$4,845,000
Water Quality Permit Account—State Appropriation	\$44,119,000
Underground Storage Tank Account—State Appropriation	\$3,635,000

1	Biosolids Permit Account—State Appropriation	\$2,207,000
2	Environmental Legacy Stewardship Account—State	
3	Appropriation	\$41,259,000
4	Hazardous Waste Assistance Account—State	
5	Appropriation	\$6,466,000
6	Radioactive Mixed Waste Account—State Appropriation	\$18,170,000
7	Air Pollution Control Account—State Appropriation	\$3,437,000
8	Oil Spill Prevention Account—State Appropriation	\$8,469,000
9	Air Operating Permit Account—State Appropriation	\$3,787,000
10	Freshwater Aquatic Weeds Account—State Appropriation	\$1,460,000
11	Oil Spill Response Account—State Appropriation	\$7,076,000
12	Water Pollution Control Revolving Administration	
13	Account—State Appropriation	\$3,601,000
14	TOTAL APPROPRIATION.	\$492,774,000

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

17 (1) \$170,000 of the oil spill prevention account—state
18 appropriation is provided solely for a contract with the University
19 of Washington's sea grant program to continue an educational program
20 targeted to small spills from commercial fishing vessels, ferries,
21 cruise ships, ports, and marinas.

22 (2)(a) The department must submit a report to the appropriate
23 committees of the legislature by October 1, 2017, regarding the
24 status of:

25 (i) The development of a supplemental environmental impact
26 statement that builds upon the April, 2015 publication: Final
27 Environmental Impact Statement Control of Burrowing Shrimp Using
28 Imidacloprid on Commercial Oyster and Clam Beds in Willapa Bay and
29 Grays Harbor, Washington, published by the department; and

30 (ii) The issuance of a general national pollutant discharge
31 elimination system waste discharge permit allowing the use of
32 Imidacloprid to control burrowing shrimp;

33 (b) If the department of ecology has not completed the
34 supplemental environmental impact statement in (a)(i) of this
35 subsection, or issued the general permit under (a)(ii) of this
36 subsection, by August 1, 2017, the report to the legislature required
37 by (a) of this subsection must include a description of the status of
38 the supplemental environmental impact statement and general permit,
39 and a detailed description of steps to be undertaken by the

1 department to ensure that the supplemental environmental impact
2 statement has been completed and the general permit has been issued
3 in time to allow oyster growers to rely on the general permit during
4 the 2018 season, or of the steps to be undertaken by the department
5 to ensure that another equally viable and economically feasible
6 option for the control of burrowing shrimp is available to oyster
7 growers in Willapa Bay and Grays Harbor for use during the 2018
8 growing season.

9 (3) \$15,000,000 of the general fund—state appropriation for
10 fiscal year 2018 and \$15,000,000 of the general fund—state
11 appropriation for fiscal year 2019 are provided solely for activities
12 within the water resources program.

13 (4) \$228,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$227,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for the department to grant to
16 the northwest straits commission to distribute equally among the
17 seven Puget Sound marine resource committees.

18 (5) Within existing resources, the department of ecology must
19 engage stakeholders in a revision of WSR 13-22-073, rule amendments
20 to chapter 173-350 WAC, to revise the proposed rule and submit a
21 report to the senate local government and energy, environment, and
22 telecommunications committees and the house of representatives local
23 government and environment committees by September 1, 2017. The
24 report must include a summary of areas of consensus and dispute,
25 proposed resolution of disputes, a list of engaged stakeholders, a
26 proposed timeline for potential rule adoption, and the most recent
27 draft of proposed amendment language, if any.

28 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
29 **COMMISSION**

30	General Fund—State Appropriation (FY 2018)	\$9,645,000
31	General Fund—State Appropriation (FY 2019)	\$9,945,000
32	General Fund—Federal Appropriation	\$6,981,000
33	Winter Recreation Program Account—State Appropriation	\$3,293,000
34	ORV and Nonhighway Vehicle Account—State Appropriation	\$232,000
35	Snowmobile Account—State Appropriation	\$5,633,000
36	Aquatic Lands Enhancement Account—State Appropriation	\$367,000
37	Outdoor Education and Recreation Account—State	
38	Appropriation.	\$1,500,000

1	Recreation Access Pass Account—State Appropriation.	\$50,000
2	Parks Renewal and Stewardship Account—State	
3	Appropriation	\$124,759,000
4	Parks Renewal and Stewardship Account—Private/Local	
5	Appropriation	\$318,000
6	TOTAL APPROPRIATION.	\$162,723,000

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

9 (1) \$129,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$129,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for a grant for the operation of
12 the Northwest weather and avalanche center.

13 (2) \$100,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$100,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for the commission to pay
16 assessments charged by local improvement districts.

17 (3) \$700,000 of the parks renewal and stewardship account—state
18 appropriation is provided solely for the commission to replace 32
19 existing automated pay stations and to install 38 additional
20 automated pay stations within state parks.

21 (4) \$500,000 of the outdoor education and recreation account—
22 state appropriation is provided solely for the commission to partner
23 with organizations that have at least one veteran on staff in
24 implementation of the no child left inside program.

25 (5) \$50,000 of the recreation access pass account—state
26 appropriation is provided solely for the commission, using its
27 authority under RCW 79A.05.055(3) and in partnership with the
28 department of fish and wildlife and the department of natural
29 resources, to coordinate a process to develop options and
30 recommendations to improve consistency, equity, and simplicity in
31 recreational access fee systems while accounting for the fiscal
32 health and stability of public land management. The process must be
33 collaborative and include other relevant agencies and appropriate
34 stakeholders. The commission must contract with the William D.
35 Ruckelshaus Center or another neutral third party to facilitate
36 meetings and discussions with parties involved in the process and
37 provide a report to the appropriate committees of the legislature by
38 December 1, 2017. The process must analyze and make recommendations
39 on:

1 (a) Opportunities for federal and state recreational permit fee
2 coordination, including the potential for developing a system that
3 allows a single pass to provide access to federal and state lands;

4 (b) Opportunities to enhance consistency in the way state and
5 federal recreational access fees apply to various types of
6 recreational users, including those that travel to public lands by
7 motor vehicle, boat, bicycle, foot, or another method; and

8 (c) Opportunities to develop a comprehensive and consistent
9 statewide approach to recreational fee discounts and exemptions to
10 social and other groups including, but not limited to, disabled
11 persons, seniors, disabled veterans, foster families, low-income
12 residents, and volunteers. This analysis must examine the cost of
13 such a program, and should consider how recreational fee discounts
14 fit into the broader set of benefits provided by the state to these
15 social groups. This includes a review of the efficacy, purpose, and
16 cost of existing recreational fee discounts and exemptions, as well
17 as opportunities for new or modified social group discounts and
18 exemptions. The department of veterans affairs and the department of
19 social and health services must be included in this portion of the
20 process.

21 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
22 **FUNDING BOARD**

23	General Fund—State Appropriation (FY 2018)	\$1,441,000
24	General Fund—State Appropriation (FY 2019)	\$1,398,000
25	General Fund—Federal Appropriation	\$3,646,000
26	General Fund—Private/Local Appropriation	\$24,000
27	Aquatic Lands Enhancement Account—State Appropriation . . .	\$495,000
28	Firearms Range Account—State Appropriation	\$37,000
29	Recreation Resources Account—State Appropriation	\$3,615,000
30	NOVA Program Account—State Appropriation	\$1,054,000
31	TOTAL APPROPRIATION.	\$11,710,000

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

34 (1) \$156,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$156,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for the board to grant to the
37 Nisqually River Foundation for implementation of the Nisqually
38 watershed stewardship plan.

1 (2) \$375,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$375,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the salmon recovery funding
4 board to grant to the Hood Canal coordinating council for the sole
5 purpose of conducting an ecosystem impact assessment on the Hood
6 Canal. The assessment is to study any causal relationship between the
7 Hood Canal bridge and migrating steelhead and salmon.

8 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
9 **HEARINGS OFFICE**

10	General Fund—State Appropriation (FY 2018)	\$2,318,000
11	General Fund—State Appropriation (FY 2019)	\$2,375,000
12	TOTAL APPROPRIATION.	\$4,693,000

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

14	General Fund—State Appropriation (FY 2018)	\$7,301,000
15	General Fund—State Appropriation (FY 2019)	\$7,264,000
16	General Fund—Federal Appropriation	\$2,301,000
17	Public Works Assistance Account—State Appropriation.	\$7,620,000
18	State Toxics Control Account—State Appropriation	\$1,000,000
19	TOTAL APPROPRIATION.	\$25,486,000

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

22 (1) \$7,602,000 of the public works assistance account—state
23 appropriation is provided solely for implementation of the voluntary
24 stewardship program. This amount may not be used to fund agency
25 indirect and administrative expenses.

26 (2)(a) \$50,000 of the general fund—state appropriation for fiscal
27 year 2018 is provided solely for the commission to convene and
28 facilitate a food policy forum. The director of the commission is
29 responsible for appointing participating members of the food policy
30 forum in consultation with the director of the department of
31 agriculture. In making appointments, the director of the commission
32 must attempt to ensure a diversity of knowledge, experience, and
33 perspectives by building on the representation established by the
34 food system roundtable initiated by executive order No. 10-02.

35 (b) In addition to members appointed by the director of the state
36 conservation commission, four legislators may serve on the food

1 policy forum in an ex officio capacity. Legislative participants must
2 be appointed as follows:

3 (i) The speaker of the house of representatives shall appoint one
4 member from each of the two largest caucuses of the house of
5 representatives; and

6 (ii) The president of the senate shall appoint one member from
7 each of the two largest caucuses of the senate.

8 (c) The commission shall coordinate with the office of farmland
9 preservation and the department of agriculture to avoid duplication
10 of effort. The commission must report to the appropriate committees
11 of the legislature, consistent with RCW 43.01.036, with the forum's
12 recommendations by October 31, 2018.

13 (3) \$375,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$375,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for grants and technical
16 assistance. Of the amounts provided in this subsection, \$125,000 in
17 each fiscal year is provided solely for activities related to water
18 quality improvements and fecal coliform DNA speciation statewide.

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

20	General Fund—State Appropriation (FY 2018)	\$46,860,000
21	General Fund—State Appropriation (FY 2019)	\$46,483,000
22	General Fund—Federal Appropriation	\$118,809,000
23	General Fund—Private/Local Appropriation	\$63,920,000
24	ORV and Nonhighway Vehicle Account—State Appropriation	\$437,000
25	Aquatic Lands Enhancement Account—State	
26	Appropriation	\$10,460,000
27	Recreational Fisheries Enhancement—State	
28	Appropriation	\$3,084,000
29	Warm Water Game Fish Account—State Appropriation	\$2,773,000
30	Eastern Washington Pheasant Enhancement Account—State	
31	Appropriation	\$675,000
32	State Wildlife Account—State Appropriation	\$118,033,000
33	Special Wildlife Account—State Appropriation	\$71,000
34	Special Wildlife Account—Federal Appropriation	\$505,000
35	Special Wildlife Account—Private/Local Appropriation	\$3,576,000
36	Wildlife Rehabilitation Account—State Appropriation	\$361,000
37	Ballast Water Management Account—State Appropriation	\$10,000
38	Hydraulic Project Approval Account—State Appropriation	\$690,000

1	Environmental Legacy Stewardship Account—State	
2	Appropriation	\$2,765,000
3	Regional Fisheries Enhancement Salmonid Recovery Account—	
4	Federal Appropriation	\$5,001,000
5	Oil Spill Prevention Account—State Appropriation	\$1,122,000
6	Oyster Reserve Land Account—State Appropriation	\$527,000
7	Performance Audits of Government Account—State	
8	Appropriation.	\$325,000
9	Aquatic Invasive Species Management Account—State	
10	Appropriation.	\$1,658,000
11	TOTAL APPROPRIATION.	\$428,145,000

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

14 (1) \$467,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$467,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely to pay for emergency fire
17 suppression costs. These amounts may not be used to fund agency
18 indirect and administrative expenses.

19 (2) \$1,098,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$1,098,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for payments in lieu of real
22 property taxes to counties that elect to receive the payments for
23 department-owned game lands within the county.

24 (3) \$415,000 of the general fund—state appropriation for fiscal
25 year 2018, \$415,000 of the general fund—state appropriation for
26 fiscal year 2019, and \$440,000 of the general fund—federal
27 appropriation are provided solely for county assessments.

28 (4) Prior to submitting its 2019-2021 biennial operating and
29 capital budget requests related to state fish hatcheries to the
30 office of financial management, the department shall contract with
31 the hatchery scientific review group (HSRG) to review the proposed
32 requests. This review shall: (a) Determine if the proposed requests
33 are consistent with HSRG recommendations; (b) prioritize the
34 components of the requests based on their contributions to protecting
35 wild salmonid stocks and meeting the recommendations of the HSRG; and
36 (c) evaluate whether the proposed requests are being made in the most
37 cost-effective manner. The department shall provide a copy of the
38 HSRG review to the office of financial management with its agency
39 budget proposal.

1 (5) \$400,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$400,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for a state match to support the
4 Puget Sound nearshore partnership between the department and the
5 United States army corps of engineers. Prior to implementation of any
6 Puget Sound nearshore ecosystem restoration projects in Whatcom
7 county, the department must consult with and seek, to the maximum
8 extent practicable, consensus on those projects among appropriate
9 landowners, federally recognized Indian tribes, agencies, and
10 community and interest groups.

11 (6) Within the amounts appropriated in this section, the
12 department shall identify additional opportunities for partnerships
13 in order to keep fish hatcheries operational. Such partnerships shall
14 aim to maintain fish production and salmon recovery with less
15 reliance on state operating funds.

16 (7) \$525,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$425,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for training for a work unit to
19 engage and empower diverse stakeholders in decisions about fish and
20 wildlife, and the continued conflict transformation with the wolf
21 advisory group. The department shall cooperate with the department of
22 agriculture to shift the responsibility of implementing cost-sharing
23 contracts with livestock producers to use nonlethal actions to
24 minimize livestock loss from wolves and other carnivores to the
25 department of agriculture.

26 (8) \$1,259,000 of the state wildlife account—state appropriation
27 is provided solely for the fish program, including implementation of
28 Substitute House Bill No. 1597 (commercial fishing). If the bill is
29 not enacted by July 31, 2017, the amount provided in this subsection
30 shall lapse.

31 (9) \$1,630,000 of the aquatic invasive species management
32 account, \$600,000 of the general fund—federal appropriation, \$62,000
33 of the state wildlife account—state appropriation, and \$10,000 of the
34 ballast water management account—state appropriation are provided
35 solely for activities related to aquatic invasive species, including
36 implementation of Substitute House Bill No. 1429 or Substitute Senate
37 Bill No. 5303 (aquatic invasive species). If neither bill is enacted
38 by July 31, 2017, the amounts provided in this subsection shall
39 lapse.

1 (10) Within amounts provided in this section, the department must
2 consult with affected tribes and landowners in Skagit county to
3 develop and implement a plan designed to address elk-related
4 agricultural damage and vehicular collisions by using all available
5 and appropriate methods including, but not limited to, cooperative
6 fencing projects and harvest in order to minimize elk numbers on
7 private lands and maximize the number of elk located on state and
8 federal lands. The plan must be implemented by September 1, 2018.

9 (11) Within the appropriations of this section, the department
10 shall initiate outreach with recreational fishing stakeholders so
11 that recreational fishing guide and non-guided angler data can be
12 collected and analyzed to evaluate changes in the structure of guide
13 licensing, with the objectives of: (a) Improving the fishing
14 experience and ensuring equitable opportunity for both guided and
15 non-guided river anglers, (b) managing fishing pressure to protect
16 wild steelhead and other species; and (c) ensuring that recreational
17 fish guiding remains a sustainable economic contributor to rural
18 economies. The department shall convene public meetings in the North
19 Olympic Peninsula and Klickitat River areas, and may include other
20 areas of the state, and shall provide the appropriate standing
21 committees of the legislature a summary of its findings, by December
22 31, 2017.

23 (12) \$450,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$450,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the department to grant to
26 the regional fisheries enhancement groups.

27 (13)(a) \$5,500,000 of the general fund—state appropriation for
28 fiscal year 2018, \$5,500,000 of the general fund—state appropriation
29 for fiscal year 2019, and \$325,000 of the performance audits of
30 government account—state appropriation are provided solely as one-
31 time funding to support the department in response to its budget
32 shortfall. In order to address this shortfall on a long-term basis,
33 the department must develop a plan for balancing projected revenue
34 and expenditures and improving the efficiency and effectiveness of
35 agency operations, including:

36 (i) Expenditure reduction options that maximize administrative
37 and organizational efficiencies and savings, while avoiding hatchery
38 closures and minimizing impacts to fisheries and hunting
39 opportunities; and

1 (ii) Additional revenue options and an associated outreach plan
2 designed to ensure that the public, stakeholders, the commission, and
3 legislators have the opportunity to understand and impact the design
4 of the revenue options.

5 (iii) The range of options created under (a)(i) and (ii) of this
6 subsection must be prioritized by impact on achieving financial
7 stability, impact on the public and fisheries and hunting
8 opportunities, and on timeliness and ability to achieve intended
9 outcomes.

10 (b) In consultation with the office of financial management, the
11 department must consult with an outside management consultant to
12 evaluate and implement efficiencies to the agency's operations and
13 management practices. Specific areas of evaluation must include:

14 (i) Potential inconsistencies and increased costs associated with
15 the decentralized nature of organizational authority and operations;

16 (ii) The department's budgeting and accounting processes,
17 including work done at the central, program, and region levels, with
18 specific focus on efficiencies to be gained by centralized budget
19 control;

20 (iii) Executive management, program management, and regional
21 management structures, specifically addressing accountability.

22 (c) In carrying out these planning requirements, the department
23 must provide quarterly updates to the commission, office of financial
24 management, and appropriate legislative committees. The department
25 must provide a final summary of its process and plan by May 1, 2018.

26 (d) The department, in cooperation with the office of financial
27 management shall conduct a zero-based budget review of its operating
28 budget and activities to be submitted with the department's 2019-2021
29 biennial budget submittal. Information and analysis submitted by the
30 department for the zero-based review under this subsection shall
31 include:

32 (i) A statement of the statutory basis or other basis for the
33 creation of each program and the history of each program that is
34 being reviewed;

35 (ii) A description of how each program fits within the strategic
36 plan and goals of the agency and an analysis of the quantified
37 objectives of each program within the agency;

38 (iii) Any available performance measures indicating the
39 effectiveness and efficiency of each program;

1 (iv) A description with supporting cost and staffing data of each
2 program and the populations served by each program, and the level of
3 funding and staff required to accomplish the goals of the program if
4 different than the actual maintenance level;

5 (v) An analysis of the major costs and benefits of operating each
6 program and the rationale for specific expenditure and staffing
7 levels;

8 (vi) An analysis estimating each program's administrative and
9 other overhead costs;

10 (vii) An analysis of the levels of services provided; and

11 (viii) An analysis estimating the amount of funds or benefits
12 that actually reach the intended recipients.

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

14	General Fund—State Appropriation (FY 2018)	\$48,463,000
15	General Fund—State Appropriation (FY 2019)	\$48,264,000
16	General Fund—Federal Appropriation	\$27,329,000
17	General Fund—Private/Local Appropriation	\$2,372,000
18	Forest Development Account—State Appropriation	\$56,643,000
19	ORV and Nonhighway Vehicle Account—State	
20	Appropriation	\$8,449,000
21	Surveys and Maps Account—State Appropriation	\$3,462,000
22	Aquatic Lands Enhancement Account—State	
23	Appropriation	\$13,262,000
24	Resources Management Cost Account—State	
25	Appropriation	\$121,559,000
26	Surface Mining Reclamation Account—State	
27	Appropriation	\$4,130,000
28	Disaster Response Account—State Appropriation.	\$23,076,000
29	Forest and Fish Support Account—State Appropriation. . .	\$12,790,000
30	Aquatic Land Dredged Material Disposal Site Account—State	
31	Appropriation.	\$400,000
32	Natural Resources Conservation Areas Stewardship Account—State	
33	Appropriation	\$34,000
34	State Toxics Control Account—State Appropriation.	\$10,705,000
35	Forest Practices Application Account—State	
36	Appropriation	\$2,158,000
37	Air Pollution Control Account—State Appropriation	\$872,000
38	NOVA Program Account—State Appropriation	\$734,000

1	Derelict Vessel Removal Account—State Appropriation. . . .	\$1,946,000
2	Community Forest Trust Account—State Appropriation.	\$52,000
3	Agricultural College Trust Management Account—State	
4	Appropriation	\$3,056,000
5	TOTAL APPROPRIATION.	\$389,756,000

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

8 (1) \$1,420,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$1,352,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for deposit into the
11 agricultural college trust management account and are provided solely
12 to manage approximately 70,700 acres of Washington State University's
13 agricultural college trust lands.

14 (2) \$16,546,000 of the general fund—state appropriation for
15 fiscal year 2018, \$16,546,000 of the general fund—state appropriation
16 for fiscal year 2019, and \$16,050,000 of the disaster response
17 account—state appropriation are provided solely for emergency fire
18 suppression. The general fund—state appropriations provided in this
19 subsection may not be used to fund the department's indirect and
20 administrative expenses. The department's indirect and administrative
21 costs shall be allocated among its remaining accounts and
22 appropriations.

23 (3) \$5,000,000 of the forest and fish support account—state
24 appropriation is provided solely for outcome-based performance
25 contracts with tribes to participate in the implementation of the
26 forest practices program. Contracts awarded may only contain indirect
27 costs set at or below the rate in the contracting tribe's indirect
28 cost agreement with the federal government. If federal funding for
29 this purpose is reinstated, the amount provided in this subsection
30 shall lapse.

31 (4) \$1,640,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$1,640,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the department to carry out
34 the forest practices adaptive management program pursuant to RCW
35 76.09.370 and the May 24, 2012, settlement agreement entered into by
36 the department and the department of ecology. Scientific research
37 must be carried out according to the master project schedule and work
38 plan of cooperative monitoring, evaluation, and research priorities
39 adopted by the forest practices board. The forest practices board

1 shall submit a report to the legislature following review, approval,
2 and solicitation of public comment on the cooperative monitoring,
3 evaluation, and research master project schedule, to include:
4 Cooperative monitoring, evaluation, and research science and related
5 adaptive management expenditure details, accomplishments, the use of
6 cooperative monitoring, evaluation, and research science in decision-
7 making, and funding needs for the coming biennium. For new or amended
8 forest practices rules adopted or new or amended board manual
9 provisions approved under chapter 76.09 RCW, the forest practices
10 board shall also report on its evaluation of the scientific basis for
11 the rule or board manual provisions including a technical assessment
12 of the value-added benefits for aquatic resources and the
13 corresponding economic impact to the regulated community from the
14 rule or board manual. The report shall be provided to the appropriate
15 committees of the legislature by November 1, 2018.

16 (5) \$147,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$147,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for chapter 280, Laws of 2017
19 (ESHB 2010) (homelessness/wildfire areas), including local capacity
20 for wildfire suppression in any county located east of the crest of
21 the Cascade mountain range that shares a common border with Canada
22 and has a population of one hundred thousand or fewer. The funding
23 provided in this subsection must be provided to these counties for
24 radio communication equipment, or to fire protection service
25 providers within these counties for residential wildfire risk
26 reduction activities, including education and outreach, technical
27 assistance, fuel mitigation, and other residential risk reduction
28 measures. For the purposes of this subsection, fire protection
29 service providers include fire departments, fire districts, emergency
30 management services, and regional fire protection service
31 authorities. The department must prioritize funding to counties
32 authorized in this subsection, and fire protection service providers
33 within those counties that serve a disproportionately higher
34 percentage of low-income residents as defined in RCW 84.36.042, that
35 are located in areas of higher wildfire risk, and whose fire
36 protection service providers have a shortage of reliable equipment
37 and resources. Of the amount provided in this subsection, \$7,000 per
38 fiscal year is provided for department administration costs.

1 (6) Sufficient funding is provided in this section and the
2 capital appropriations act to implement chapter 248, Laws of 2017
3 (E2SHB 1711) (forest health treatments).

4 (7) \$211,000 of the general fund—state appropriation for fiscal
5 year 2018 is provided solely for implementation of chapter 319, Laws
6 of 2017 (ESSB 5198) (fire retardant use). The department shall study
7 and report on the types and efficacy of fire retardants used in fire
8 suppression activities, their potential impact on human health and
9 natural resources, and make recommendations to the legislature by
10 December 31, 2017.

11 (8) \$505,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$486,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for implementation of chapter
14 95, Laws of 2017 (2SSB 5546) (forest health treatment assessment).
15 The department shall establish a forest health assessment and
16 treatment framework that consists of biennial forest health
17 assessments, treatments, and progress review and reporting.

18 (9) \$150,000 of the aquatic lands enhancement account—state
19 appropriation is provided solely for continued facilitation and
20 support services for the marine resources advisory council.

21 (10) \$250,000 of the aquatic lands enhancement account—state
22 appropriation is provided solely for implementation of the state
23 marine management plan and ongoing costs of the Washington coastal
24 marine advisory council to serve as a forum and provide
25 recommendations on coastal management issues.

26 (11) \$406,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$350,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for Teanaway community forest
29 operations management costs, such as management plan oversight and
30 forest health.

31 (12) \$150,000 of the state toxics control account—state
32 appropriation is provided solely for the department to meet its
33 obligations as a potentially liable party under the Washington model
34 toxics control act at Whitmarsh landfill and the east waterway site.

35 (13) \$25,000 of the general fund—state appropriation for fiscal
36 year 2018 is provided solely for conducting an aerial survey of the
37 Washington coast forests to monitor the occurrence and spread of
38 Swiss needle cast disease.

1 (14) \$25,000 of the general fund—state appropriation for fiscal
2 year 2018 is provided solely for the department to grant to the
3 University of Washington, Olympic natural resources center to develop
4 a plan to mitigate the effects of Swiss needle cast disease on
5 douglas fir tree species.

6 (15) Within existing resources, the department, in collaboration
7 with the emergency management division of the military department,
8 must develop agreements with other state agencies to recruit state
9 employees to voluntarily participate in the wildfire suppression
10 program. Other agency staff are eligible to receive training, fire
11 gear, and any other necessary items to be ready for deployment to
12 fight wildfires when called. The department shall cover agency staff
13 costs directly or through reimbursement and must submit a request for
14 an appropriation in the next legislative session to fulfill this
15 requirement. The department must provide a report detailing the
16 opportunities, challenges, and recommendations for increasing state
17 employee voluntary participation in the wildfire suppression program
18 to the appropriate committees of the legislature by December 1, 2017.

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

20	General Fund—State Appropriation (FY 2018)	\$17,281,000
21	General Fund—State Appropriation (FY 2019)	\$17,525,000
22	General Fund—Federal Appropriation	\$31,424,000
23	General Fund—Private/Local Appropriation	\$193,000
24	Aquatic Lands Enhancement Account—State Appropriation	\$2,565,000
25	State Toxics Control Account—State Appropriation	\$5,534,000
26	Water Quality Permit Account—State Appropriation	\$73,000
27	TOTAL APPROPRIATION.	\$74,595,000

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

30 (1) \$6,108,445 of the general fund—state appropriation for fiscal
31 year 2018 and \$6,102,905 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for implementing the food
33 assistance program as defined in RCW 43.23.290.

34 (2) Within amounts appropriated in this section, the department
35 shall provide to the department of health, where available, the
36 following data for all nutrition assistance programs that are funded
37 by the United States department of agriculture and administered by
38 the department. The department must provide the report for the

1 preceding federal fiscal year by February 1, 2018, and February 1,
2 2019. The report must provide:

3 (a) The number of people in Washington who are eligible for the
4 program;

5 (b) The number of people in Washington who participated in the
6 program;

7 (c) The average annual participation rate in the program;

8 (d) Participation rates by geographic distribution; and

9 (e) The annual federal funding of the program in Washington.

10 (3) \$132,000 of the general fund—state appropriation for fiscal
11 year 2019 is provided solely for the department to fund an
12 aquaculture coordinator. The aquaculture coordinator will work with
13 shellfish growers and federal, state, and local governments to
14 improve the efficiency and effectiveness of shellfish farm
15 permitting. Many of those improvements will come directly from the
16 shellfish interagency permitting team recommendations.

17 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
18 **INSURANCE PROGRAM**

19 Underground Storage Tank Revolving Account—State

20	Appropriation	\$10,000
21	Pollution Liability Insurance Program Trust Account—State	
22	Appropriation	\$1,338,000
23	TOTAL APPROPRIATION.	\$1,348,000

24 NEW SECTION. **Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

25	General Fund—State Appropriation (FY 2018)	\$2,922,000
26	General Fund—State Appropriation (FY 2019)	\$2,668,000
27	General Fund—Federal Appropriation	\$8,102,000
28	Aquatic Lands Enhancement Account—State	
29	Appropriation.	\$1,420,000
30	State Toxics Control Account—State Appropriation	\$721,000
31	TOTAL APPROPRIATION.	\$15,833,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: By October 15, 2018, the Puget Sound
34 partnership shall provide the governor a single, prioritized list of
35 state agency 2019-2021 capital and operating budget requests related
36 to Puget Sound restoration.

(End of part)

PART IV
TRANSPORTATION

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

4	General Fund—State Appropriation (FY 2018)	\$1,460,000
5	General Fund—State Appropriation (FY 2019)	\$1,530,000
6	Architects' License Account—State Appropriation	\$995,000
7	Professional Engineers' Account—State Appropriation	\$3,922,000
8	Real Estate Commission Account—State Appropriation	\$11,045,000
9	Uniform Commercial Code Account—State Appropriation	\$3,448,000
10	Real Estate Education Program Account—State	
11	Appropriation	\$276,000
12	Real Estate Appraiser Commission Account—State	
13	Appropriation.	\$1,870,000
14	Business and Professions Account—State Appropriation	\$19,302,000
15	Real Estate Research Account—State Appropriation	\$415,000
16	Geologists' Account—State Appropriation	\$53,000
17	Derelict Vessel Removal Account—State Appropriation.	\$33,000
18	CPL Renewal Notification Account—State Appropriation.	\$183,000
19	Firearms Range Account—State Appropriation.	\$75,000
20	TOTAL APPROPRIATION.	\$44,607,000

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

23 (1) \$105,000 of the business and professions account
24 appropriation is provided solely to implement chapter 46, Laws of
25 2017 (SHB 1420) (theatrical wrestling).

26 (2) \$183,000 of the concealed pistol license renewal notification
27 account appropriation and \$75,000 of the firearms range account
28 appropriation are provided solely to implement chapter 74, Laws of
29 2017 (SHB 1100) (concealed pistol license) and chapter 282, Laws of
30 2017 (SB 5268) (concealed pistol license notices).

31 (3) \$198,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$11,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for costs related to sending
34 notices to persons to encourage the renewal of vessel registrations.

NEW SECTION. Sec. 402. FOR THE STATE PATROL

35	General Fund—State Appropriation (FY 2018)	\$44,994,000
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1	General Fund—State Appropriation (FY 2019)	\$45,986,000
2	General Fund—Federal Appropriation	\$16,260,000
3	General Fund—Private/Local Appropriation	\$3,085,000
4	Death Investigations Account—State Appropriation	\$7,087,000
5	County Criminal Justice Assistance Account—State	
6	Appropriation	\$3,755,000
7	Municipal Criminal Justice Assistance Account—State	
8	Appropriation	\$1,521,000
9	Fire Service Trust Account—State Appropriation	\$131,000
10	Vehicle License Fraud Account—State Appropriation	\$110,000
11	Disaster Response Account—State Appropriation	\$8,000,000
12	Fire Service Training Account—State Appropriation	\$11,126,000
13	Aquatic Invasive Species Management Account—State	
14	Appropriation	\$54,000
15	State Toxics Control Account—State Appropriation	\$549,000
16	Fingerprint Identification Account—State Appropriation	\$15,768,000
17	TOTAL APPROPRIATION.	\$158,426,000

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

20 (1) \$270,000 of the fire service training account—state
21 appropriation is provided solely for two FTEs in the office of the
22 state director of fire protection to exclusively review K-12
23 construction documents for fire and life safety in accordance with
24 the state building code. It is the intent of this appropriation to
25 provide these services only to those districts that are located in
26 counties without qualified review capabilities.

27 (2) \$8,000,000 of the disaster response account—state
28 appropriation is provided solely for Washington state fire service
29 resource mobilization costs incurred in response to an emergency or
30 disaster authorized under RCW 43.43.960 through 43.43.964. The state
31 patrol shall submit a report quarterly to the office of financial
32 management and the legislative fiscal committees detailing
33 information on current and planned expenditures from this account.
34 This work shall be done in coordination with the military department.

35 (3) \$700,000 of the fire service training account—state
36 appropriation is provided solely for the firefighter apprenticeship
37 training program.

1 (4) \$41,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$41,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of chapter
4 272, Laws of 2017 (E2SHB 1163) (domestic violence).

5 (5) \$125,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$116,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for implementation of chapter
8 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

9 (6) \$104,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$90,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for implementation of chapter
12 308, Laws of 2017 (SHB 1863) (fire incident reporting system).

13 (7) \$3,421,000 of the fingerprint identification account—state
14 appropriation is provided solely for the completion of the state
15 patrol's plan to upgrade the criminal history system, and is subject
16 to the conditions, limitations, and review provided in section 724 of
17 this act.

18 (8) \$1,039,000 of the fingerprint identification account—state
19 appropriation is provided solely for the implementation of a sexual
20 assault kit tracking database project and is subject to the
21 conditions, limitations, and review provided in section 724 of this
22 act.

(End of part)

PART V
EDUCATION

NEW SECTION. **Sec. 501.** **FOR THE SUPERINTENDENT OF PUBLIC
INSTRUCTION**

General Fund—State Appropriation (FY 2018)	\$49,844,000
General Fund—State Appropriation (FY 2019)	\$47,888,000
General Fund—Federal Appropriation	\$68,460,000
General Fund—Private/Local Appropriation	\$8,051,000
Washington Opportunity Pathways Account—State Appropriation	\$584,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	\$513,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$516,000
Performance Audits of Government Account—State Appropriation	\$211,000
TOTAL APPROPRIATION.	\$176,067,000

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

(1) \$10,437,000 of the general fund—state appropriation for fiscal year 2018 and \$11,112,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(a) The superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(b) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(c) By September of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of state staff funded by the proviso, number of contractors, status

1 of proviso implementation, number of beneficiaries by year, list of
2 beneficiaries, a comparison of budgeted funding and actual
3 expenditures, other sources and amounts of funding, and proviso
4 outcomes and achievements.

5 (d) The superintendent of public instruction, in consultation
6 with the secretary of state, shall update the program prepared and
7 distributed under RCW 28A.230.150 for the observation of temperance
8 and good citizenship day to include providing an opportunity for
9 eligible students to register to vote at school.

10 (e) Districts shall annually report to the office of the
11 superintendent of public instruction on: (i) The annual number of
12 graduating high school seniors within the district earning the
13 Washington state seal of biliteracy provided in RCW 28A.300.575; and
14 (ii) the number of high school students earning competency-based high
15 school credits for world languages by demonstrating proficiency in a
16 language other than English. The office of the superintendent of
17 public instruction shall provide a summary report to the office of
18 the governor and the appropriate committees of the legislature by
19 December 1st of each year.

20 (2) \$3,857,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$3,857,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for activities associated with
23 the implementation of House Bill No. 2242 (fully funding the program
24 of basic education).

25 (3)(a) \$911,000 of the general fund—state appropriation for
26 fiscal year 2018 and \$911,000 of the general fund—state appropriation
27 for fiscal year 2019 are provided solely for the operation and
28 expenses of the state board of education, including basic education
29 assistance activities.

30 (b) \$322,000 of the Washington opportunity pathways account—state
31 appropriation is provided solely for the state board of education to
32 provide assistance to public schools other than common schools
33 authorized under chapter 28A.710 RCW.

34 (4) \$3,512,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$3,512,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely to the professional educator
37 standards board for the following:

1 (a) \$1,115,000 in fiscal year 2018 and \$1,115,000 in fiscal year
2 2019 are for the operation and expenses of the Washington
3 professional educator standards board;

4 (b) \$2,372,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$2,372,000 of the general fund—state appropriation for
6 fiscal year 2019 are for grants to improve preservice teacher
7 training and for funding of alternate routes to certification
8 programs administered by the professional educator standards board.
9 Alternate routes programs include the pipeline for paraeducators
10 program, the retooling to teach conditional loan programs, and the
11 recruiting Washington teachers program. Priority shall be given to
12 programs that support bilingual teachers and English language
13 learners. Within this subsection (4)(b), up to \$500,000 per fiscal
14 year is available for grants to public or private colleges of
15 education in Washington state to develop models and share best
16 practices for increasing the classroom teaching experience of
17 preservice training programs and \$250,000 is provided solely for the
18 pipeline for paraeducators conditional scholarship program for
19 scholarships for paraeducators to complete their associate of arts
20 degrees in subject matter shortage areas;

21 (c) \$25,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$25,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the professional educator
24 standards board to develop educator interpreter standards and
25 identify interpreter assessments that are available to school
26 districts. Interpreter assessments should meet the following
27 criteria: (A) Include both written assessment and performance
28 assessment; (B) be offered by a national organization of professional
29 sign language interpreters and transliterators; and (C) be designed
30 to assess performance in more than one sign system or sign language.
31 The board shall establish a performance standard, defining what
32 constitutes a minimum assessment result, for each educational
33 interpreter assessment identified. The board shall publicize the
34 standards and assessments for school district use;

35 (d) Within the amounts appropriated in this section, sufficient
36 funding is provided for implementation of chapter 172, Laws of 2017
37 (SHB 1741) (educator prep. data/PESB).

38 (5) \$266,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$266,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the implementation of
2 chapter 240, Laws of 2010, including staffing the office of equity
3 and civil rights.

4 (6) \$61,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$61,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the ongoing work of the
7 education opportunity gap oversight and accountability committee.

8 (7) \$61,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$61,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for the implementation of
11 chapter 380, Laws of 2009 (enacting the interstate compact on
12 educational opportunity for military children).

13 (8) \$262,000 of the Washington opportunity pathways account—state
14 appropriation is provided solely for activities related to public
15 schools other than common schools authorized under chapter 28A.710
16 RCW.

17 (9) \$1,802,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$1,802,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for implementing a comprehensive
20 data system to include financial, student, and educator data,
21 including development and maintenance of the comprehensive education
22 data and research system (CEDARS).

23 (10) \$50,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$50,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for project citizen, a program
26 sponsored by the national conference of state legislatures and the
27 center for civic education to promote participation in government by
28 middle school students.

29 (11) \$1,500,000 of the general fund—state appropriation for
30 fiscal year 2018 is provided solely for collaborative schools for
31 innovation and success authorized under chapter 53, Laws of 2012. The
32 office of the superintendent of public instruction shall award
33 \$500,000 for each collaborative school for innovation and success
34 selected for participation in the pilot program during 2012.

35 (12) \$123,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$123,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for implementation of chapter
38 163, Laws of 2012 (foster care outcomes). The office of the
39 superintendent of public instruction shall annually report each

1 December on the implementation of the state's plan of cross-system
2 collaboration to promote educational stability and improve education
3 outcomes of foster youth.

4 (13) \$250,000 of the general fund—state appropriation for fiscal
5 year 2018 is provided solely for implementation of chapter 178, Laws
6 of 2012 (open K-12 education resources).

7 (14) \$50,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$50,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for school bullying and
10 harassment prevention activities.

11 (15) \$14,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$14,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for implementation of chapter
14 242, Laws of 2013 (state-tribal education compacts).

15 (16) \$62,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$62,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for competitive grants to school
18 districts to increase the capacity of high schools to offer AP
19 computer science courses. In making grant allocations, the office of
20 the superintendent of public instruction must give priority to
21 schools and districts in rural areas, with substantial enrollment of
22 low-income students, and that do not offer AP computer science.
23 School districts may apply to receive either or both of the following
24 grants:

25 (a) A grant to establish partnerships to support computer science
26 professionals from private industry serving on a voluntary basis as
27 coinstructors along with a certificated teacher, including via
28 synchronous video, for AP computer science courses; or

29 (b) A grant to purchase or upgrade technology and curriculum
30 needed for AP computer science, as well as provide opportunities for
31 professional development for classroom teachers to have the requisite
32 knowledge and skills to teach AP computer science.

33 (17) \$10,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$10,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the superintendent of public
36 instruction to convene a committee for the selection and recognition
37 of Washington innovative schools. The committee shall select and
38 recognize Washington innovative schools based on the selection
39 criteria established by the office of the superintendent of public

1 instruction, in accordance with chapter 202, Laws of 2011 (innovation
2 schools—recognition) and chapter 260, Laws of 2011 (innovation
3 schools and zones).

4 (18) \$100,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$100,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the Mobius science center to
7 expand mobile outreach of science, technology, engineering, and
8 mathematics (STEM) education to students in rural, tribal, and low-
9 income communities.

10 (19) \$131,000 of the general fund—state appropriation for fiscal
11 year 2018, \$131,000 of the general fund—state appropriation for
12 fiscal year 2019, and \$211,000 of the performance audits of
13 government account—state appropriation are provided solely for the
14 office of the superintendent of public instruction to perform on-
15 going program reviews of alternative learning experience programs,
16 dropout reengagement programs, and other high risk programs. Findings
17 from the program reviews will be used to support and prioritize the
18 office of the superintendent of public instruction outreach and
19 education efforts that assist school districts in implementing the
20 programs in accordance with statute and legislative intent, as well
21 as to support financial and performance audit work conducted by the
22 office of the state auditor.

23 (20) \$150,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$150,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for youth suicide prevention
26 activities.

27 (21) \$31,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$55,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for the office of the
30 superintendent of public instruction for statewide implementation of
31 career and technical education course equivalency frameworks
32 authorized under RCW 28A.700.070 for math and science. This may
33 include development of additional equivalency course frameworks,
34 course performance assessments, and professional development for
35 districts implementing the new frameworks.

36 (22) \$2,541,000 of the general fund—state appropriation for
37 fiscal year 2018 and \$2,541,000 of the general fund—state
38 appropriation for fiscal year 2019 are provided solely for a corps of
39 nurses located at educational service districts, as determined by the

1 superintendent of public instruction, to be dispatched to the most
2 needy schools to provide direct care to students, health education,
3 and training for school staff.

4 (23) \$300,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$300,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for a nonviolence and ethical
7 leadership training and professional development program provided by
8 the institute for community leadership.

9 (24) \$1,221,000 of the general fund—state appropriation for
10 fiscal year 2018 and \$1,221,000 of the general fund—state
11 appropriation for fiscal year 2019 are provided solely for K-20
12 telecommunications network technical support in the K-12 sector to
13 prevent system failures and avoid interruptions in school utilization
14 of the data processing and video-conferencing capabilities of the
15 network. These funds may be used to purchase engineering and advanced
16 technical support for the network.

17 (25) \$3,940,000 of the general fund—state appropriation for
18 fiscal year 2018 and \$3,940,000 of the general fund—state
19 appropriation for fiscal year 2019 are provided solely for the
20 Washington state achievers scholarship and Washington higher
21 education readiness program. The funds shall be used to: Support
22 community involvement officers that recruit, train, and match
23 community volunteer mentors with students selected as achievers
24 scholars; and to identify and reduce barriers to college for low-
25 income and underserved middle and high school students.

26 (26) \$1,354,000 of the general fund—state appropriation for
27 fiscal year 2018 and \$1,354,000 of the general fund—state
28 appropriation for fiscal year 2019 are provided solely for
29 contracting with a college scholarship organization with expertise in
30 conducting outreach to students concerning eligibility for the
31 Washington college bound scholarship consistent with chapter 405,
32 Laws of 2007.

33 (27) \$410,000 of the general fund—state appropriation for fiscal
34 year 2018, \$280,000 of the general fund—state appropriation for
35 fiscal year 2019, and \$1,029,000 of the dedicated marijuana account—
36 state appropriation are provided solely for dropout prevention,
37 intervention, and reengagement programs, including the jobs for
38 America's graduates (JAG) program, dropout prevention programs that
39 provide student mentoring, and the building bridges statewide

1 program. Students in the foster care system or who are homeless shall
2 be given priority by districts offering the jobs for America's
3 graduates program. The office of the superintendent of public
4 instruction shall convene staff representatives from high schools to
5 meet and share best practices for dropout prevention. Of these
6 amounts, \$513,000 of the dedicated marijuana account—state
7 appropriation for fiscal year 2018, and \$516,000 of the dedicated
8 marijuana account—state appropriation for fiscal year 2019 are
9 provided solely for the building bridges statewide program.

10 (28) \$2,984,000 of the general fund—state appropriation for
11 fiscal year 2018 and \$2,590,000 of the general fund—state
12 appropriation for fiscal year 2019 are provided solely for the
13 Washington kindergarten inventory of developing skills. State funding
14 shall support statewide administration and district implementation of
15 the inventory under RCW 28A.655.080.

16 (29) \$293,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$293,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for the office of the
19 superintendent of public instruction to support district
20 implementation of comprehensive guidance and planning programs in
21 support of high-quality high school and beyond plans consistent with
22 RCW 28A.230.090.

23 (30) \$4,894,000 of the general fund—state appropriation for
24 fiscal year 2018 and \$4,894,000 of the general fund—state
25 appropriation for fiscal year 2019 are provided solely for grants for
26 implementation of dual credit programs and subsidized advance
27 placement exam fees and international baccalaureate class fees and
28 exam fees for low-income students. For expenditures related to
29 subsidized exam fees, the superintendent shall report: The number of
30 students served; the demographics of the students served; and how the
31 students perform on the exams.

32 (31) \$100,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$100,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for the superintendent of public
35 instruction to convene a work group to build upon the work of the
36 social emotional learning work group established under section
37 501(34), chapter 4, Laws of 2015 3rd sp. sess. The members of the
38 work group must include representatives from the same organizations
39 that were represented on the 2015 work group, as well as five

1 representatives of diverse communities and a statewide expanded
2 learning opportunities intermediary. The work group must identify and
3 articulate developmental indicators for each grade level for each of
4 the social emotional learning benchmarks, solicit feedback from
5 stakeholders, and develop a model of best practices or guidance for
6 schools on implementing the benchmarks and indicators. The work group
7 shall submit recommendations to the education committees of the
8 legislature and the office of the governor by June 30, 2019.

9 (32) \$117,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$117,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for implementation of chapter 3
12 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

13 (33) \$450,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$450,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for implementation of chapter
16 236, Laws of 2017 (SHB 1445) (dual language/early learning & K-12).
17 In selecting recipients of the K-12 dual language grant, the
18 superintendent of public instruction must prioritize districts that
19 received grants under section 501(36), chapter 4, Laws of 2015 3rd
20 sp. sess.

21 (34) \$125,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$125,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the Kip Tokuda memorial
24 Washington civil liberties public education program. The
25 superintendent of public instruction shall award grants consistent
26 with RCW 28A.300.410.

27 (35) \$1,000,000 of the general fund—state appropriation for
28 fiscal year 2018 and \$1,000,000 of the general fund—state
29 appropriation for fiscal year 2019 are provided solely for the
30 computer science and education grant program to support the following
31 three purposes: Train and credential teachers in computer sciences;
32 provide and upgrade technology needed to learn computer science; and,
33 for computer science frontiers grants to introduce students to and
34 engage them in computer science. The office of the superintendent of
35 public instruction must use the computer science learning standards
36 adopted pursuant to chapter 3, Laws of 2015 (computer science) in
37 implementing the grant, to the extent possible. Additionally, grants
38 provided for the purpose of introducing students to computer science
39 are intended to support innovative ways to introduce and engage

1 students from historically underrepresented groups, including girls,
2 low-income students, and minority students, to computer science and
3 to inspire them to enter computer science careers. Grant funds for
4 the computer science and education grant program may be expended only
5 to the extent that they are equally matched by private sources for
6 the program, including gifts, grants, or endowments.

7 (36) \$2,145,000 of the general fund—state appropriation for
8 fiscal year 2018 and \$2,145,000 of the general fund—state
9 appropriation for fiscal year 2019 are provided solely for a contract
10 with a nongovernmental entity or entities for demonstration sites to
11 improve the educational outcomes of students who are dependent
12 pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016
13 (Fourth Substitute House Bill No. 1999, foster youth edu. outcomes).

14 (a) Of the amount provided in this subsection, \$446,000 of the
15 general fund—state appropriation for fiscal year 2018 and \$446,000 of
16 the general fund—state appropriation for fiscal year 2019 are
17 provided solely for the demonstration site established pursuant to
18 the 2013-2015 omnibus appropriations act, section 202(10), chapter 4,
19 Laws of 2013, 2nd sp. sess.

20 (b) Of the amount provided in this subsection, \$1,015,000 of the
21 general fund—state appropriation for fiscal year 2018 and \$1,015,000
22 of the general fund—state appropriation for fiscal year 2019 are
23 provided solely for the demonstration site established pursuant to
24 the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter
25 4, Laws of 2015, 3rd sp. sess., as amended.

26 (37) \$1,000,000 of the general fund—state appropriation for
27 fiscal year 2018 and \$1,000,000 of the general fund—state
28 appropriation for fiscal year 2019 are provided solely for
29 implementation of chapter 157, Laws of 2016 (Third Substitute House
30 Bill No. 1682, homeless students).

31 (38) \$753,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$703,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for implementation of chapter
34 72, Laws of 2016 (Fourth Substitute House Bill No. 1541, educational
35 opportunity gap).

36 (39) \$57,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$15,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for implementation of chapter
39 240, Laws of 2016 (Engrossed Senate Bill No. 6620, school safety).

1 (40) \$186,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$178,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of chapter
4 291, Laws of 2017 (2SHB 1170) (truancy reduction efforts).

5 (41) \$984,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$912,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for implementation of chapter
8 237, Laws of 2017 (ESHB 1115) (paraeducators).

9 (42) \$204,000 of the general fund—state appropriation for fiscal
10 year 2018, \$204,000 of the general fund—state appropriation for
11 fiscal year 2019, and \$408,000 of the general fund—federal
12 appropriation are provided solely for implementation of chapter 202,
13 Laws of 2017 (E2SHB 1713) (children's mental health).

14 (43) \$300,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$300,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for grants to middle and high
17 schools to support international baccalaureate programs in high
18 poverty schools. Of these amounts:

19 (a) \$200,000 of the appropriation for fiscal year 2018 and
20 \$200,000 of the appropriation for fiscal year 2019 are provided
21 solely for grants to high schools that have an existing international
22 baccalaureate program and enrollments of seventy percent or more
23 students eligible for free or reduced-price meals in the prior school
24 year to implement and sustain an international baccalaureate program;
25 and

26 (b) \$100,000 of the appropriation for fiscal year 2018 and
27 \$100,000 of the appropriation for fiscal year 2019 are provided
28 solely for grants to middle schools with students that will attend a
29 qualifying high poverty high school that has received a grant under
30 (a) of this subsection to support implementation of a middle school
31 international baccalaureate program.

32 (44) \$240,000 of the general fund—state appropriation for fiscal
33 year 2018 is provided solely for a grant to the Pacific science
34 center to continue providing science on wheels activities in schools
35 and other community settings. Funding is provided to assist with
36 upgrading three planetarium computers and software and to assist with
37 purchasing and outfitting three vans with new traveling planetarium
38 exhibits.

1 (45) \$100,000 of the general fund—state appropriation for fiscal
2 year 2018 is provided solely for the office of the superintendent of
3 public instruction to contract for consulting services for a study of
4 the current state pupil transportation funding formula. The study
5 must evaluate the extent to which the formula corresponds to the
6 actual costs of providing pupil transportation to and from school for
7 the state's statutory program of basic education, including local
8 school district characteristics such as unique geographic
9 constraints, and transportation for students who are identified as
10 homeless under the McKinney-Vento act. Based on the results of this
11 evaluation, the superintendent must make recommendations for any
12 necessary revisions to the state's pupil transportation formula,
13 taking into account the statutory program of basic education,
14 promotion of the efficient use of state and local resources, and
15 continued local district control over the management of pupil
16 transportation systems. The superintendent must make recommendations
17 to clarify the sources of funding that districts can use to transport
18 homeless students to and from school.

19 (46) \$440,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$270,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the office of the
22 superintendent of public instruction for the procurement and
23 implementation of a reporting and data aggregation system that will
24 connect state- and district-level information to secure and protect
25 district, school and student information in order to close student
26 performance gaps by assisting school districts in data-driven
27 implementation of strategies and supports that are responsive of
28 student needs.

29 (47) \$150,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$450,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided for the superintendent of public
32 instruction to develop and implement a statewide accountability
33 system to address absenteeism and to improve student graduation
34 rates. The system must use data to engage schools and districts in
35 identifying successful strategies and systems that are based on
36 federal and state accountability measures. Funding may also support
37 the effort to provide assistance about successful strategies and
38 systems to districts and schools that are underperforming in the
39 targeted student subgroups.

1 (48) \$178,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$179,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of chapter
4 180, Laws of 2017 (2SSB 5258) (Washington Aim program).

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

7	General Fund—State Appropriation (FY 2018)	\$7,183,886,000
8	General Fund—State Appropriation (FY 2019)	\$7,412,055,000
9	Education Legacy Trust Account—State Appropriation . . .	\$345,730,000
10	TOTAL APPROPRIATION.	\$14,941,671,000

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

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

16 (b) For the 2017-18 and 2018-19 school years, the superintendent
17 shall allocate general apportionment funding to school districts as
18 provided in the funding formulas and salary allocations in sections
19 502 and 503 of this act, excluding (c) of this subsection, and in
20 House Bill No. 2242 (fully funding the program of basic education).

21 (c) From July 1, 2017, to August 31, 2017, the superintendent
22 shall allocate general apportionment funding to school districts
23 programs as provided in sections 502 and 503, chapter 4, Laws of 2015
24 3rd sp. sess., as amended.

25 (d) The enrollment of any district shall be the annual average
26 number of full-time equivalent students and part-time students as
27 provided in RCW 28A.150.350, enrolled on the fourth day of school in
28 September and on the first school day of each month October through
29 June, including students who are in attendance pursuant to RCW
30 28A.335.160 and 28A.225.250 who do not reside within the servicing
31 school district. Any school district concluding its basic education
32 program in May must report the enrollment of the last school day held
33 in May in lieu of a June enrollment.

34 (e)(i) Funding provided in part V of this act is sufficient to
35 provide each full-time equivalent student with the minimum hours of
36 instruction required under RCW 28A.150.220.

37 (ii) The office of the superintendent of public instruction shall
38 align the agency rules defining a full-time equivalent student with

1 the increase in the minimum instructional hours under RCW
2 28A.150.220, as amended by the legislature in 2014.

3 (f) The superintendent shall adopt rules requiring school
4 districts to report full-time equivalent student enrollment as
5 provided in RCW 28A.655.210.

6 (g) For the 2017-18 and 2018-19 school years, school districts
7 must report to the office of the superintendent of public instruction
8 the monthly actual average district-wide class size across each grade
9 level of kindergarten, first grade, second grade, and third grade
10 classes. The superintendent of public instruction shall report this
11 information to the education and fiscal committees of the house of
12 representatives and the senate by September 30th of each year.

13 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

14 Allocations for certificated instructional staff salaries for the
15 2017-18 and 2018-19 school years are determined using formula-
16 generated staff units calculated pursuant to this subsection.

17 (a) Certificated instructional staff units, as defined in RCW
18 28A.150.410, shall be allocated to reflect the minimum class size
19 allocations, requirements, and school prototypes assumptions as
20 provided in RCW 28A.150.260. The superintendent shall make
21 allocations to school districts based on the district's annual
22 average full-time equivalent student enrollment in each grade.

23 (b) Additional certificated instructional staff units provided in
24 this subsection (2) that exceed the minimum requirements in RCW
25 28A.150.260 are enhancements outside the program of basic education,
26 except as otherwise provided in this section.

27 (c)(i) The superintendent shall base allocations for each level
28 of prototypical school on the following regular education average
29 class size of full-time equivalent students per teacher, except as
30 provided in (c)(ii) of this subsection:

31 General education class size:

32 Grade	RCW 28A.150.260	2017-18	2018-19
		School Year	School Year
34 Grade K		17.00	17.00
35 Grade 1		17.00	17.00
36 Grade 2		17.00	17.00
37 Grade 3		17.00	17.00

1	Grade 4	27.00	27.00
2	Grades 5-6	27.00	27.00
3	Grades 7-8	28.53	28.53
4	Grades 9-12	28.74	28.74

5 The superintendent shall base allocations for: Laboratory science
6 average class size as provided in RCW 28A.150.260; career and
7 technical education (CTE) class size of 23.0; and skill center
8 program class size of 20.0.

9 (ii) For each level of prototypical school at which more than
10 fifty percent of the students were eligible for free and reduced-
11 price meals in the prior school year, the superintendent shall
12 allocate funding based on the following average class size of full-
13 time equivalent students per teacher:

14 General education class size in high poverty schools:

15	Grade	RCW 28A.150.260	2017-18	2018-19
16			School Year	School Year
17	Grade K		17.00	17.00
18	Grade 1		17.00	17.00
19	Grade 2		17.00	17.00
20	Grade 3		17.00	17.00
21	Grade 4		27.00	27.00
22	Grades 5-6		27.00	27.00
23	Grades 7-8		28.53	28.53
24	Grades 9-12		28.74	28.74

25 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
26 planning period, expressed as a percentage of a teacher work day, is
27 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

28 (iv) Advanced placement and international baccalaureate courses
29 are funded at the same class size assumptions as general education
30 schools in the same grade; and

31 (d)(i) Funding for teacher librarians, school nurses, social
32 workers, school psychologists, and guidance counselors is allocated
33 based on the school prototypes as provided in RCW 28A.150.260 and is
34 considered certificated instructional staff, except as provided in
35 (d)(ii) of this subsection.

1 (ii) Students in approved career and technical education and
 2 skill center programs generate certificated instructional staff units
 3 to provide for the services of teacher librarians, school nurses,
 4 social workers, school psychologists, and guidance counselors at the
 5 following combined rate per 1000 student full-time equivalent
 6 enrollment:

	2017-18	2018-19
	School Year	School Year
9 Career and Technical Education	3.07	3.07
10 Skill Center	3.41	3.41

11 (3) ADMINISTRATIVE STAFF ALLOCATIONS

12 (a) Allocations for school building-level certificated
 13 administrative staff salaries for the 2017-18 and 2018-19 school
 14 years for general education students are determined using the formula
 15 generated staff units calculated pursuant to this subsection. The
 16 superintendent shall make allocations to school districts based on
 17 the district's annual average full-time equivalent enrollment in each
 18 grade. The following prototypical school values shall determine the
 19 allocation for principals, assistance principals, and other
 20 certificated building level administrators:

21 Prototypical School Building:

22 Elementary School	1.253
23 Middle School	1.353
24 High School	1.880

25 (b) Students in approved career and technical education and skill
 26 center programs generate certificated school building-level
 27 administrator staff units at per student rates that are a multiple of
 28 the general education rate in (a) of this subsection by the following
 29 factors: Career and Technical Education students. 1.025
 30 Skill Center students. 1.198

31 (4) CLASSIFIED STAFF ALLOCATIONS

32 Allocations for classified staff units providing school building-
 33 level and district-wide support services for the 2017-18 and 2018-19
 34 school years are determined using the formula-generated staff units
 35 provided in RCW 28A.150.260 and pursuant to this subsection, and

1 adjusted based on each district's annual average full-time equivalent
2 student enrollment in each grade.

3 (5) CENTRAL OFFICE ALLOCATIONS

4 In addition to classified and administrative staff units
5 allocated in subsections (3) and (4) of this section, classified and
6 administrative staff units are provided for the 2017-18 and 2018-19
7 school years for the central office administrative costs of operating
8 a school district, at the following rates:

9 (a) The total central office staff units provided in this
10 subsection (5) are calculated by first multiplying the total number
11 of eligible certificated instructional, certificated administrative,
12 and classified staff units providing school-based or district-wide
13 support services, as identified in RCW 28A.150.260(6)(b) and the
14 increased allocations provided pursuant to subsections (2) and (4) of
15 this section, by 5.3 percent.

16 (b) Of the central office staff units calculated in (a) of this
17 subsection, 74.53 percent are allocated as classified staff units, as
18 generated in subsection (4) of this section, and 25.47 percent shall
19 be allocated as administrative staff units, as generated in
20 subsection (3) of this section.

21 (c) Staff units generated as enhancements outside the program of
22 basic education to the minimum requirements of RCW 28A.150.260, and
23 staff units generated by skill center and career-technical students,
24 are excluded from the total central office staff units calculation in
25 (a) of this subsection.

26 (d) For students in approved career-technical and skill center
27 programs, central office classified units are allocated at the same
28 staff unit per student rate as those generated for general education
29 students of the same grade in this subsection (5), and central office
30 administrative staff units are allocated at staff unit per student
31 rates that exceed the general education rate established for students
32 in the same grade in this subsection (5) by 12.29 percent in the
33 2017-18 school year and 12.29 percent in the 2018-19 school year for
34 career and technical education students, and 17.61 percent in the
35 2017-18 school year and 17.61 percent in the 2018-19 school year for
36 skill center students.

37 (6) FRINGE BENEFIT ALLOCATIONS

38 Fringe benefit allocations shall be calculated at a rate of 23.49
39 percent in the 2017-18 school year and 23.49 percent in the 2018-19

1 school year for certificated salary allocations provided under
 2 subsections (2), (3), and (5) of this section, and a rate of 24.60
 3 percent in the 2017-18 school year and 24.60 percent in the 2018-19
 4 school year for classified salary allocations provided under
 5 subsections (4) and (5) of this section.

6 (7) INSURANCE BENEFIT ALLOCATIONS

7 Insurance benefit allocations shall be calculated at the
 8 maintenance rate specified in section 504 of this act, based on the
 9 number of benefit units determined as follows:

10 (a) The number of certificated staff units determined in
 11 subsections (2), (3), and (5) of this section; and

12 (b) The number of classified staff units determined in
 13 subsections (4) and (5) of this section multiplied by 1.152. This
 14 factor is intended to adjust allocations so that, for the purpose of
 15 distributing insurance benefits, full-time equivalent classified
 16 employees may be calculated on the basis of 1,440 hours of work per
 17 year, with no individual employee counted as more than one full-time
 18 equivalent.

19 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

20 Funding is allocated per annual average full-time equivalent
 21 student for the materials, supplies, and operating costs (MSOC)
 22 incurred by school districts, consistent with the requirements of RCW
 23 28A.150.260.

24 (a)(i) MSOC funding for general education students are allocated
 25 at the following per student rates:

26 MSOC RATES/STUDENT FTE

27

28 MSOC Component	2017-18	2018-19
	School Year	School Year
31 Technology	\$130.76	\$132.85
32 Utilities and Insurance	\$355.30	\$360.98
33 Curriculum and Textbooks	\$140.39	\$142.64
34 Other Supplies and Library Materials	\$298.05	\$302.82
35 Instructional Professional Development for Certificated 36 and Classified Staff	\$21.71	\$22.06

1	Facilities Maintenance	\$176.01	\$178.83
2	Security and Central Office	\$121.94	\$123.89
3	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16	\$1,264.07

4 (ii) For the 2017-18 school year and 2018-19 school year, as part
5 of the budget development, hearing, and review process required by
6 chapter 28A.505 RCW, each school district must disclose: (A) The
7 amount of state funding to be received by the district under (a) and
8 (d) of this subsection (8); (B) the amount the district proposes to
9 spend for materials, supplies, and operating costs; (C) the
10 difference between these two amounts; and (D) if (A) of this
11 subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any
12 proposed use of this difference and how this use will improve student
13 achievement.

14 (b) Students in approved skill center programs generate per
15 student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year
16 and \$1,495.56 for the 2018-19 school year.

17 (c) Students in approved exploratory and preparatory career and
18 technical education programs generate per student FTE MSOC
19 allocations of \$1,472.01 for the 2017-18 school year and \$1,495.56
20 for the 2018-19 school year.

21 (d) Students in grades 9-12 generate per student FTE MSOC
22 allocations in addition to the allocations provided in (a) through
23 (c) of this subsection at the following rate:

24	MSOC Component	2017-18	2018-19
25		School Year	School Year
26	Technology	\$37.60	\$38.20
27	Curriculum and Textbooks	\$41.02	\$41.67
28	Other Supplies and Library Materials	\$85.46	\$86.82
29	Instructional Professional Development for Certified	\$6.83	\$6.95
30	and Classified Staff		
31	TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91	\$173.64

32 (9) SUBSTITUTE TEACHER ALLOCATIONS

33 For the 2017-18 and 2018-19 school years, funding for substitute
34 costs for classroom teachers is based on four (4) funded substitute
35 days per classroom teacher unit generated under subsection (2) of
36 this section, at a daily substitute rate of \$151.86.

1 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

2 (a) Amounts provided in this section from July 1, 2017, to August
3 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of
4 2015 3rd sp. sess., as amended (allocation of funding for students
5 enrolled in alternative learning experiences).

6 (b) The superintendent of public instruction shall require all
7 districts receiving general apportionment funding for alternative
8 learning experience (ALE) programs as defined in WAC 392-121-182 to
9 provide separate financial accounting of expenditures for the ALE
10 programs offered in district or with a provider, including but not
11 limited to private companies and multidistrict cooperatives, as well
12 as accurate, monthly headcount and FTE enrollment claimed for basic
13 education, including separate counts of resident and nonresident
14 students.

15 (11) DROPOUT REENGAGEMENT PROGRAM

16 The superintendent shall adopt rules to require students claimed
17 for general apportionment funding based on enrollment in dropout
18 reengagement programs authorized under RCW 28A.175.100 through
19 28A.175.115 to meet requirements for at least weekly minimum
20 instructional contact, academic counseling, career counseling, or
21 case management contact. Districts must also provide separate
22 financial accounting of expenditures for the programs offered by the
23 district or under contract with a provider, as well as accurate
24 monthly headcount and full-time equivalent enrollment claimed for
25 basic education, including separate enrollment counts of resident and
26 nonresident students.

27 (12) ALL DAY KINDERGARTEN PROGRAMS

28 Funding in this section is sufficient to fund all day
29 kindergarten programs in all schools in the 2017-18 school year and
30 2018-19 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

31 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
32 NECESSARY PLANTS

33 For small school districts and remote and necessary school plants
34 within any district which have been judged to be remote and necessary
35 by the superintendent of public instruction, additional staff units
36 are provided to ensure a minimum level of staffing support.
37 Additional administrative and certificated instructional staff units
38 provided to districts in this subsection shall be reduced by the

1 general education staff units, excluding career and technical
2 education and skills center enhancement units, otherwise provided in
3 subsections (2) through (5) of this section on a per district basis.

4 (a) For districts enrolling not more than twenty-five average
5 annual full-time equivalent students in grades K-8, and for small
6 school plants within any school district which have been judged to be
7 remote and necessary by the superintendent of public instruction and
8 enroll not more than twenty-five average annual full-time equivalent
9 students in grades K-8:

10 (i) For those enrolling no students in grades 7 and 8, 1.76
11 certificated instructional staff units and 0.24 certificated
12 administrative staff units for enrollment of not more than five
13 students, plus one-twentieth of a certificated instructional staff
14 unit for each additional student enrolled; and

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

20 (b) For specified enrollments in districts enrolling more than
21 twenty-five but not more than one hundred average annual full-time
22 equivalent students in grades K-8, and for small school plants within
23 any school district which enroll more than twenty-five average annual
24 full-time equivalent students in grades K-8 and have been judged to
25 be remote and necessary by the superintendent of public instruction:

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

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

33 (c) For districts operating no more than two high schools with
34 enrollments of less than three hundred average annual full-time
35 equivalent students, for enrollment in grades 9-12 in each such
36 school, other than alternative schools, except as noted in this
37 subsection:

38 (i) For remote and necessary schools enrolling students in any
39 grades 9-12 but no more than twenty-five average annual full-time
40 equivalent students in grades K-12, four and one-half certificated

1 instructional staff units and one-quarter of a certificated
2 administrative staff unit;

3 (ii) For all other small high schools under this subsection, nine
4 certificated instructional staff units and one-half of a certificated
5 administrative staff unit for the first sixty average annual full-
6 time equivalent students, and additional staff units based on a ratio
7 of 0.8732 certificated instructional staff units and 0.1268
8 certificated administrative staff units per each additional forty-
9 three and one-half average annual full-time equivalent students;

10 (iii) Districts receiving staff units under this subsection shall
11 add students enrolled in a district alternative high school and any
12 grades nine through twelve alternative learning experience programs
13 with the small high school enrollment for calculations under this
14 subsection;

15 (d) For each nonhigh school district having an enrollment of more
16 than seventy annual average full-time equivalent students and less
17 than one hundred eighty students, operating a grades K-8 program or a
18 grades 1-8 program, an additional one-half of a certificated
19 instructional staff unit;

20 (e) For each nonhigh school district having an enrollment of more
21 than fifty annual average full-time equivalent students and less than
22 one hundred eighty students, operating a grades K-6 program or a
23 grades 1-6 program, an additional one-half of a certificated
24 instructional staff unit;

25 (f)(i) For enrollments generating certificated staff unit
26 allocations under (a) through (e) of this subsection, one classified
27 staff unit for each 2.94 certificated staff units allocated under
28 such subsections;

29 (ii) For each nonhigh school district with an enrollment of more
30 than fifty annual average full-time equivalent students and less than
31 one hundred eighty students, an additional one-half of a classified
32 staff unit; and

33 (g) School districts receiving additional staff units to support
34 small student enrollments and remote and necessary plants under this
35 subsection (12) shall generate additional MSOC allocations consistent
36 with the nonemployee related costs (NERC) allocation formula in place
37 for the 2010-11 school year as provided section 502, chapter 37, Laws
38 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually
39 for inflation.

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

10 (15) The superintendent may distribute funding for the following
11 programs outside the basic education formula during fiscal years 2018
12 and 2019 as follows:

13 (a) \$638,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$648,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for fire protection for school
16 districts located in a fire protection district as now or hereafter
17 established pursuant to chapter 52.04 RCW.

18 (b) \$436,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$436,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for programs providing skills
21 training for secondary students who are enrolled in extended day
22 school-to-work programs, as approved by the superintendent of public
23 instruction. The funds shall be allocated at a rate not to exceed
24 \$500 per full-time equivalent student enrolled in those programs.

25 (16) \$225,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$229,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for school district emergencies
28 as certified by the superintendent of public instruction. Funding
29 provided must be conditioned upon the written commitment and plan of
30 the school district board of directors to repay the grant with any
31 insurance payments or other judgments that may be awarded, if
32 applicable. At the close of the fiscal year the superintendent of
33 public instruction shall report to the office of financial management
34 and the appropriate fiscal committees of the legislature on the
35 allocations provided to districts and the nature of the emergency.

36 (17) Funding in this section is sufficient to fund a maximum of
37 1.6 FTE enrollment for skills center students pursuant to chapter
38 463, Laws of 2007.

1 (18) Students participating in running start programs may be
2 funded up to a combined maximum enrollment of 1.2 FTE including
3 school district and institution of higher education enrollment
4 consistent with the running start course requirements provided in
5 chapter 202, Laws of 2015 (dual credit education opportunities). In
6 calculating the combined 1.2 FTE, the office of the superintendent of
7 public instruction may average the participating student's September
8 through June enrollment to account for differences in the start and
9 end dates for courses provided by the high school and higher
10 education institution. Additionally, the office of the superintendent
11 of public instruction, in consultation with the state board for
12 community and technical colleges, the student achievement council,
13 and the education data center, shall annually track and report to the
14 fiscal committees of the legislature on the combined FTE experience
15 of students participating in the running start program, including
16 course load analyses at both the high school and community and
17 technical college system.

18 (19) If two or more school districts consolidate and each
19 district was receiving additional basic education formula staff units
20 pursuant to subsection (12) of this section, the following apply:

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

25 (b) For the fourth through eighth school years following
26 consolidation, the difference between the basic education formula
27 staff units received by the districts for the school year prior to
28 consolidation and the basic education formula staff units after
29 consolidation pursuant to subsection (12) of this section shall be
30 reduced in increments of twenty percent per year.

31 (20)(a) Indirect cost charges by a school district to approved
32 career and technical education middle and secondary programs shall
33 not exceed 5 percent of the combined basic education and career and
34 technical education program enhancement allocations of state funds.
35 Middle and secondary career and technical education programs are
36 considered separate programs for funding and financial reporting
37 purposes under this section.

38 (b) Career and technical education program full-time equivalent
39 enrollment shall be reported on the same monthly basis as the
40 enrollment for students eligible for basic support, and payments

1 shall be adjusted for reported career and technical education program
2 enrollments on the same monthly basis as those adjustments for
3 enrollment for students eligible for basic support.

4 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
5 **INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION**

6 (1) The following calculations determine the salaries used in the
7 state allocations for certificated instructional, certificated
8 administrative, and classified staff units as provided in House Bill
9 No. 2242 (fully funding the program of basic education), RCW
10 28A.150.260, and under section 502 of this act:

11 (a) For the 2017-18 school year, salary allocations for
12 certificated instructional staff units are determined for each
13 district by multiplying the district's certificated instructional
14 total base salary shown on LEAP Document 2 by the district's average
15 staff mix factor for certificated instructional staff in that school
16 year, computed using LEAP document 1.

17 (b) For the 2017-18 school year, salary allocations for
18 certificated administrative staff units and classified staff units
19 for each district are determined based on the district's certificated
20 administrative and classified salary allocation amounts shown on LEAP
21 Document 2.

22 (c) For the 2018-19 school year salary allocations for
23 certificated instructional staff, certificated administrative staff,
24 and classified staff units are determined for each school district by
25 multiplying the statewide minimum salary allocation for each staff
26 type by the school district's regionalization factor shown in LEAP
27 Document 3.

28 Statewide Minimum Salary Allocation

29 For School Year 2018-19

30	Certificated Instructional Staff	\$59,333.55
31	Certificated Administrative Staff	\$79,127.50
32	Classified Staff	\$39,975.50

33 (2) For the purposes of this section:

34 (a) "LEAP Document 1" means the staff mix factors for
35 certificated instructional staff according to education and years of
36 experience, as developed by the legislative evaluation and
37 accountability program committee on June 22, 2017, at 1:14 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on June 22, 2017, at 1:14 hours.

(c) "LEAP Document 3" means the school district regionalization factors for certificated instructional, certificated administrative, and classified staff, as developed by the legislative evaluation and accountability program committee on June 22, 2017, at 1:14 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 22.85 percent for school year 2017-18 and 22.85 percent for school year 2018-19 for certificated instructional and certificated administrative staff and 21.10 percent for school year 2017-18 and 21.10 percent for the 2018-19 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedule for certificated instructional staff are established for basic education salary allocations for the 2017-18 school year:

Table Of Total Base Salaries For Certificated Instructional Staff
For School Year 2017-18
 *** Education Experience ***

Years of Service	MA+90 OR								
	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>Ph.D.</u>
0	36,521	37,507	38,529	39,554	42,840	44,957	43,785	47,072	49,191
1	37,013	38,013	39,048	40,117	43,438	45,543	44,272	47,593	49,697
2	37,481	38,491	39,537	40,688	44,000	46,127	44,762	48,073	50,201
3	37,964	38,983	40,040	41,229	44,534	46,712	45,227	48,529	50,709
4	38,437	39,501	40,565	41,794	45,119	47,313	45,714	49,038	51,234
5	38,926	39,995	41,069	42,367	45,679	47,918	46,209	49,522	51,760
6	39,428	40,474	41,585	42,948	46,244	48,494	46,716	50,013	52,262
7	40,312	41,373	42,498	43,935	47,280	49,593	47,666	51,010	53,324
8	41,604	42,724	43,876	45,431	48,822	51,219	49,161	52,552	54,949
9		44,122	45,332	46,943	50,413	52,892	50,672	54,143	56,623
10			46,805	48,533	52,049	54,611	52,263	55,780	58,340

1	11	50,169	53,761	56,375	53,899	57,492	60,104
2	12	51,753	55,520	58,211	55,600	59,250	61,942
3	13		57,322	60,093	57,360	61,052	63,823
4	14		59,132	62,046	59,172	62,981	65,776
5	15		60,671	63,660	60,710	64,618	67,486
6	16 or		61,884	64,932	61,924	65,910	68,836
7	more						

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

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

- 15 (i) Credits earned since receiving the masters degree; and
- 16 (ii) Any credits in excess of forty-five credits that were earned
17 after the baccalaureate degree but before the masters degree.

18 (5) For the purposes of this section:

- 19 (a) "BA" means a baccalaureate degree.
- 20 (b) "MA" means a masters degree.
- 21 (c) "PHD" means a doctorate degree.
- 22 (d) "Years of service" shall be calculated under the same rules
23 adopted by the superintendent of public instruction.

24 (e) "Credits" means college quarter hour credits and equivalent
25 in-service credits computed in accordance with RCW 28A.415.020 and
26 28A.415.023.

27 (6) No more than ninety college quarter-hour credits received by
28 any employee after the baccalaureate degree may be used to determine
29 compensation allocations under the state salary allocation schedule
30 and LEAP documents referenced in this part V, or any replacement
31 schedules and documents, unless:

- 32 (a) The employee has a masters degree; or
- 33 (b) The credits were used in generating state salary allocations
34 before January 1, 1992.

35 (7) The salary allocations established in this section are for
36 allocation purposes only except as provided in this subsection, and
37 do not entitle an individual staff position to a particular paid

1 salary except as provided in RCW 28A.400.200, as amended by House
2 Bill No. 2242 (fully funding the program of basic education).

3 (8) For school year 2018-19, the salary allocations for each
4 district shall be the greater of:

5 (a) The derived school year 2018-19 salary allocations in
6 subsection (1) of this section; or

7 (b) The derived salary allocations for school year 2017-18
8 increased by 2.3 percent.

9 NEW SECTION. **Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**
10 **INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

11	General Fund—State Appropriation (FY 2018).	\$216,086,000
12	General Fund—State Appropriation (FY 2019).	\$1,360,536,000
13	TOTAL APPROPRIATION.	\$1,576,622,000

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

16 (1) The salary increases provided in this section are inclusive
17 of and above the annual cost-of-living adjustments pursuant to RCW
18 28A.400.205.

19 (2) In addition to salary allocations specified in this
20 subsection (1) funding in this subsection includes one day of
21 professional learning for each of the funded full-time equivalent
22 certificated instructional staff units in school year 2018-19.
23 Nothing in this section entitles an individual certificated
24 instructional staff to any particular number of professional learning
25 days.

26 (3)(a) The appropriations in this section include associated
27 incremental fringe benefit allocations at 22.85 percent for the
28 2017-18 school year and 22.85 percent for the 2018-19 school year for
29 certificated instructional and certificated administrative staff and
30 21.10 percent for the 2017-18 school year and 21.10 percent for the
31 2018-19 school year for classified staff.

32 (b) The appropriations in this section include the increased or
33 decreased portion of salaries and incremental fringe benefits for all
34 relevant state-funded school programs in part V of this act. Changes
35 for general apportionment (basic education) are based on the salary
36 allocations and methodology in sections 502 and 503 of this act.
37 Changes for special education result from changes in each district's
38 basic education allocation per student. Changes for educational

1 service districts and institutional education programs are determined
2 by the superintendent of public instruction using the methodology for
3 general apportionment salaries and benefits in sections 502 and 503
4 of this act.

5 (c) The appropriations in this section include no salary
6 adjustments for substitute teachers.

7 (4) The maintenance rate for insurance benefit allocations is
8 \$780.00 per month for the 2017-18 and 2018-19 school years. The
9 appropriations in this section reflect the incremental change in cost
10 of allocating rates of \$820.00 per month for the 2017-18 school year
11 and \$840.00 per month for the 2018-19 school year.

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

14 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION—FOR PUPIL TRANSPORTATION**

16	General Fund—State Appropriation (FY 2018)	\$502,599,000
17	General Fund—State Appropriation (FY 2019)	\$497,940,000
18	TOTAL APPROPRIATION.	\$1,000,539,000

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

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

24 (2)(a) For the 2017-18 and 2018-19 school years, the
25 superintendent shall allocate funding to school district programs for
26 the transportation of eligible students as provided in RCW
27 28A.160.192. Funding in this section constitutes full implementation
28 of RCW 28A.160.192, which enhancement is within the program of basic
29 education. Students are considered eligible only if meeting the
30 definitions provided in RCW 28A.160.160.

31 (b) From July 1, 2017, to August 31, 2017, the superintendent
32 shall allocate funding to school districts programs for the
33 transportation of students as provided in section 505, chapter 4,
34 Laws of 2015 3rd sp. sess., as amended.

35 (3) Within amounts appropriated in this section, up to
36 \$10,000,000 of the general fund—state appropriation for fiscal year
37 2018 and up to \$10,000,000 of the general fund—state appropriation
38 for fiscal year 2019 are for a transportation alternate funding grant

1 program based on the alternate funding process established in RCW
2 28A.160.191. The superintendent of public instruction must include a
3 review of school district efficiency rating, key performance
4 indicators and local school district characteristics such as unique
5 geographic constraints in the grant award process.

6 (4) A maximum of \$913,000 of this fiscal year 2018 appropriation
7 and a maximum of \$937,000 of the fiscal year 2019 appropriation may
8 be expended for regional transportation coordinators and related
9 activities. The transportation coordinators shall ensure that data
10 submitted by school districts for state transportation funding shall,
11 to the greatest extent practical, reflect the actual transportation
12 activity of each district.

13 (5) The office of the superintendent of public instruction shall
14 provide reimbursement funding to a school district for school bus
15 purchases only after the superintendent of public instruction
16 determines that the school bus was purchased from the list
17 established pursuant to RCW 28A.160.195(2) or a comparable
18 competitive bid process based on the lowest price quote based on
19 similar bus categories to those used to establish the list pursuant
20 to RCW 28A.160.195.

21 (6) The superintendent of public instruction shall base
22 depreciation payments for school district buses on the presales tax
23 five-year average of lowest bids in the appropriate category of bus.
24 In the final year on the depreciation schedule, the depreciation
25 payment shall be based on the lowest bid in the appropriate bus
26 category for that school year.

27 (7) Funding levels in this section reflect waivers granted by the
28 state board of education for four-day school weeks as allowed under
29 RCW 28A.305.141.

30 (8) The office of the superintendent of public instruction shall
31 annually disburse payments for bus depreciation in August.

32 **NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS**

34	General Fund—State Appropriation (FY 2018)	. . . . .	\$7,111,000
35	General Fund—State Appropriation (FY 2019)	. . . . .	\$7,111,000
36	General Fund—Federal Appropriation	. . . . .	\$537,178,000
37	TOTAL APPROPRIATION.	. . . . .	\$551,400,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$7,111,000 of the general fund—state
3 appropriation for fiscal year 2018 and \$7,111,000 of the general fund
4 —state appropriation for fiscal year 2019 are provided solely for
5 state matching money for federal child nutrition programs, and may
6 support the meals for kids program through the following allowable
7 uses:

8 (1) Elimination of breakfast copays for eligible public school
9 students and lunch copays for eligible public school students in
10 grades kindergarten through third grade who are eligible for reduced-
11 price lunch;

12 (2) Assistance to school districts and authorized public and
13 private nonprofit organizations for supporting summer food service
14 programs, and initiating new summer food service programs in low-
15 income areas;

16 (3) Reimbursements to school districts for school breakfasts
17 served to students eligible for free and reduced-price lunch,
18 pursuant to chapter 287, Laws of 2005; and

19 (4) Assistance to school districts in initiating and expanding
20 school breakfast programs.

21 The office of the superintendent of public instruction shall
22 report annually to the fiscal committees of the legislature on annual
23 expenditures in subsections (1), (2), and (3) of this section.

24 The superintendent of public instruction shall provide the
25 department of health with the following data, where available, for
26 all nutrition assistance programs that are funded by the United
27 States department of agriculture and administered by the office of
28 the superintendent of public instruction. The superintendent must
29 provide the report for the preceding federal fiscal year by February
30 1, 2018, and February 1, 2019. The report must provide:

31 (a) The number of people in Washington who are eligible for the
32 program;

33 (b) The number of people in Washington who participated in the
34 program;

35 (c) The average annual participation rate in the program;

36 (d) Participation rates by geographic distribution; and

37 (e) The annual federal funding of the program in Washington.

1 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS**

3	General Fund—State Appropriation (FY 2018)	\$956,055,000
4	General Fund—State Appropriation (FY 2019)	\$989,284,000
5	General Fund—Federal Appropriation	\$470,673,000
6	Education Legacy Trust Account—State Appropriation	\$54,694,000
7	TOTAL APPROPRIATION.	\$2,470,706,000

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

10 (1)(a) Funding for special education programs is provided on an
11 excess cost basis, pursuant to RCW 28A.150.390. School districts
12 shall ensure that special education students as a class receive their
13 full share of the general apportionment allocation accruing through
14 sections 502 and 504 of this act. To the extent a school district
15 cannot provide an appropriate education for special education
16 students under chapter 28A.155 RCW through the general apportionment
17 allocation, it shall provide services through the special education
18 excess cost allocation funded in this section.

19 (b) Funding provided within this section is sufficient for
20 districts to provide school principals and lead special education
21 teachers annual professional development on the best-practices for
22 special education instruction and strategies for implementation.
23 Districts shall annually provide a summary of professional
24 development activities to the office of the superintendent of public
25 instruction.

26 (2)(a) The superintendent of public instruction shall ensure
27 that:

28 (i) Special education students are basic education students
29 first;

30 (ii) As a class, special education students are entitled to the
31 full basic education allocation; and

32 (iii) Special education students are basic education students for
33 the entire school day.

34 (b) The superintendent of public instruction shall continue to
35 implement the full cost method of excess cost accounting, as designed
36 by the committee and recommended by the superintendent, pursuant to
37 section 501(1)(k), chapter 372, Laws of 2006.

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

4 (4)(a) For the 2017-18 and 2018-19 school years, the
5 superintendent shall allocate funding to school district programs for
6 special education students as provided in RCW 28A.150.390, except
7 that the calculation of the base allocation also includes allocations
8 provided under section 502 (2) and (4) of this act, which enhancement
9 is within the program of basic education.

10 (b) From July 1, 2017, to August 31, 2017, the superintendent
11 shall allocate funding to school district programs for special
12 education students as provided in section 507, chapter 4, Laws of
13 2015 3rd sp. sess., as amended.

14 (5) The following applies throughout this section: The
15 definitions for enrollment and enrollment percent are as specified in
16 RCW 28A.150.390(3). Each district's general fund—state funded special
17 education enrollment shall be the lesser of the district's actual
18 enrollment percent or 13.5 percent.

19 (6) At the request of any interdistrict cooperative of at least
20 15 districts in which all excess cost services for special education
21 students of the districts are provided by the cooperative, the
22 maximum enrollment percent shall be calculated in accordance with RCW
23 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
24 rather than individual district units. For purposes of this
25 subsection, the average basic education allocation per full-time
26 equivalent student shall be calculated in the aggregate rather than
27 individual district units.

28 (7) \$31,087,000 of the general fund—state appropriation for
29 fiscal year 2018, \$31,087,000 of the general fund—state appropriation
30 for fiscal year 2019, and \$31,024,000 of the general fund—federal
31 appropriation are provided solely for safety net awards for districts
32 with demonstrated needs for special education funding beyond the
33 amounts provided in subsection (4) of this section. If the federal
34 safety net awards based on the federal eligibility threshold exceed
35 the federal appropriation in this subsection (7) in any fiscal year,
36 the superintendent shall expend all available federal discretionary
37 funds necessary to meet this need. At the conclusion of each school
38 year, the superintendent shall recover safety net funds that were

1 distributed prospectively but for which districts were not
2 subsequently eligible.

3 (a) For the 2017-18 and 2018-19 school years, safety net funds
4 shall be awarded by the state safety net oversight committee as
5 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

6 (b) The office of the superintendent of public instruction shall
7 make award determinations for state safety net funding in August of
8 each school year, except that the superintendent of public
9 instruction shall make award determinations for state safety net
10 funding in July of each school year for the Washington state school
11 for the blind and for the center for childhood deafness and hearing
12 loss. Determinations on school district eligibility for state safety
13 net awards shall be based on analysis of actual expenditure data from
14 the current school year.

15 (8) A maximum of \$931,000 may be expended from the general fund—
16 state appropriations to fund 5.43 full-time equivalent teachers and
17 2.1 full-time equivalent aides at children's orthopedic hospital and
18 medical center. This amount is in lieu of money provided through the
19 home and hospital allocation and the special education program.

20 (9) The superintendent shall maintain the percentage of federal
21 flow-through to school districts at 85 percent. In addition to other
22 purposes, school districts may use increased federal funds for high-
23 cost students, for purchasing regional special education services
24 from educational service districts, and for staff development
25 activities particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next
27 year up to 10 percent of the general fund—state funds allocated under
28 this program; however, carryover funds shall be expended in the
29 special education program.

30 (11) \$256,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$256,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for two additional full-time
33 equivalent staff to support the work of the safety net committee and
34 to provide training and support to districts applying for safety net
35 awards.

36 (12) \$50,000 of the general fund—state appropriation for fiscal
37 year 2018, \$50,000 of the general fund—state appropriation for fiscal
38 year 2019, and \$100,000 of the general fund—federal appropriation are

1 provided solely for a special education family liaison position
2 within the office of the superintendent of public instruction.

3 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS**

5	General Fund—State Appropriation (FY 2018)	\$8,534,000
6	General Fund—State Appropriation (FY 2019)	\$8,558,000
7	TOTAL APPROPRIATION.	\$17,092,000

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

10 (1) The educational service districts shall continue to furnish
11 financial services required by the superintendent of public
12 instruction and RCW 28A.310.190 (3) and (4).

13 (2) Funding within this section is provided for regional
14 professional development related to mathematics and science
15 curriculum and instructional strategies aligned with common core
16 state standards and next generation science standards. Funding shall
17 be distributed among the educational service districts in the same
18 proportion as distributions in the 2007-2009 biennium. Each
19 educational service district shall use this funding solely for salary
20 and benefits for a certificated instructional staff with expertise in
21 the appropriate subject matter and in professional development
22 delivery, and for travel, materials, and other expenditures related
23 to providing regional professional development support.

24 (3) The educational service districts, at the request of the
25 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,
26 may receive and screen applications for school accreditation, conduct
27 school accreditation site visits pursuant to state board of education
28 rules, and submit to the state board of education post-site visit
29 recommendations for school accreditation. The educational service
30 districts may assess a cooperative service fee to recover actual plus
31 reasonable indirect costs for the purposes of this subsection.

32 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE**

34	General Fund—State Appropriation (FY 2018)	\$449,808,000
35	General Fund—State Appropriation (FY 2019)	\$454,876,000
36	TOTAL APPROPRIATION.	\$904,684,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: For purposes of RCW 84.52.0531, the
3 increase per full-time equivalent student is 5.85 percent from the
4 2016-17 school year to the 2017-18 school year.

5 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
6 **INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS**

7	General Fund—State Appropriation (FY 2018)	. . . . .	\$13,565,000
8	General Fund—State Appropriation (FY 2019)	. . . . .	\$13,689,000
9	TOTAL APPROPRIATION.	. . . . .	\$27,254,000

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

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

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

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

24 (4) The funded staffing ratios for education programs for
25 juveniles age 18 or less in department of corrections facilities
26 shall be the same as those provided in the 1997-99 biennium.

27 (5) \$701,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$701,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely to maintain at least one
30 certificated instructional staff and related support services at an
31 institution whenever the K-12 enrollment is not sufficient to support
32 one full-time equivalent certificated instructional staff to furnish
33 the educational program. The following types of institutions are
34 included: Residential programs under the department of social and
35 health services for developmentally disabled juveniles, programs for
36 juveniles under the department of corrections, programs for juveniles
37 under the juvenile rehabilitation administration, and programs for
38 juveniles operated by city and county jails.

1 (6) Ten percent of the funds allocated for each institution may
2 be carried over from one year to the next.

3 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

5	General Fund—State Appropriation (FY 2018)	. . . . .	\$21,265,000
6	General Fund—State Appropriation (FY 2019)	. . . . .	\$24,306,000
7	TOTAL APPROPRIATION.	. . . . .	\$45,571,000

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

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

13 (2) For the 2017-18 and 2018-19 school years, the superintendent
14 shall allocate funding to school district programs for highly capable
15 students as provided in RCW 28A.150.260(10)(c) except that
16 allocations must be based on 5.0 percent of each school district's
17 full-time equivalent enrollment. In calculating the allocations, the
18 superintendent shall assume the following: (i) Additional instruction
19 of 2.1590 hours per week per funded highly capable program student;
20 (ii) fifteen highly capable program students per teacher; (iii) 36
21 instructional weeks per year; (iv) 900 instructional hours per
22 teacher; and (v) the compensation rates as provided in sections 503
23 and 504 of this act.

24 (b) From July 1, 2017, to August 31, 2017, the superintendent
25 shall allocate funding to school districts programs for highly
26 capable students as provided in section 511, chapter 4, Laws of 2015
27 3rd sp. sess., as amended.

28 (3) \$85,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$85,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for the centrum program at Fort
31 Worden state park.

32 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION—FOR MISCELLANEOUS—EVERY STUDENT SUCCEEDS ACT**

34	General Fund—Federal Appropriation	\$4,802,000
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35 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
36 **INSTRUCTION—EDUCATION REFORM PROGRAMS**

1	General Fund—State Appropriation (FY 2018)	\$134,741,000
2	General Fund—State Appropriation (FY 2019)	\$155,464,000
3	General Fund—Federal Appropriation	\$93,320,000
4	General Fund—Private/Local Appropriation	\$1,451,000
5	Education Legacy Trust Account—State Appropriation	\$1,619,000
6	TOTAL APPROPRIATION.	\$386,595,000

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

9 (1) \$30,421,000 of the general fund—state appropriation for
10 fiscal year 2018, \$26,975,000 of the general fund—state appropriation
11 for fiscal year 2019, \$1,350,000 of the education legacy trust
12 account—state appropriation, and \$15,868,000 of the general fund—
13 federal appropriation are provided solely for development and
14 implementation of the Washington state assessment system.

15 (2) \$356,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$356,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the Washington state
18 leadership and assistance for science education reform (LASER)
19 regional partnership activities coordinated at the Pacific science
20 center, including instructional material purchases, teacher and
21 principal professional development, and school and community
22 engagement events.

23 (3) \$3,935,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$3,935,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for implementation of a new
26 performance-based evaluation for certificated educators and other
27 activities as provided in chapter 235, Laws of 2010 (education
28 reform) and chapter 35, Laws of 2012 (certificated employee
29 evaluations).

30 (4) \$62,672,000 of the general fund—state appropriation for
31 fiscal year 2018 and \$82,665,000 of the general fund—state
32 appropriation for fiscal year 2019 are provided solely for the
33 following bonuses for teachers who hold valid, unexpired
34 certification from the national board for professional teaching
35 standards and who are teaching in a Washington public school, subject
36 to the following conditions and limitations:

37 (a) For national board certified teachers, a bonus of \$5,296 per
38 teacher in the 2017-18 school year and a bonus of \$5,381 per teacher
39 in the 2018-19 school year;

1 (b) An additional \$5,000 annual bonus shall be paid to national
2 board certified teachers who teach in either: (A) High schools where
3 at least 50 percent of student headcount enrollment is eligible for
4 federal free or reduced-price lunch, (B) middle schools where at
5 least 60 percent of student headcount enrollment is eligible for
6 federal free or reduced-price lunch, or (C) elementary schools where
7 at least 70 percent of student headcount enrollment is eligible for
8 federal free or reduced-price lunch;

9 (c) The superintendent of public instruction shall adopt rules to
10 ensure that national board certified teachers meet the qualifications
11 for bonuses under (b) of this subsection for less than one full
12 school year receive bonuses in a prorated manner. All bonuses in this
13 subsection will be paid in July of each school year. Bonuses in this
14 subsection shall be reduced by a factor of 40 percent for first year
15 NBPTS certified teachers, to reflect the portion of the instructional
16 school year they are certified; and

17 (d) During the 2017-18 and 2018-19 school years, and within
18 available funds, certificated instructional staff who have met the
19 eligibility requirements and have applied for certification from the
20 national board for professional teaching standards may receive a
21 conditional loan of two thousand dollars or the amount set by the
22 office of the superintendent of public instruction to contribute
23 toward the current assessment fee, not including the initial up-front
24 candidacy payment. The fee shall be an advance on the first annual
25 bonus under RCW 28A.405.415. The conditional loan is provided in
26 addition to compensation received under a district's salary
27 allocation and shall not be included in calculations of a district's
28 average salary and associated salary limitation under RCW
29 28A.400.200. Recipients who fail to receive certification after three
30 years are required to repay the conditional loan. The office of the
31 superintendent of public instruction shall adopt rules to define the
32 terms for initial grant of the assessment fee and repayment,
33 including applicable fees. To the extent necessary, the
34 superintendent may use revenues from the repayment of conditional
35 loan scholarships to ensure payment of all national board bonus
36 payments required by this section in each school year.

37 (5) \$477,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$477,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for the leadership internship
40 program for superintendents, principals, and program administrators.

1 (6) \$950,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$950,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the Washington reading
4 corps. The superintendent shall allocate reading corps members to
5 schools identified for comprehensive or targeted support and school
6 districts that are implementing comprehensive, proven, research-based
7 reading programs. Two or more schools may combine their Washington
8 reading corps programs.

9 (7) \$810,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$810,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for the development of a
12 leadership academy for school principals and administrators. The
13 superintendent of public instruction shall contract with an
14 independent organization to operate a state-of-the-art education
15 leadership academy that will be accessible throughout the state.
16 Semiannually the independent organization shall report on amounts
17 committed by foundations and others to support the development and
18 implementation of this program. Leadership academy partners shall
19 include the state level organizations for school administrators and
20 principals, the superintendent of public instruction, the
21 professional educator standards board, and others as the independent
22 organization shall identify.

23 (8) \$3,000,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$3,000,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for a statewide information
26 technology (IT) academy program. This public-private partnership will
27 provide educational software, as well as IT certification and
28 software training opportunities for students and staff in public
29 schools.

30 (9) \$1,802,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$1,802,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for secondary career and
33 technical education grants pursuant to chapter 170, Laws of 2008. If
34 equally matched by private donations, \$825,000 of the 2018
35 appropriation and \$825,000 of the 2019 appropriation shall be used to
36 support FIRST robotics programs. Of the amounts in this subsection,
37 \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the
38 fiscal year 2019 appropriation are provided solely for the purpose of

1 statewide supervision activities for career and technical education
2 student leadership organizations.

3 (10) \$125,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$125,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for (a) staff at the office of
6 the superintendent of public instruction to coordinate and promote
7 efforts to develop integrated math, science, technology, and
8 engineering programs in schools and districts across the state; and
9 (b) grants of \$2,500 to provide twenty middle and high school
10 teachers each year with professional development training for
11 implementing integrated math, science, technology, and engineering
12 programs in their schools.

13 (11) \$135,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$135,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for science, technology,
16 engineering and mathematics lighthouse projects, consistent with
17 chapter 238, Laws of 2010.

18 (12) \$10,500,000 of the general fund—state appropriation for
19 fiscal year 2018 and \$10,500,000 of the general fund—state
20 appropriation for fiscal year 2019 are provided solely for a
21 beginning educator support program. The program shall prioritize
22 first year teachers in the mentoring program. School districts and/or
23 regional consortia may apply for grant funding. The program provided
24 by a district and/or regional consortia shall include: A paid
25 orientation; assignment of a qualified mentor; development of a
26 professional growth plan for each beginning teacher aligned with
27 professional certification; release time for mentors and new teachers
28 to work together; and teacher observation time with accomplished
29 peers. Funding may be used to provide statewide professional
30 development opportunities for mentors and beginning educators.

31 (13) \$250,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$250,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for advanced project lead the
34 way courses at ten high schools. To be eligible for funding in 2018,
35 a high school must have offered a foundational project lead the way
36 course during the 2016-17 school year. The 2018 funding must be used
37 for one-time start-up course costs for an advanced project lead the
38 way course, to be offered to students beginning in the 2017-18 school
39 year. To be eligible for funding in 2019, a high school must have

1 offered a foundational project lead the way course during the 2017-18
2 school year. The 2018 funding must be used for one-time start-up
3 course costs for an advanced project lead the way course, to be
4 offered to students beginning in the 2018-19 school year. The office
5 of the superintendent of public instruction and the education
6 research and data center at the office of financial management shall
7 track student participation and long-term outcome data.

8 (14) \$9,352,000 of the general fund—state appropriation for
9 fiscal year 2018 and \$14,352,000 of the general fund—state
10 appropriation for fiscal year 2019 are provided solely for
11 implementation of chapter 159, Laws of 2013. By January 15, 2018, the
12 superintendent of public instruction shall submit a plan to the
13 fiscal committees of the legislature outlining the additional school
14 accountability supports that will be implemented as a result of the
15 increased appropriation provided in fiscal year 2019. Of the amount
16 provided in this subsection, \$5,000,000 of the general fund—state
17 appropriation for fiscal year 2019 is provided solely for expenditure
18 contingent upon legislative approval of the superintendent's plan for
19 additional school accountability supports, and the superintendent may
20 not spend that amount until approval is received.

21 (15) \$450,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$450,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for annual start-up, expansion,
24 or maintenance of existing programs in aerospace and advanced
25 manufacturing programs. To be eligible for funding, the skills center
26 and high schools must agree to engage in developing local business
27 and industry partnerships for oversight and input regarding program
28 components. Program instructors must also agree to participate in
29 professional development leading to student employment, or
30 certification in aerospace or advanced manufacturing industries as
31 determined by the superintendent of public instruction. The office of
32 the superintendent of public instruction and the education research
33 and data center shall report annually student participation and long-
34 term outcome data.

35 (16) \$5,000,000 of the general fund—state appropriation for
36 fiscal year 2018 and \$4,000,000 of the general fund—state
37 appropriation for fiscal year 2019 are provided solely for the
38 provision of training for teachers in the performance-based teacher
39 principal evaluation program.

1 (17) \$100,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$100,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely to promote the financial
4 literacy of students. The effort will be coordinated through the
5 financial literacy public-private partnership.

6 (18) \$2,194,000 of the general fund—state appropriation for
7 fiscal year 2018 and \$2,194,000 of the general fund—state
8 appropriation for fiscal year 2019 are provided solely to implement
9 chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate
10 Bill No. 5946) (strengthening student educational outcomes).

11 (19) \$36,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$36,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for chapter 212, Laws of 2014
14 (Substitute Senate Bill No. 6074) (homeless student educational
15 outcomes).

16 (20) \$80,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$40,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for chapter 219, Laws of 2014
19 (Second Substitute Senate Bill No. 6163) (expanded learning).

20 (21) \$10,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$10,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for chapter 102, Laws of 2014
23 (Senate Bill No. 6424) (biliteracy seal).

24 (22) \$500,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$500,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the office of the
27 superintendent of public instruction to contract with a nonprofit
28 organization to integrate the state learning standards in English
29 language arts, mathematics, and science with FieldSTEM outdoor field
30 studies and project-based and work-based learning opportunities
31 aligned with the environmental, natural resource, and agricultural
32 sectors.

33 (23) Within the amounts provided in this section, the
34 superintendent of public instruction shall obtain an existing student
35 assessment inventory tool that is free and openly licensed and
36 distribute the tool to every school district. Each school district
37 shall use the student assessment inventory tool to identify all
38 state-level and district-level assessments that are required of
39 students. The state-required assessments should include: Reading

1 proficiency assessments used for compliance with RCW 28A.320.202; the
 2 required statewide assessments under chapter 28A.655 RCW in grades
 3 three through eight and at the high school level in English language
 4 arts, mathematics, and science, as well as the practice and training
 5 tests used to prepare for them; and the high school end-of-course
 6 exams in mathematics under RCW 28A.655.066. District-required
 7 assessments should include: The second grade reading assessment used
 8 to comply with RCW 28A.300.320; interim smarter balanced assessments,
 9 if required; the measures of academic progress assessment, if
 10 required; and other required interim, benchmark, or summative
 11 standardized assessments, including assessments used in social
 12 studies, the arts, health, and physical education in accordance with
 13 RCW 28A.230.095, and for educational technology in accordance with
 14 RCW 28A.655.075. The assessments identified should not include
 15 assessments used to determine eligibility for any categorical program
 16 including the transitional bilingual instruction program, learning
 17 assistance program, highly capable program, special education
 18 program, or any formative or diagnostic assessments used solely to
 19 inform teacher instructional practices, other than those already
 20 identified. By October 15th of each year, each district shall report
 21 to the superintendent the amount of student time in the previous
 22 school year that is spent taking each assessment identified. By
 23 December 15th of each year, the superintendent shall summarize the
 24 information reported by the school districts and report to the
 25 education committees of the house of representatives and the senate.

26 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
 27 **INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS**

28	General Fund—State Appropriation (FY 2018)	. . . . .	\$147,948,000
29	General Fund—State Appropriation (FY 2019)	. . . . .	\$157,744,000
30	General Fund—Federal Appropriation	. . . . .	\$92,244,000
31	TOTAL APPROPRIATION.	. . . . .	\$397,936,000

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

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

37 (2)(a) For the 2017-18 and 2018-19 school years, the
 38 superintendent shall allocate funding to school districts for

1 transitional bilingual programs under RCW 28A.180.010 through
2 28A.180.080, including programs for exited students, as provided in
3 RCW 28A.150.260(10)(b) and the provisions of this section. In
4 calculating the allocations, the superintendent shall assume the
5 following averages: (i) Additional instruction of 4.7780 hours per
6 week per transitional bilingual program student in grades
7 kindergarten through six and 6.7780 hours per week per transitional
8 bilingual program student in grades seven through twelve in school
9 years 2017-18 and 2018-19; (ii) additional instruction of 3.0000
10 hours per week in school years 2017-18 and 2018-19 for the head count
11 number of students who have exited the transitional bilingual
12 instruction program within the previous two years based on their
13 performance on the English proficiency assessment; (iii) fifteen
14 transitional bilingual program students per teacher; (iv) 36
15 instructional weeks per year; (v) 900 instructional hours per
16 teacher; and (vi) the compensation rates as provided in sections 503
17 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the
18 instructional hours specified in (a)(ii) of this subsection (2) are
19 within the program of basic education.

20 (b) From July 1, 2017, to August 31, 2017, the superintendent
21 shall allocate funding to school districts for transitional bilingual
22 instruction programs as provided in section 514, chapter 4, Laws of
23 2015, 3rd sp. sess., as amended.

24 (3) The superintendent may withhold allocations to school
25 districts in subsection (2) of this section solely for the central
26 provision of assessments as provided in RCW 28A.180.090 (1) and (2)
27 up to the following amounts: 2.55 percent for school year 2017-18 and
28 2.57 percent for school year 2018-19.

29 (4) The general fund—federal appropriation in this section is for
30 migrant education under Title I Part C and English language
31 acquisition, and language enhancement grants under Title III of the
32 elementary and secondary education act.

33 (5) \$35,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$35,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely to track current and former
36 transitional bilingual program students.

37 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
38 **INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM**

1	General Fund—State Appropriation (FY 2018)	. . . . .	\$326,233,000
2	General Fund—State Appropriation (FY 2019)	. . . . .	\$355,633,000
3	General Fund—Federal Appropriation	. . . . .	\$505,487,000
4	TOTAL APPROPRIATION.	. . . . .	\$1,187,353,000

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

7 (1) The general fund—state appropriations in this section are
8 subject to the following conditions and limitations:

9 (a) The appropriations include such funds as are necessary to
10 complete the school year ending in the fiscal year and for prior
11 fiscal year adjustments.

12 (b)(i) For the 2017-18 and 2018-19 school years, the
13 superintendent shall allocate funding to school districts for
14 learning assistance programs as provided in RCW 28A.150.260(10)(a),
15 except that the allocation for the additional instructional hours
16 shall be enhanced as provided in this section, which enhancements are
17 within the program of the basic education. In calculating the
18 allocations, the superintendent shall assume the following averages:

19 (A) Additional instruction of 2.3975 hours per week per funded
20 learning assistance program student for the 2017-18 and 2018-19
21 school years; (B) additional instruction of 1.1 hours per week per
22 funded learning assistance program student for the 2017-18 and
23 2018-19 school years in qualifying high-poverty school building; (C)
24 fifteen learning assistance program students per teacher; (D) 36
25 instructional weeks per year; (E) 900 instructional hours per
26 teacher; and (F) the compensation rates as provided in sections 503
27 and 504 of this act.

28 (ii) From July 1, 2017, to August 31, 2017, the superintendent
29 shall allocate funding to school districts for learning assistance
30 programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp.
31 sess., as amended.

32 (c) A school district's funded students for the learning
33 assistance program shall be the sum of the district's full-time
34 equivalent enrollment in grades K-12 for the prior school year
35 multiplied by the district's percentage of October headcount
36 enrollment in grades K-12 eligible for free or reduced-price lunch in
37 the prior school year. The prior school year's October headcount
38 enrollment for free and reduced-price lunch shall be as reported in
39 the comprehensive education data and research system.

1 (2) Allocations made pursuant to subsection (1) of this section
2 shall be adjusted to reflect ineligible applications identified
3 through the annual income verification process required by the
4 national school lunch program, as recommended in the report of the
5 state auditor on the learning assistance program dated February,
6 2010.

7 (3) The general fund—federal appropriation in this section is
8 provided for Title I Part A allocations of the every student succeeds
9 act of 2016.

10 (4) A school district may carry over from one year to the next up
11 to 10 percent of the general fund—state funds allocated under this
12 program; however, carryover funds shall be expended for the learning
13 assistance program.

14 (5) Within existing resources, during the 2017-18 and 2018-19
15 school years, school districts are authorized to use funds allocated
16 for the learning assistance program to also provide assistance to
17 high school students who have not passed the state assessment in
18 science.

19 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION—PER PUPIL ALLOCATIONS**

	Statewide Average Allocations	
	Per Annual Average Full-Time Equivalent Student	
Basic Education Program	2017-18	2018-19
	School	School
	Year	Year
General Apportionment	\$7,038	\$8,037
Pupil Transportation	\$422	\$485
Special Education Programs	\$6,920	\$7,875
Institutional Education Programs	\$13,476	\$15,369
Programs for Highly Capable	\$455	\$525
Students		
Transitional Bilingual Programs	\$1,024	\$1,163
Learning Assistance Program	\$735	\$849

34 NEW SECTION. **Sec. 517. BILL CONTINGENCY.** Of amounts
35 appropriated in sections 501 through 515 of this act, a total of

1 \$164,287,000 of the general fund—state appropriation for fiscal year
2 2018 and \$1,200,417,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of House Bill
4 No. 2242 (fully funding the program of basic education). Amounts
5 referenced in this subsection exclude amounts attributable to formula
6 enhancements in staffing ratios in the prototypical school model,
7 materials supplies and operating costs, the learning assistance
8 program, the transitional bilingual instruction program, if those
9 enhancements are newly codified in House Bill No. 2242 (fully funding
10 the program of basic education) but are funded in maintenance level
11 in the appropriations in this act. If section 301 of the bill is not
12 enacted by July 31, 2017, the amounts referenced in this section
13 shall lapse. In the event of such a lapse, the superintendent of
14 public instruction must certify to the office of financial management
15 the portions of the appropriations in each of sections 501 through
16 515 that lapse under the requirements of this section.

17 NEW SECTION. **Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION**

19 (1) Amounts distributed to districts by the superintendent
20 through part V of this act are for allocations purposes only, unless
21 specified by part V of this act, and do not entitle a particular
22 district, district employee, or student to a specific service, beyond
23 what has been expressly provided in statute. Part V of this act
24 restates the requirements of various sections of Title 28A RCW. If
25 any conflict exists, the provisions of Title 28A RCW control unless
26 this act explicitly states that it is providing an enhancement. Any
27 amounts provided in part V of this act in excess of the amounts
28 required by Title 28A RCW provided in statute, are not within the
29 program of basic education unless clearly stated by this act.

30 (2) To the maximum extent practicable, when adopting new or
31 revised rules or policies relating to the administration of
32 allocations in part V of this act that result in fiscal impact, the
33 office of the superintendent of public instruction shall attempt to
34 seek legislative approval through the budget request process.

35 (3) Appropriations made in this act to the office of the
36 superintendent of public instruction shall initially be allotted as
37 required by this act. Subsequent allotment modifications shall not
38 include transfers of moneys between sections of this act.

1 (4) As required by RCW 28A.710.110, the office of the
2 superintendent of public instruction shall transmit the charter
3 school authorizer oversight fee for the charter school commission to
4 the charter school oversight account.

5 NEW SECTION. **Sec. 519. FOR THE OFFICE OF THE SUPERINTENDENT OF**
6 **PUBLIC INSTRUCTION—FOR CHARTER SCHOOLS**

7 Washington Opportunity Pathways Account—State
8 Appropriation \$62,713,000

9 The appropriation in this section is subject to the following
10 conditions and limitations: The superintendent shall distribute
11 funding appropriated in this section to charter schools under chapter
12 28A.710 RCW. Within amounts provided in this section the
13 superintendent may distribute funding for safety net awards for
14 charter schools with demonstrated needs for special education funding
15 beyond the amounts provided under chapter 28A.710 RCW.

16 NEW SECTION. **Sec. 520. FOR THE OFFICE OF THE SUPERINTENDENT OF**
17 **PUBLIC INSTRUCTION—FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION**

18 Washington Opportunity Pathways Account—State
19 Appropriation \$477,000
20 Charter Schools Oversight Account—State Appropriation . . \$1,958,000
21 TOTAL APPROPRIATION. \$2,435,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: The entire Washington opportunity
24 pathways account—state appropriation in this section is provided to
25 the superintendent of public instruction solely for the operations of
26 the Washington state charter school commission under chapter 28A.710
27 RCW.

(End of part)

PART VI
HIGHER EDUCATION

1
2
3 NEW SECTION. **Sec. 601.** The appropriations in sections 605
4 through 611 of this act are subject to the following conditions and
5 limitations:

6 (1) "Institutions" means the institutions of higher education
7 receiving appropriations under sections 605 through 611 of this act.

8 (2) The legislature, the office of financial management, and
9 other state agencies need consistent and accurate personnel data from
10 institutions of higher education for policy planning purposes.
11 Institutions of higher education shall report personnel data to the
12 office of financial management for inclusion in the agency's data
13 warehouse. Uniform reporting procedures shall be established by the
14 office of financial management's office of the state human resources
15 director for use by the reporting institutions, including provisions
16 for common job classifications and common definitions of full-time
17 equivalent staff. Annual contract amounts, number of contract months,
18 and funding sources shall be consistently reported for employees
19 under contract.

20 (3) In addition to waivers granted under the authority of RCW
21 28B.15.910, the governing boards and the state board may waive all or
22 a portion of operating fees for any student. State general fund
23 appropriations shall not be provided to replace tuition and fee
24 revenue foregone as a result of waivers granted under this
25 subsection.

26 (4)(a) For institutions receiving appropriations in section 605
27 of this act, the only allowable salary increases provided are those
28 with normally occurring promotions and increases related to faculty
29 and staff retention, except as provided in Part IX of this act. In
30 fiscal year 2018 and fiscal year 2019, the state board for community
31 and technical colleges may use salary and benefit savings from
32 faculty turnover to provide salary increments and associated benefits
33 for faculty who qualify through professional development and
34 training.

35 (b) For employees under the jurisdiction of chapter 41.56 RCW,
36 salary increases will be in accordance with the applicable collective
37 bargaining agreement. However, an increase shall not be provided to
38 any classified employee whose salary is above the approved salary

1 range maximum for the class to which the employee's position is
2 allocated.

3 (c) For each institution of higher education receiving
4 appropriations under sections 606 through 611 of this act:

5 (i) The only allowable salary increases are those associated with
6 normally occurring promotions and increases related to faculty and
7 staff retention and as provided in Part IX of this act; and

8 (ii) Institutions may provide salary increases from other sources
9 to instructional and research faculty at the universities and The
10 Evergreen State College, exempt professional staff, teaching and
11 research assistants, as classified by the office of financial
12 management, and all other nonclassified staff, but not including
13 employees under chapter 41.80 RCW. Any salary increase granted under
14 the authority of this subsection (4)(c)(ii) shall not be included in
15 an institution's salary base for future state funding. It is the
16 intent of the legislature that state general fund support for an
17 institution shall not increase during the current or any future
18 biennium as a result of any salary increases authorized under this
19 subsection (4)(c)(ii).

20 (5) Within funds appropriated to institutions in sections 605
21 through 611 of this act, teacher preparation programs shall meet the
22 requirements of RCW 28B.10.710 to incorporate information on the
23 culture, history, and government of American Indian people in this
24 state by integrating the curriculum developed and made available free
25 of charge by the office of the superintendent of public instruction
26 into existing programs or courses and may modify that curriculum in
27 order to incorporate elements that have a regionally specific focus.

28 NEW SECTION. **Sec. 602.** (1) Within the amounts appropriated in
29 this act, each institution of higher education shall seek to:

30 (a) Maintain and to the extent possible increase enrollment
31 opportunities at branch campuses;

32 (b) Maintain and to the extent possible increase enrollment
33 opportunities at university centers and other partnership programs
34 that enable students to earn baccalaureate degrees on community
35 college campuses; and

36 (c) Eliminate and consolidate programs of study for which there
37 is limited student or employer demand, or that are not areas of core
38 academic strength for the institution, particularly when such
39 programs duplicate offerings by other in-state institutions.

1 (3) For purposes of monitoring and reporting statewide
2 enrollment, the University of Washington and Washington State
3 University shall notify the office of financial management of the
4 number of full-time student equivalent enrollments for each of their
5 campuses.

6 NEW SECTION. **Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

7 (1) The state universities, the regional universities, and The
8 Evergreen State College must accept the transfer of college-level
9 courses taken by students under RCW 28A.600.290 or 28A.600.300 if a
10 student seeking a transfer of the college-level courses has been
11 admitted to the state university, the regional university, or The
12 Evergreen State College, and if the college-level courses are
13 recognized as transferrable by the admitting institution of higher
14 education.

15 (2) Appropriations in sections 606 through 611 of this act are
16 sufficient to implement 2017-19 collective bargaining agreements at
17 institutions of higher education negotiated under chapter 41.80 RCW.
18 The institutions may also use these funds for any other purpose
19 including increasing compensation and implementing other collective
20 bargaining agreements.

21 (3) Within amounts appropriated to institutions in sections 606
22 through 611 of this act, institutions shall employ at least one full-
23 time mental health counselor licensed under chapter 18.225 RCW who
24 has experience working with active members of the military or
25 military veterans, to work with student, faculty, and staff veterans,
26 as well as their spouses and dependents, through the institution's
27 veteran resource center.

28 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
29 **COLLEGES**

30 Appropriations in section 605 of this act are sufficient to
31 implement 2017-19 collective bargaining agreements at institutions of
32 higher education negotiated under chapter 41.80 RCW. The institutions
33 may also use these funds for any other purpose including increasing
34 compensation, and implementing other collective bargaining
35 agreements.

36 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
37 **TECHNICAL COLLEGES**

1	General Fund—State Appropriation (FY 2018)	. . . . .	\$662,672,000
2	General Fund—State Appropriation (FY 2019)	. . . . .	\$668,368,000
3	Community/Technical College Capital Projects		
4	Account—State Appropriation.	. . . . .	\$23,841,000
5	Education Legacy Trust Account—State Appropriation	. . .	\$138,314,000
6	TOTAL APPROPRIATION.	. . . . .	\$1,493,195,000

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

9 (1) \$33,261,000 of the general fund—state appropriation for
10 fiscal year 2018 and \$33,261,000 of the general fund—state
11 appropriation for fiscal year 2019 are provided solely as special
12 funds for training and related support services, including financial
13 aid, as specified in RCW 28C.04.390. Funding is provided to support
14 at least 7,170 full-time equivalent students in fiscal year 2018 and
15 at least 7,170 full-time equivalent students in fiscal year 2019.

16 (2) \$5,450,000 of the education legacy trust account—state
17 appropriation is provided solely for administration and customized
18 training contracts through the job skills program. The state board
19 shall make an annual report by January 1st of each year to the
20 governor and to the appropriate policy and fiscal committees of the
21 legislature regarding implementation of this section, listing the
22 scope of grant awards, the distribution of funds by educational
23 sector and region of the state, and the results of the partnerships
24 supported by these funds.

25 (3) \$425,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$425,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for Seattle central college's
28 expansion of allied health programs.

29 (4) \$5,250,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$5,250,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for the student achievement
32 initiative.

33 (5) \$1,610,000 of the general fund—state appropriation for fiscal
34 year 2018, and \$1,610,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the expansion of the
36 mathematics, engineering, and science achievement program. The state
37 board shall report back to the appropriate committees of the
38 legislature on the number of campuses and students served by December
39 31, 2018.

1 (6) \$1,500,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$1,500,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of guided
4 pathways or similar programs designed to improve student success,
5 including, but not limited to, academic program redesign, student
6 advising, and other student supports.

7 (7) \$1,500,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$1,500,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for operating a fabrication
10 composite wing incumbent worker training program to be housed at the
11 Washington aerospace training and research center.

12 (8) \$100,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$100,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for the aerospace center of
15 excellence currently hosted by Everett community college to:

16 (a) Increase statewide communications and outreach between
17 industry sectors, industry organizations, businesses, K-12 schools,
18 colleges, and universities;

19 (b) Enhance information technology to increase business and
20 student accessibility and use of the center's web site; and

21 (c) Act as the information entry point for prospective students
22 and job seekers regarding education, training, and employment in the
23 industry.

24 (9) \$18,588,000 of the general fund—state appropriation for
25 fiscal year 2018 and \$18,960,000 of the general fund—state
26 appropriation for fiscal year 2019 are provided solely for the
27 implementation of the college affordability program as set forth in
28 RCW 28B.15.066.

29 (10) Community and technical colleges are not required to send
30 mass mailings of course catalogs to residents of their districts.
31 Community and technical colleges shall consider lower cost
32 alternatives, such as mailing postcards or brochures that direct
33 individuals to online information and other ways of acquiring print
34 catalogs.

35 (11) The state board for community and technical colleges shall
36 not use funds appropriated in this section to support intercollegiate
37 athletics programs.

38 (12) \$157,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$157,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the Wenatchee Valley college
2 wildfire prevention program.

3 (13) \$100,000 of the general fund—state appropriation for fiscal
4 year 2018 is provided solely for implementation of chapter 154, Laws
5 of 2017 (SSB 5022) (education loan information).

6 (14) \$185,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$185,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for implementation of chapter
9 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

10 (15) \$41,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$42,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for implementation of chapter
13 98, Laws of 2017 (E2SHB 1375) (ctc course material costs).

14 (16) \$158,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$5,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for implementation of chapter
17 237, Laws of 2017 (ESHB 1115) (paraeducators).

18 (17) \$150,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$150,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for program delivery through
21 Green River College to the Covington area and southeast King county
22 in response to the education needs assessment conducted by the
23 student achievement council in the 2015-2017 fiscal biennium.

24 (18) \$60,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$60,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for a youth development program
27 operated by Everett community college in conjunction with a county
28 chapter of a national civil rights organization.

29 (19) \$750,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$750,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for increased enrollments in the
32 integrated basic education and skills training program. Funding will
33 support approximately 120 additional full-time equivalent enrollments
34 annually.

35 (20)(a) The state board must provide quality assurance reports on
36 the ctcLink project at the frequency directed by the office of chief
37 information officer for review and for posting on its information
38 technology project dashboard.

1 (b) The state board must develop a technology budget using a
2 method similar to the state capital budget, identifying project
3 costs, funding sources, and anticipated deliverables through each
4 stage of the investment and across fiscal periods and biennia from
5 project initiation to implementation. The budget must be updated at
6 the frequency directed by the office of chief information officer for
7 review and for posting on its information technology project
8 dashboard.

9 (c) The office of the chief information officer may suspend the
10 ctcLink project at any time if the office of the chief information
11 officer determines that the project is not meeting or is not expected
12 to meet anticipated performance measures, implementation timelines,
13 or budget estimates. Once suspension or termination occurs, the state
14 board shall not make additional expenditures on the ctcLink project
15 without approval of the chief information officer. The ctcLink
16 project funded through the community and technical college innovation
17 account created in RCW 28B.50.515 is subject to the conditions,
18 limitations, and review provided in section 724 of this act.

19 (21) \$150,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$150,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the aerospace center of
22 excellence hosted by Everett Community College to develop an unmanned
23 aircraft system program in Sunnyside.

24 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

25	General Fund—State Appropriation (FY 2018)	\$336,712,000
26	General Fund—State Appropriation (FY 2019)	\$353,811,000
27	Aquatic Lands Enhancement Account—State Appropriation	\$1,350,000
28	UW Building Account—State Appropriation	\$1,052,000
29	Education Legacy Trust Account—State Appropriation	\$30,050,000
30	Economic Development Strategic Reserve Account—State	
31	Appropriation	\$3,035,000
32	Biotoxin Account—State Appropriation	\$597,000
33	Dedicated Marijuana Account—State Appropriation	
34	(FY 2018)	\$247,000
35	Dedicated Marijuana Account—State Appropriation	
36	(FY 2019)	\$247,000
37	Accident Account—State Appropriation	\$7,436,000
38	Medical Aid Account—State Appropriation	\$7,042,000

1 TOTAL APPROPRIATION. \$741,579,000

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

4 (1) \$52,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$52,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the center for international
7 trade in forest products in the college of forest resources.

8 (2) \$38,581,000 of the general fund—state appropriation for
9 fiscal year 2018 and \$39,353,000 of the general fund—state
10 appropriation for fiscal year 2019 are provided solely for the
11 implementation of the college affordability program as set forth in
12 RCW 28B.15.066.

13 (3) \$200,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$200,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for labor archives of
16 Washington. The university shall work in collaboration with the state
17 board for community and technical colleges.

18 (4) \$8,000,000 of the education legacy trust account—state
19 appropriation is provided solely for the family medicine residency
20 network at the university to expand the number of residency slots
21 available in Washington.

22 (5) The university must continue work with the education research
23 and data center to demonstrate progress in computer science and
24 engineering enrollments. By September 1st of each year, the
25 university shall provide a report including but not limited to the
26 cost per student, student completion rates, and the number of low-
27 income students enrolled in each program, any process changes or
28 best-practices implemented by the university, and how many students
29 are enrolled in computer science and engineering programs above the
30 prior academic year.

31 (6) \$1,350,000 of the aquatic lands enhancement account—state is
32 provided solely for ocean acidification monitoring, forecasting, and
33 research and for operation of the Washington ocean acidification
34 center. By September 1, 2017, the center must provide a biennial work
35 plan and begin quarterly progress reports to the Washington marine
36 resources advisory council created under RCW 43.06.338.

37 (7) \$8,000,000 of the education legacy trust account—state
38 appropriation is provided solely for the expansion of degrees in the
39 department of computer science and engineering at the Seattle campus.

1 (8) \$1,000,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$1,000,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the university to increase
4 resident undergraduate enrollments in science, technology,
5 engineering, and math majors. The university is expected to increase
6 full-time equivalent enrollment by approximately 60 additional
7 students.

8 (9) \$3,000,000 of the economic development strategic reserve
9 account appropriation is provided solely to support the joint center
10 for aerospace innovation technology.

11 (10) The University of Washington shall not use funds
12 appropriated in this section to support intercollegiate athletics
13 programs.

14 (11) \$250,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$250,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the Latino health center.

17 (12) \$200,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$200,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for the climate impacts group in
20 the college of the environment.

21 (13) \$8,400,000 of the general fund—state appropriation for
22 fiscal year 2018 and \$7,400,000 of the general fund—state
23 appropriation for fiscal year 2019 are provided solely for the
24 continued operations and expansion of the Washington, Wyoming,
25 Alaska, Montana, Idaho medical school program.

26 (14) \$3,200,000 of the general fund—state appropriation for
27 fiscal year 2019 is provided solely for the university to host the
28 Special Olympics USA Games in July 2018.

29 (15) \$5,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$80,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for implementation of chapter
32 262, Laws of 2017 (E2SHB 1612) (lethal means, reduce access).

33 (16) \$400,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$400,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for a contract with the center
36 for sensorimotor neural engineering to advance research on spinal
37 cord injuries.

38 (17) \$2,250,000 of the general fund—state appropriation for
39 fiscal year 2018 and \$2,250,000 of the general fund—state

1 appropriation for fiscal year 2019 are provided solely for the
2 institute for stem cell and regenerative medicine. Funds appropriated
3 in this subsection must be dedicated to research utilizing
4 pluripotent stem cells and related research methods.

5 (18) \$500,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$500,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided to the University of Washington to
8 support youth and young adults experiencing homelessness in the
9 university district of Seattle. Funding is provided for the
10 university to work with community service providers and university
11 colleges and departments to plan for and implement a comprehensive
12 one-stop center with navigation services for homeless youth; the
13 university may contract with the department of commerce to expand
14 services that serve homeless youth in the university district.

15 (19) \$125,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$125,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the University of Washington
18 school of public health to study the air quality implications of air
19 traffic at the international airport in the state that has the
20 highest total annual number of arrivals and departures. The study
21 must include an assessment of the concentrations of ultrafine
22 particulate matter in areas surrounding and directly impacted by air
23 traffic generated by the airport, including areas within ten miles of
24 the airport in the directions of aircraft flight paths and within ten
25 miles of the airport where public agencies operate an existing air
26 monitoring station. The study must attempt to distinguish between
27 aircraft and other sources of ultrafine particulate matter, and must
28 compare concentrations of ultrafine particulate matter in areas
29 impacted by high volumes of air traffic with concentrations of
30 ultrafine particulate matter in areas that are not impacted by high
31 volumes of air traffic. The university must coordinate with local
32 governments in areas addressed by the study to share results and
33 inclusively solicit feedback from community members. By December 1,
34 2019, the university must report study findings, including any gaps
35 and uncertainties in health information associated with ultrafine
36 particulate matter, and recommend to the legislature whether
37 sufficient information is available to proceed with a second phase of
38 the study.

1 (20) The appropriations in this section include sufficient
2 funding for the implementation of chapter 154, Laws of 2017 (SSB
3 5022) (education loan information).

4 (21) The appropriations in this section include sufficient
5 funding for the implementation of chapter 177, Laws of 2017 (SSB
6 5100) (financial literacy seminars).

7 (22) Within the funds appropriated in this section, the
8 University of Washington shall:

9 (a) Review the scholarly literature on the short-term and long-
10 term effects of marijuana use to assess if other states or private
11 entities are conducting marijuana research in areas that may be
12 useful to the state.

13 (b) Provide as part of its budget request for the 2019-2021
14 biennium:

15 (i) A list of intended state, federal, and privately funded
16 marijuana research, including cost, duration, and scope; and

17 (ii) Plans for partnerships with other universities, state
18 agencies, or private entities, including entities outside the state,
19 for purposes related to researching short-term and long-term effects
20 of marijuana use.

21 (23) General fund—state appropriations in this section are
22 reduced to reflect a reduction in state-supported tuition waivers for
23 graduate students. When reducing tuition waivers, the university will
24 not change its practices and procedures for providing eligible
25 veterans with tuition waivers.

26 (24) \$45,000 of the general fund—state appropriation for fiscal
27 year 2018 is provided solely for the university to conduct research
28 and analysis of military officers who are attending or have completed
29 the command and general staff college, intermediate level education,
30 or advanced operations course as part of their military education.
31 The purpose of the research and analysis is to examine possible
32 graduate level degree programs to be offered in partnership with the
33 university and the U.S. army's command and general staff college. The
34 research and analysis shall include stakeholder meetings with the
35 U.S. army's command and general staff college. The university shall
36 submit a report to the appropriate legislative higher education
37 committees and the joint committee on veterans and military affairs
38 by December 31, 2018. The report shall include the results of the
39 research and analysis and plans for possible next steps with other
40 service schools for field grade officers.

1 (25)(a) \$140,000 of the general fund—state appropriation for
2 fiscal year 2018 is provided solely for the University of Washington
3 school of law to convene a study on the Washington state supreme
4 court decision *Volk v. DeMeerleer*, 386 P.3d 254 (Wash. 2016), and
5 whether or not it substantially changed the law on the duty of care
6 for mental health providers and whether it has had an impact on
7 access to mental health care services in the state. The study shall
8 include:

9 (i) Comprehensive review of duty to warn and duty to protect case
10 law and laws in the United States, including a description of how
11 Washington state's law compares to other states and to what extent,
12 if any, the Volk decision changed the law in this state;

13 (ii) Comprehensive review and assessment of the involuntary and
14 voluntary treatment capacity available in the state, including
15 information and data available from the select committee on quality
16 improvement in state hospitals, related contractors, and other
17 sources;

18 (iii) An analysis of lawsuits brought in the state as a result of
19 the Volk decision, including the outcome of any such cases and any
20 harm alleged in each lawsuit;

21 (iv) An analysis of lawsuits brought in the state prior to the
22 issuance of the Volk decision, and since the issuance of the decision
23 in *Petersen v. State*, against outpatient mental health providers
24 alleged to have breached either the duty to warn or the duty to take
25 reasonable precautions established in *Petersen*, including the outcome
26 of any such cases and the harm alleged in each lawsuit;

27 (v) An analysis of insurance claims filed as a result of the Volk
28 decision, including the outcome of any such cases and any harm
29 alleged in each claim filed;

30 (vi) Whether insurance policy provisions and rates have been
31 affected due to the Volk decision;

32 (vii) Assessment of the number of mental health service providers
33 available to provide treatment to voluntary mental health patients in
34 the state, whether that capacity has changed, and whether any such
35 change is a result of the Volk decision, and a description of any
36 changes as a result of the Volk decision;

37 (viii) Assessment of whether mental health service providers may
38 be changing practice to limit exposure to the potential risks created
39 by the Volk decision;

1 (ix) Assessment of legal and practice implications state legal
2 standards regarding duty to warn and duty to protect in the voluntary
3 and involuntary treatment context; and

4 (x) Comprehensive review of practices where the practice has been
5 consistently shown to have achieved the results it seeks to achieve
6 and that those results are superior to those achieved by other means.

7 (b) When performing the study under this subsection, the
8 University of Washington school of law shall consult with subject-
9 matter experts including, but not limited to, individuals
10 representing the following organizations:

11 (i) Attorneys with experience representing defendants in personal
12 injury cases or wrongful death cases related to the issues raised by
13 duty to warn cases;

14 (ii) Washington state association for justice, representing
15 attorneys with experience representing plaintiffs in personal injury
16 cases or wrongful death cases related to the issues raised by duty to
17 warn cases;

18 (iii) Department of social and health services;

19 (iv) Washington academy of family physicians;

20 (v) Washington association for mental health treatment
21 protection;

22 (vi) Office of the insurance commissioner;

23 (vii) Washington council for behavioral health;

24 (viii) Washington state hospital association;

25 (ix) Washington state medical association;

26 (x) Washington state psychiatric association;

27 (xi) Washington state psychological association;

28 (xii) Washington state society for clinical social work;

29 (xiii) Washington association of police chiefs and sheriffs;

30 (xiv) Victim support services;

31 (xv) NW health law advocates;

32 (xvi) National alliance on mental illness;

33 (xvii) American civil liberties union; and

34 (xviii) A sample of families who testified or presented evidence
35 of their cases to the legislature.

36 (c) The University of Washington school of law shall consult each
37 listed organization separately. Following collection and analysis of
38 relevant data, they shall hold at least one meeting of all listed
39 organizations to discuss the data, analysis, and recommendations. The

1 University of Washington school of law must submit the final report
2 to the appropriate committees of the legislature by December 1, 2017.

3 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

4	General Fund—State Appropriation (FY 2018)	\$215,329,000
5	General Fund—State Appropriation (FY 2019)	\$227,266,000
6	WSU Building Account—State Appropriation.	\$792,000
7	Education Legacy Trust Account—State Appropriation . . .	\$33,995,000
8	Dedicated Marijuana Account—State Appropriation	
9	(FY 2018)	\$138,000
10	Dedicated Marijuana Account—State Appropriation	
11	(FY 2019)	\$138,000
12	TOTAL APPROPRIATION.	\$477,658,000

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

15 (1) \$90,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$90,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for a rural economic development
18 and outreach coordinator.

19 (2) The university must continue work with the education research
20 and data center to demonstrate progress in computer science and
21 engineering enrollments. By September 1st of each year, the
22 university shall provide a report including but not limited to the
23 cost per student, student completion rates, and the number of low-
24 income students enrolled in each program, any process changes or
25 best-practices implemented by the university, and how many students
26 are enrolled in computer science and engineering programs above the
27 prior academic year.

28 (3) \$500,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$500,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for state match requirements
31 related to the federal aviation administration grant.

32 (4) Washington State University shall not use funds appropriated
33 in this section to support intercollegiate athletic programs.

34 (5) The appropriations in this section include sufficient funding
35 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
36 (education loan information).

1 (6) The appropriations in this section include sufficient funding
2 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
3 (financial literacy seminars).

4 (7) \$3,000,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$7,000,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the continued development
7 and operations of a medical school program in Spokane.

8 (8) Within the funds appropriated in this section, Washington
9 State University is required to provide administrative support to the
10 sustainable aviation biofuels work group authorized under RCW
11 28B.30.904.

12 (9) \$135,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$135,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for a honey bee biology research
15 position.

16 (10) \$27,425,000 of the general fund—state appropriation for
17 fiscal year 2018 and \$27,973,000 of the general fund—state
18 appropriation for fiscal year 2019 are provided solely for the
19 implementation of the college affordability program as set forth in
20 RCW 28B.15.066.

21 (11) \$230,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$376,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for chapter 202, Laws of 2017
24 (2SHB 1713) (children's mental health).

25 (12) \$300,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$300,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for the William D. Ruckelshaus
28 center to collaborate with groups and organizations, including
29 associations of local governments, associations of the business, real
30 estate and building industries, state agencies, environmental
31 organizations, state universities, public health and planning
32 organizations, and tribal governments, to create a "Road Map to
33 Washington's Future." The road map shall identify areas of agreement
34 on ways to adapt Washington's growth management framework of
35 statutes, institutions, and policies to meet future challenges in
36 view of robust forecasted growth and the unique circumstances and
37 urgent priorities in the diverse regions of the state. The center
38 shall, in conjunction with state universities and other sponsors,
39 conduct regional workshops to:

1 (a) Engage Washington residents in identifying a desired
2 statewide vision for Washington's future;

3 (b) Partner with state universities on targeted research to
4 inform future alternatives;

5 (c) Facilitate deep and candid interviews with representatives of
6 the above named groups and organizations; and

7 (d) Convene parties for collaborative conversations and potential
8 agreement seeking.

9 The center must submit a final report to the appropriate committees
10 of the legislature by June 30, 2019.

11 (13) \$580,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$580,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the development of an
14 organic agriculture systems degree program located at the university
15 center in Everett.

16 (14) Within the funds appropriated in this section, Washington
17 State University shall:

18 (a) Review the scholarly literature on the short-term and long-
19 term effects of marijuana use to assess if other states or private
20 entities are conducting marijuana research in areas that may be
21 useful to the state.

22 (b) Provide as part of its budget request for the 2019-2021
23 fiscal biennium:

24 (i) A list of intended state, federal, and privately funded
25 marijuana research, including cost, duration, and scope;

26 (ii) Plans for partnerships with other universities, state
27 agencies, or private entities, including entities outside the state,
28 for purposes related to researching short-term and long-term effects
29 of marijuana use.

30 (15) \$760,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$760,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for implementation of chapter
33 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

34 (16) \$630,000 of the general fund—state appropriation for fiscal
35 2018 and \$630,000 of the general fund—state appropriation for fiscal
36 year 2019 are provided solely for the creation of an electrical
37 engineering program located in Bremerton. At full implementation, the
38 university is expected to increase degree production by 25 new
39 bachelor's degrees per year. The university must identify these

1 students separately when providing data to the education research
2 data center as required in subsection (2) of this section.

3 (17) \$1,370,000 of the general fund—state appropriation for
4 fiscal year 2018 and \$1,370,000 of the general fund—state
5 appropriation for fiscal year 2019 are provided solely for the
6 creation of software engineering and data analytic programs at the
7 university center in Everett. At full implementation, the university
8 is expected to enroll 50 students per academic year. The university
9 must identify these students separately when providing data to the
10 education research data center as required in subsection (2) of this
11 section.

12 (18) General fund—state appropriations in this section are
13 reduced to reflect a reduction in state-supported tuition waivers for
14 graduate students. When reducing tuition waivers, the university will
15 not change its practices and procedures for providing eligible
16 veterans with tuition waivers.

17 **NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

18	General Fund—State Appropriation (FY 2018)	. . . . .	\$50,064,000
19	General Fund—State Appropriation (FY 2019)	. . . . .	\$51,985,000
20	Education Legacy Trust Account—State Appropriation	. . .	\$16,598,000
21	TOTAL APPROPRIATION.	. . . . .	\$118,647,000

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

24 (1) At least \$200,000 of the general fund—state appropriation for
25 fiscal year 2018 and at least \$200,000 of the general fund—state
26 appropriation for fiscal year 2019 must be expended on the Northwest
27 autism center.

28 (2) The university must continue work with the education research
29 and data center to demonstrate progress in computer science and
30 engineering enrollments. By September 1st of each year, the
31 university shall provide a report including but not limited to the
32 cost per student, student completion rates, and the number of low-
33 income students enrolled in each program, any process changes or
34 best-practices implemented by the university, and how many students
35 are enrolled in computer science and engineering programs above the
36 prior academic year.

1 (3) Eastern Washington University shall not use funds
2 appropriated in this section to support intercollegiate athletics
3 programs.

4 (4) \$9,851,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$10,048,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the implementation of the
7 college affordability program as set forth in RCW 28B.15.066.

8 (5) The appropriations in this section include sufficient funding
9 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
10 (education loan information).

11 (6) The appropriations in this section include sufficient funding
12 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
13 (financial literacy seminars).

14 (7) Within amounts appropriated in this section, the university
15 is encouraged to increase the number of tenure-track positions
16 created and hired.

17 **NEW SECTION. Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

18	General Fund—State Appropriation (FY 2018)	. . . . .	\$49,969,000
19	General Fund—State Appropriation (FY 2019)	. . . . .	\$52,303,000
20	CWU Capital Projects Account—State Appropriation.	. . . . .	\$76,000
21	Education Legacy Trust Account—State Appropriation	. . . . .	\$19,076,000
22	TOTAL APPROPRIATION.	. . . . .	\$121,424,000

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

25 (1) The university must continue work with the education research
26 and data center to demonstrate progress in engineering enrollments.
27 By September 1st of each year, the university shall provide a report
28 including but not limited to the cost per student, student completion
29 rates, and the number of low-income students enrolled in each
30 program, any process changes or best-practices implemented by the
31 university, and how many students are enrolled in engineering
32 programs above the prior academic year.

33 (2) Central Washington University shall not use funds
34 appropriated in this section to support intercollegiate athletics
35 programs.

36 (3) \$11,104,000 of the general fund—state appropriation for
37 fiscal year 2018 and \$11,326,000 of the general fund—state
38 appropriation for fiscal year 2019 are provided solely for the

1 implementation of the college affordability program as set forth in
2 RCW 28B.15.066.

3 (4) The appropriations in this section include sufficient funding
4 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
5 (education loan information).

6 (5) The appropriations in this section include sufficient funding
7 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
8 (financial literacy seminars).

9 (6) Within amounts appropriated in this section, the university
10 is encouraged to increase the number of tenure-track positions
11 created and hired.

12 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

13	General Fund—State Appropriation (FY 2018)	. . . . .	\$26,543,000
14	General Fund—State Appropriation (FY 2019)	. . . . .	\$27,146,000
15	TESC Capital Projects Account—State Appropriation.	. . . . .	\$80,000
16	Education Legacy Trust Account—State Appropriation	. . . . .	\$5,450,000
17	Liquor Revolving Account—State Appropriation.	. . . . .	\$250,000
18	TOTAL APPROPRIATION.	. . . . .	\$59,469,000

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

21 (1) \$3,377,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$3,445,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the implementation of the
24 college affordability program as set forth in RCW 28B.15.066.

25 (2) Funding provided in this section is sufficient for The
26 Evergreen State College to continue operations of the Longhouse
27 Center and the Northwest Indian applied research institute.

28 (3) Notwithstanding other provisions in this section, the board
29 of directors for the Washington state institute for public policy may
30 adjust due dates for projects included on the institute's 2017-19
31 work plan as necessary to efficiently manage workload.

32 (4) The Evergreen State College shall not use funds appropriated
33 in this section to support intercollegiate athletics programs.

34 (5) \$33,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$65,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for implementation of chapter
37 265, Laws of 2017 (SHB 1867) (ext. foster care transitions).

1 (6) \$62,000 of the general fund—state appropriation for fiscal
2 year 2018 are provided solely for implementation of chapter 237, Laws
3 of 2017 (ESHB 1115) (paraeducators).

4 (7) \$17,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$34,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the Washington institute for
7 public policy to conduct a study regarding the implementation of
8 certain aspects of the involuntary treatment act, pursuant to chapter
9 29, Laws of 2016, sp. sess. (E3SHB 1713).

10 (8) The appropriations in this section include sufficient funding
11 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
12 (education loan information).

13 (9) The appropriations in this section include sufficient funding
14 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
15 (financial literacy seminars).

16 (10) \$72,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$43,000 of the general fund—state appropriation for
18 fiscal year 2019 is provided solely for the Washington institute for
19 public policy to update its previous meta-analysis on the effect of
20 the national board for professional teaching standards certification
21 on student outcomes by December 15, 2018. The institute shall also
22 report on the following:

23 (a) Does the certification improve teacher retention in
24 Washington state?;

25 (b) Has the additional bonus provided under RCW 28A.405.415 to
26 certificated instructional staff who have attained national board
27 certification to work in high poverty schools acted as an incentive
28 for such teachers to actually work in high poverty schools?; and

29 (c) Have other states provided similar incentives to achieve a
30 more equitable distribution of staff with national board
31 certification?

32 (11) \$122,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$40,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for the implementation of
35 chapter 244, Laws of 2015 (college bound).

36 (12) \$1,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$1,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the implementation of
39 chapter 7, Laws of 2015, 3rd sp.s. (early start act).

1 (13) \$250,000 of the liquor revolving account—state appropriation
2 is provided solely for the Washington state institute for public
3 policy to study comparative constitutional and statutory obligations
4 and revenue capacity of local governments. The institute must provide
5 a report on its research and findings to the appropriate committees
6 of the legislature by December 30, 2017.

7 (14) Within amounts appropriated in this section, the college is
8 encouraged to increase the number of tenure-track positions created
9 and hired.

10 (15) \$16,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$22,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for implementation of Engrossed
13 Substitute Senate Bill No. 5890 (foster care and adoption). If the
14 bill is not enacted by July 31, 2017, the amounts provided in this
15 subsection shall lapse.

16 **NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

17	General Fund—State Appropriation (FY 2018)	\$70,456,000
18	General Fund—State Appropriation (FY 2019)	\$72,950,000
19	Education Legacy Trust Account—State Appropriation	\$13,831,000
20	Western Washington University Capital Projects	
21	Account—State Appropriation (FY 2018).	\$771,000
22	Western Washington University Capital Projects Account—State	
23	Appropriation (FY 2019).	\$712,000
24	TOTAL APPROPRIATION.	\$158,720,000

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

27 (1) The university must continue work with the education research
28 and data center to demonstrate progress in computer science and
29 engineering enrollments. By September 1st of each year, the
30 university shall provide a report including but not limited to the
31 cost per student, student completion rates, and the number of low-
32 income students enrolled in each program, any process changes or
33 best-practices implemented by the university, and how many students
34 are enrolled in computer science and engineering programs above the
35 prior academic year.

36 (2) \$630,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$630,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the computer and information

1 systems security program located at Olympic college - Poulsbo. The
2 university is expected to enroll 30 students each academic year
3 beginning in fiscal year 2017. The university must identify these
4 students separately when providing data to the educational data
5 centers as required in (1) of this section.

6 (3) Western Washington University shall not use funds
7 appropriated in this section to support intercollegiate athletics
8 programs.

9 (4) \$15,326,000 of the general fund—state appropriation for
10 fiscal year 2018 and \$15,632,000 of the general fund—state
11 appropriation for fiscal year 2019 are provided solely for the
12 implementation of the college affordability program as set forth in
13 RCW 28B.15.066.

14 (5) The appropriations in this section include sufficient funding
15 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
16 (education loan information).

17 (6) The appropriations in this section include sufficient funding
18 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
19 (financial literacy seminars).

20 (7) \$500,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$500,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for programs or initiatives
23 designed to improve student academic success and increase degree
24 completion.

25 (8) Within amounts appropriated in this section, the university
26 is encouraged to increase the number of tenure-track positions
27 created and hired.

28 **NEW SECTION. Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL—**
29 **POLICY COORDINATION AND ADMINISTRATION**

30	General Fund—State Appropriation (FY 2018)	. . . . .	\$5,640,000
31	General Fund—State Appropriation (FY 2019)	. . . . .	\$5,791,000
32	General Fund—Federal Appropriation	. . . . .	\$4,892,000
33	TOTAL APPROPRIATION.	. . . . .	\$16,323,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: \$20,000 of the general fund—state
36 appropriation for fiscal year 2018 is provided solely for
37 administrative costs to implement the expansion of the college bound
38 scholarship program for foster youth, pursuant to Engrossed

1 Substitute Senate Bill No. 5890 (foster care and adoption). If the
2 bill is not enacted by July 31, 2017, the amount provided in this
3 subsection shall lapse.

4 NEW SECTION. **Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL—**
5 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

6	General Fund—State Appropriation (FY 2018)	\$238,397,000
7	General Fund—State Appropriation (FY 2019)	\$242,726,000
8	General Fund—Federal Appropriation	\$11,906,000
9	General Fund—Private/Local Appropriation	\$300,000
10	Education Legacy Trust Account—State Appropriation . . .	\$99,955,000
11	WA Opportunity Pathways Account—State Appropriation . .	\$117,389,000
12	Aerospace Training Student Loan Account—State	
13	Appropriation	\$208,000
14	Health Professionals Loan Repayment and Scholarship	
15	Program Account—State Appropriation	\$4,720,000
16	TOTAL APPROPRIATION.	\$715,601,000

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

19 (1) \$229,157,000 of the general fund—state appropriation for
20 fiscal year 2018, \$233,928,000 of the general fund—state
21 appropriation for fiscal year 2019, \$69,376,000 of the education
22 legacy trust account—state appropriation, and \$88,000,000 of the
23 Washington opportunity pathways account—state appropriation are
24 provided solely for student financial aid payments under the state
25 need grant and state work study programs, including up to four
26 percent administrative allowance for the state work study program.

27 (2)(a) For the 2017-2019 fiscal biennium, state need grant awards
28 given to private for-profit institutions shall be the same amount as
29 the prior year.

30 (b) For the 2017-2019 fiscal biennium, grant awards given to
31 private four-year not-for-profit institutions shall be set at the
32 same level as the average grant award for public research
33 universities. Increases in awards given to private four-year not-for-
34 profit institutions shall align with annual tuition increases for
35 public research institutions.

36 (3) Changes made to the state work study program in the 2009-2011
37 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal
38 biennium including maintaining the increased required employer share

1 of wages; adjusted employer match rates; discontinuation of
2 nonresident student eligibility for the program; and revising
3 distribution methods to institutions by taking into consideration
4 other factors such as off-campus job development, historical
5 utilization trends, and student need.

6 (4) Within the funds appropriated in this section, eligibility
7 for the state need grant includes students with family incomes at or
8 below 70 percent of the state median family income (MFI), adjusted
9 for family size, and shall include students enrolled in three to five
10 credit-bearing quarter credits, or the equivalent semester credits.
11 Awards for students with incomes between 51 and 70 percent of the
12 state median shall be prorated at the following percentages of the
13 award amount granted to those with incomes below 51 percent of the
14 MFI: 70 percent for students with family incomes between 51 and 55
15 percent MFI; 65 percent for students with family incomes between 56
16 and 60 percent MFI; 60 percent for students with family incomes
17 between 61 and 65 percent MFI; and 50 percent for students with
18 family incomes between 66 and 70 percent MFI.

19 (5) Of the amounts provided in subsection (1) of this section,
20 \$100,000 of the general fund—state appropriation for fiscal year 2018
21 and \$100,000 of the general fund—state appropriation for fiscal year
22 2019 are provided for the council to process an alternative financial
23 aid application system pursuant to RCW 28B.92.010.

24 (6) Students who are eligible for the college bound scholarship
25 shall be given priority for the state need grant program. These
26 eligible college bound students whose family incomes are in the 0-65
27 percent median family income ranges must be awarded the maximum state
28 need grant for which they are eligible under state policies and may
29 not be denied maximum state need grant funding due to institutional
30 policies or delayed awarding of college bound scholarship students.
31 The council shall provide directions to institutions to maximize the
32 number of college bound scholarship students receiving the maximum
33 state need grant for which they are eligible with a goal of 100
34 percent coordination. Institutions shall identify all college bound
35 scholarship students to receive state need grant priority. If an
36 institution is unable to identify all college bound scholarship
37 students at the time of initial state aid packaging, the institution
38 should reserve state need grant funding sufficient to cover the
39 projected enrollments of college bound scholarship students.

1 (7) \$15,849,000 of the education legacy trust account—state
2 appropriation and \$29,389,000 of the Washington opportunity pathways
3 account—state appropriation are provided solely for the college bound
4 scholarship program and may support scholarships for summer session.

5 (8) \$2,236,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$2,236,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the passport to college
8 program. The maximum scholarship award is up to \$5,000. The council
9 shall contract with a nonprofit organization to provide support
10 services to increase student completion in their postsecondary
11 program and shall, under this contract, provide a minimum of \$500,000
12 in fiscal years 2018 and 2019 for this purpose.

13 (9) \$14,730,000 of the education legacy trust account—state
14 appropriation is provided solely to meet state match requirements
15 associated with the opportunity scholarship program. The legislature
16 will evaluate subsequent appropriations to the opportunity
17 scholarship program based on the extent that additional private
18 contributions are made, program spending patterns, and fund balance.

19 (10) \$2,325,000 of the general fund—state appropriation for
20 fiscal year 2018 and \$2,325,000 of the general fund—state
21 appropriation for fiscal year 2019 are provided solely for
22 expenditure into the health professionals loan repayment and
23 scholarship program account. These amounts and \$4,720,000
24 appropriated from the health professionals loan repayment and
25 scholarship program account must be used to increase the number of
26 licensed primary care health professionals to serve in licensed
27 primary care health professional critical shortage areas. The office
28 of student financial assistance and the department of health shall
29 prioritize a portion of any nonfederal balances in the health
30 professional loan repayment and scholarship fund for conditional loan
31 repayment contracts with psychiatrists and with advanced registered
32 nurse practitioners for work at one of the state-operated psychiatric
33 hospitals. The office and department shall designate the state
34 hospitals as health professional shortage areas if necessary for this
35 purpose. The office shall coordinate with the department of social
36 and health services to effectively incorporate three conditional loan
37 repayments into the department's advanced psychiatric professional
38 recruitment and retention strategies. The office may use these
39 targeted amounts for other program participants should there be any

1 remaining amounts after eligible psychiatrists and advanced
2 registered nurse practitioners have been served. The office shall
3 also work to prioritize loan repayments to professionals working at
4 health care delivery sites that demonstrate a commitment to serving
5 uninsured clients.

6 (11) \$42,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$42,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the council to design and
9 implement a program that provides customized information to high-
10 achieving (as determined by local school districts), low-income, high
11 school students. "Low-income" means students who are from low-income
12 families as defined by the education data center in RCW 43.41.400.
13 For the purposes of designing, developing, and implementing the
14 program, the council shall partner with a national entity that offers
15 aptitude tests and shall consult with institutions of higher
16 education with a physical location in Washington. The council shall
17 implement the program no later than fall 2016, giving consideration
18 to spring mailings in order to capture early action decisions offered
19 by institutions of higher education and nonprofit baccalaureate
20 degree-granting institutions. The information packet for students
21 must include at a minimum:

- 22 (a) Materials that help students to choose colleges;
- 23 (b) An application guidance booklet;
- 24 (c) Application fee waivers, if available, for four-year
25 institutions of higher education and independent nonprofit
26 baccalaureate degree-granting institutions in the state that enable
27 students receiving a packet to apply without paying application fees;
- 28 (d) Information on college affordability and financial aid that
29 includes information on the net cost of attendance for each four-year
30 institution of higher education and each nonprofit baccalaureate
31 degree-granting institution, and information on merit and need-based
32 aid from federal, state, and institutional sources; and
- 33 (e) A personally addressed cover letter signed by the governor
34 and the president of each four-year institution of higher education
35 and nonprofit baccalaureate degree-granting institution in the state.

36 NEW SECTION. **Sec. 614. FOR THE WORKFORCE TRAINING AND EDUCATION**
37 **COORDINATING BOARD**

38 General Fund—State Appropriation (FY 2018) \$1,881,000

1	General Fund—State Appropriation (FY 2019)	\$1,795,000
2	General Fund—Federal Appropriation	\$55,279,000
3	General Fund—Private/Local Appropriation	\$208,000
4	TOTAL APPROPRIATION.	\$59,163,000

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

7 (1) For the 2017-2019 fiscal biennium the board shall not
8 designate recipients of the Washington award for vocational
9 excellence or recognize them at award ceremonies as provided in RCW
10 28C.04.535.

11 (2) The health workforce council of the state workforce training
12 and education coordinating board, in partnership with work underway
13 with the office of the governor, shall, within resources available
14 for such purpose, but not to exceed \$250,000, assess workforce
15 shortages across behavioral health disciplines. The board shall
16 create a recommended action plan to address behavioral health
17 workforce shortages and to meet the increased demand for services
18 now, and with the integration of behavioral health and primary care
19 in 2020. The analysis and recommended action plan shall align with
20 the recommendations of the adult behavioral health system task force
21 and related work of the healthier Washington initiative. The board
22 shall consider workforce data, gaps, distribution, pipeline,
23 development, and infrastructure, including innovative high school,
24 postsecondary, and postgraduate programs to evolve, align, and
25 respond accordingly to our state's behavioral health and related and
26 integrated primary care workforce needs. The board will continue its
27 work and submit final recommendations in calendar year 2017.

28 (3) \$22,000 of the general fund—state appropriation for fiscal
29 year 2018 is provided solely for implementation of chapter 154, Laws
30 of 2017 (SSB 5022) (education loan information).

31 (4) \$114,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$57,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for implementation of chapter
34 182, Laws of 2017 (2SSB 5285) (workforce employment sectors study).

35 **NEW SECTION. Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

36	General Fund—State Appropriation (FY 2018)	\$119,174,000
37	General Fund—Federal Appropriation	\$171,032,000
38	Education Legacy Trust Account—State Appropriation	\$14,091,000

1	Home Visiting Services Account—State Appropriation	\$3,133,000
2	Home Visiting Services Account—Federal Appropriation . .	\$12,153,000
3	WA Opportunity Pathways Account—State Appropriation . . .	\$40,000,000
4	TOTAL APPROPRIATION.	\$359,583,000

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

7 (1) \$58,185,000 of the general fund—state appropriation for
8 fiscal year 2018, \$12,125,000 of the education legacy trust account—
9 state appropriation, and \$40,000,000 of the opportunity pathways
10 account appropriation are provided solely for the early childhood
11 education and assistance program. These amounts shall support at
12 least 12,491 slots in fiscal year 2018.

13 (2) \$200,000 of the general fund—state appropriation for fiscal
14 year 2018 is provided solely to develop and provide culturally
15 relevant supports for parents, family, and other caregivers.

16 (3) The department is the lead agency for and recipient of the
17 federal child care and development fund grant. Amounts within this
18 grant shall be used to fund child care licensing, quality
19 initiatives, agency administration, and other costs associated with
20 child care subsidies. The department shall transfer a portion of this
21 grant to the department of social and health services to fund the
22 child care subsidies paid by the department of social and health
23 services on behalf of the department of early learning.

24 (4)(a) \$76,650,000 of the general fund—federal appropriation is
25 provided solely for the working connections child care program under
26 RCW 43.215.135. In order to not exceed the appropriated amount, the
27 department shall manage the program so that the average monthly
28 caseload does not exceed 33,000 households. The department shall give
29 prioritized access into the program according to the following order:

- 30 (i) Families applying for or receiving temporary assistance for
31 needy families (TANF);
- 32 (ii) TANF families curing sanction;
- 33 (iii) Foster children;
- 34 (iv) Families that include a child with special needs;
- 35 (v) Families in which a parent of a child in care is a minor who
36 is not living with a parent or guardian and who is a full-time
37 student in a high school that has a school-sponsored on-site child
38 care center;

1 (vi) Families with a child residing with a biological parent or
2 guardian who have received child protective services, child welfare
3 services, or a family assessment response from the department of
4 social and health services in the past six months, and has received a
5 referral for child care as part of the family's case management; and

6 (vii) Families that received subsidies within the last thirty
7 days and:

8 (A) Have reapplied for subsidies; and

9 (B) Have household income of two hundred percent federal poverty
10 level or below; and

11 (viii) All other eligible families.

12 (b) The department of early learning and the department of social
13 and health services must take immediate action to reduce fraud and
14 overpayments in the working connections child care program. By
15 December 1, 2017, the department must adopt rules to:

16 (i) Require verification of the applicant's household composition
17 in determining eligibility for the working connections child care
18 program. At a minimum, the department of social and health services
19 must consult agency records for the temporary assistance for needy
20 families program, food assistance, medical assistance, and child
21 support enforcement to verify the applicant's household composition
22 and other applicable eligibility criteria whenever possible. In cases
23 where only one parent's name appears on the application and the
24 department of social and health services cannot verify an open child
25 support case or verify household composition through internal agency
26 records, then the applicant must:

27 (A) Provide the name and address of the other parent or indicate,
28 under penalty of perjury, that the other parent's identity or address
29 are unknown to the applicant; and

30 (B) Document the presence or absence of the other parent through
31 acceptable documentation as defined by the department in rule.

32 The department must exempt an applicant from providing
33 information about the other parent if the department of social and
34 health services determines the applicant has good cause not to
35 cooperate. For the purposes of this subsection, "good cause" must
36 include, at a minimum, consideration of the safety of domestic
37 violence victims;

38 (ii) Authorize working connections child care payments to
39 licensed and certified providers and in-home relative child care
40 providers serving eligible consumers who participate in one hundred

1 ten hours or more of approved work or related activities per calendar
2 month within the following categories: (A) Full day care for a non-
3 school-age child, (B) half-day care for a school-age child during the
4 school year, and (C) full day care for a school-age child during
5 school holidays;

6 (iii) Define the occurrence of fraud, an intentional program
7 violation, an unintentional program violation and an administrative
8 error;

9 (iv) Outline the administrative process for determining fraud or
10 an intentional program violation; and

11 (v) Define the progressive disqualification process for providers
12 who commit fraud or intentional program violation(s).

13 (c) The department, in collaboration with the department of
14 social and health services, must submit a preliminary report by
15 December 1, 2017, and a final report by December 1, 2018, to the
16 governor and the appropriate fiscal and policy committees of the
17 legislature on quality control measures for the working connections
18 child care program. The reports must each include:

19 (i) A detailed narrative of the procurement and implementation of
20 an improved time and attendance system, including a detailed
21 accounting of the costs of procurement and implementation;

22 (ii) A comprehensive description of all processes, including
23 computer algorithms and additional rule development, that the
24 department and the department of social and health services plan to
25 establish prior to and after full implementation of the time and
26 attendance system. At a minimum, processes must be designed to:

27 (A) Ensure the department's auditing efforts are informed by
28 regular and continuous alerts of the potential for overpayments;

29 (B) Avoid overpayments to the maximum extent possible and
30 expediently recover overpayments that have occurred;

31 (C) Withhold payment from providers when necessary to incentivize
32 receipt of the necessary documentation to complete an audit;

33 (D) Establish methods for reducing future payments or
34 establishing repayment plans in order to recover any overpayments;

35 (E) Sanction providers, including termination of eligibility, who
36 commit intentional program violations or fail to comply with program
37 requirements, including compliance with any established repayment
38 plans;

39 (F) Consider pursuit of prosecution in cases with fraudulent
40 activity; and

1 (iii) A description of the process by which fraud is identified
2 and how fraud investigations are prioritized and expedited.

3 (d) Beginning July 1, 2018, and annually thereafter, the
4 department, in collaboration with the department of social and health
5 services, must report to the governor and the appropriate fiscal and
6 policy committees of the legislature on the status of overpayments in
7 the working connections child care program. The report must include
8 the following information for the previous fiscal year:

9 (i) A summary of the number of overpayments that occurred;

10 (ii) The reason for each overpayment;

11 (iii) The total cost of overpayments;

12 (iv) A comparison to overpayments that occurred in the past two
13 preceding fiscal years; and

14 (v) Any planned modifications to internal processes that will
15 take place in the coming fiscal year to further reduce the occurrence
16 of overpayments.

17 (5) Within available amounts, the department in consultation with
18 the office of financial management and the department of social and
19 health services shall report enrollments and active caseload for the
20 working connections child care program to the legislative fiscal
21 committees and the legislative-executive WorkFirst oversight task
22 force on an agreed upon schedule. The report shall also identify the
23 number of cases participating in both temporary assistance for needy
24 families and working connections child care. The department must also
25 report on the number of children served through contracted slots.

26 (6) \$1,560,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$6,712,000 of the general fund—federal appropriation
28 are provided solely for the seasonal child care program. If federal
29 sequestration cuts are realized, cuts to the seasonal child care
30 program must be proportional to other federal reductions made within
31 the department.

32 (7) \$4,674,000 of the general fund—state appropriation for fiscal
33 year 2018 is provided solely for the early childhood intervention
34 prevention services (ECLIPSE) program. The department shall contract
35 for ECLIPSE services to provide therapeutic child care and other
36 specialized treatment services to abused, neglected, at-risk, and/or
37 drug-affected children. Priority for services shall be given to
38 children referred from the department of social and health services
39 children's administration.

1 (8) \$44,663,000 of the general fund—state appropriation for
2 fiscal year 2018 and \$13,954,000 of the general fund—federal
3 appropriation are provided solely to maintain the requirements set
4 forth in chapter 7, Laws of 2015 3rd sp. sess. The department shall
5 place a ten percent administrative overhead cap on any contract
6 entered into with the University of Washington. In its annual report
7 to the governor and the legislature, the department shall report the
8 total amount of funds spent on the quality rating and improvements
9 system and the total amount of funds spent on degree incentives,
10 scholarships, and tuition reimbursements. Of the amounts provided in
11 this subsection, \$386,000 of the general fund—state appropriation for
12 fiscal year 2018 is provided solely for a six percent base rate
13 increase for child care center providers.

14 (9) \$1,728,000 of the general fund—state appropriation for fiscal
15 year 2018 is provided solely for reducing barriers for low-income
16 providers to participate in the early achievers program.

17 (10) \$300,000 of the general fund—state appropriation for fiscal
18 year 2018 is provided solely for a contract with a nonprofit entity
19 experienced in the provision of promoting early literacy for children
20 through pediatric office visits.

21 (11) \$2,000,000 of the education legacy trust account—state
22 appropriation is provided solely for early intervention assessment
23 and services.

24 (12) \$7,979,000 of the general fund—federal appropriation for
25 fiscal year 2018 is provided solely for the department to procure a
26 time and attendance system and are subject to the conditions,
27 limitations, and review provided in section 724 of this act.

28 (13) Information technology projects or investments and proposed
29 projects or investments impacting time capture, payroll and payment
30 processes and systems, eligibility, case management and authorization
31 systems within the department of early learning are subject to
32 technical oversight by the office of the chief information officer.
33 The department must collaborate with the office of the chief
34 information officer to develop a strategic business and technology
35 architecture plan for a child care attendance and billing system that
36 supports a statewide architecture.

37 (14)(a)(i) The department of early learning is required to
38 provide to the education research and data center, housed at the
39 office of financial management, data on all state-funded early

1 childhood programs. These programs include the early support for
2 infants and toddlers, early childhood education and assistance
3 program (ECEAP), and the working connections and seasonal subsidized
4 childcare programs including license exempt facilities or family,
5 friend, and neighbor care. The data provided by the department to the
6 education research data center must include information on children
7 who participate in these programs, including their name and date of
8 birth, and dates the child received services at a particular
9 facility.

10 (ii) ECEAP early learning professionals must enter any new
11 qualifications into the department's professional development
12 registry starting in the 2015-16 school year, and every school year
13 thereafter. By October 2017, and every October thereafter, the
14 department must provide updated ECEAP early learning professional
15 data to the education research data center.

16 (iii) The department must request federally funded head start
17 programs to voluntarily provide data to the department and the
18 education research data center that is equivalent to what is being
19 provided for state-funded programs.

20 (iv) The education research and data center must provide an
21 updated report on early childhood program participation and K-12
22 outcomes to the house of representatives appropriations committee and
23 the senate ways and means committee using available data by November
24 2017 for the school year ending in 2016 and again in March 2018 for
25 the school year ending in 2017.

26 (b) The department, in consultation with the department of social
27 and health services, must withhold payment for services to early
28 childhood programs that do not report on the name, date of birth, and
29 the dates a child received services at a particular facility.

30 (15) The department shall work with state and local law
31 enforcement, federally recognized tribal governments, and tribal law
32 enforcement to develop a process for expediting fingerprinting and
33 data collection necessary to conduct background checks for tribal
34 early learning and child care providers.

35 (16) \$2,651,000 of the general fund—state appropriation for
36 fiscal year 2018 is provided solely for the 2017-2019 collective
37 bargaining agreement covering family child care providers as set
38 forth in section 940 of this act. Funding is contingent upon
39 enactment of Senate Bill No. 5969 (transparency in public employee
40 collective bargaining). If the bill is not enacted by July 31, 2017,

1 the amount provided in this subsection shall lapse. Of the amounts
2 provided in this subsection:

3 (a) \$273,000 is for a base rate increase;

4 (b) \$55,000 is for increasing paid professional development days
5 from three days to five days;

6 (c) \$1,708,000 is for the family child care providers 501c3
7 organization for the substitute pool, training and quality
8 improvement support services, and administration;

9 (d) \$114,000 is for increasing licensing incentive payments; and

10 (e) \$500,000 is for needs based grants.

11 (17) \$175,000 of the general fund—state appropriation for fiscal
12 year 2018 is provided solely for the department to contract with a
13 nonprofit entity that provides quality improvement services to
14 participants in the early achievers program to implement a community-
15 based training module that supports licensed child care providers who
16 have been rated in early achievers and who are specifically
17 interested in serving children in the early childhood education and
18 assistance program. The module must be functionally translated into
19 Spanish and Somali. The module must prepare trainees to administer
20 all aspects of the early childhood education and assistance program
21 for eligible children in their licensed program and must be offered
22 to 105 child care providers to serve children eligible for the early
23 childhood education and assistance program by June 30, 2019.

24 (18) \$750,000 of the general fund—state appropriation for fiscal
25 year 2018 is provided solely for the implementation of the early
26 achievers expanded learning opportunity quality initiative pursuant
27 to RCW 43.215.100(3)(d).

28 (19) \$267,000 of the general fund—state appropriation for fiscal
29 year 2018 is provided solely for implementation of chapter 236, Laws
30 of 2017 (SHB 1445) (dual language in early learning & K-12).

31 (20) \$100,000 of the general fund—state appropriation for fiscal
32 year 2018 is provided solely for implementation of chapter 202, Laws
33 of 2017 (E2SHB 1713) (children's mental health).

34 (21) \$5,000 of the general fund—state appropriation for fiscal
35 year 2018 is provided solely for a child care workforce development
36 technical work group to develop recommendations to support increased
37 child care workforce wages, reduce turnover, enable child care
38 providers to recruit more qualified educators, and maintain the
39 diversity of the current workforce.

1 (a) The department shall convene and provide staff support for
2 the technical work group. The department shall consult with advocates
3 and stakeholders of the early learning workforce when selecting
4 members for the technical work group. Membership of the work group
5 must consist of representatives from the following organizations and
6 entities:

- 7 (i) The statewide child care resource and referral network;
- 8 (ii) The department;
- 9 (iii) The department of commerce;
- 10 (iv) The economic opportunity institute;
- 11 (v) A coalition of organizations representing nonprofits,
12 professional associations, businesses, and industries in early
13 learning;
- 14 (vi) The state board for community and technical colleges;
- 15 (vii) A union representing child care workers;
- 16 (viii) The small business administration;
- 17 (ix) A member consisting of either an economist or a
18 representative of the workforce development councils;
- 19 (x) A representative from an early childhood education and
20 assistance program;
- 21 (xi) A representative from a nonprofit child care center;
- 22 (xii) A representative from a private child care center; and
- 23 (xiii) A representative from an organization that provides
24 culturally responsive services for early learning programs in
25 communities with high numbers of families whose primary language is
26 not English.

27 (b) Members of the work group may be reimbursed for travel
28 expenses as provided in RCW 43.03.050 and 43.03.060. Funding in this
29 subsection is provided solely for travel reimbursement of work group
30 members and other costs to conduct the meetings. Funding provided in
31 this subsection may not be used to contract for facilitation.

32 (c) The work group shall issue a report with recommendations and
33 an implementation plan to the governor and appropriate committees of
34 the legislature by December 1, 2018.

35 (22) \$317,000 of the general fund—state appropriation for fiscal
36 year 2018 is provided solely for implementation of chapter 162, Laws
37 of 2017 (SSB 5357) (outdoor early learning programs).

38 (23)(a) During the 2017-2019 fiscal biennium, the department must
39 revise its agreements and contracts with vendors to include a
40 provision to require that each vendor agrees to equality among its

1 workers by ensuring similarly employed individuals are compensated as
2 equals as follows:

3 (i) Employees are similarly employed if the individuals work for
4 the same employer, the performance of the job requires comparable
5 skill, effort, and responsibility, and the jobs are performed under
6 similar working conditions. Job titles alone are not determinative of
7 whether employees are similarly employed;

8 (ii) Vendors may allow differentials in compensation for its
9 workers based in good faith on any of the following:

10 (A) A seniority system; a merit system; a system that measures
11 earnings by quantity or quality of production; a bona fide job-
12 related factor or factors; or a bona fide regional difference in
13 compensation levels.

14 (B) A bona fide job-related factor or factors may include, but
15 not be limited to, education, training, or experience, that is:
16 Consistent with business necessity; not based on or derived from a
17 gender-based differential; and accounts for the entire differential.

18 (C) A bona fide regional difference in compensation level must
19 be: Consistent with business necessity; not based on or derived from
20 a gender-based differential; and account for the entire differential.

21 (b) The provision must allow for the termination of the contract
22 if the department or department of enterprise services determines
23 that the vendor is not in compliance with this agreement or contract
24 term.

25 (c) The department must implement this provision with any new
26 contract and at the time of renewal of any existing contract.

27 **NEW SECTION. Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

28	General Fund—State Appropriation (FY 2018)	\$6,976,000
29	General Fund—State Appropriation (FY 2019)	\$7,427,000
30	General Fund—Private/Local Appropriation	\$34,000
31	TOTAL APPROPRIATION.	\$14,437,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: Funding provided in this section is
34 sufficient for the school to offer to students enrolled in grades
35 nine through twelve for full-time instructional services at the
36 Vancouver campus with the opportunity to participate in a minimum of
37 one thousand eighty hours of instruction and the opportunity to earn
38 twenty-four high school credits.

1 NEW SECTION. **Sec. 617. FOR THE WASHINGTON STATE CENTER FOR**
2 **CHILDHOOD DEAFNESS AND HEARING LOSS**

3	General Fund—State Appropriation (FY 2018)	\$10,646,000
4	General Fund—State Appropriation (FY 2019)	\$11,679,000
5	TOTAL APPROPRIATION.	\$22,325,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: Funding provided in this section is
8 sufficient for the center to offer to students enrolled in grades
9 nine through twelve for full-time instructional services at the
10 Vancouver campus with the opportunity to participate in a minimum of
11 one thousand eighty hours of instruction and the opportunity to earn
12 twenty-four high school credits.

13 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

14	General Fund—State Appropriation (FY 2018)	\$1,497,000
15	General Fund—State Appropriation (FY 2019)	\$1,514,000
16	General Fund—Federal Appropriation	\$2,124,000
17	General Fund—Private/Local Appropriation	\$16,000
18	TOTAL APPROPRIATION.	\$5,151,000

19 The appropriations in this section are subject to the following
20 conditions and limitations: \$78,000 of the general fund—state
21 appropriation for fiscal year 2018 and \$78,000 of the general fund—
22 state appropriation for fiscal year 2019 are provided solely to
23 implement chapter 240, Laws of 2017 (creative districts).

24 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE HISTORICAL**
25 **SOCIETY**

26	General Fund—State Appropriation (FY 2018)	\$2,505,000
27	General Fund—State Appropriation (FY 2019)	\$2,603,000
28	TOTAL APPROPRIATION.	\$5,108,000

29 NEW SECTION. **Sec. 620. FOR THE EASTERN WASHINGTON STATE**
30 **HISTORICAL SOCIETY**

31	General Fund—State Appropriation (FY 2018)	\$1,991,000
32	General Fund—State Appropriation (FY 2019)	\$2,044,000
33	TOTAL APPROPRIATION.	\$4,035,000

(End of part)

PART VII

SPECIAL APPROPRIATIONS

NEW SECTION. Sec. 701. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund—State Appropriation (FY 2018)	. . . . .	\$1,133,223,000
General Fund—State Appropriation (FY 2019)	. . . . .	\$1,190,324,000
State Building Construction Account—State Appropriation	.	\$6,456,000
Columbia River Basin Water Supply—State Appropriation	. . . . .	\$79,000
State Taxable Building Construction Account—State		
Appropriation	. . . . .	\$376,000
Debt-Limit Reimbursable Bond Retire Account—State		
Appropriation	. . . . .	\$570,000
TOTAL APPROPRIATION.	. . . . .	\$2,331,028,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

NEW SECTION. Sec. 702. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund—State Appropriation (FY 2018)	. . . . .	\$9,592,000
General Fund—State Appropriation (FY 2019)	. . . . .	\$1,517,000
Nondebt-Limit Reimbursable Bond Retirement Account—State		
Appropriation	. . . . .	\$184,549,000
TOTAL APPROPRIATION.	. . . . .	\$195,658,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the nondebt-limit general fund bond retirement account.

NEW SECTION. Sec. 703. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund—State Appropriation (FY 2018)	. . . . .	\$1,400,000
General Fund—State Appropriation (FY 2019)	. . . . .	\$1,400,000
Hood Canal Aquatic Rehabilitation—State		

1	Appropriation.	\$1,000
2	State Building Construction Account—State	
3	Appropriation	\$2,191,000
4	Columbia River Basin Water Supply—State Appropriation	\$58,000
5	Columbia River Basin Taxable Bond Water	
6	Supply—State Appropriation.	\$14,000
7	State Taxable Building Construction Account—State	
8	Appropriation	\$150,000
9	TOTAL APPROPRIATION.	\$5,214,000

10 NEW SECTION. **Sec. 704. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
11 **EMERGENCY FUND**

12	General Fund—State Appropriation (FY 2018)	\$850,000
13	General Fund—State Appropriation (FY 2019)	\$850,000
14	TOTAL APPROPRIATION.	\$1,700,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: The appropriations in this section are
17 for the governor's emergency fund for the critically necessary work
18 of any agency.

19 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
20 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

21	General Fund—State Appropriation (FY 2018)	\$8,000,000
22	General Fund—State Appropriation (FY 2019)	\$8,000,000
23	TOTAL APPROPRIATION.	\$16,000,000

24 The appropriations in this section are subject to the following
25 conditions and limitations: The appropriations in this section are
26 provided solely for expenditure into the education technology
27 revolving account for the purpose of covering ongoing operational and
28 equipment replacement costs incurred by the K-20 educational network
29 program in providing telecommunication services to network
30 participants.

31 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
32 **O'BRIEN BUILDING IMPROVEMENT**

33	General Fund—State Appropriation (FY 2018)	\$2,797,000
34	General Fund—State Appropriation (FY 2019)	\$2,798,000
35	TOTAL APPROPRIATION.	\$5,595,000

1 The appropriations in this section are subject to the following
 2 conditions and limitations: The appropriations are provided solely
 3 for expenditure into the enterprise services account for payment of
 4 principal, interest, and financing expenses associated with the
 5 certificate of participation for the O'Brien building improvement,
 6 project number 20081007.

7 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
 8 **CHERBERG BUILDING REHABILITATION**

9	General Fund—State Appropriation (FY 2018)	. . . . .	\$552,000
10	General Fund—State Appropriation (FY 2019)	. . . . .	\$554,000
11	TOTAL APPROPRIATION.	. . . . .	\$1,106,000

12 The appropriations in this section are subject to the following
 13 conditions and limitations: The appropriations are provided solely
 14 for expenditure into the enterprise services account for payment for
 15 the principal, interest, and financing expenses associated with the
 16 certificate of participation for the Cherberg building improvements,
 17 project number 2002-1-005.

18 NEW SECTION. **Sec. 708. FOR THE STATE TREASURER—COUNTY PUBLIC**
 19 **HEALTH ASSISTANCE**

20	General Fund—State Appropriation (FY 2018)	. . . . .	\$36,386,000
21	General Fund—State Appropriation (FY 2019)	. . . . .	\$36,386,000
22	TOTAL APPROPRIATION.	. . . . .	\$72,772,000

23 The appropriations in this section are subject to the following
 24 conditions and limitations: The state treasurer shall distribute the
 25 appropriations to the following counties and health districts in the
 26 amounts designated to support public health services, including
 27 public health nursing:

28	Health District	FY 2018	FY 2019	2017-2019
29				Biennium
30	Adams County Health District	\$121,213	\$121,213	\$242,426
31	Asotin County Health District	\$159,890	\$159,890	\$319,780
32	Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
33	Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
34	Clallam County Health and Human Services Department	\$291,401	\$291,401	\$582,802
35	Clark County Health District	\$1,767,341	\$1,767,341	\$3,534,682

1	Skamania County Health Department	\$111,327	\$111,327	\$222,654
2	Columbia County Health District	\$119,991	\$119,991	\$239,982
3	Cowlitz County Health Department	\$477,981	\$477,981	\$955,962
4	Garfield County Health District	\$93,154	\$93,154	\$186,308
5	Grant County Health District	\$297,761	\$297,761	\$595,522
6	Grays Harbor Health Department	\$335,666	\$335,666	\$671,332
7	Island County Health Department	\$255,224	\$255,224	\$510,448
8	Jefferson County Health and Human Services	\$184,080	\$184,080	\$368,160
9	Seattle-King County Department of Public Health	\$12,685,521	\$12,685,521	\$25,371,042
10	Bremerton-Kitsap County Health District	\$997,476	\$997,476	\$1,994,952
11	Kittitas County Health Department	\$198,979	\$198,979	\$397,958
12	Klickitat County Health Department	\$153,784	\$153,784	\$307,568
13	Lewis County Health Department	\$263,134	\$263,134	\$526,268
14	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
15	Mason County Department of Health Services	\$227,448	\$227,448	\$454,896
16	Okanogan County Health District	\$169,882	\$169,882	\$339,764
17	Pacific County Health Department	\$169,075	\$169,075	\$338,150
18	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
19	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,138
20	Skagit County Health Department	\$449,745	\$449,745	\$899,490
21	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
22	Spokane County Health District	\$2,877,318	\$2,877,318	\$5,754,636
23	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
24	Thurston County Health Department	\$1,046,897	\$1,046,897	\$2,093,794
25	Wahkiakum County Health Department	\$93,181	\$93,181	\$186,362
26	Walla Walla County-City Health Department	\$302,173	\$302,173	\$604,346
27	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
28	Whitman County Health Department	\$189,355	\$189,355	\$378,710
29	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
30	TOTAL APPROPRIATIONS	\$36,386,000	\$36,386,000	\$72,772,000

1 NEW SECTION. **Sec. 709. FOR THE STATE TREASURER—COUNTY CLERK**

2 **LEGAL FINANCIAL OBLIGATION GRANTS**

3 General Fund—State Appropriation (FY 2018) \$541,000

4 General Fund—State Appropriation (FY 2019) \$441,000

5 TOTAL APPROPRIATION. \$982,000

6 The appropriations in this section are subject to the following

7 conditions and limitations: By October 1st of each fiscal year, the

8 state treasurer shall distribute the appropriations to the following

9 county clerk offices in the amounts designated as grants for the

10 collection of legal financial obligations pursuant to RCW 2.56.190:

County Clerk	FY 2018	FY 2019
Adams County Clerk	\$2,103	\$1,714
Asotin County Clerk	\$2,935	\$2,392
Benton County Clerk	\$18,231	\$14,858
Chelan County Clerk	\$7,399	\$6,030
Clallam County Clerk	\$5,832	\$4,753
Clark County Clerk	\$32,635	\$26,597
Columbia County Clerk	\$384	\$313
Cowlitz County Clerk	\$16,923	\$13,792
Douglas County Clerk	\$3,032	\$2,471
Ferry County Clerk	\$422	\$344
Franklin County Clerk	\$5,486	\$4,471
Garfield County Clerk	\$243	\$198
Grant County Clerk	\$10,107	\$8,237
Grays Harbor County Clerk	\$8,659	\$7,057
Island County Clerk	\$3,059	\$2,493
Jefferson County Clerk	\$1,859	\$1,515
King County Court Clerk	\$119,290	\$97,266
Kitsap County Clerk	\$22,242	\$18,127
Kittitas County Clerk	\$3,551	\$2,894
Klickitat County Clerk	\$2,151	\$1,753
Lewis County Clerk	\$10,340	\$8,427
Lincoln County Clerk	\$724	\$590
Mason County Clerk	\$5,146	\$4,194

1	Okanogan County Clerk	\$3,978	\$3,242
2	Pacific County Clerk	\$2,411	\$1,965
3	Pend Oreille County Clerk	\$611	\$498
4	Pierce County Clerk	\$77,102	\$62,837
5	San Juan County Clerk	\$605	\$493
6	Skagit County Clerk	\$11,059	\$9,013
7	Skamania County Clerk	\$1,151	\$938
8	Snohomish County Clerk	\$38,143	\$31,086
9	Spokane County Clerk	\$44,825	\$36,578
10	Stevens County Clerk	\$2,984	\$2,432
11	Thurston County Clerk	\$22,204	\$18,096
12	Wahkiakum County Clerk	\$400	\$326
13	Walla Walla County Clerk	\$4,935	\$4,022
14	Whatcom County Clerk	\$20,728	\$16,893
15	Whitman County Clerk	\$2,048	\$1,669
16	Yakima County Clerk	\$25,063	\$20,426
17			
18	TOTAL APPROPRIATIONS	\$541,000	\$441,000

19 NEW SECTION. **Sec. 710. BELATED CLAIMS**

20 The agencies and institutions of the state may expend moneys
21 appropriated in this act, upon approval of the office of financial
22 management, for the payment of supplies and services furnished to the
23 agency or institution in prior fiscal biennia.

24 NEW SECTION. **Sec. 711. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS**
25 **—CONTRIBUTIONS TO RETIREMENT SYSTEMS**

26 The appropriations in this section are subject to the following
27 conditions and limitations: The appropriations for the law
28 enforcement officers' and firefighters' retirement system shall be
29 made on a monthly basis consistent with chapter 41.45 RCW, and the
30 appropriations for the judges and judicial retirement systems shall
31 be made on a quarterly basis consistent with chapters 2.10 and 2.12
32 RCW.

33 (1) There is appropriated for state contributions to the law
34 enforcement officers' and firefighters' retirement system:

1	General Fund—State Appropriation (FY 2018)	\$70,050,000
2	General Fund—State Appropriation (FY 2019)	\$73,350,000
3	TOTAL APPROPRIATION.	\$143,400,000

4 (2) There is appropriated for contributions to the judicial
5 retirement system:

6	General Fund—State Appropriation (FY 2018)	\$8,700,000
7	General Fund—State Appropriation (FY 2019)	\$8,400,000
8	TOTAL APPROPRIATION.	\$17,100,000

9 (3) There is appropriated for contributions to the judges'
10 retirement system:

11	General Fund—State Appropriation (FY 2018)	\$500,000
12	General Fund—State Appropriation (FY 2019)	\$500,000
13	TOTAL APPROPRIATION.	\$1,000,000

14 NEW SECTION. **Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
15 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

16	General Fund—State Appropriation (FY 2018)	\$5,000,000
17	General Fund—State Appropriation (FY 2019)	\$5,002,000
18	TOTAL APPROPRIATION.	\$10,002,000

19 The appropriations in this section are subject to the following
20 conditions and limitations: The appropriations in this section are
21 provided solely for expenditure into the cleanup settlement account
22 on July 1, 2017, and July 1, 2018, as repayment of moneys that were
23 transferred to the state efficiency and restructuring account.

24 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
25 **COMMON SCHOOL CONSTRUCTION ACCOUNT**

26	General Fund—State Appropriation (FY 2018)	\$600,000
27	General Fund—State Appropriation (FY 2019)	\$600,000
28	TOTAL APPROPRIATION.	\$1,200,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: The appropriations in this section are
31 provided solely for expenditure into the common school construction
32 account—state on July 1, 2017, and July 1, 2018, for an interest
33 payment pursuant to RCW 90.38.130.

34 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
35 **NATURAL RESOURCES REAL PROPERTY REPLACEMENT ACCOUNT**

1	General Fund—State Appropriation (FY 2018)	\$300,000
2	General Fund—State Appropriation (FY 2019)	\$300,000
3	TOTAL APPROPRIATION.	\$600,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: The appropriations in this section are
6 provided solely for expenditure into the natural resources real
7 property replacement account—state on July 1, 2017, and July 1, 2018,
8 for an interest payment pursuant to RCW 90.38.130.

9 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
10 **COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

11	General Fund—State Appropriation (FY 2018)	\$227,000
12	General Fund—State Appropriation (FY 2019)	\$227,000
13	TOTAL APPROPRIATION.	\$454,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations in this section, or so
16 much thereof as may be necessary, are provided solely for expenditure
17 into the county criminal justice assistance account—state. The
18 treasurer shall make quarterly distributions from the county criminal
19 justice assistance account of the amounts provided in this section in
20 accordance with RCW 82.14.310 for the purposes of reimbursing local
21 jurisdictions for increased costs incurred as a result of the
22 mandatory arrest of repeat offenders pursuant to chapter 35, Laws of
23 2013 2nd sp. sess. The appropriations and distributions made under
24 this section constitute appropriate reimbursement for costs for any
25 new programs or increased level of services for the purposes of RCW
26 43.135.060.

27 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
28 **MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

29	General Fund—State Appropriation (FY 2018)	\$133,000
30	General Fund—State Appropriation (FY 2019)	\$133,000
31	TOTAL APPROPRIATION.	\$266,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: The appropriations in this section, or so
34 much thereof as may be necessary, are appropriated for expenditure
35 into the municipal criminal justice assistance account. The treasurer
36 shall make quarterly distributions from the municipal criminal

1 justice assistance account of the amounts provided in this section in
2 accordance with RCW 82.14.320 and 82.14.330, for the purposes of
3 reimbursing local jurisdictions for increased costs incurred as a
4 result of the mandatory arrest of repeat offenders pursuant to
5 chapter 35, Laws of 2013 2nd sp. sess. The appropriations and
6 distributions made under this section constitute appropriate
7 reimbursement for costs for any new programs or increased level of
8 services for the purposes of RCW 43.135.060.

9 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
10 **COMMUNICATION SERVICES REFORM**

11	General Fund—State Appropriation (FY 2018)	. . . . .	\$5,000,000
12	General Fund—State Appropriation (FY 2019)	. . . . .	\$5,000,000
13	TOTAL APPROPRIATION.	. . . . .	\$10,000,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations in this section are
16 provided solely for expenditure into the universal communications
17 services fund to fund the temporary universal communications services
18 program.

19 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
20 **OUTDOOR EDUCATION AND RECREATION ACCOUNT**

21	General Fund—State Appropriation (FY 2018)	. . . . .	\$750,000
22	General Fund—State Appropriation (FY 2019)	. . . . .	\$750,000
23	TOTAL APPROPRIATION.	. . . . .	\$1,500,000

24 The appropriations in this section are subject to the following
25 conditions and limitations: The appropriations are provided solely
26 for expenditure into the outdoor education and recreation account for
27 the state parks and recreation commission's outdoor education and
28 recreation program purposes identified in RCW 79A.05.351.

29 NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
30 **SUICIDE SAFER HOMES PROJECT ACCOUNT**

31	General Fund—State Appropriation (FY 2018)	\$50,000
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32 The appropriations in this section are subject to the following
33 conditions and limitations: The appropriations are provided solely
34 for expenditure into the suicide safer homes project account for the

1 implementation of chapter 262, Laws of 2017 (partial veto) (E2SHB
2 1612) (lethal means, reduce access).

3 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
4 **CANCER RESEARCH ENDOWMENT FUND MATCH TRANSFER ACCOUNT**

5 General Fund—State Appropriation (FY 2018) \$5,000,000

6 The appropriation in this section is subject to the following
7 conditions and limitations: The appropriation in this section is
8 provided solely for expenditure into the cancer research endowment
9 fund match transfer account per RCW 43.348.080 to fund the cancer
10 research endowment program.

11 NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
12 **HOME VISITING SERVICES ACCOUNT**

13 General Fund—State Appropriation (FY 2018) \$691,000

14 General Fund—State Appropriation (FY 2019) \$744,000

15 TOTAL APPROPRIATION. \$1,435,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: The appropriations are provided solely
18 for expenditure into the home visiting services account for the home
19 visiting program.

20 NEW SECTION. **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
21 **HEALTH PROFESSIONS ACCOUNT**

22 Dedicated Marijuana Account—State Appropriation (FY 2018) . \$352,000

23 Dedicated Marijuana Account—State Appropriation (FY 2019) . \$352,000

24 TOTAL APPROPRIATION. \$704,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations are provided solely
27 for expenditure into the health professions account to reimburse the
28 account for costs incurred by the department of health for the
29 development and administration of the marijuana authorization
30 database.

31 NEW SECTION. **Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
32 **LEASE COST POOL**

33 General Fund—State Appropriation (FY 2018) \$9,712,000

34 General Fund—Federal Appropriation \$2,431,000

1 TOTAL APPROPRIATION. \$12,143,000

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

4 (1) The appropriations in this section are provided solely for
5 expenditure into the state agency office relocation pool account
6 created in section 949 of this act for state agency office relocation
7 costs as shown in LEAP omnibus document LEAS-2017, dated March 14,
8 2017, which is hereby incorporated by reference. To facilitate the
9 transfer of moneys from other funds and accounts that are associated
10 with office relocations contained in LEAP omnibus document LEAS-2017,
11 dated March 14, 2017, the state treasurer is directed to transfer
12 moneys from other funds and accounts in an amount not to exceed
13 \$2,431,000 to the lease cost pool in accordance with schedules
14 provided by the office of financial management.

15 (2) Agencies may apply to the office of financial management to
16 receive funds from the state agency office relocation pool account in
17 an amount not to exceed the actual costs for the office relocations.

18 NEW SECTION. **Sec. 724. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
19 **INFORMATION TECHNOLOGY INVESTMENT POOL**

20 General Fund—State Appropriation (FY 2019). \$8,226,000

21 (1) The appropriation in this section is provided solely for
22 expenditure into the information technology investment revolving
23 account created in section 950 of this act.

24 (a) Amounts in the account are provided solely for the following
25 information technology projects:

- 26 (i) Department of services for the blind - business management
27 system;
- 28 (ii) Secretary of state - modernize elections system;
- 29 (iii) Office of the superintendent of public instruction - school
30 financial system redesign.

31 (b) To facilitate the transfer of moneys from other funds and
32 accounts that are associated with projects listed in (a)(i) through
33 (iii) of this subsection, the state treasurer must transfer moneys
34 from other funds and accounts to the information technology
35 investment revolving account in accordance with schedules provided by
36 the office of financial management.

1 (2) Agencies may apply to the office of financial management to
2 receive funding from the information technology investment revolving
3 account.

4 (3) Agencies must apply to the office of the state chief
5 information officer for approval before proceeding with each stage of
6 a project subject to this section. At each stage, the office of the
7 state chief information officer must certify that the project
8 complies with state information technology and security policy and
9 strategies. Allocations and allotments may be made only during
10 discrete stages of projects, which at a minimum must include a
11 planning stage, procurement stage, and implementation and integration
12 stage. Prior to an allocation or allotment of funds to an agency, the
13 office of financial management, jointly with the office of the chief
14 information officer, must deliver to the legislative fiscal
15 committees the following information for each project receiving an
16 allocation:

17 (a) A technology budget using a method similar to the state
18 capital budget, identifying project costs, funding sources, and
19 anticipated deliverables through each stage of the investment and
20 across fiscal periods and biennia from project initiation to
21 implementation. If the project affects more than one agency, a
22 technology budget must be prepared for each agency;

23 (b) The technology implementation plan that includes:

24 (i) An organizational chart of the project management team that
25 identifies team members and their roles and responsibilities;

26 (ii) The office of the chief information officer staff assigned
27 to the project;

28 (iii) An implementation schedule covering activities, critical
29 milestones, and deliverables at each stage of the project for the
30 life of the project at each agency affected by the project; and

31 (iv) Performance measures used to determine that the project is
32 on time, within budget, and meeting expectations for quality of work
33 product.

34 (c) A letter from the office of the chief information officer
35 certifying that:

36 (i) The project is consistent with the state's enterprise
37 architecture and other policies developed by the office of the chief
38 information officer;

39 (ii) The agency has the organizational capacity, preparedness,
40 and leadership to implement the project successfully;

1 (iii) The agency has adequately assessed and minimized the risks
2 inherent with the project;

3 (iv) The project has the management, staffing, and oversight
4 resources needed for the cost, complexity, and risks associated with
5 the project;

6 (v) The project has implementation schedules and performance
7 measures for timeliness, deliverables, quality, and budget;

8 (vi) The agency has an adequate risk management plan that also
9 enables the office of the chief information officer to assess,
10 intervene, and take necessary action when performance measures are
11 not being met; and

12 (vii) For any investment that does not use commercial off-the-
13 shelf or software as a service technology solution, the proposed
14 project represents the best business solution and should not be
15 delayed.

16 (4) For any project that exceeds two million dollars in total
17 funds to complete, requires more than one biennium to complete, or is
18 financed through financial contracts, bonds, or other indebtedness:

19 (i) Quality assurance for the project must report independently
20 to the office of the chief information officer;

21 (ii) The office of the chief information officer must review, and
22 if necessary, revise the proposed project to ensure it is flexible
23 and adaptable to advances in technology;

24 (iii) The technology budget must specifically identify the uses
25 of any financing proceeds. No more than thirty percent of the
26 financing proceeds may be used for payroll-related costs for state
27 employees assigned to project management, installation, testing, or
28 training;

29 (iv) The agency must consult with the office of the state
30 treasurer during the competitive procurement process to evaluate
31 early in the process whether products and services to be solicited
32 and the responsive bids from a solicitation may be financed; and

33 (v) The agency must consult with the contracting division of the
34 department of enterprise services for a review of all contracts and
35 agreements related to the project's information technology
36 procurements.

37 (5) The office of the chief information officer may suspend or
38 terminate a project at any time if the office of the chief
39 information officer determines that the project is not meeting or is
40 not expected to meet anticipated performance measures. Once

1 suspension or termination occurs, the agency shall not make
2 additional expenditures on the project without approval of the state
3 chief information officer. If a project is terminated, the office of
4 financial management must terminate the agency's allocation from the
5 information technology investment revolving account and the agency
6 shall return any remaining funds to the account to be reallocated to
7 other projects by the office of financial management.

8 (6) Any cost to administer or implement this section for projects
9 listed in subsection (1) of this section, must be paid from the
10 information technology investment revolving account. For any other
11 information technology project made subject to the conditions,
12 limitations, and review of this section, the cost to implement this
13 section must be paid from the funds for that project.

14 NEW SECTION. **Sec. 725. TRANSPORTATION COMPENSATION**

15 2017 c 313 s 501 (ESB 5096) (uncodified) is repealed.

16 NEW SECTION. **Sec. 726.** A new section is added to 2017 c 313
17 (ESB 5096) (uncodified) to read as follows:

18 **TRANSPORTATION—WASHINGTON FEDERATION OF STATE EMPLOYEES**

19	Motor Vehicle Account—State Appropriation	\$18,443,000
20	State Patrol Highway Account—State Appropriation	\$1,199,000
21	State Patrol Highway Account—Federal Appropriation.	\$22,000
22	Puget Sound Ferry Operations Account—State Appropriation. . .	\$73,000
23	Highway Safety Account—State Appropriation.	\$2,613,000
24	Motorcycle Safety Education Account—State Appropriation. . .	\$37,000
25	State Wildlife Account—State Appropriation.	\$14,000
26	Ignition Interlock Device Revolving Account—State	
27	Appropriation.	\$5,000
28	Department of Licensing Services Account—State	
29	Appropriation.	\$102,000
30	Aeronautics Account—State Appropriation.	\$3,000
31	Interstate 405 Express Toll Lanes Operations Account—State	
32	Appropriation.	\$27,000
33	State Route Number 520 Corridor Account—State	
34	Appropriation.	\$51,000
35	State Route Number 520 Civil Penalties Account—State	
36	Appropriation.	\$16,000
37	Multimodal Transportation Account—State Appropriation. . . .	\$40,000

1 Tacoma Narrows Toll Bridge Account—State Appropriation. . . . \$22,000
2 TOTAL APPROPRIATION. \$22,667,000

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

5 (1) An agreement has been reached between the governor and the
6 Washington federation of state employees general government under the
7 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
8 Funding is provided for a two percent general wage increase effective
9 July 1, 2017, a two percent general wage increase effective July 1,
10 2018, and a two percent general wage increase effective January 1,
11 2019. The agreement also includes and funding is provided for salary
12 adjustments for targeted job classifications and increases to
13 vacation leave accruals. Funding is contingent upon the enactment of
14 Senate Bill No. 5969 (transparency in public employee collective
15 bargaining). If the bill is not enacted by July 31, 2017, the
16 appropriation in this section shall lapse.

17 (2) Provisions of the collective bargaining agreement contained
18 in this section are described in general terms. Only major economic
19 terms are included in the descriptions. These descriptions do not
20 contain the complete contents of the agreement. The collective
21 bargaining agreement contained in this section may also be funded by
22 expenditures from nonappropriated accounts. If positions are funded
23 with lidded grants or dedicated fund sources with insufficient
24 revenue, additional funding from other sources is not provided.
25 Appropriations for state agencies are increased by the amounts
26 specified in LEAP Transportation Document 713 - 2017T to fund the
27 provisions of this agreement.

28 NEW SECTION. **Sec. 727.** A new section is added to 2017 c 313
29 (ESB 5096) (uncodified) to read as follows:

30 **TRANSPORTATION—WPEA GENERAL GOVERNMENT**

31 Motor Vehicle Account—State Appropriation \$60,000
32 State Patrol Highway Account—State Appropriation \$862,000
33 State Patrol Highway Account—Federal Appropriation. \$36,000
34 TOTAL APPROPRIATION. \$958,000

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

37 (1) An agreement has been reached between the governor and the
38 Washington public employees association general government under the

1 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
2 Funding is provided for a two percent general wage increase effective
3 July 1, 2017, a two percent general wage increase effective July 1,
4 2018, and a two percent general wage increase effective January 1,
5 2019. The agreement also includes and funding is provided for salary
6 adjustments for targeted job classifications and increases to
7 vacation leave accruals. Funding is contingent upon the enactment of
8 Senate Bill No. 5969 (transparency in public employee collective
9 bargaining). If the bill is not enacted by July 31, 2017, the
10 appropriation in this section shall lapse.

11 (2) Provisions of the collective bargaining agreement contained
12 in this section are described in general terms. Only major economic
13 terms are included in the descriptions. These descriptions do not
14 contain the complete contents of the agreement. The collective
15 bargaining agreement contained in this section may also be funded by
16 expenditures from nonappropriated accounts. If positions are funded
17 with lidded grants or dedicated fund sources with insufficient
18 revenue, additional funding from other sources is not provided.
19 Appropriations for state agencies are increased by the amounts
20 specified in LEAP Transportation Document 713 - 2017T to fund the
21 provisions of this agreement.

22 NEW SECTION. **Sec. 728.** A new section is added to 2017 c 313
23 (ESB 5096) (uncodified) to read as follows:

24 **TRANSPORTATION—COLLECTIVE BARGAINING AGREEMENTS—PTE LOCAL 17**

25	State Patrol Highway Account—State Appropriation.	\$3,849,000
26	State Patrol Highway Account—Federal Appropriation.	\$399,000
27	State Patrol Highway Account—Private/Local Appropriation. . .	\$129,000
28	Motor Vehicle Account—State Appropriation.	\$2,659,000
29	Highway Safety Account—State Appropriation.	\$2,462,000
30	Aeronautics Account—State Appropriation.	\$12,000
31	Puget Sound Ferry Operations Account—State	
32	Appropriation.	\$26,000
33	State Route Number 520 Corridor Account—State	
34	Appropriation.	\$86,000
35	State Route Number 520 Civil Penalties Account—State	
36	Appropriation.	\$4,000
37	Multimodal Transportation Account—State Appropriation.	\$43,000
38	Tacoma Narrows Toll Bridge Account—State Appropriation.	\$62,000

1 Motorcycle Safety Education Account—State Appropriation. . . \$10,000
2 TOTAL APPROPRIATION. \$9,741,000

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

5 (1) An agreement has been reached between the governor and the
6 professional and technical employees local 17 under the provisions of
7 chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is
8 provided for a two percent general wage increase effective July 1,
9 2017, a two percent general wage increase effective July 1, 2018, and
10 a two percent general wage increase effective January 1, 2019. The
11 agreement also includes and funding is provided for salary
12 adjustments for targeted job classifications and increases to
13 vacation leave accruals. Funding is contingent upon the enactment of
14 Senate Bill No. 5969 (transparency in public employee collective
15 bargaining). If the bill is not enacted by July 31, 2017, the
16 appropriation in this section shall lapse.

17 (2) Provisions of the collective bargaining agreement contained
18 in this section are described in general terms. Only major economic
19 terms are included in the descriptions. These descriptions do not
20 contain the complete contents of the agreement. The collective
21 bargaining agreement contained in this section may also be funded by
22 expenditures from nonappropriated accounts. If positions are funded
23 with lidded grants or dedicated fund sources with insufficient
24 revenue, additional funding from other sources is not provided.
25 Appropriations for state agencies are increased by the amounts
26 specified in LEAP Transportation Document 713 - 2017T to fund the
27 provisions of this agreement.

28 NEW SECTION. **Sec. 729.** A new section is added to 2017 c 313
29 (ESB 5096) (uncodified) to read as follows:

30 **TRANSPORTATION—THE COALITION OF UNIONS AGREEMENT**
31 State Patrol Highway Account—State Appropriation \$309,000
32 State Patrol Highway Account—Federal Appropriation. \$44,000
33 TOTAL APPROPRIATION. \$353,000

34 The appropriation in this section is subject to the following
35 conditions and limitations:

36 (1) An agreement has been reached between the governor and the
37 coalition of unions under the provisions of chapter 41.80 RCW for the
38 2017-2019 fiscal biennium. Funding is provided for a two percent

1 general wage increase effective July 1, 2017, a two percent general
2 wage increase effective July 1, 2018, and a two percent general wage
3 increase effective January 1, 2019. The agreement also includes and
4 funding is provided for salary adjustments for targeted job
5 classifications and increases to vacation leave accruals. Funding is
6 contingent upon the enactment of Senate Bill No. 5969 (transparency
7 in public employee collective bargaining). If the bill is not enacted
8 by July 31, 2017, the appropriation in this section shall lapse.

9 (2) Provisions of the collective bargaining agreement contained
10 in this section are described in general terms. Only major economic
11 terms are included in the descriptions. These descriptions do not
12 contain the complete contents of the agreement. The collective
13 bargaining agreement contained in this section may also be funded by
14 expenditures from nonappropriated accounts. If positions are funded
15 with lidded grants or dedicated fund sources with insufficient
16 revenue, additional funding from other sources is not provided.
17 Appropriations for state agencies are increased by the amounts
18 specified in LEAP Transportation Document 713 - 2017T to fund the
19 provisions of this agreement.

20 NEW SECTION. **Sec. 730.** A new section is added to 2017 c 313
21 (ESB 5096) (uncodified) to read as follows:

22 **TRANSPORTATION—GENERAL WAGE INCREASE—STATE EMPLOYEES**

23 Motor Vehicle Account—State Appropriation.	\$5,163,000
24 State Patrol Highway Account—State Appropriation.	\$812,000
25 State Patrol Highway Account—Federal Appropriation.	\$8,000
26 State Patrol Highway Account—Private/Local Appropriation. . .	\$1,000
27 Puget Sound Ferry Operations Account—State Appropriation. .	\$460,000
28 Highway Safety Account—State Appropriation.	\$655,000
29 Highway Safety Account—Federal Appropriation.	\$119,000
30 Motorcycle Safety Education Account—State Appropriation. . .	\$12,000
31 State Wildlife Account—State Appropriation.	\$8,000
32 Department of Licensing Services Account—State	
33 Appropriation.	\$21,000
34 Aeronautics Account—State Appropriation.	\$53,000
35 State Route Number 520 Corridor Account—State	
36 Appropriation.	\$102,000
37 Multimodal Transportation Account—State Appropriation. . . .	\$302,000
38 Rural Arterial Trust Account—State Appropriation.	\$32,000

1	County Arterial Preservation Account—State Appropriation. . .	\$33,000
2	Transportation Improvement Account—State Appropriation. . . .	\$84,000
3	TOTAL APPROPRIATION.	\$7,865,000

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

6 (1) Funding is provided for state agency employee compensation
7 for employees funded in the 2017-2019 omnibus transportation
8 appropriations act who are not represented or who bargain under
9 statutory authority other than chapter 41.80 or 47.64 RCW or RCW
10 41.56.473 or 41.56.475. Funding is contingent upon the enactment of
11 Senate Bill No. 5969 (transparency in public employee collective
12 bargaining). If the bill is not enacted by July 31, 2017, the
13 appropriation in this section shall lapse.

14 (2) Funding is provided for a two percent general wage increase
15 effective July 1, 2017, for all classified employees as specified in
16 subsection (1) of this section, employees in the Washington
17 management service, and exempt employees under the jurisdiction of
18 the office of financial management. The appropriations are also
19 sufficient to fund a two percent salary increase effective July 1,
20 2017, for executive, legislative, and judicial branch employees
21 exempt from merit system rules whose maximum salaries are not set by
22 the commission on salaries for elected officials.

23 (3) Funding is provided for a two percent general wage increase
24 effective July 1, 2018, for all classified employees as specified in
25 subsection (1) of this section, employees in the Washington
26 management service, and exempt employees under the jurisdiction of
27 the office of financial management. The appropriations are also
28 sufficient to fund a two percent salary increase effective July 1,
29 2018, for executive, legislative, and judicial branch employees
30 exempt from merit system rules whose maximum salaries are not set by
31 the commission on salaries for elected officials.

32 (4) Funding is provided for a two percent general wage increase
33 effective January 1, 2019, for all classified employees as specified
34 in subsection (1) of this section, employees in the Washington
35 management service, and exempt employees under the jurisdiction of
36 the office of financial management. The appropriations are also
37 sufficient to fund a two percent salary increase effective January 1,
38 2019, for executive, legislative, and judicial branch employees

1 exempt from merit system rules whose maximum salaries are not set by
2 the commission on salaries for elected officials.

3 (5) Appropriations for state agencies are increased by the
4 amounts specified in LEAP Transportation Document 713 - 2017T to fund
5 the provisions of this section.

6 NEW SECTION. **Sec. 731.** A new section is added to 2017 c 313
7 (ESB 5096) (uncodified) to read as follows:

8 **TRANSPORTATION—TARGETED COMPENSATION INCREASES—NONREPRESENTED JOB**
9 **CLASS SPECIFIC**

10	Motor Vehicle Account—State Appropriation	\$629,000
11	Puget Sound Ferry Operations Account—State Appropriation. . .	\$14,000
12	Transportation Improvement Account—State Appropriation. . . .	\$90,000
13	County Arterial Preservation Account—State Appropriation. . .	\$16,000
14	State Route Number 520 Corridor Account—State	
15	Appropriation.	\$16,000
16	TOTAL APPROPRIATION.	\$765,000

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

19 (1) Funding is provided for salary adjustments for targeted job
20 classifications for employees funded in the 2017-2019 omnibus
21 transportation appropriations act, as specified by the office of
22 financial management, of classified state employees, except those
23 represented by a collective bargaining unit under chapters 41.80 and
24 47.64 RCW and RCW 41.56.473 and 41.56.475. Funding is contingent upon
25 the enactment of Senate Bill No. 5969 (transparency in public
26 employee collective bargaining). If the bill is not enacted by July
27 31, 2017, the appropriation in this section shall lapse.

28 (2) Appropriations for state agencies are increased by the
29 amounts specified in LEAP Transportation Document 713 - 2017T to fund
30 the provisions of this section.

31 NEW SECTION. **Sec. 732.** A new section is added to 2017 c 313
32 (ESB 5096) (uncodified) to read as follows:

33 **TRANSPORTATION—ORCA TRANSIT PASSES—WASHINGTON FEDERATION OF STATE**
34 **EMPLOYEES**

35	Motor Vehicle Account—State Appropriation	\$410,000
36	State Patrol Highway Account—State Appropriation.	\$32,000
37	Puget Sound Ferry Operations Account—State Appropriation. . .	\$8,000

1	Highway Safety Account—State Appropriation.	\$30,000
2	State Route Number 520 Corridor Account—State Appropriation. .	\$8,000
3	State Route Number 520 Civil Penalties Account—State	
4	Appropriation.	\$2,000
5	Tacoma Narrows Toll Bridge Account—State Appropriation. . . .	\$2,000
6	Interstate 405 Express Toll Lanes Operations Account—State	
7	Appropriation.	\$6,000
8	TOTAL APPROPRIATION.	\$498,000

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

11 (1) Funding is provided for transit passes for state employees
12 outside of higher education who work in King County, who are
13 represented by the Washington Federation of State Employees. Funding
14 is contingent upon the enactment of Senate Bill No. 5969
15 (transparency in public employee collective bargaining). If the bill
16 is not enacted by July 31, 2017, the appropriation in this section
17 shall lapse.

18 (2) Appropriations for state agencies are increased by the
19 amounts specified in LEAP Transportation Document 713 - 2017T to fund
20 the provisions of this section.

21 NEW SECTION. **Sec. 733.** A new section is added to 2017 c 313
22 (ESB 5096) (uncodified) to read as follows:

23 **TRANSPORTATION—ORCA TRANSIT PASSES**

24	Motor Vehicle Account—State Appropriation.	\$142,000
25	State Patrol Highway Account—State Appropriation.	\$252,000
26	State Patrol Highway Account—Federal Appropriation.	\$6,000
27	State Patrol Highway Account—Local Appropriation.	\$8,000
28	Puget Sound Ferry Operations Account—State Appropriation.	\$1,548,000
29	Highway Safety Account—State Appropriation.	\$76,000
30	State Route Number 520 Corridor Account—State Appropriation.	\$16,000
31	Tacoma Narrows Toll Bridge Account—State Appropriation. . . .	\$4,000
32	Multimodal Transportation Account—State	
33	Appropriation.	\$10,000
34	TOTAL APPROPRIATION.	\$2,062,000

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

1 (1) Funding is provided for transit passes for state employees
2 outside of higher education who work in King County, and who are not
3 covered by a collective bargaining agreement. Funding is contingent
4 upon the enactment of Senate Bill No. 5969 (transparency in public
5 employee collective bargaining). If the bill is not enacted by July
6 31, 2017, the appropriation in this section shall lapse.

7 (2) Appropriations for state agencies are increased by the
8 amounts specified in LEAP Transportation Document 713 - 2017T to fund
9 the provisions of this section.

10 NEW SECTION. **Sec. 734.** A new section is added to 2017 c 313
11 (ESB 5096) (uncodified) to read as follows:

12 **TRANSPORTATION—REDUCTIONS TO AGENCY MANAGEMENT**

13	Aeronautics Account—State Appropriation.	(\$12,000)
14	State Patrol Highway Account—State Appropriation.	(\$169,000)
15	State Patrol Highway Account—Federal Appropriation.	(\$4,000)
16	State Patrol Highway Account—Private/Local	
17	Appropriation.	(\$1,000)
18	Motorcycle Safety Education Account—State Appropriation. . .	(\$9,000)
19	Rural Arterial Trust Account—State Appropriation.	(\$14,000)
20	State Wildlife Account—State Appropriation.	(\$5,000)
21	Highway Safety Account—State Appropriation.	(\$481,000)
22	Highway Safety Account—Federal Appropriation.	(\$53,000)
23	Motor Vehicle Account—State Appropriation.	(\$2,409,000)
24	Puget Sound Ferry Operations Account—State Appropriation.	(\$262,000)
25	Transportation Improvement Account—State Appropriation. . .	(\$14,000)
26	State Route Number 520 Corridor Account—State	
27	Appropriation.	(\$41,000)
28	County Arterial Preservation Account—State Appropriation. .	(\$8,000)
29	Department of Licensing Services Account—State	
30	Appropriation.	(\$16,000)
31	Multimodal Transportation Account—State Appropriation. . .	(\$68,000)
32	TOTAL APPROPRIATION.	(\$3,566,000)

33 The appropriations in this section reflect adjustments in agency
34 appropriations:

35 (1) Funding is adjusted for agency and institution appropriations
36 to reflect a six percent reduction of Washington management service
37 and exempt management service employees.

(2) Appropriations for state agencies are adjusted by the amounts specified in LEAP Transportation Document 713 - 2017T.

NEW SECTION. **Sec. 735.** A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—COMPENSATION—REPRESENTED EMPLOYEES—INSURANCE BENEFITS

Aeronautics Account—State Appropriation.	\$3,000
State Patrol Highway Account—State Appropriation.	\$711,000
State Patrol Highway Account—Federal Appropriation.	\$38,000
State Patrol Highway Account—Private/Local Appropriation. . .	\$15,000
Motorcycle Safety Education Account—State Appropriation. . . .	\$7,000
State Wildlife Account—State Appropriation.	\$4,000
Highway Safety Account—State Appropriation.	\$821,000
Motor Vehicle Account—State Appropriation.	\$2,955,000
Puget Sound Ferry Operations Account—State Appropriation.	\$1,872,000
Ignition Interlock Device Revolving Account—State	
Appropriation.	\$1,000
State Route Number 520 Corridor Account—State Appropriation.	\$20,000
State Route Number 520 Civil Penalties Account—State	
Appropriation.	\$4,000
Department of Licensing Services Account—State Appropriation.	\$18,000
Multimodal Transportation Account—State Appropriation. . . .	\$18,000
Tacoma Narrows Toll Bridge Account—State Appropriation. . . .	\$9,000
I-405 Express Toll Lanes Operations Account—State	
Appropriation.	\$8,000
TOTAL APPROPRIATION.	\$6,504,000

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

Collective bargaining agreements were reached for the 2017-2019 fiscal biennium between the governor and the employee representatives under the provisions of chapters 41.80 and 41.56 RCW. Appropriations in this act for state agencies are sufficient to implement the provisions of the 2017-2019 collective bargaining agreements and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan must not exceed \$913 per eligible employee for

1 fiscal year 2018. For fiscal year 2019, the monthly employer funding
2 rate must not exceed \$957 per eligible employee.

3 (b) Except as provided by the parties' health care agreement, in
4 order to achieve the level of funding provided for health benefits,
5 the public employees' benefits board must require any or all of the
6 following: Employee premium copayments, increases in point-of-service
7 cost sharing, the implementation of managed competition, or other
8 changes to benefits consistent with RCW 41.05.065. The board shall
9 collect a twenty-five dollar per month surcharge payment from members
10 who use tobacco products and a surcharge payment of not less than
11 fifty dollars per month from members who cover a spouse or domestic
12 partner where the spouse or domestic partner has chosen not to enroll
13 in another employer-based group health insurance that has benefits
14 and premiums with an actuarial value of not less than 95 percent of
15 the actuarial value of the public employees' benefits board plan with
16 the largest enrollment. The surcharge payments shall be collected in
17 addition to the member premium payment.

18 (c) The health care authority must deposit any moneys received on
19 behalf of the uniform medical plan as a result of rebates on
20 prescription drugs, audits of hospitals, subrogation payments, or any
21 other moneys recovered as a result of prior uniform medical plan
22 claims payments into the public employees' and retirees' insurance
23 account to be used for insurance benefits. Such receipts must not be
24 used for administrative expenditures.

25 (2) The health care authority, subject to the approval of the
26 public employees' benefits board, must provide subsidies for health
27 benefit premiums to eligible retired or disabled public employees and
28 school district employees who are eligible for medicare, pursuant to
29 RCW 41.05.085. For calendar years 2018 and 2019, the subsidy must be
30 up to \$150.00 per month. The public employees' benefits board may not
31 authorize under RCW 41.05.085, and the health care authority may not
32 provide, a subsidy under this subsection of more than \$150.00 per
33 month. Funds from reserves accumulated for future adverse claims
34 experience, from past favorable claims experience, or otherwise, may
35 not be used to increase this retiree subsidy beyond what is
36 authorized by the legislature in this subsection.

37 (3) All savings resulting from reduced claim costs or other
38 factors identified after June 1, 2017, must be reserved for funding
39 employee health benefits in the 2019-2021 fiscal biennium.

1 (4) Appropriations for state agencies are increased by the
2 amounts specified in LEAP Transportation Document 713 - 2017T to fund
3 the provisions of this agreement.

4 NEW SECTION. **Sec. 736.** A new section is added to 2017 c 313
5 (ESB 5096) (uncodified) to read as follows:

6 **TRANSPORTATION—COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE**
7 **BENEFITS**

8	Aeronautics Account—State Appropriation.	\$9,000
9	State Patrol Highway Account—State Appropriation.	\$1,414,000
10	State Patrol Highway Account—Federal Appropriation.	\$14,000
11	Motorcycle Safety Education Account—State Appropriation.	\$2,000
12	Rural Arterial Trust Account—State Appropriation.	\$4,000
13	State Wildlife Account—State Appropriation.	\$1,000
14	Highway Safety Account—State Appropriation.	\$111,000
15	Highway Safety Account—Federal Appropriation.	\$20,000
16	Motor Vehicle Account—State Appropriation.	\$781,000
17	Puget Sound Ferry Operations Account—State Appropriation.	\$68,000
18	Transportation Improvement Account—State Appropriation.	\$12,000
19	State Route Number 520 Corridor Account—State Appropriation.	\$16,000
20	County Arterial Preservation Account—State Appropriation.	\$4,000
21	Department of Licensing Services Account—State Appropriation.	\$3,000
22	Multimodal Transportation Account—State Appropriation.	\$45,000
23	TOTAL APPROPRIATION.	\$2,504,000

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

26 (1) Appropriations for state agencies in this act are sufficient
27 for nonrepresented state employee health benefits for state agencies,
28 including institutions of higher education, and are subject to the
29 following conditions and limitations:

30 (a) The monthly employer funding rate for insurance benefit
31 premiums, public employees' benefits board administration, and the
32 uniform medical plan must not exceed \$913 per eligible employee for
33 fiscal year 2018. For fiscal year 2019, the monthly employer funding
34 rate must not exceed \$957 per eligible employee.

35 (b) In order to achieve the level of funding provided for health
36 benefits, the public employees' benefits board must require any of
37 the following: Employee premium copayments, increases in point-of-
38 service cost sharing, the implementation of managed competition, or

1 other changes to benefits consistent with RCW 41.05.065. The board
2 shall collect a twenty-five dollar per month surcharge payment from
3 members who use tobacco products and a surcharge payment of not less
4 than fifty dollars per month from members who cover a spouse or
5 domestic partner where the spouse or domestic partner has chosen not
6 to enroll in another employer-based group health insurance that has
7 benefits and premiums with an actuarial value of not less than 95
8 percent of the actuarial value of the public employees' benefits
9 board plan with the largest enrollment. The surcharge payments shall
10 be collected in addition to the member premium payment.

11 (c) The health care authority must deposit any moneys received on
12 behalf of the uniform medical plan as a result of rebates on
13 prescription drugs, audits of hospitals, subrogation payments, or any
14 other moneys recovered as a result of prior uniform medical plan
15 claims payments into the public employees' and retirees' insurance
16 account to be used for insurance benefits. Such receipts must not be
17 used for administrative expenditures.

18 (2) The health care authority, subject to the approval of the
19 public employees' benefits board, must provide subsidies for health
20 benefit premiums to eligible retired or disabled public employees and
21 school district employees who are eligible for medicare, pursuant to
22 RCW 41.05.085. For calendar years 2018 and 2019, the subsidy must be
23 up to \$150.00 per month. The public employees' benefits board may not
24 authorize under RCW 41.05.085, and the health care authority may not
25 provide, a subsidy under this subsection of more than \$150.00 per
26 month. Funds from reserves accumulated for future adverse claims
27 experience, from past favorable claims experience, or otherwise, may
28 not be used to increase this retiree subsidy beyond what is
29 authorized by the legislature in this subsection.

30 (3) All savings resulting from reduced claim costs or other
31 factors identified after June 1, 2017, must be reserved for funding
32 employee health benefits in the 2019-2021 fiscal biennium.

33 (4) Appropriations for state agencies are increased by the
34 amounts specified in LEAP Transportation Document 713 - 2017T to fund
35 the provisions of this agreement.

36 NEW SECTION. **Sec. 737. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
37 **PENSION FUNDING STABILIZATION ACCOUNT ADJUSTMENTS**

38 General Fund—State Appropriation (FY 2018) (\$231,292,000)

1 General Fund—State Appropriation (FY 2019) (\$231,291,000)
 2 Pension Funding Stabilization Account—State
 3 Appropriation \$462,583,000

4 The appropriations in this section reflect adjustments in agency
 5 appropriations according to the following conditions and limitations:
 6 For each state agency and institution of higher education, the office
 7 of financial management must calculate the portion of general fund—
 8 state appropriations attributed to employer contributions to the
 9 state retirement systems, including the higher education retirement
 10 plans. The office of financial management must ratably reduce the
 11 general fund—state allotments for pension contributions in each
 12 agency's budget to reflect the total reduction in general fund—state
 13 appropriations for each fiscal year provided in this section. Each
 14 agency shall be allocated an authority to expend from the pension
 15 funding stabilization account an amount equal to the agency's general
 16 fund—state allotment reduction. In the event that a balance in the
 17 pension funding stabilization account remains at the end of the
 18 2017-2019 fiscal biennium, the legislature intends that this policy
 19 be continued in the 2019-2021 fiscal biennium. Nothing in this
 20 section reduces employer pension contribution amounts nor does this
 21 section impact employee or employer pension contribution rates.

22 NEW SECTION. **Sec. 738. FOR THE DEPARTMENT OF AGRICULTURE—**
 23 **NORTHEAST WASHINGTON WOLF-LIVESTOCK MANAGEMENT ACCOUNT**

24 General Fund—State Appropriation (FY 2018) \$100,000
 25 General Fund—State Appropriation (FY 2019) \$200,000
 26 TOTAL APPROPRIATION. \$300,000

27 The appropriations in this section are subject to the following
 28 conditions and limitations: The appropriations are provided solely
 29 for expenditure into the northeast Washington wolf-livestock
 30 management account for the deployment of nonlethal wolf deterrence
 31 resources as provided in chapter 257, Laws of 2017 (ESHB 2126)
 32 (wolves/livestock depredation).

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include General Fund Appropriation for fire insurance (\$9,731,000), prosecuting attorney (\$6,786,000), boating safety and education (\$4,000,000), utility district excise tax (\$60,611,000), Death Investigations Account (\$3,556,000), Aquatic Lands Enhancement Account (\$140,000), Timber Tax Distribution Account (\$77,367,000), County Criminal Justice Assistance (\$96,145,000), Municipal Criminal Justice Assistance (\$38,126,000), City-County Assistance (\$27,160,000), Liquor Excise Tax Account (\$56,058,000), Streamlined Sales and Use Tax Mitigation Account (\$20,012,000), Columbia River Water Delivery Account for the Confederated Tribes of the Colville Reservation (\$8,074,000), Columbia River Water Delivery Account for the Spokane Tribe of Indians (\$5,402,000), Liquor Revolving Account (\$98,876,000), and other tax distributions (\$80,000).

1 General Fund Appropriation for Habitat Conservation
2 Program distributions. \$5,347,000
3 TOTAL APPROPRIATION. \$529,471,000

4 The total expenditures from the state treasury under the
5 appropriations in this section shall not exceed the funds available
6 under statutory distributions for the stated purposes.

7 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER—FOR THE COUNTY**
8 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

9 Impaired Driving Safety Appropriation. \$2,110,000

10 The appropriation in this section is subject to the following
11 conditions and limitations: The amount appropriated in this section
12 shall be distributed quarterly during the 2017-2019 fiscal biennium
13 in accordance with RCW 82.14.310. This funding is provided to
14 counties for the costs of implementing criminal justice legislation
15 including, but not limited to: Chapter 206, Laws of 1998 (drunk
16 driving penalties); chapter 207, Laws of 1998 (DUI penalties);
17 chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws
18 of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition
19 interlock violations); chapter 211, Laws of 1998 (DUI penalties);
20 chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998
21 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI
22 penalties); and chapter 215, Laws of 1998 (DUI provisions).

23 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER—MUNICIPAL**
24 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

25 Impaired Driver Safety Appropriation. \$1,407,000

26 The appropriation in this section is subject to the following
27 conditions and limitations: The amount appropriated in this section
28 shall be distributed quarterly during the 2017-2019 fiscal biennium
29 to all cities ratably based on population as last determined by the
30 office of financial management. The distributions to any city that
31 substantially decriminalizes or repeals its criminal code after July
32 1, 1990, and that does not reimburse the county for costs associated
33 with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made
34 to the county in which the city is located. This funding is provided
35 to cities for the costs of implementing criminal justice legislation
36 including, but not limited to: Chapter 206, Laws of 1998 (drunk
37 driving penalties); chapter 207, Laws of 1998 (DUI penalties);

1 chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws
2 of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition
3 interlock violations); chapter 211, Laws of 1998 (DUI penalties);
4 chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998
5 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI
6 penalties); and chapter 215, Laws of 1998 (DUI provisions).

7 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER—FEDERAL REVENUES**
8 **FOR DISTRIBUTION**

9 General Fund Appropriation for federal flood control

10 funds distribution.	\$50,000
11 General Fund Appropriation for federal grazing	
12 fees distribution.	\$43,000
13 General Fund Appropriation for federal military	
14 fees distribution.	\$601,000
15 Forest Reserve Fund Appropriation for federal	
16 forest reserve fund distribution.	\$4,610,000

17 The total expenditures from the state treasury under the
18 appropriations in this section shall not exceed the funds available
19 under statutory distributions for the stated purposes.

20 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER—TRANSFERS**

21 Criminal Justice Treatment Account: For transfer to

22 the state general fund, \$4,450,000 for fiscal	
23 year 2018 and \$4,450,000 for fiscal year 2019.	\$8,900,000
24 Dedicated Marijuana Account: For transfer to	
25 the basic health plan trust account, the lesser	
26 of the amount determined pursuant to RCW 69.50.540	
27 or this amount for fiscal year 2018, \$170,000,000 and	
28 this amount for fiscal year 2019, \$180,000,000.	\$350,000,000
29 Dedicated Marijuana Account: For transfer to	
30 the state general fund, the lesser of the amount	
31 determined pursuant to RCW 69.50.540 or this amount	
32 for fiscal year 2018, \$120,000,000 and this amount	
33 for fiscal year 2019, \$130,000,000.	\$239,239,000
34 Aquatic Lands Enhancement Account: For transfer to	
35 the clean up settlement account as repayment of	
36 the loan provided in section 3022(2) chapter 2,	
37 Laws of 2012, 2nd sp. sess. (ESB 6074 2012	

1 supplemental capital budget), \$620,000 for fiscal
 2 year 2018 and \$620,000 for fiscal year 2019. \$1,240,000
 3 Tobacco Settlement Account: For transfer to the
 4 state general fund, in an amount not to exceed the
 5 actual amount of the annual base payment to the
 6 tobacco settlement account for fiscal year 2018. . . . \$101,639,000
 7 Tobacco Settlement Account: For transfer to the
 8 state general fund, in an amount not to exceed the
 9 actual amount of the annual base payment to the
 10 tobacco settlement account for fiscal year 2019. . . . \$101,639,000
 11 State Toxics Control Account: For transfer to the
 12 cleanup settlement account as repayment of the
 13 loan provided in section 3022(2) chapter 2,
 14 Laws of 2012, 2nd sp. sess. (ESB 6074, 2012
 15 supplemental capital budget), \$620,000 for
 16 fiscal year 2018 and \$620,000 for fiscal
 17 year 2019. \$1,240,000
 18 General Fund: For transfer to the streamlined sales
 19 and use tax account, \$11,171,000 for fiscal
 20 year 2018 and \$8,641,000 for fiscal year 2019. . . . \$20,012,000
 21 Aerospace Training and Student Loan Account: For
 22 transfer to the state general fund, \$750,000
 23 for fiscal year 2018 and \$750,000 for fiscal
 24 year 2019. \$1,500,000
 25 Disaster Response Account: For transfer to the state
 26 general fund, \$42,000,000 for fiscal year 2018. . . . \$42,000,000
 27 State Treasurer's Service Account: For transfer to the state
 28 general fund, \$6,000,000 for fiscal year 2018 and
 29 \$6,000,000 for fiscal year 2019. \$12,000,000
 30 Statewide Information Tech System Maintenance and
 31 Operations Revolving Account: For transfer to the
 32 consolidated technology services revolving account,
 33 \$5,500,000 for fiscal year 2018. \$5,500,000
 34 General Fund: For transfer to the family and medical
 35 leave insurance account as start-up costs for
 36 the family and medical leave insurance program
 37 pursuant to enactment of Substitute House Bill
 38 No. 1116 (family and medical leave insurance),
 39 Senate Bill No. 5975 (paid family and medical
 40 leave insurance), or Senate Bill No. 5032

1 (family and medical leave insurance),
 2 \$82,000,000 for fiscal year 2018. \$82,000,000
 3 Family and Medical Leave Insurance Account: For
 4 transfer to the General Fund as repayment for
 5 start-up costs for the family and medical leave
 6 insurance program pursuant to implementation of
 7 Substitute House Bill No. 1116 (family and
 8 medical leave insurance), Senate Bill No. 5975
 9 (paid family and medical leave insurance),
 10 or Senate Bill No. 5032 (family and medical
 11 leave insurance), the lesser of the amount
 12 determined by the treasurer for full repayment
 13 of the \$82,000,000 transferred from the general
 14 fund in fiscal year 2018 for start-up costs
 15 with any related interest or this amount for
 16 fiscal year 2019, \$90,000,000. \$90,000,000
 17 Public Works Assistance Account: For transfer to the
 18 education legacy trust account, \$136,998,000 for
 19 fiscal year 2018 and \$117,017,000 for fiscal
 20 year 2019. \$254,015,000
 21 General Fund: For transfer to the firearms range
 22 account for fiscal year 2018. \$75,000
 23 Death Investigations Account: For transfer to
 24 the state general fund, \$1,186,000 for
 25 fiscal year 2018. \$1,186,000
 26 New Motor Vehicle Arbitration Account: For transfer
 27 to the state general fund, \$2,000,000 for fiscal
 28 year 2018. \$2,000,000
 29 Local Toxics Control Account: For transfer to the
 30 state toxics control account, \$9,000,000 for
 31 fiscal year 2018 and \$12,000,000 for fiscal
 32 year 2019. \$21,000,000

(End of part)

PART IX
MISCELLANEOUS

NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS**

The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2015-2017 fiscal biennium.

NEW SECTION. **Sec. 902. EMERGENCY FUND ALLOCATIONS**

Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. An appropriation is not necessary to effect such repayment.

NEW SECTION. **Sec. 903. STATUTORY APPROPRIATIONS**

In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and firefighters' retirement system plan 2 and bond retirement and interest, including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94, 39.96, and 39.98 RCW or any proper bond covenant made under law.

NEW SECTION. **Sec. 904. BOND EXPENSES**

In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. **Sec. 905. VOLUNTARY RETIREMENT AND SEPARATION**

1 (1) As a management tool to reduce costs and make more effective
2 use of resources, while improving employee productivity and morale,
3 agencies may implement either a voluntary retirement or separation
4 program, or both, that is cost neutral or results in cost savings,
5 including costs to the state pension systems, over a two-year period
6 following the commencement of the program, provided that such a
7 program is approved by the director of financial management. Agencies
8 participating in this authorization may offer voluntary retirement
9 and/or separation incentives and options according to procedures and
10 guidelines established by the office of financial management in
11 consultation with the department of retirement systems. The options
12 may include, but are not limited to, financial incentives for
13 voluntary separation or retirement. An employee does not have a
14 contractual right to a financial incentive offered under this
15 section. Offers shall be reviewed and monitored jointly by the office
16 of financial management and the department of retirement systems.
17 Agencies are required to submit a report by the date established by
18 the office of financial management in the guidelines required in this
19 section to the legislature and the office of financial management on
20 the outcome of their approved incentive program. The report should
21 include information on the details of the program, including the
22 incentive payment amount for each participant, the total cost to the
23 state, and the projected or actual net dollar savings over the two-
24 year period.

25 (2) The department of retirement systems may collect from
26 employers the actuarial cost of any incentive provided under this
27 program, or any other incentive to retire provided by employers to
28 members of the state's pension systems, for deposit in the
29 appropriate pension account.

30 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**
31 **IMPAIRED**

32 Nothing in this act prohibits the expenditure of any funds by an
33 agency or institution of the state for benefits guaranteed by any
34 collective bargaining agreement in effect on the effective date of
35 this section.

36 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

37 The following sections represent the results of the 2017-2019
38 collective bargaining process required under the provisions of

1 chapters 41.80, 41.56, and 74.39A RCW. Provisions of the collective
2 bargaining agreements contained in sections 908 through 941 of this
3 act are described in general terms. Only major economic terms are
4 included in the descriptions. These descriptions do not contain the
5 complete contents of the agreements. The collective bargaining
6 agreements contained in Part IX of this act may also be funded by
7 expenditures from nonappropriated accounts. If positions are funded
8 with lidded grants or dedicated fund sources with insufficient
9 revenue, additional funding from other sources is not provided.

10 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENT—WFSE**

11 An agreement has been reached between the governor and the
12 Washington federation of state employees general government under the
13 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
14 Funding is provided for a two percent general wage increase effective
15 July 1, 2017, a two percent general wage increase effective July 1,
16 2018, and a two percent general wage increase effective January 1,
17 2019. The agreement also includes and funding is provided for salary
18 adjustments for targeted job classifications and increases to
19 vacation leave accruals. Approval of this agreement is contingent
20 upon the enactment of Senate Bill No. 5969 (transparency in public
21 employee collective bargaining).

22 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENT—WFSE**
23 **DEPARTMENT OF CORRECTION UNIQUE CLASSIFICATIONS**

24 An agreement has been reached between the governor and the
25 Washington federation of state employees general government for
26 department of corrections unique classifications through an interest
27 arbitration award as provided in a memorandum of understanding
28 between the parties and under the provisions of chapter 41.80 RCW for
29 the 2017-2019 fiscal biennium. In addition to the economic provisions
30 applicable to all employees covered by the agreement in section 908
31 of this act, funding is provided for the awarded increases for
32 targeted job classifications ranging from one and three-tenths
33 percent to sixteen and three-tenths percent. Approval of this
34 agreement is contingent upon the enactment of Senate Bill No. 5969
35 (transparency in public employee collective bargaining).

36 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENT—WPEA**

1 An agreement has been reached between the governor and the
2 Washington public employees association general government under the
3 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
4 Funding is provided for a two percent general wage increase effective
5 July 1, 2017, a two percent general wage increase effective July 1,
6 2018, and a two percent general wage increase effective January 1,
7 2019. The agreement also includes and funding is provided for salary
8 adjustments for targeted job classifications and increases to
9 vacation leave accruals. Approval of this agreement is contingent
10 upon the enactment of Senate Bill No. 5969 (transparency in public
11 employee collective bargaining).

12 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT—**
13 **COALITION OF UNIONS**

14 An agreement has been reached between the governor and the
15 coalition of unions under the provisions of chapter 41.80 RCW for the
16 2017-2019 fiscal biennium. Funding is provided for a two percent
17 general wage increase effective July 1, 2017, a two percent general
18 wage increase effective July 1, 2018, and a two percent general wage
19 increase effective January 1, 2019. The agreement also includes and
20 funding is provided for salary adjustments for targeted job
21 classifications and increases to vacation leave accruals. Approval of
22 this agreement is contingent upon the enactment of Senate Bill No.
23 5969 (transparency in public employee collective bargaining).

24 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT—WAFWP**

25 An agreement has been reached between the governor and the
26 Washington association of fish and wildlife professionals under the
27 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
28 Funding is provided for a two percent general wage increase effective
29 July 1, 2017, a two percent general wage increase effective July 1,
30 2018, and a two percent general wage increase effective January 1,
31 2019. The agreement also includes and funding is provided for salary
32 adjustments for targeted job classifications. Approval of this
33 agreement is contingent upon the enactment of Senate Bill No. 5969
34 (transparency in public employee collective bargaining).

35 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT—PTE**
36 **LOCAL 17**

1 An agreement has been reached between the governor and the
2 professional and technical employees local 17 under the provisions of
3 chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is
4 provided for a two percent general wage increase effective July 1,
5 2017, a two percent general wage increase effective July 1, 2018, and
6 a two percent general wage increase effective January 1, 2019. The
7 agreement also includes and funding is provided for salary
8 adjustments for targeted job classifications and increases to
9 vacation leave accruals. Approval of this agreement is contingent
10 upon the enactment of Senate Bill No. 5969 (transparency in public
11 employee collective bargaining).

12 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT—SEIU**
13 **HEALTHCARE 1199NW**

14 An agreement has been reached between the governor and the
15 service employees international union healthcare 1199nw under the
16 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
17 Funding is provided for registered nurses targeted job classification
18 salary adjustments in lieu of a general wage increase. The salary
19 adjustments funded in this act vary depending on classification and
20 location. The agreement also includes and funding is provided for
21 continuing education and increases to vacation leave accruals.
22 Approval of this agreement is contingent upon the enactment of Senate
23 Bill No. 5969 (transparency in public employee collective
24 bargaining).

25 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT—**
26 **TEAMSTERS LOCAL 117 DEPARTMENT OF ENTERPRISE SERVICES**

27 An agreement has been reached between the governor and the
28 international brotherhood of teamsters local 117 for the department
29 of enterprise services under the provisions of chapter 41.80 RCW for
30 the 2017-2019 fiscal biennium. Funding is provided for a two percent
31 general wage increase effective July 1, 2017, a two percent general
32 wage increase effective July 1, 2018, and a two percent general wage
33 increase effective January 1, 2019. Approval of this agreement is
34 contingent upon the enactment of Senate Bill No. 5969 (transparency
35 in public employee collective bargaining).

1 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT—**
2 **TEAMSTERS LOCAL 117 DEPARTMENT OF CORRECTIONS**

3 An agreement has been reached between the governor and the
4 international brotherhood of teamsters local 117 for the department
5 of corrections through an interest arbitration award as provided in a
6 memorandum of understanding between the parties and under the
7 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
8 Funding is provided for the awarded four and one-half percent general
9 wage increase effective July 1, 2017, a three percent general wage
10 increase effective July 1, 2018, and a three percent general wage
11 increase effective January 1, 2019. Funding is also provided for
12 targeted job classification specific increases and increases to
13 vacation leave accruals. Approval of this agreement is contingent
14 upon the enactment of Senate Bill No. 5969 (transparency in public
15 employee collective bargaining).

16 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT—WFSE**
17 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

18 An agreement has been reached between the governor and the
19 Washington federation of state employees community college coalition
20 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal
21 biennium. Funding is provided for a two percent general wage increase
22 effective July 1, 2017, a two percent general wage increase effective
23 July 1, 2018, and a two percent general wage increase effective
24 January 1, 2019. The agreement also includes and funding is provided
25 for salary adjustments for targeted job classifications. Approval of
26 this agreement is contingent upon the enactment of Senate Bill No.
27 5969 (transparency in public employee collective bargaining).

28 NEW SECTION. **Sec. 918. COLLECTIVE BARGAINING AGREEMENT—WPEA**
29 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

30 An agreement has been reached between the governor and the
31 Washington public employees association community college coalition
32 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal
33 biennium. Funding is provided for a two percent general wage increase
34 effective July 1, 2017, a two percent general wage increase effective
35 July 1, 2018, and a two percent general wage increase effective
36 January 1, 2019. The agreement also includes and funding is provided
37 for salary adjustments for targeted job classifications. Approval of

1 this agreement is contingent upon the enactment of Senate Bill No.
2 5969 (transparency in public employee collective bargaining).

3 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENT—WSP**
4 **TROOPERS ASSOCIATION**

5 An agreement has been reached between the governor and the
6 Washington state patrol troopers association under the provisions of
7 chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
8 provided for a sixteen percent general wage increase for troopers
9 effective July 1, 2017, and a three percent general wage increase for
10 troopers effective July 1, 2018. Funding is also provided for a
11 twenty percent general wage increase for sergeants effective July 1,
12 2017, and a three percent general wage increase for sergeants
13 effective July 1, 2018. The agreement also includes and funding is
14 provided for increases to longevity pay, changes to specialty pay,
15 and an increase to vacation leave accruals.

16 NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENT—WSP**
17 **LIEUTENANTS ASSOCIATION**

18 An agreement has been reached between the governor and the
19 Washington state patrol lieutenants association under the provisions
20 of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
21 provided for a twenty percent general wage increase effective July 1,
22 2017, and a three percent general wage increase effective July 1,
23 2018. The agreement also includes and funding is provided for
24 increases to longevity pay.

25 NEW SECTION. **Sec. 921. COLLECTIVE BARGAINING AGREEMENT—**
26 **UNIVERSITY OF WASHINGTON—WFSE**

27 (1) An agreement has been reached between the University of
28 Washington and the Washington federation of state employees under the
29 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
30 For bargaining units 00, 01, 02, 03, 04, and 06, the agreement
31 includes and funding is provided for a two percent general wage
32 increase effective July 1, 2017, a two percent general wage increase
33 effective July 1, 2018, and a two percent general wage increase
34 effective January 1, 2019. The agreement also includes and funding is
35 provided for an increase of one dollar per hour in certification pay
36 for certain job classifications, salary adjustments for targeted job

1 classifications, and increases to vacation leave accruals. For
2 bargaining unit 05, police management, the agreement includes and
3 funding is provided for an eight percent general wage increase
4 effective July 1, 2017, an eight percent general wage increase
5 effective July 1, 2018, adjustments to maintain a sixteen and one-
6 half percent differential over employees supervised, an adjustment to
7 longevity pay, and a five hundred dollar annual clothing allowance
8 for "plain clothes" positions.

9 (2) Effective September 1, 2017, \$100,000 is to be split between
10 SEIU 925 and WFSE represented employees at Harborview Medical Center
11 and UW Medical Center for obtaining degree or certification required
12 for employment in a health care field within the hospital. Step
13 values were synchronized between select WFSE and SEIU 925 pay tables.
14 Approval of this agreement is contingent upon the enactment of Senate
15 Bill No. 5969 (transparency in public employee collective
16 bargaining).

17 NEW SECTION. **Sec. 922. COLLECTIVE BARGAINING AGREEMENT—**
18 **UNIVERSITY OF WASHINGTON—SEIU 925**

19 (1) An agreement has been reached between the University of
20 Washington and the service employees international union local 925
21 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal
22 biennium. Funding is provided for a two percent general wage increase
23 effective July 1, 2017, a two percent general wage increase effective
24 July 1, 2018, and a two percent general wage increase effective
25 January 1, 2019. The agreement also includes and funding is provided
26 for an increase of one dollar per hour in certification pay for
27 certain job classifications, salary adjustments for targeted job
28 classifications, and increases to vacation leave accruals.

29 (2) Effective September 1, 2017, \$100,000 is to be split between
30 SEIU 925 and WFSE represented employees at Harborview Medical Center
31 and UW Medical Center for obtaining degree or certification required
32 for employment in a health care field within the hospital. Step
33 values were synchronized between select WFSE and SEIU 925 pay tables.
34 Approval of this agreement is contingent upon the enactment of Senate
35 Bill No. 5969 (transparency in public employee collective
36 bargaining).

1 NEW SECTION. **Sec. 923. COLLECTIVE BARGAINING AGREEMENT—**

2 **UNIVERSITY OF WASHINGTON—TEAMSTERS LOCAL 117**

3 An agreement has been reached between the University of
4 Washington and teamster local 117 under the provisions of chapter
5 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for
6 a five percent general wage increase effective July 1, 2017, to
7 maintain increases that were not funded in the 2015-2017 budget due
8 to missing the submission deadline, an additional ten percent general
9 wage increase effective July 1, 2017, and a ten percent general wage
10 increase effective July 1, 2018. The agreement also includes and
11 funding is provided for educational incentive pay and longevity pay.
12 Approval of this agreement is contingent upon the enactment of Senate
13 Bill No. 5969 (transparency in public employee collective
14 bargaining).

15 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENT—**

16 **WASHINGTON STATE UNIVERSITY—WFSE**

17 An agreement has been reached between the Washington State
18 University and the Washington federation of state employees under the
19 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
20 For bargaining units 2, 12, 13, and 15, the agreement includes and
21 funding is provided for a two percent general wage increase effective
22 July 1, 2017, and a one percent general wage increase effective July
23 1, 2018. If the schedule for non-represented employees yields a
24 higher overall salary schedule or general wage increase in 2017-2019
25 fiscal biennium, salary schedules of job classifications for non-
26 represented employees are increased, or higher leave accruals are
27 implemented, the contract must implement the provision most
28 beneficial to the employee. Approval of this agreement is contingent
29 upon the enactment of Senate Bill No. 5969 (transparency in public
30 employee collective bargaining).

31 NEW SECTION. **Sec. 925. COLLECTIVE BARGAINING AGREEMENT—**

32 **WASHINGTON STATE UNIVERSITY—PSE**

33 An agreement has been reached between the Washington State
34 University and the public school employees under the provisions of
35 chapter 41.80 RCW for the 2017-2019 fiscal biennium. For bargaining
36 units 16 and 18, the agreement includes and funding is provided for a
37 two percent general wage increase effective July 1, 2017, and a one

1 percent general wage increase effective July 1, 2018. If the schedule
2 for non-represented employees yields a higher overall salary schedule
3 or general wage increase in 2017-2019 fiscal biennium, salary
4 schedules of job classifications for non-represented employees are
5 increased, or higher leave accruals are implemented, the contract
6 must implement the provision most beneficial to the employee.
7 Approval of this agreement is contingent upon the enactment of Senate
8 Bill No. 5969 (transparency in public employee collective
9 bargaining).

10 NEW SECTION. **Sec. 926. COLLECTIVE BARGAINING AGREEMENT—**
11 **WASHINGTON STATE UNIVERSITY—WSU POLICE GUILD BARGAINING UNIT 4**

12 An agreement has been reached between the Washington State
13 University and the WSU Police Guild bargaining unit 4 under the
14 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
15 The agreement includes and funding is provided for the following: The
16 university will follow the general service salary schedules for
17 nonrepresented employees in effect July 1, 2017, through June 30,
18 2019, and, effective July 1, 2017, targeted job classifications will
19 be assigned special pay range assignment on the general services
20 salary schedule. Additionally, the agreement includes and funding is
21 provided for wage increases equal to the general services salary
22 schedule and higher leave accruals applicable to civil service
23 employees. Approval of this agreement is contingent upon the
24 enactment of Senate Bill No. 5969 (transparency in public employee
25 collective bargaining).

26 NEW SECTION. **Sec. 927. COLLECTIVE BARGAINING AGREEMENT—CENTRAL**
27 **WASHINGTON UNIVERSITY—WFSE**

28 An agreement has been reached between Central Washington
29 University and the Washington federation of state employees under the
30 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
31 Funding is provided for a two percent general wage increase effective
32 July 1, 2017, a two percent general wage increase effective July 1,
33 2018, and a two percent general wage increase effective January 1,
34 2019. The agreement also includes and funding is provided for
35 additional leave accruals and a one-time payment of \$100 on July 25,
36 2017. Approval of this agreement is contingent upon the enactment of

1 Senate Bill No. 5969 (transparency in public employee collective
2 bargaining).

3 NEW SECTION. **Sec. 928. COLLECTIVE BARGAINING AGREEMENT—CENTRAL**
4 **WASHINGTON UNIVERSITY—PSE**

5 An agreement has been reached between Central Washington
6 University and the public school employees under the provisions of
7 chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is
8 provided for a two percent general wage increase effective July 1,
9 2017, a two percent general wage increase effective July 1, 2018, and
10 a two percent general wage increase effective January 1, 2019. The
11 agreement also includes and funding is provided for a sixty cents per
12 hour shift premium increase. Approval of this agreement is contingent
13 upon the enactment of Senate Bill No. 5969 (transparency in public
14 employee collective bargaining).

15 NEW SECTION. **Sec. 929. COLLECTIVE BARGAINING AGREEMENT—THE**
16 **EVERGREEN STATE COLLEGE—WFSE**

17 An agreement has been reached between The Evergreen State College
18 and the Washington federation of state employees under the provisions
19 of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is
20 provided for a two percent general wage increase effective July 1,
21 2017, a two percent general wage increase effective July 1, 2018, and
22 a two percent general wage increase effective January 1, 2019. The
23 agreement also includes and funding is provided for salary range
24 adjustments for police classifications and other targeted job
25 classifications, a shift differential increase, salary increase for
26 law enforcement officers while engaged in training activities, and a
27 \$100 signing incentive. Approval of this agreement is contingent upon
28 the enactment of Senate Bill No. 5969 (transparency in public
29 employee collective bargaining).

30 NEW SECTION. **Sec. 930. COLLECTIVE BARGAINING AGREEMENT—WESTERN**
31 **WASHINGTON UNIVERSITY—WFSE**

32 An agreement has been reached between Western Washington
33 University and the Washington federation of state employees
34 bargaining units A, B, and E under the provisions of chapter 41.80
35 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two
36 percent general wage increase effective July 1, 2017, a two percent

1 general wage increase effective July 1, 2018, and a two percent
2 general wage increase effective January 1, 2019. The agreement also
3 includes and funding is provided for salary range adjustments for
4 targeted job classifications, clothing and footwear allowances for
5 specific job classification, increase in vacation leave accruals, and
6 a \$250 signing incentive. Approval of this agreement is contingent
7 upon the enactment of Senate Bill No. 5969 (transparency in public
8 employee collective bargaining).

9 NEW SECTION. **Sec. 931. COLLECTIVE BARGAINING AGREEMENT—WESTERN**
10 **WASHINGTON UNIVERSITY—PSE**

11 An agreement has been reached between Western Washington
12 University and the public school employees bargaining units D and PT
13 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal
14 biennium. Funding is provided for a two percent general wage increase
15 effective July 1, 2017, a two percent general wage increase effective
16 July 1, 2018, and a two percent general wage increase effective
17 January 1, 2019. The agreement also includes and funding is provided
18 for increase in vacation leave accruals and incentive pay for
19 specified employees. Approval of this agreement is contingent upon
20 the enactment of Senate Bill No. 5969 (transparency in public
21 employee collective bargaining).

22 NEW SECTION. **Sec. 932. COLLECTIVE BARGAINING AGREEMENT—EASTERN**
23 **WASHINGTON UNIVERSITY—WFSE**

24 An agreement has been reached between Eastern Washington
25 University and the Washington federation of state employees under the
26 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
27 Funding is provided for a two percent general wage increase effective
28 July 1, 2017, a two percent general wage increase effective July 1,
29 2018, and a two percent general wage increase effective January 1,
30 2019. The agreement also includes and funding is provided for salary
31 range adjustments for police officers, increase in leave accruals,
32 and a one-time payment of \$100. Approval of this agreement is
33 contingent upon the enactment of Senate Bill No. 5969 (transparency
34 in public employee collective bargaining).

35 NEW SECTION. **Sec. 933. COLLECTIVE BARGAINING AGREEMENT—EASTERN**
36 **WASHINGTON UNIVERSITY—PSE**

1 An agreement has been reached between Eastern Washington
2 University and the public school employees under the provisions of
3 chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is
4 provided for a one and three-quarters percent general wage increase
5 effective July 1, 2017. Approval of this agreement is contingent upon
6 the enactment of Senate Bill No. 5969 (transparency in public
7 employee collective bargaining).

8 NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENT—YAKIMA**
9 **VALLEY COMMUNITY COLLEGE—WPEA**

10 An agreement has been reached between Yakima Valley Community
11 College and the Washington public employees association under the
12 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
13 Funding is provided for a two percent general wage increase effective
14 July 1, 2017, a two percent general wage increase effective July 1,
15 2018, and a two percent general wage increase effective January 1,
16 2019. The agreement also includes and funding is provided for a one
17 dollar shift differential. Approval of this agreement is contingent
18 upon the enactment of Senate Bill No. 5969 (transparency in public
19 employee collective bargaining).

20 NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT—HIGHLINE**
21 **COMMUNITY COLLEGE—WPEA**

22 An agreement has been reached between Highline Community College
23 and the Washington public employees association under the provisions
24 of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is
25 provided for a two percent general wage increase effective July 1,
26 2017, a two percent general wage increase effective July 1, 2018, and
27 a two percent general wage increase effective January 1, 2019. The
28 agreement also includes and funding is provided for a one-time
29 signing incentive of \$400 to be paid in fiscal year 2018. Approval of
30 this agreement is contingent upon the enactment of Senate Bill No.
31 5969 (transparency in public employee collective bargaining).

32 NEW SECTION. **Sec. 936. COMPENSATION—REPRESENTED EMPLOYEES—**
33 **SUPER COALITION—INSURANCE BENEFITS**

34 An agreement was reached for the 2017-2019 biennium between the
35 governor and the health care super coalition under the provisions of
36 chapter 41.80 RCW. Appropriations in this act for state agencies,

1 including institutions of higher education, are sufficient to
2 implement the provisions of the 2017-2019 collective bargaining
3 agreement, and are subject to the following conditions and
4 limitations:

5 (1) The monthly employer funding rate for insurance benefit
6 premiums, public employees' benefits board administration, and the
7 uniform medical plan, shall not exceed \$913 per eligible employee for
8 fiscal year 2018. For fiscal year 2019, the monthly employer funding
9 rate shall not exceed \$957 per eligible employee.

10 (2) Except as provided by the parties' health care agreement, in
11 order to achieve the level of funding provided for health benefits,
12 the public employees' benefits board shall require any or all of the
13 following: Employee premium copayments, increases in point-of-service
14 cost sharing, the implementation of managed competition, or other
15 changes to benefits consistent with RCW 41.05.065. The board shall
16 collect a twenty-five dollar per month surcharge payment from members
17 who use tobacco products and a surcharge payment of not less than
18 fifty dollars per month from members who cover a spouse or domestic
19 partner where the spouse or domestic partner has chosen not to enroll
20 in another employer-based group health insurance that has benefits
21 and premiums with an actuarial value of not less than 95 percent of
22 the actuarial value of the public employees' benefits board plan with
23 the largest enrollment. The surcharge payments shall be collected in
24 addition to the member premium payment.

25 (3) The health care authority shall deposit any moneys received
26 on behalf of the uniform medical plan as a result of rebates on
27 prescription drugs, audits of hospitals, subrogation payments, or any
28 other moneys recovered as a result of prior uniform medical plan
29 claims payments, into the public employees' and retirees' insurance
30 account to be used for insurance benefits. Such receipts may not be
31 used for administrative expenditures.

32 NEW SECTION. **Sec. 937. COMPENSATION—REPRESENTED EMPLOYEES**
33 **OUTSIDE SUPER COALITION—INSURANCE BENEFITS**

34 Appropriations for state agencies in this act are sufficient for
35 represented employees outside the super coalition for health
36 benefits, and are subject to the following conditions and
37 limitations:

38 (1) The monthly employer funding rate for insurance benefit
39 premiums, public employees' benefits board administration, and the

1 uniform medical plan, may not exceed \$913 per eligible employee for
2 fiscal year 2018. For fiscal year 2019, the monthly employer funding
3 rate may not exceed \$957 per eligible employee.

4 (2) In order to achieve the level of funding provided for health
5 benefits, the public employees' benefits board shall require any or
6 all of the following: Employee premium copayments, increases in
7 point-of-service cost sharing, the implementation of managed
8 competition, or other changes to benefits consistent with RCW
9 41.05.065. The board shall collect a twenty-five dollar per month
10 surcharge payment from members who use tobacco products and a
11 surcharge payment of not less than fifty dollars per month from
12 members who cover a spouse or domestic partner where the spouse or
13 domestic partner has chosen not to enroll in another employer-based
14 group health insurance that has benefits and premiums with an
15 actuarial value of not less than 95 percent of the actuarial value of
16 the public employees' benefits board plan with the largest
17 enrollment. The surcharge payments shall be collected in addition to
18 the member premium payment.

19 (3) The health care authority shall deposit any moneys received
20 on behalf of the uniform medical plan as a result of rebates on
21 prescription drugs, audits of hospitals, subrogation payments, or any
22 other moneys recovered as a result of prior uniform medical plan
23 claims payments, into the public employees' and retirees' insurance
24 account to be used for insurance benefits. Such receipts may not be
25 used for administrative expenditures.

26 NEW SECTION. **Sec. 938. COLLECTIVE BARGAINING AGREEMENT FOR**
27 **NONSTATE EMPLOYEES—WFSE LANGUAGE ACCESS PROVIDERS**

28 An agreement has been reached between the governor and the
29 Washington federation of state employees for the language access
30 providers under the provisions of chapter 41.56 RCW for the 2017-2019
31 fiscal biennium. Funding is provided for a rate increase of fifty
32 cents an hour for fiscal year 2018 and a rate increase of one dollar
33 twenty-six cents an hour for fiscal year 2019. The agreement also
34 includes and funding is provided for DSHS minimum appointment times,
35 DSHS travel premium pilot program, increased cancellation fees, and
36 reimbursements for parking, ferries, and tolls.

37 NEW SECTION. **Sec. 939. COLLECTIVE BARGAINING AGREEMENT FOR**
38 **NONSTATE EMPLOYEES—SEIU LOCAL 775 HOME CARE WORKERS**

1 An agreement has been reached between the governor and the
2 service employees international union local 775 under the provisions
3 of chapters 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium.
4 Funding is provided for increases to hourly wages through the term of
5 the agreement and an additional wage step for those at the top of the
6 wage scale. The agreement also includes and funding is provided for
7 establishment of a health and safety benefit study and increased
8 contributions to the retirement, health care, and training trusts.

9 NEW SECTION. **Sec. 940. COLLECTIVE BARGAINING AGREEMENT FOR**
10 **NONSTATE EMPLOYEES—SEIU LOCAL 925 CHILDCARE WORKERS**

11 An agreement has been reached between the governor and the
12 service employees international union local 925 under the provisions
13 of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
14 provided for a two percent rate increase for licensed providers and a
15 three to six cent an hour per child increase for licensed-exempt
16 providers. The agreement also includes and funding is provided for
17 increased funding for health insurance for licensed providers,
18 increases in training funding, professional development days,
19 licensing incentives and need-based grants, and establishment of a
20 family child care career development fund.

21 NEW SECTION. **Sec. 941. COLLECTIVE BARGAINING AGREEMENT FOR**
22 **NONSTATE EMPLOYEES—AFHC ADULT FAMILY HOMES**

23 An agreement has been reached between the governor and the adult
24 family home council under the provisions of chapter 41.56 RCW for the
25 2017-2019 fiscal biennium. Funding is provided for increases in the
26 daily rates, payments to providers for providing meaningful home-
27 based activities, payment to providers supporting clients in
28 accessing and participating in the community integration program, and
29 mileage reimbursement under certain circumstances.

30 NEW SECTION. **Sec. 942. COMPENSATION—NONREPRESENTED EMPLOYEES—**
31 **INSURANCE BENEFITS**

32 Appropriations for state agencies in this act are sufficient for
33 nonrepresented state employee health benefits for state agencies,
34 including institutions of higher education, and are subject to the
35 following conditions and limitations:

1 (1)(a) The monthly employer funding rate for insurance benefit
2 premiums, public employees' benefits board administration, and the
3 uniform medical plan, may not exceed \$913 per eligible employee for
4 fiscal year 2018. For fiscal year 2019, the monthly employer funding
5 rate may not exceed \$957 per eligible employee.

6 (b) In order to achieve the level of funding provided for health
7 benefits, the public employees' benefits board shall require any or
8 all of the following: Employee premium copayments, increases in
9 point-of-service cost sharing, the implementation of managed
10 competition, or make other changes to benefits consistent with RCW
11 41.05.065. The board shall collect a twenty-five dollar per month
12 surcharge payment from members who use tobacco products and a
13 surcharge payment of not less than fifty dollars per month from
14 members who cover a spouse or domestic partner where the spouse or
15 domestic partner has chosen not to enroll in another employer-based
16 group health insurance that has benefits and premiums with an
17 actuarial value of not less than 95 percent of the actuarial value of
18 the public employees' benefits board plan with the largest
19 enrollment. The surcharge payments shall be collected in addition to
20 the member premium payment. All savings resulting from reduced claim
21 costs or other factors identified after December 31, 2016, must be
22 reserved for funding employee health benefits in the 2019-2021 fiscal
23 biennium.

24 (c) The health care authority shall deposit any moneys received
25 on behalf of the uniform medical plan as a result of rebates on
26 prescription drugs, audits of hospitals, subrogation payments, or any
27 other moneys recovered as a result of prior uniform medical plan
28 claims payments, into the public employees' and retirees' insurance
29 account to be used for insurance benefits. Such receipts may not be
30 used for administrative expenditures.

31 (2) The health care authority, subject to the approval of the
32 public employees' benefits board, shall provide subsidies for health
33 benefit premiums to eligible retired or disabled public employees and
34 school district employees who are eligible for medicare, pursuant to
35 RCW 41.05.085. For calendar years 2018 and 2019, the subsidy shall be
36 up to \$150 per month. The public employees' benefits board may not
37 authorize under RCW 41.05.085, and the health care authority may not
38 provide, a subsidy under this subsection of more than \$150 per month.
39 Funds from reserves accumulated for future adverse claims experience,
40 from past favorable claims experience, or otherwise, may not be used

1 to increase this retiree subsidy beyond what is authorized by the
2 legislature in this subsection.

3 (3) Technical colleges, school districts, and educational service
4 districts shall remit to the health care authority for deposit into
5 the public employees' and retirees' insurance account established in
6 RCW 41.05.120 the following amounts:

7 (a) For each full-time employee, \$64.07 per month beginning
8 September 1, 2017, and \$68.67 beginning September 1, 2018;

9 (b) For each part-time employee, who at the time of the
10 remittance is employed in an eligible position as defined in RCW
11 41.32.010 or 41.40.010 and is eligible for employer fringe benefit
12 contributions for basic benefits, \$64.07 each month beginning
13 September 1, 2017, and \$68.67 beginning September 1, 2018, prorated
14 by the proportion of employer fringe benefit contributions for a
15 full-time employee that the part-time employee receives. The
16 remittance requirements specified in this subsection do not apply to
17 employees of a technical college, school district, or educational
18 service district who purchase insurance benefits through contracts
19 with the health care authority.

20 NEW SECTION. **Sec. 943. GENERAL WAGE INCREASES**

21 (1) Appropriations for state agency employee compensation in this
22 act are sufficient to provide general wage increases to state agency
23 employees who are not represented or who bargain under statutory
24 authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or
25 41.56.475. Funding for general wage increases is contingent upon
26 enactment of Senate Bill No. 5969 (transparency in public employee
27 collective bargaining).

28 (2) Funding is provided for a two percent general wage increase
29 effective July 1, 2017, for all classified employees as specified in
30 subsection (1) of this section, employees in the Washington
31 management service, and exempt employees under the jurisdiction of
32 the office of financial management. The appropriations are also
33 sufficient to fund a two percent salary increase effective July 1,
34 2017, for executive, legislative, and judicial branch employees
35 exempt from merit system rules whose maximum salaries are not set by
36 the commission on salaries for elected officials.

37 (3) Funding is provided for a two percent general wage increase
38 effective July 1, 2018, for all classified employees as specified in
39 subsection (1) of this section, employees in the Washington

1 management service, and exempt employees under the jurisdiction of
2 the office of financial management. The appropriations are also
3 sufficient to fund a two percent salary increase effective July 1,
4 2018, for executive, legislative, and judicial branch employees
5 exempt from merit system rules whose maximum salaries are not set by
6 the commission on salaries for elected officials.

7 (4) Funding is provided for a two percent general wage increase
8 effective January 1, 2019, for all classified employees as specified
9 in subsection (1) of this section, employees in the Washington
10 management service, and exempt employees under the jurisdiction of
11 the office of financial management, except for employees who receive
12 cost-of-living adjustments under Initiative Measure No. 732. The
13 appropriations are also sufficient to fund a two percent salary
14 increase effective January 1, 2019, for executive, legislative, and
15 judicial branch employees exempt from merit system rules whose
16 maximum salaries are not set by the commission on salaries for
17 elected officials.

18 **NEW SECTION. Sec. 944. INITIATIVE 732 COST-OF-LIVING INCREASES**

19 Part IX of this act authorizes general wage increases for state
20 employees covered by Initiative Measure No. 732. The general wage
21 increases on July 1, 2017, and July 1, 2018, provide a portion of the
22 annual cost-of-living adjustments required under Initiative Measure
23 No. 732. Funding is also provided for additional increases of three-
24 tenths of a percent on July 1, 2017, and seven-tenths of a percent on
25 July 1, 2018, for cost-of-living adjustments under the initiative.
26 Funding is provided for a salary increase on January 1, 2019, of one
27 percent for these employees, for a nominal total of a six percent
28 increase during the 2017-2019 fiscal biennium.

29 **NEW SECTION. Sec. 945. TARGETED COMPENSATION INCREASES**

30 Funding is provided for salary adjustments for targeted job
31 classifications as specified by the office of financial management
32 for classified state employees, except those represented by a
33 collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW
34 41.56.473 and 41.56.475. Funding for targeted salary adjustments is
35 contingent upon enactment of Senate Bill No. 5969 (transparency in
36 public employee collective bargaining).

37 **NEW SECTION. Sec. 946. MINIMUM STARTING WAGE**

1 Funding is also provided for a minimum starting wage of twelve
2 dollars an hour, effective July 1, 2017, and for increases in wages
3 of job classes that are aligned with affected job classes, except
4 those represented by a collective bargaining unit under chapters
5 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. This funding is
6 sufficient for general government agencies and higher education
7 institutions to comply with the provisions of Initiative Measure No.
8 1433 with respect to state employees. Funding for minimum starting
9 wages is contingent upon enactment of Senate Bill No. 5969
10 (transparency in public employee collective bargaining).

11 NEW SECTION. **Sec. 947. VACATION LEAVE SCHEDULE**

12 Funding is provided for the cost of additional staff hours
13 required by modification of the vacation leave accrual schedule as
14 specified by the office of financial management for general
15 government state employees, except those represented by a collective
16 bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473
17 and 41.56.475. Funding for additional vacation leave is contingent
18 upon enactment of Senate Bill No. 5969 (transparency in public
19 employee collective bargaining).

20 NEW SECTION. **Sec. 948. COMPENSATION—REVISE PENSION CONTRIBUTION**
21 **RATES**

22 The appropriations in this act for school districts and state
23 agencies, including institutions of higher education, are subject to
24 the following conditions and limitations: Appropriations are adjusted
25 to reflect changes to agency appropriations to reflect pension
26 contribution rates adopted by the pension funding council and the law
27 enforcement officers' and firefighters' retirement system plan 2
28 board.

29 NEW SECTION. **Sec. 949.** A new section is added to chapter 43.31
30 RCW to read as follows:

31 The state agency office relocation pool account is created in the
32 custody of the state treasurer. All receipts from legislative
33 appropriations and transfers must be deposited in the account.
34 Expenditures from the account may be used only for state agency costs
35 related to relocation of state agency offices. Authorized
36 expenditures include lease payments and costs of relocation,
37 equipment, furniture, and tenant improvements. Only the director of

1 the office of financial management or the director's designee may
2 authorize expenditures from the account. The account is subject to
3 allotment procedures under chapter 43.88 RCW, but an appropriation is
4 not required for expenditures.

5 NEW SECTION. **Sec. 950.** A new section is added to chapter 43.41
6 RCW to read as follows:

7 (1) The information technology investment account is created in
8 the custody of the state treasurer. All receipts from legislative
9 appropriations and transfers must be deposited into the account. Only
10 the director of financial management or the director's designee may
11 authorize expenditures from the account. The account is subject to
12 allotment procedures under chapter 43.88 RCW, but an appropriation is
13 not required for expenditures.

14 (2) Any residual balance of funds remaining in the information
15 technology investment revolving account created in section 705,
16 chapter 4, Laws of 2015 3rd sp. sess. and reenacted in subsection (1)
17 of this section shall be transferred to the information technology
18 investment account created in subsection (1) of this section after
19 June 30, 2017.

20 **Sec. 951.** RCW 19.118.110 and 2008 c 93 s 1 are each amended to
21 read as follows:

22 If the new motor vehicle will be registered in the state of
23 Washington, a three-dollar arbitration fee shall be collected by
24 either the new motor vehicle dealer or vehicle lessor from the
25 consumer upon execution of a retail sale or lease agreement. The fee
26 shall be forwarded to the department of licensing at the time of
27 title application for deposit in the new motor vehicle arbitration
28 account hereby created in the state treasury. Moneys in the account
29 shall be used for the purposes of this chapter, subject to
30 appropriation. During the 1995-97 fiscal biennium, the legislature
31 may transfer moneys from the account to the extent that the moneys
32 are not necessary for the purposes of this chapter.

33 At the end of each fiscal year, the attorney general shall
34 prepare a report listing the annual revenue generated and the
35 expenses incurred in implementing and operating the arbitration
36 program under this chapter.

1 During the 2017-2019 fiscal biennium, the legislature may direct
2 the state treasurer to make transfers of moneys in the new motor
3 vehicle arbitration account to the state general fund.

4 **Sec. 952.** RCW 28B.15.210 and 2015 3rd sp.s. c 3 s 7027 are each
5 amended to read as follows:

6 Within thirty-five days from the date of collection thereof, all
7 building fees at the University of Washington, including building
8 fees to be charged students registering in the schools of medicine
9 and dentistry, shall be paid into the state treasury and credited as
10 follows:

11 One-half or such larger portion as may be necessary to prevent a
12 default in the payments required to be made out of the bond
13 retirement fund to the "University of Washington bond retirement
14 fund" and the remainder thereof to the "University of Washington
15 building account." The sum so credited to the University of
16 Washington building account shall be used exclusively for the purpose
17 of erecting, altering, maintaining, equipping, or furnishing
18 buildings, and for certificates of participation under chapter 39.94
19 RCW, except for any sums transferred as authorized in RCW
20 28B.20.725(3). The sum so credited to the University of Washington
21 bond retirement fund shall be used for the payment of principal of
22 and interest on bonds outstanding as provided by chapter 28B.20 RCW
23 except for any sums transferred as authorized in RCW 28B.20.725(5).
24 ~~((During the 2013-2015 biennium, sums credited to the University of~~
25 ~~Washington building account shall also be used for routine facility~~
26 ~~maintenance, utility costs, and facility condition assessments.))~~
27 During the 2015-2017 biennium, sums credited to the University of
28 Washington building account shall also be used for routine facility
29 maintenance, utility costs, and facility condition assessments.
30 During the 2017-2019 biennium, sums credited to the University of
31 Washington building account shall also be used for routine facility
32 maintenance, utility costs, and facility condition assessments.

33 **Sec. 953.** RCW 28B.15.310 and 2015 3rd sp.s. c 3 s 7026 are each
34 amended to read as follows:

35 Within thirty-five days from the date of collection thereof, all
36 building fees shall be paid and credited as follows: To the
37 Washington State University bond retirement fund, one-half or such
38 larger portion as may be necessary to prevent a default in the

1 payments required to be made out of such bond retirement fund; and
2 the remainder thereof to the Washington State University building
3 account.

4 The sum so credited to the Washington State University building
5 account shall be expended by the board of regents for buildings,
6 equipment, or maintenance on the campus of Washington State
7 University as may be deemed most advisable and for the best interests
8 of the university, and for certificates of participation under
9 chapter 39.94 RCW, except for any sums transferred as authorized by
10 law. (~~During the 2013-2015 biennium, sums credited to the Washington
11 State University building account shall also be used for routine
12 facility maintenance, utility costs, and facility condition
13 assessments.~~) During the 2015-2017 biennium, sums credited to the
14 Washington State University building account shall also be used for
15 routine facility maintenance, utility costs, and facility condition
16 assessments. During the 2017-2019 biennium, sums credited to the
17 Washington State University building account shall also be used for
18 routine facility maintenance, utility costs, and facility condition
19 assessments. Expenditures so made shall be accounted for in
20 accordance with existing law and shall not be expended until
21 appropriated by the legislature.

22 The sum so credited to the Washington State University bond
23 retirement fund shall be used to pay and secure the payment of the
24 principal of and interest on building bonds issued by the university,
25 except for any sums which may be transferred out of such fund as
26 authorized by law.

27 **Sec. 954.** RCW 28B.35.370 and 2015 3rd sp.s. c 3 s 7029 are each
28 amended to read as follows:

29 Within thirty-five days from the date of collection thereof all
30 building fees of each regional university and The Evergreen State
31 College shall be paid into the state treasury and these together with
32 such normal school fund revenues as provided in RCW 28B.35.751 as are
33 received by the state treasury shall be credited as follows:

34 (1) On or before June 30th of each year the board of trustees of
35 each regional university and The Evergreen State College, if issuing
36 bonds payable out of its building fees and above described normal
37 school fund revenues, shall certify to the state treasurer the
38 amounts required in the ensuing twelve months to pay and secure the
39 payment of the principal of and interest on such bonds. The amounts

1 so certified by each regional university and The Evergreen State
2 College shall be a prior lien and charge against all building fees
3 and above described normal school fund revenues of such institution.
4 The state treasurer shall thereupon deposit the amounts so certified
5 in the Eastern Washington University capital projects account, the
6 Central Washington University capital projects account, the Western
7 Washington University capital projects account, or The Evergreen
8 State College capital projects account respectively, which accounts
9 are hereby created in the state treasury. The amounts deposited in
10 the respective capital projects accounts shall be used to pay and
11 secure the payment of the principal of and interest on the building
12 bonds issued by such regional universities and The Evergreen State
13 College as authorized by law. If in any twelve month period it shall
14 appear that the amount certified by any such board of trustees is
15 insufficient to pay and secure the payment of the principal of and
16 interest on the outstanding building and above described normal
17 school fund revenue bonds of its institution, the state treasurer
18 shall notify the board of trustees and such board shall adjust its
19 certificate so that all requirements of moneys to pay and secure the
20 payment of the principal of and interest on all such bonds then
21 outstanding shall be fully met at all times.

22 (2) All normal school fund revenue pursuant to RCW 28B.35.751
23 shall be deposited in the Eastern Washington University capital
24 projects account, the Central Washington University capital projects
25 account, the Western Washington University capital projects account,
26 or The Evergreen State College capital projects account respectively,
27 which accounts are hereby created in the state treasury. The sums
28 deposited in the respective capital projects accounts shall be
29 appropriated and expended to pay and secure the payment of the
30 principal of and interest on bonds payable out of the building fees
31 and normal school revenue and for the construction, reconstruction,
32 erection, equipping, maintenance, demolition and major alteration of
33 buildings and other capital assets, and the acquisition of sites,
34 rights-of-way, easements, improvements or appurtenances in relation
35 thereto except for any sums transferred therefrom as authorized by
36 law. (~~However, during the 2013-2015 biennium, sums in the respective
37 capital accounts shall also be used for routine facility maintenance,
38 utility costs, and facility condition assessments.~~) However, during
39 the 2015-2017 biennium, sums in the respective capital accounts shall
40 also be used for routine facility maintenance, utility costs, and

1 facility condition assessments. However, during the 2017-2019
2 biennium, sums in the respective capital accounts shall also be used
3 for routine facility maintenance, utility costs, and facility
4 condition assessments.

5 (3) Funds available in the respective capital projects accounts
6 may also be used for certificates of participation under chapter
7 39.94 RCW.

8 **Sec. 955.** RCW 28B.50.360 and 2015 3rd sp.s. c 3 s 7030 are each
9 amended to read as follows:

10 Within thirty-five days from the date of start of each quarter
11 all collected building fees of each such community and technical
12 college shall be paid into the state treasury, and shall be credited
13 as follows:

14 (1) On or before June 30th of each year the college board, if
15 issuing bonds payable out of building fees, shall certify to the
16 state treasurer the amounts required in the ensuing twelve-month
17 period to pay and secure the payment of the principal of and interest
18 on such bonds. The state treasurer shall thereupon deposit the
19 amounts so certified in the community and technical college capital
20 projects account. Such amounts of the funds deposited in the
21 community and technical college capital projects account as are
22 necessary to pay and secure the payment of the principal of and
23 interest on the building bonds issued by the college board as
24 authorized by this chapter shall be devoted to that purpose. If in
25 any twelve-month period it shall appear that the amount certified by
26 the college board is insufficient to pay and secure the payment of
27 the principal of and interest on the outstanding building bonds, the
28 state treasurer shall notify the college board and such board shall
29 adjust its certificate so that all requirements of moneys to pay and
30 secure the payment of the principal and interest on all such bonds
31 then outstanding shall be fully met at all times.

32 (2) The community and technical college capital projects account
33 is hereby created in the state treasury. The sums deposited in the
34 capital projects account shall be appropriated and expended to pay
35 and secure the payment of the principal of and interest on bonds
36 payable out of the building fees and for the construction,
37 reconstruction, erection, equipping, maintenance, demolition and
38 major alteration of buildings and other capital assets owned by the
39 state board for community and technical colleges in the name of the

1 state of Washington, and the acquisition of sites, rights-of-way,
2 easements, improvements or appurtenances in relation thereto,
3 engineering and architectural services provided by the department of
4 enterprise services, and for the payment of principal of and interest
5 on any bonds issued for such purposes. (~~However, during the~~
6 ~~2013-2015 biennium, sums in the capital projects account shall also~~
7 ~~be used for routine facility maintenance and utility costs.~~)
8 However, during the 2015-2017 biennium, sums in the capital projects
9 account shall also be used for routine facility maintenance and
10 utility costs. However, during the 2017-2019 biennium, sums in the
11 capital projects account shall also be used for routine facility
12 maintenance and utility costs.

13 (3) Funds available in the community and technical college
14 capital projects account may also be used for certificates of
15 participation under chapter 39.94 RCW.

16 NEW SECTION. Sec. 956. A new section is added to chapter 28B.76
17 RCW to read as follows:

18 The highway worker memorial scholarship account is created in the
19 custody of the state treasurer. Moneys received from legislative
20 appropriations and transfers, private donations, public or private
21 gifts and grants, conveyances, and other sources may be deposited
22 into the account. Expenditures from the account may be made only for
23 the purposes of providing scholarships to children and surviving
24 spouses of highway workers who lost his or her life or became totally
25 disabled while employed by a general contractor or subcontractor on a
26 state transportation project. Children and surviving spouses must
27 apply to the office of student financial assistance, and if found to
28 be eligible, may receive a scholarship in an amount of the annual
29 cost of tuition at the enrolled individual's institution of higher
30 education or the cost of undergraduate tuition and state-mandated
31 fees at the most expensive Washington state public university,
32 whichever is less. Eligible individuals may receive up to four annual
33 scholarships. Scholarships will be provided on a first-come, first-
34 served basis subject to the availability of moneys in the account.
35 Disbursements from the account may be authorized only by the office
36 of student financial assistance or the Washington student achievement
37 council. An appropriation is not required for expenditures, but the
38 account is subject to allotment procedures under chapter 43.88 RCW.

1 **Sec. 957.** RCW 28B.95.092 and 2016 c 69 s 11 are each amended to
2 read as follows:

3 The governing body shall begin and continue to accept
4 applications for new tuition unit contracts and authorize the sale of
5 new tuition units by July 1, (~~2017~~) 2018. Upon reopening the
6 advanced college tuition payment program, in any year in which the
7 total annual sale of tuition units is below five hundred thousand,
8 the governing body shall determine how to reinvigorate the advanced
9 college tuition payment program to incentivize Washingtonians to
10 enter into tuition unit contracts and purchase tuition units.

11 **Sec. 958.** RCW 28B.115.070 and 2015 3rd sp.s. c 4 s 947 are each
12 amended to read as follows:

13 (1) After June 1, 1992, the department, in consultation with the
14 office and the department of social and health services, shall:

15 (~~(1)~~) (a) Determine eligible credentialed health care
16 professions for the purposes of the loan repayment and scholarship
17 program authorized by this chapter. Eligibility shall be based upon
18 an assessment that determines that there is a shortage or
19 insufficient availability of a credentialed profession so as to
20 jeopardize patient care and pose a threat to the public health and
21 safety. The department shall consider the relative degree of
22 shortages among professions when determining eligibility. The
23 department may add or remove professions from eligibility based upon
24 the determination that a profession is no longer in shortage. Should
25 a profession no longer be eligible, participants or eligible students
26 who have received scholarships shall be eligible to continue to
27 receive scholarships or loan repayments until they are no longer
28 eligible or until their service obligation has been completed;

29 (~~(2)~~) (b) Determine health professional shortage areas for each
30 of the eligible credentialed health care professions.

31 (~~(3)~~) (2) For the (~~2015-2017~~) 2017-2019 fiscal biennium,
32 consideration for eligibility shall also be given to registered
33 nursing students who have been accepted into an eligible nursing
34 education program and have declared an intention to teach nursing
35 upon completion of the nursing education program.

36 **Sec. 959.** RCW 28B.122.050 and 2016 sp.s. c 36 s 917 are each
37 amended to read as follows:

1 (1) The aerospace training student loan account is created in the
2 custody of the state treasurer. No appropriation is required for
3 expenditures of funds from the account for student loans. An
4 appropriation is required for expenditures of funds from the account
5 for costs associated with program administration by the office. The
6 account is not subject to allotment procedures under chapter 43.88
7 RCW.

8 (2) The office shall deposit into the account all moneys received
9 for the program. The account shall be self-sustaining and consist of
10 moneys received for the program by the office, and receipts from
11 participant repayments, including principal and interest.

12 (3) Expenditures from the account may be used solely for student
13 loans to participants in the program established by this chapter and
14 costs associated with program administration by the office.

15 (4) Disbursements from the account may be made only on the
16 authorization of the office.

17 (5) During the 2015-2017 and 2017-2019 fiscal (~~biennium~~)
18 biennia, the legislature may transfer from the aerospace training
19 student loan account to the state general fund such amounts as
20 reflect the excess fund balance of the account.

21 **Sec. 960.** RCW 28C.04.535 and 2015 3rd sp.s. c 4 s 948 are each
22 amended to read as follows:

23 Except for the (~~2015-16 and 2016-17~~) 2017-18 and 2018-19 school
24 years, the Washington award for vocational excellence shall be
25 granted annually. It is the intent of the legislature to continue the
26 policy of not granting the Washington award for vocational excellence
27 in the 2019-20 and 2020-21 school years. The workforce training and
28 education coordinating board shall notify the students receiving the
29 award, their vocational instructors, local chambers of commerce, the
30 legislators of their respective districts, and the governor, after
31 final selections have been made. The workforce training and education
32 coordinating board, in conjunction with the governor's office, shall
33 prepare appropriate certificates to be presented to the selected
34 students. Awards shall be presented in public ceremonies at times and
35 places determined by the workforce training and education
36 coordinating board in cooperation with the office of the governor.

37 **Sec. 961.** RCW 36.70A.725 and 2011 c 360 s 7 are each amended to
38 read as follows:

1 (1) Upon receipt of a work plan submitted to the director under
2 RCW 36.70A.720(2)(a), the director must submit the work plan to the
3 technical panel for review.

4 (2) The technical panel shall review the work plan and report to
5 the director within ((~~forty-five~~)) ninety days after the director
6 receives the work plan. The technical panel shall assess whether at
7 the end of ten years after receipt of funding, the work plan, in
8 conjunction with other existing plans and regulations, will protect
9 critical areas while maintaining and enhancing the viability of
10 agriculture in the watershed.

11 (3)(a) If the technical panel determines the proposed work plan
12 will protect critical areas while maintaining and enhancing the
13 viability of agriculture in the watershed:

14 (i) It must recommend approval of the work plan; and

15 (ii) The director must approve the work plan.

16 (b) If the technical panel determines the proposed work plan will
17 not protect critical areas while maintaining and enhancing the
18 viability of agriculture in the watershed:

19 (i) It must identify the reasons for its determination; and

20 (ii) The director must advise the watershed group of the reasons
21 for disapproval.

22 (4) The watershed group may modify and resubmit its work plan for
23 review and approval consistent with this section.

24 (5) If the director does not approve a work plan submitted under
25 this section within two years and nine months after receipt of
26 funding, the director shall submit the work plan to the statewide
27 advisory committee for resolution. If the statewide advisory
28 committee recommends approval, the director must approve the work
29 plan.

30 (6) If the director does not approve a work plan for a watershed
31 within three years after receipt of funding, the provisions of RCW
32 36.70A.735(2) apply to the watershed.

33 **Sec. 962.** RCW 38.52.105 and 2016 sp.s. c 36 s 918 are each
34 amended to read as follows:

35 The disaster response account is created in the state treasury.
36 Moneys may be placed in the account from legislative appropriations
37 and transfers, federal appropriations, or any other lawful source.
38 Moneys in the account may be spent only after appropriation.
39 Expenditures from the account may be used only for support of state

1 agency and local government disaster response and recovery efforts
2 and to reimburse the workers' compensation funds and self-insured
3 employers under RCW 51.16.220. During the 2009-2011 fiscal biennium,
4 the legislature may transfer from the disaster response account to
5 the state drought preparedness account such amounts as reflect the
6 excess fund balance of the account to support expenditures related to
7 a state drought declaration. During the 2009-2011 fiscal biennium,
8 the legislature may transfer from the disaster response account to
9 the state general fund such amounts as reflect the excess fund
10 balance of the account. During the 2015-2017 and 2017-2019 fiscal
11 ~~((biennium))~~ biennia, expenditures from the disaster response account
12 may be used for military department operations and to support
13 wildland fire suppression preparedness, prevention, and restoration
14 activities by state agencies and local governments. ~~((The legislature~~
15 ~~intends to transfer in))~~ During the 2017-2019 fiscal biennium ~~((from~~
16 ~~the disaster response account to the state general fund amounts as~~
17 ~~reflect the excess fund balance of the disaster response account from~~
18 ~~federal grants and other revenues directed into the account)),~~ the
19 legislature may direct the treasurer to make transfers of moneys in
20 the disaster response account to the state general fund.

21 **Sec. 963.** RCW 41.26.450 and 2000 c 247 s 801 are each amended to
22 read as follows:

23 (1) Port districts established under Title 53 RCW and
24 institutions of higher education as defined in RCW 28B.10.016 shall
25 contribute both the employer and state shares of the cost of the
26 retirement system for any of their employees who are law enforcement
27 officers.

28 (2) Institutions of higher education shall contribute both the
29 employer and the state shares of the cost of the retirement system
30 for any of their employees who are firefighters.

31 (3) During fiscal years 2018 and 2019:

32 When an employer charges a fee or recovers costs for work
33 performed by a plan member where:

34 (a) The member receives compensation that is includable as basic
35 salary under RCW 41.26.030(4)(b); and

36 (b) The service is provided, whether directly or indirectly, to
37 an entity that is not an "employer" under RCW 41.26.030(14)(b);
38 the employer shall contribute both the employer and state shares of
39 the cost of the retirement system contributions for that

1 compensation. Nothing in this subsection prevents an employer from
2 recovering the cost of the contribution from the entity receiving
3 services from the member.

4 **Sec. 964.** RCW 41.26.802 and 2015 3rd sp.s. c 4 s 950 are each
5 amended to read as follows:

6 (1) By September 30, 2011, if the prior fiscal biennium's general
7 state revenues exceed the previous fiscal biennium's revenues by more
8 than five percent, subject to appropriation by the legislature, the
9 state treasurer shall transfer five million dollars to the local
10 public safety enhancement account.

11 (2) By September 30, (~~2017~~) 2019, and by September 30 of each
12 odd-numbered year thereafter, if the prior fiscal biennium's general
13 state revenues exceed the previous fiscal biennium's revenues by more
14 than five percent, subject to appropriation by the legislature, the
15 state treasurer shall transfer the lesser of one-third of the
16 increase, or fifty million dollars, to the local public safety
17 enhancement account.

18 (3) It is the intent of the legislature to fund any distribution
19 in 2019 and 2021 dedicated to the local law enforcement officers' and
20 firefighters' retirement system benefits improvement account through
21 alternate means, which may include transfers from the law enforcement
22 officers' and firefighters' plan 2 retirement fund.

23 **Sec. 965.** RCW 41.60.050 and 2015 3rd sp.s. c 4 s 952 are each
24 amended to read as follows:

25 The legislature shall appropriate from the personnel service fund
26 for the payment of administrative costs of the productivity board.
27 However, during the (~~2013-2015 and~~) 2015-2017 and 2017-2019 fiscal
28 biennia, the operations of the productivity board shall be suspended.

29 **Sec. 966.** RCW 43.08.190 and 2015 3rd sp.s. c 4 s 953 are each
30 amended to read as follows:

31 There is hereby created a fund within the state treasury to be
32 known as the "state treasurer's service fund." Such fund shall be
33 used solely for the payment of costs and expenses incurred in the
34 operation and administration of the state treasurer's office.

35 Moneys shall be allocated monthly and placed in the state
36 treasurer's service fund equivalent to a maximum of one percent of
37 the trust and treasury average daily cash balances from the earnings

1 generated under the authority of RCW 43.79A.040 and 43.84.080 other
2 than earnings generated from investment of balances in funds and
3 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
4 precede the distribution of the remaining earnings as prescribed
5 under RCW 43.79A.040 and 43.84.092. The state treasurer shall
6 establish a uniform allocation rate for all funds and accounts;
7 except that the state treasurer may negotiate a different allocation
8 rate with any state agency that has independent authority over funds
9 not statutorily required to be held in the state treasury or in the
10 custody of the state treasurer. In no event shall the rate be less
11 than the actual costs incurred by the state treasurer's office. If no
12 rate is separately negotiated, the default rate for any funds held
13 shall be the rate set for funds held pursuant to statute.

14 During the 2013-2015 and 2015-2017 fiscal biennia, the
15 legislature may transfer from the state treasurer's service fund to
16 the state general fund such amounts as reflect the excess fund
17 balance of the fund. During the 2017-2019 fiscal biennium, the
18 legislature may direct the state treasurer to make transfers of money
19 in the state treasurer's service fund to the state general fund. It
20 is the intent of the legislature that this policy will be continued
21 in subsequent biennia.

22 **Sec. 967.** RCW 43.09.475 and 2016 sp.s. c 36 s 925 are each
23 amended to read as follows:

24 The performance audits of government account is hereby created in
25 the custody of the state treasurer. Revenue identified in RCW
26 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
27 in the account shall be used to fund the performance audits and
28 follow-up performance audits under RCW 43.09.470 and shall be
29 expended by the state auditor in accordance with chapter 1, Laws of
30 2006. Only the state auditor or the state auditor's designee may
31 authorize expenditures from the account. The account is subject to
32 allotment procedures under chapter 43.88 RCW, but an appropriation is
33 not required for expenditures. During the 2013-2015 (~~and~~),
34 2015-2017, and 2017-2019 fiscal biennia, the performance audits of
35 government account may be appropriated for the joint legislative
36 audit and review committee, the legislative evaluation and
37 accountability program committee, the office of financial management,
38 the superintendent of public instruction, the department of fish and
39 wildlife, and audits of school districts. In addition, during the

1 2013-2015 ~~((and))~~, 2015-2017, and 2017-2019 fiscal biennia the
2 account may be used to fund the office of financial management's
3 contract for the compliance audit of the state auditor and audit
4 activities at the department of revenue. In addition, during the
5 2015-2017 fiscal biennium, the legislature may transfer from the
6 performance audits of government account to the state general fund
7 such amounts as reflect the excess fund balance of the fund.

8 **Sec. 968.** RCW 43.41.450 and 2016 sp.s. c 36 s 927 are each
9 amended to read as follows:

10 The office of financial management central service account is
11 created in the state treasury. The account is to be used by the
12 office as a revolving fund for the payment of salaries, wages, and
13 other costs required for the operation and maintenance of statewide
14 budgeting, accounting, forecasting, and functions and activities in
15 the office. All receipts from agency fees and charges for services
16 collected from public agencies must be deposited into the account.
17 The director shall fix the terms and charges to agencies based on
18 each agency's share of the office statewide cost allocation plan for
19 federal funds. Moneys in the account may be spent only after
20 appropriation. During the 2017-2019 fiscal biennium, the account may
21 be used as a revolving fund for the payment of salaries, wages, and
22 other costs related to policy activities in the office. The
23 legislature intends to continue the use of the revolving fund for
24 policy activities during the 2019-2021 biennium.

25 **Sec. 969.** RCW 43.43.839 and 2016 sp.s. c 36 s 928 are each
26 amended to read as follows:

27 The fingerprint identification account is created in the custody
28 of the state treasurer. All receipts from incremental charges of
29 fingerprint checks requested for noncriminal justice purposes and
30 electronic background requests shall be deposited in the account.
31 Receipts for fingerprint checks by the federal bureau of
32 investigation may also be deposited in the account. Expenditures from
33 the account may be used only for the cost of record checks. Only the
34 chief of the state patrol or the chief's designee may authorize
35 expenditures from the account. The account is subject to allotment
36 procedures under chapter 43.88 RCW. No appropriation is required for
37 expenditures prior to July 1, 1997. After June 30, 1997, the account
38 shall be subject to appropriation. ~~((During the 2009-2011 fiscal~~

1 ~~biennium, the legislature may transfer from the fingerprint~~
2 ~~identification account to the state general fund such amounts as~~
3 ~~reflect the excess fund balance of the account. During the 2013-2015~~
4 ~~fiscal biennium, funds in the account may be used for expenditures~~
5 ~~that support the criminal records management division of the state~~
6 ~~patrol.))~~ During the 2015-2017 and 2017-2019 fiscal ((~~biennium~~))
7 biennia, funds in the account may be used for expenditures related to
8 the upgrade of the state patrol's criminal history system. During the
9 2015-2017 fiscal biennium, the legislature may transfer from the
10 fingerprint identification account to the sexual assault kit account
11 and the account may be used for building the sexual assault kit
12 tracking system in such amounts as reflect the excess fund balance of
13 the account. During the 2017-2019 fiscal biennium, the account may be
14 used for building the sexual assault kit tracking system.

15 **Sec. 970.** RCW 43.79.445 and 2016 sp.s. c 36 s 931 are each
16 amended to read as follows:

17 There is established an account in the state treasury referred to
18 as the "death investigations account" which shall exist for the
19 purpose of receiving, holding, investing, and disbursing funds
20 appropriated or provided in RCW 70.58.107 and any moneys appropriated
21 or otherwise provided thereafter.

22 Moneys in the death investigations account shall be disbursed by
23 the state treasurer once every year on December 31 and at any other
24 time determined by the treasurer. The treasurer shall make
25 disbursements to: The state toxicology laboratory, counties for the
26 cost of autopsies, the state patrol for providing partial funding for
27 the state dental identification system, the criminal justice training
28 commission for training county coroners, medical examiners and their
29 staff, and the state forensic investigations council. Funds from the
30 death investigations account may be appropriated during the 2013-2015
31 fiscal biennium for the activities of the state crime laboratory
32 within the Washington state patrol. (~~During the 2015-2017 fiscal~~
33 ~~biennium, the legislature may transfer from the death investigations~~
34 ~~account to the sexual assault kit account such amounts as reflect the~~
35 ~~excess fund balance of the account.)) In addition, during the
36 2017-2019 fiscal biennium, the legislature may direct the state
37 treasurer to make transfers of moneys in the death investigations
38 account to the state general fund.~~

1 **Sec. 971.** RCW 43.79.460 and 2016 sp.s. c 36 s 932 are each
2 amended to read as follows:

3 (1) The savings incentive account is created in the custody of
4 the state treasurer. The account shall consist of all moneys
5 appropriated to the account by the legislature. The account is
6 subject to the allotment procedures under chapter 43.88 RCW, but no
7 appropriation is required for expenditures from the account.

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

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

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

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

34 (c) Except for fiscal year 2011, a specific amount contained in a
35 condition or limitation to an appropriation in the biennial
36 appropriations act, if the agency did not achieve the specific
37 purpose or objective of the condition or limitation;

38 (d) Debt service on state obligations; and

39 (e) State retirement system obligations.

1 (4) The office of financial management, after consulting with the
2 legislative fiscal committees, shall report the amount of savings
3 incentives achieved.

4 (5) For fiscal year 2010, the legislature may transfer from the
5 savings incentive account to the state general fund such amounts as
6 reflect the fund balance of the account attributable to unspent state
7 general fund appropriations for fiscal year 2009. For fiscal year
8 2011, the legislature may transfer from the savings incentive account
9 to the state general fund such amounts as reflect the fund balance of
10 the account attributable to unspent state general fund appropriations
11 for fiscal year 2010. For fiscal year 2011, the legislature may
12 transfer from the savings incentive account to the state general fund
13 eight million dollars or as much as reflects the fund balance of the
14 account attributable to unspent agency credits prior to fiscal year
15 2009. Credits for legislative and judicial agencies are not included
16 in this action, with the exception and upon consent of the supreme
17 court, court of appeals, office of public defense, and office of
18 civil legal aid.

19 (6) For fiscal years 2012 and 2013, the legislature may transfer
20 from the savings incentive account to the state general fund such
21 amounts as reflect the fund balance of the account attributable to
22 unspent general fund appropriations for fiscal years 2011 and 2012.

23 (7) For fiscal year 2016, the legislature may transfer from the
24 savings incentive account to the state general fund such amounts as
25 reflect the fund balance of the account attributable to unspent
26 agency credit. Credits for legislative and judicial agencies are not
27 included in this action.

28 (8) For the 2017-2019 fiscal biennium, the joint legislative
29 audit and review committee and the legislative evaluation and
30 accountability program committee may use moneys deposited in their
31 subaccounts for one-time costs related to their office relocation to
32 the 1063 building.

33 **Sec. 972.** RCW 43.101.220 and 2015 3rd sp.s. c 4 s 958 are each
34 amended to read as follows:

35 (1) The corrections personnel of the state and all counties and
36 municipal corporations initially employed on or after January 1,
37 1982, shall engage in basic corrections training which complies with
38 standards adopted by the commission. The training shall be
39 successfully completed during the first six months of employment of

1 the personnel, unless otherwise extended or waived by the commission,
2 and shall be requisite to the continuation of employment.

3 (2) The commission shall provide the training required in this
4 section, together with facilities, supplies, materials, and the room
5 and board for noncommuting attendees, except during the ((2013-2015
6 and)) 2015-2017 and 2017-2019 fiscal biennia, when the employing
7 county, municipal corporation, or state agency shall reimburse the
8 commission for twenty-five percent of the cost of training its
9 personnel.

10 (3)(a) Subsections (1) and (2) of this section do not apply to
11 the Washington state department of corrections prisons division. The
12 Washington state department of corrections is responsible for
13 identifying training standards, designing curricula and programs, and
14 providing the training for those corrections personnel employed by
15 it. In doing so, the secretary of the department of corrections shall
16 consult with staff development experts and correctional professionals
17 both inside and outside of the agency, to include soliciting input
18 from labor organizations.

19 (b) The commission and the department of corrections share the
20 responsibility of developing and defining training standards and
21 providing training for community corrections officers employed within
22 the community corrections division of the department of corrections.

23 **Sec. 973.** RCW 43.101.200 and 2015 3rd sp.s. c 4 s 957 are each
24 amended to read as follows:

25 (1) All law enforcement personnel, except volunteers, and reserve
26 officers whether paid or unpaid, initially employed on or after
27 January 1, 1978, shall engage in basic law enforcement training which
28 complies with standards adopted by the commission pursuant to RCW
29 43.101.080. For personnel initially employed before January 1, 1990,
30 such training shall be successfully completed during the first
31 fifteen months of employment of such personnel unless otherwise
32 extended or waived by the commission and shall be requisite to the
33 continuation of such employment. Personnel initially employed on or
34 after January 1, 1990, shall commence basic training during the first
35 six months of employment unless the basic training requirement is
36 otherwise waived or extended by the commission. Successful completion
37 of basic training is requisite to the continuation of employment of
38 such personnel initially employed on or after January 1, 1990.

1 (2) Except as otherwise provided in this chapter, the commission
2 shall provide the aforementioned training together with necessary
3 facilities, supplies, materials, and the board and room of
4 noncommuting attendees for seven days per week, except during the
5 (~~2013-2015 and~~) 2015-2017 and 2017-2019 fiscal biennia when the
6 employing, county, city, or state law enforcement agency shall
7 reimburse the commission for twenty-five percent of the cost of
8 training its personnel. Additionally, to the extent funds are
9 provided for this purpose, the commission shall reimburse to
10 participating law enforcement agencies with ten or less full-time
11 commissioned patrol officers the cost of temporary replacement of
12 each officer who is enrolled in basic law enforcement training:
13 PROVIDED, That such reimbursement shall include only the actual cost
14 of temporary replacement not to exceed the total amount of salary and
15 benefits received by the replaced officer during his or her training
16 period.

17 **Sec. 974.** RCW 43.155.050 and 2015 3rd sp.s. c 4 s 959 and 2015
18 3rd sp.s. c 3 s 7032 are each reenacted and amended to read as
19 follows:

20 The public works assistance account is hereby established in the
21 state treasury. Money may be placed in the public works assistance
22 account from the proceeds of bonds when authorized by the legislature
23 or from any other lawful source. Money in the public works assistance
24 account shall be used to make loans and to give financial guarantees
25 to local governments for public works projects. Moneys in the account
26 may also be appropriated to provide for state match requirements
27 under federal law for projects and activities conducted and financed
28 by the board under the drinking water assistance account. Not more
29 than fifteen percent of the biennial capital budget appropriation to
30 the public works board from this account may be expended or obligated
31 for preconstruction loans, emergency loans, or loans for capital
32 facility planning under this chapter; of this amount, not more than
33 ten percent of the biennial capital budget appropriation may be
34 expended for emergency loans and not more than one percent of the
35 biennial capital budget appropriation may be expended for capital
36 facility planning loans. During the 2015-2017 fiscal biennium, the
37 legislature may transfer from the public works assistance account to
38 the general fund, the water pollution control revolving account, and
39 the drinking water assistance account such amounts as reflect the

1 excess fund balance of the account. (~~During the 2013-2015 fiscal~~
2 ~~biennium, the legislature may transfer from the public works~~
3 ~~assistance account to the education legacy trust account such amounts~~
4 ~~as specified by the legislature.~~) During the 2015-2017 and 2017-2019
5 fiscal (~~biennium~~) biennia, the legislature may appropriate moneys
6 from the account for activities related to rural economic
7 development, the growth management act, and the voluntary stewardship
8 program. During the 2015-2017 fiscal biennium, the legislature may
9 transfer from the public works assistance account to the state
10 general fund such amounts as specified by the legislature. (~~In the~~
11 ~~2017-2019 fiscal biennium the legislature intends to allocate~~
12 ~~seventy three million dollars of future loan repayments paid into the~~
13 ~~public works assistance account to support basic education.~~) During
14 the 2017-2019 fiscal biennium, the legislature may direct the state
15 treasurer to make transfers of moneys in the public works assistance
16 account to the education legacy trust account. It is the intent of
17 the legislature that this policy will be continued in subsequent
18 fiscal biennia.

19 **Sec. 975.** RCW 43.330.250 and 2015 3rd sp.s. c 4 s 962 are each
20 amended to read as follows:

21 (1) The economic development strategic reserve account is created
22 in the state treasury to be used only for the purposes of this
23 section.

24 (2) Only the governor, with the recommendation of the director of
25 the department of commerce, may authorize expenditures from the
26 account.

27 (3) During the 2009-2011 and 2011-2013 fiscal biennia, moneys in
28 the account may also be transferred into the state general fund.

29 (4) Expenditures from the account may be made to prevent closure
30 of a business or facility, to prevent relocation of a business or
31 facility in the state to a location outside the state, or to recruit
32 a business or facility to the state. Expenditures may be authorized
33 for:

34 (a) Workforce development;

35 (b) Public infrastructure needed to support or sustain the
36 operations of the business or facility;

37 (c) Other lawfully provided assistance(~~(7)~~) including, but not
38 limited to, technical assistance, environmental analysis, relocation
39 assistance, and planning assistance. Funding may be provided for such

1 assistance only when it is in the public interest and may only be
2 provided under a contractual arrangement ensuring that the state will
3 receive appropriate consideration, such as an assurance of job
4 creation or retention; and

5 (d) The joint center for aerospace technology innovation.

6 (5) The funds shall not be expended from the account unless:

7 (a) The circumstances are such that time does not permit the
8 director of the department of commerce or the business or facility to
9 secure funding from other state sources;

10 (b) The business or facility produces or will produce significant
11 long-term economic benefits to the state, a region of the state, or a
12 particular community in the state;

13 (c) The business or facility does not require continuing state
14 support;

15 (d) The expenditure will result in new jobs, job retention, or
16 higher incomes for citizens of the state;

17 (e) The expenditure will not supplant private investment; and

18 (f) The expenditure is accompanied by private investment.

19 (6) No more than three million dollars per year may be expended
20 from the account for the purpose of assisting an individual business
21 or facility pursuant to the authority specified in this section.

22 (7) If the account balance in the strategic reserve account
23 exceeds fifteen million dollars at any time, the amount in excess of
24 fifteen million dollars shall be transferred to the education
25 construction account.

26 (8) During the 2015-2017 and 2017-2019 fiscal (~~((biennium))~~)
27 biennia, the legislature may appropriate moneys from the account to
28 fund (~~((economic development))~~) programs and grants at the department
29 of commerce. It is the intent of the legislature that this policy
30 will be continued in subsequent fiscal biennia.

31 **Sec. 976.** RCW 43.320.110 and 2015 3rd sp.s. c 4 s 960 are each
32 amended to read as follows:

33 There is created a local fund known as the "financial services
34 regulation fund" which shall consist of all moneys received by the
35 divisions of the department of financial institutions, except for the
36 division of securities which shall deposit thirteen percent of all
37 moneys received, except as provided in RCW 43.320.115, and which
38 shall be used for the purchase of supplies and necessary equipment;
39 the payment of salaries, wages, and utilities; the establishment of

1 reserves; and other incidental costs required for the proper
2 regulation of individuals and entities subject to regulation by the
3 department. The state treasurer shall be the custodian of the fund.
4 Disbursements from the fund shall be on authorization of the director
5 of financial institutions or the director's designee. In order to
6 maintain an effective expenditure and revenue control, the fund shall
7 be subject in all respects to chapter 43.88 RCW, but no appropriation
8 is required to permit expenditures and payment of obligations from
9 the fund.

10 During the 2015-2017 fiscal biennium, the legislature may
11 transfer from the financial services regulation fund to the state
12 general fund such amounts as reflect the excess fund balance of the
13 fund. During the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia,
14 moneys from the financial services regulation fund may be
15 appropriated for the family prosperity account program at the
16 department of commerce and for the operations of the department of
17 revenue.

18 **Sec. 977.** RCW 50.16.010 and 2016 sp.s. c 36 s 940 are each
19 amended to read as follows:

20 (1) There shall be maintained as special funds, separate and
21 apart from all public moneys or funds of this state an unemployment
22 compensation fund and an administrative contingency fund, which shall
23 be administered by the commissioner exclusively for the purposes of
24 this title, and to which RCW 43.01.050 shall not be applicable.

25 (2)(a) The unemployment compensation fund shall consist of:

26 (i) All contributions collected under RCW 50.24.010 and payments
27 in lieu of contributions collected pursuant to the provisions of this
28 title;

29 (ii) Any property or securities acquired through the use of
30 moneys belonging to the fund;

31 (iii) All earnings of such property or securities;

32 (iv) Any moneys received from the federal unemployment account in
33 the unemployment trust fund in accordance with Title XII of the
34 social security act, as amended;

35 (v) All money recovered on official bonds for losses sustained by
36 the fund;

37 (vi) All money credited to this state's account in the
38 unemployment trust fund pursuant to section 903 of the social
39 security act, as amended;

1 (vii) All money received from the federal government as
2 reimbursement pursuant to section 204 of the federal-state extended
3 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304);

4 (viii) The portion of the additional penalties as provided in RCW
5 50.20.070(2) that is fifteen percent of the amount of benefits
6 overpaid or deemed overpaid; and

7 (ix) All moneys received for the fund from any other source.

8 (b) All moneys in the unemployment compensation fund shall be
9 commingled and undivided.

10 (3)(a) Except as provided in (b) of this subsection, the
11 administrative contingency fund shall consist of:

12 (i) All interest on delinquent contributions collected pursuant
13 to this title;

14 (ii) All fines and penalties collected pursuant to the provisions
15 of this title, except the portion of the additional penalties as
16 provided in RCW 50.20.070(2) that is fifteen percent of the amount of
17 benefits overpaid or deemed overpaid;

18 (iii) All sums recovered on official bonds for losses sustained
19 by the fund; and

20 (iv) Revenue received under RCW 50.24.014.

21 (b) All fees, fines, forfeitures, and penalties collected or
22 assessed by a district court because of the violation of this title
23 or rules adopted under this title shall be remitted as provided in
24 chapter 3.62 RCW.

25 (c) Except as provided in (d) of this subsection, moneys
26 available in the administrative contingency fund, other than money in
27 the special account created under RCW 50.24.014, shall be expended
28 upon the direction of the commissioner, with the approval of the
29 governor, whenever it appears to him or her that such expenditure is
30 necessary solely for:

31 (i) The proper administration of this title and that insufficient
32 federal funds are available for the specific purpose to which such
33 expenditure is to be made, provided, the moneys are not substituted
34 for appropriations from federal funds which, in the absence of such
35 moneys, would be made available.

36 (ii) The proper administration of this title for which purpose
37 appropriations from federal funds have been requested but not yet
38 received, provided, the administrative contingency fund will be
39 reimbursed upon receipt of the requested federal appropriation.

1 (iii) The proper administration of this title for which
2 compliance and audit issues have been identified that establish
3 federal claims requiring the expenditure of state resources in
4 resolution. Claims must be resolved in the following priority: First
5 priority is to provide services to eligible participants within the
6 state; second priority is to provide substitute services or program
7 support; and last priority is the direct payment of funds to the
8 federal government.

9 (d)(i) During the 2007-2009 fiscal biennium, moneys available in
10 the administrative contingency fund, other than money in the special
11 account created under RCW 50.24.014(1)(a), shall be expended as
12 appropriated by the legislature for: (A) The cost of the job skills
13 or worker retraining programs at the community and technical colleges
14 and administrative costs at the state board for community and
15 technical colleges; and (B) reemployment services such as business
16 and project development assistance, local economic development
17 capacity building, and local economic development financial
18 assistance at the department of commerce. The remaining appropriation
19 may be expended as specified in (c) of this subsection.

20 (ii) During the (~~2013-2015 and~~) 2015-2017 and 2017-2019 fiscal
21 (~~biennium—[biennia]~~) biennia, moneys available in the
22 administrative contingency fund, other than money in the special
23 account created under RCW 50.24.014(1)(a), shall be expended as
24 appropriated by the legislature: (A) For the department of social and
25 health services for employment and training services and programs in
26 the WorkFirst program; (B) for the administrative costs of state
27 agencies participating in the WorkFirst program; and (C) by the
28 commissioner for the work group on agricultural and agricultural-
29 related issues as provided in the 2013-2015 omnibus operating
30 appropriations act. The remaining appropriation may be expended as
31 specified in (c) of this subsection.

32 (4) Money in the special account created under RCW
33 50.24.014(1)(a) may only be expended, after appropriation, for the
34 purposes specified in this section and RCW 50.62.010, 50.62.020,
35 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

36 **Sec. 978.** RCW 66.08.170 and 2015 3rd sp.s. c 4 s 966 are each
37 amended to read as follows:

38 There shall be a fund, known as the "liquor revolving fund,"
39 which shall consist of all license fees, permit fees, penalties,

1 forfeitures, and all other moneys, income, or revenue received by the
2 board. The state treasurer shall be custodian of the fund. All moneys
3 received by the board or any employee thereof, except for change
4 funds and an amount of petty cash as fixed by the board within the
5 authority of law shall be deposited each day in a depository approved
6 by the state treasurer and transferred to the state treasurer to be
7 credited to the liquor revolving fund. During the 2009-2011 fiscal
8 biennium, the legislature may transfer funds from the liquor
9 revolving account [fund] to the state general fund and may direct an
10 additional amount of liquor profits to be distributed to local
11 governments. Neither the transfer of funds nor the additional
12 distribution of liquor profits to local governments during the
13 2009-2011 fiscal biennium may reduce the excess fund distributions
14 that otherwise would occur under RCW 66.08.190. During the 2011-2013
15 fiscal biennium, the state treasurer shall transfer from the liquor
16 revolving fund to the state general fund forty-two million five
17 hundred thousand dollars for fiscal year 2012 and forty-two million
18 five hundred thousand dollars for fiscal year 2013. The transfer
19 during the 2011-2013 fiscal biennium may not reduce the excess fund
20 distributions that otherwise would occur under RCW 66.08.190. Sales
21 to licensees are exempt from any liquor price increases that may
22 result from the transfer of funds from the liquor revolving fund to
23 the state general fund during the 2011-2013 fiscal biennium.
24 Disbursements from the revolving fund shall be on authorization of
25 the board or a duly authorized representative thereof. During the
26 2017-2019 fiscal biennium, the legislature may also appropriate from
27 the account for local government studies. In order to maintain an
28 effective expenditure and revenue control the liquor revolving fund
29 shall be subject in all respects to chapter 43.88 RCW but no
30 appropriation shall be required to permit expenditures and payment of
31 obligations from such fund. During the 2013-2015 and 2015-2017 fiscal
32 biennia, the legislature may transfer from the liquor revolving fund
33 to the state general fund such amounts as reflect the excess fund
34 balance of the account.

35 **Sec. 979.** RCW 69.50.540 and 2015 3rd sp.s. c 4 s 967 are each
36 amended to read as follows:

37 The legislature must annually appropriate moneys in the dedicated
38 marijuana account created in RCW 69.50.530 as follows:

1 (1) For the purposes listed in this subsection (1), the
2 legislature must appropriate to the respective agencies amounts
3 sufficient to make the following expenditures on a quarterly basis:

4 (a) Beginning July 1, 2015, one hundred twenty-five thousand
5 dollars to the department of social and health services to design and
6 administer the Washington state healthy youth survey, analyze the
7 collected data, and produce reports, in collaboration with the office
8 of the superintendent of public instruction, department of health,
9 department of commerce, family policy council, and state liquor and
10 cannabis board. The survey must be conducted at least every two years
11 and include questions regarding, but not necessarily limited to,
12 academic achievement, age at time of substance use initiation,
13 antisocial behavior of friends, attitudes toward antisocial behavior,
14 attitudes toward substance use, laws and community norms regarding
15 antisocial behavior, family conflict, family management, parental
16 attitudes toward substance use, peer rewarding of antisocial
17 behavior, perceived risk of substance use, and rebelliousness. Funds
18 disbursed under this subsection may be used to expand administration
19 of the healthy youth survey to student populations attending
20 institutions of higher education in Washington;

21 (b) Beginning July 1, 2015, fifty thousand dollars to the
22 department of social and health services for the purpose of
23 contracting with the Washington state institute for public policy to
24 conduct the cost-benefit evaluation and produce the reports described
25 in RCW 69.50.550. This appropriation ends after production of the
26 final report required by RCW 69.50.550;

27 (c) Beginning July 1, 2015, five thousand dollars to the
28 University of Washington alcohol and drug abuse institute for the
29 creation, maintenance, and timely updating of web-based public
30 education materials providing medically and scientifically accurate
31 information about the health and safety risks posed by marijuana use;

32 (d)(i) An amount not less than one million two hundred fifty
33 thousand dollars to the state liquor and cannabis board for
34 administration of this chapter as appropriated in the omnibus
35 appropriations act; and

36 (ii) Three hundred fifty-one thousand seven hundred fifty dollars
37 for fiscal year 2018 and three hundred fifty-one thousand seven
38 hundred fifty dollars for fiscal year 2019 to the health professions
39 account established under RCW 43.70.320 for the development and
40 administration of the marijuana authorization database by the

1 department of health. It is the intent of the legislature that this
2 policy will be continued in the 2019-2021 fiscal biennium;

3 (e) Twenty-three thousand seven hundred fifty dollars to the
4 department of enterprise services provided solely for the state
5 building code council established under RCW 19.27.070, to develop and
6 adopt fire and building code provisions related to marijuana
7 processing and extraction facilities. The distribution under this
8 subsection (1)(e) is for fiscal year 2016 only;

9 (2) From the amounts in the dedicated marijuana account after
10 appropriation of the amounts identified in subsection (1) of this
11 section, the legislature must appropriate for the purposes listed in
12 this subsection (2) as follows:

13 (a)(i) Up to fifteen percent to the department of social and
14 health services division of behavioral health and recovery for the
15 development, implementation, maintenance, and evaluation of programs
16 and practices aimed at the prevention or reduction of maladaptive
17 substance use, substance use disorder, substance abuse or substance
18 dependence, as these terms are defined in the Diagnostic and
19 Statistical Manual of Mental Disorders, among middle school and high
20 school-age students, whether as an explicit goal of a given program
21 or practice or as a consistently corresponding effect of its
22 implementation, mental health services for children and youth, and
23 services for pregnant and parenting women; PROVIDED, That:

24 (A) Of the funds appropriated under (a)(i) of this subsection for
25 new programs and new services, at least eighty-five percent must be
26 directed to evidence-based or research-based programs and practices
27 that produce objectively measurable results and, by September 1,
28 2020, are cost-beneficial; and

29 (B) Up to fifteen percent of the funds appropriated under (a)(i)
30 of this subsection for new programs and new services may be directed
31 to proven and tested practices, emerging best practices, or promising
32 practices.

33 (ii) In deciding which programs and practices to fund, the
34 secretary of the department of social and health services must
35 consult, at least annually, with the University of Washington's
36 social development research group and the University of Washington's
37 alcohol and drug abuse institute.

38 (iii) For the fiscal year beginning July 1, 2016, the legislature
39 must appropriate a minimum of twenty-seven million seven hundred
40 eighty-six thousand dollars, and for each subsequent fiscal year

1 thereafter, the legislature must appropriate a minimum of twenty-five
2 million five hundred thirty-six thousand dollars under this
3 subsection (2)(a);

4 (b)(i) Up to ten percent to the department of health for the
5 following, subject to (b)(ii) of this subsection (2):

6 (A) Creation, implementation, operation, and management of a
7 marijuana education and public health program that contains the
8 following:

9 (I) A marijuana use public health hotline that provides referrals
10 to substance abuse treatment providers, utilizes evidence-based or
11 research-based public health approaches to minimizing the harms
12 associated with marijuana use, and does not solely advocate an
13 abstinence-only approach;

14 (II) A grants program for local health departments or other local
15 community agencies that supports development and implementation of
16 coordinated intervention strategies for the prevention and reduction
17 of marijuana use by youth; and

18 (III) Media-based education campaigns across television,
19 internet, radio, print, and out-of-home advertising, separately
20 targeting youth and adults, that provide medically and scientifically
21 accurate information about the health and safety risks posed by
22 marijuana use;

23 (B) The Washington poison control center; and

24 (C) During the 2015-2017 fiscal biennium, the funds appropriated
25 under this subsection (2)(b) may be used for prevention activities
26 that target youth and populations with a high incidence of tobacco
27 use.

28 (ii) For the fiscal year beginning July 1, 2016, the legislature
29 must appropriate a minimum of seven million five hundred thousand
30 dollars and for each subsequent fiscal year thereafter, the
31 legislature must appropriate a minimum of nine million seven hundred
32 fifty thousand dollars under this subsection (2)(b);

33 (c)(i) Up to six-tenths of one percent to the University of
34 Washington and four-tenths of one percent to Washington State
35 University for research on the short and long-term effects of
36 marijuana use, to include but not be limited to formal and informal
37 methods for estimating and measuring intoxication and impairment, and
38 for the dissemination of such research.

39 (ii) For the fiscal year beginning July 1, 2016, the legislature
40 must appropriate a minimum of two hundred seven thousand dollars and

1 for each subsequent fiscal year, except for the 2017-2019 fiscal
2 biennium, the legislature must appropriate a minimum of one million
3 twenty-one thousand dollars to the University of Washington. For the
4 fiscal year beginning July 1, 2016, the legislature must appropriate
5 a minimum of one hundred thirty-eight thousand dollars and for each
6 subsequent fiscal year thereafter, except for the 2017-2019 fiscal
7 biennium, a minimum of six hundred eighty-one thousand dollars to
8 Washington State University under this subsection (2)(c). It is the
9 intent of the legislature that this policy will be continued in the
10 2019-2021 fiscal biennium;

11 (d) Fifty percent to the state basic health plan trust account to
12 be administered by the Washington basic health plan administrator and
13 used as provided under chapter 70.47 RCW;

14 (e) Five percent to the Washington state health care authority to
15 be expended exclusively through contracts with community health
16 centers to provide primary health and dental care services, migrant
17 health services, and maternity health care services as provided under
18 RCW 41.05.220;

19 (f)(i) Up to three-tenths of one percent to the office of the
20 superintendent of public instruction to fund grants to building
21 bridges programs under chapter 28A.175 RCW.

22 (ii) For the fiscal year beginning July 1, 2016, and each
23 subsequent fiscal year, the legislature must appropriate a minimum of
24 five hundred eleven thousand dollars to the office of the
25 superintendent of public instruction under this subsection (2)(f);
26 and

27 (g) At the end of each fiscal year, the treasurer must transfer
28 any amounts in the dedicated marijuana account that are not
29 appropriated pursuant to subsection (1) of this section and this
30 subsection (2) into the general fund, except as provided in (g)(i) of
31 this subsection (2).

32 (i) Beginning in fiscal year 2018, if marijuana excise tax
33 collections deposited into the general fund in the prior fiscal year
34 exceed twenty-five million dollars, then each fiscal year the
35 legislature must appropriate an amount equal to thirty percent of all
36 marijuana excise taxes deposited into the general fund the prior
37 fiscal year to the treasurer for distribution to counties, cities,
38 and towns as follows:

39 (A) Thirty percent must be distributed to counties, cities, and
40 towns where licensed marijuana retailers are physically located. Each

1 jurisdiction must receive a share of the revenue distribution under
2 this subsection (2)(g)(i)(A) based on the proportional share of the
3 total revenues generated in the individual jurisdiction from the
4 taxes collected under RCW 69.50.535, from licensed marijuana
5 retailers physically located in each jurisdiction. For purposes of
6 this subsection (2)(g)(i)(A), one hundred percent of the proportional
7 amount attributed to a retailer physically located in a city or town
8 must be distributed to the city or town.

9 (B) Seventy percent must be distributed to counties, cities, and
10 towns ratably on a per capita basis. Counties must receive sixty
11 percent of the distribution, which must be disbursed based on each
12 county's total proportional population. Funds may only be distributed
13 to jurisdictions that do not prohibit the siting of any state
14 licensed marijuana producer, processor, or retailer.

15 (ii) Distribution amounts allocated to each county, city, and
16 town must be distributed in four installments by the last day of each
17 fiscal quarter.

18 (iii) By September 15th of each year, the state liquor and
19 cannabis board must provide the state treasurer the annual
20 distribution amount, if any, for each county and city as determined
21 in (g)(i) of this subsection (2).

22 (iv) The total share of marijuana excise tax revenues distributed
23 to counties and cities in (g)(i) of this subsection (2) may not
24 exceed (~~fifteen~~) six million dollars in fiscal years 2018 and 2019
25 and twenty million dollars per fiscal year thereafter. However, if
26 the February 2018 forecast of state revenues for the general fund in
27 the 2017-2019 fiscal biennium exceeds the amount estimated in the
28 June 2017 revenue forecast by over eighteen million dollars after
29 adjusting for changes directly related to legislation adopted in the
30 2017 legislative session, the total share of marijuana excise tax
31 revenue distributed to counties and cities in (g)(i) of this
32 subsection (2) may not exceed fifteen million dollars in fiscal years
33 2018 and 2019. It is the intent of the legislature that the policy
34 for the maximum distributions in the subsequent fiscal biennia will
35 be no more than \$6 million per fiscal year.

36 For the purposes of this section, "marijuana products" means
37 "useable marijuana," "marijuana concentrates," and "marijuana-infused
38 products" as those terms are defined in RCW 69.50.101.

1 **Sec. 980.** RCW 70.105D.070 and 2016 sp.s. c 36 s 943 are each
2 amended to read as follows:

3 (1) The state toxics control account and the local toxics control
4 account are hereby created in the state treasury.

5 (2)(a) Moneys collected under RCW 82.21.030 must be deposited as
6 follows: Fifty-six percent to the state toxics control account under
7 subsection (3) of this section and forty-four percent to the local
8 toxics control account under subsection (4) of this section. When the
9 cumulative amount of deposits made to the state and local toxics
10 control accounts under this section reaches the limit during a fiscal
11 year as established in (b) of this subsection, the remainder of the
12 moneys collected under RCW 82.21.030 during that fiscal year must be
13 deposited into the environmental legacy stewardship account created
14 in RCW 70.105D.170.

15 (b) The limit on distributions of moneys collected under RCW
16 82.21.030 to the state and local toxics control accounts for the
17 fiscal year beginning July 1, 2013, is one hundred forty million
18 dollars.

19 (c) In addition to the funds required under (a) of this
20 subsection, the following moneys must be deposited into the state
21 toxics control account: (i) The costs of remedial actions recovered
22 under this chapter or chapter 70.105A RCW; (ii) penalties collected
23 or recovered under this chapter; and (iii) any other money
24 appropriated or transferred to the account by the legislature.

25 (3) Moneys in the state toxics control account must be used only
26 to carry out the purposes of this chapter, including but not limited
27 to the following activities:

28 (a) The state's responsibility for hazardous waste planning,
29 management, regulation, enforcement, technical assistance, and public
30 education required under chapter 70.105 RCW;

31 (b) The state's responsibility for solid waste planning,
32 management, regulation, enforcement, technical assistance, and public
33 education required under chapter 70.95 RCW;

34 (c) The hazardous waste clean-up program required under this
35 chapter;

36 (d) State matching funds required under federal cleanup law;

37 (e) Financial assistance for local programs in accordance with
38 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

- 1 (f) State government programs for the safe reduction, recycling,
2 or disposal of paint and hazardous wastes from households, small
3 businesses, and agriculture;
- 4 (g) Oil and hazardous materials spill prevention, preparedness,
5 training, and response activities;
- 6 (h) Water and environmental health protection and monitoring
7 programs;
- 8 (i) Programs authorized under chapter 70.146 RCW;
- 9 (j) A public participation program;
- 10 (k) Public funding to assist potentially liable persons to pay
11 for the costs of remedial action in compliance with clean-up
12 standards under RCW 70.105D.030(2)(e) but only when the amount and
13 terms of such funding are established under a settlement agreement
14 under RCW 70.105D.040(4) and when the director has found that the
15 funding will achieve both: (i) A substantially more expeditious or
16 enhanced cleanup than would otherwise occur; and (ii) the prevention
17 or mitigation of unfair economic hardship;
- 18 (l) Development and demonstration of alternative management
19 technologies designed to carry out the hazardous waste management
20 priorities of RCW 70.105.150;
- 21 (m) State agriculture and health programs for the safe use,
22 reduction, recycling, or disposal of pesticides;
- 23 (n) Storm water pollution control projects and activities that
24 protect or preserve existing remedial actions or prevent hazardous
25 clean-up sites;
- 26 (o) Funding requirements to maintain receipt of federal funds
27 under the federal solid waste disposal act (42 U.S.C. Sec. 6901 et
28 seq.);
- 29 (p) Air quality programs and actions for reducing public exposure
30 to toxic air pollution;
- 31 (q) Public funding to assist prospective purchasers to pay for
32 the costs of remedial action in compliance with clean-up standards
33 under RCW 70.105D.030(2)(e) if:
- 34 (i) The facility is located within a redevelopment opportunity
35 zone designated under RCW 70.105D.150;
- 36 (ii) The amount and terms of the funding are established under a
37 settlement agreement under RCW 70.105D.040(5); and
- 38 (iii) The director has found the funding meets any additional
39 criteria established in rule by the department, will achieve a
40 substantially more expeditious or enhanced cleanup than would

1 otherwise occur, and will provide a public benefit in addition to
2 cleanup commensurate with the scope of the public funding;

3 (r) Petroleum-based plastic or expanded polystyrene foam debris
4 cleanup activities in fresh or marine waters;

5 (s) Appropriations to the local toxics control account or the
6 environmental legacy stewardship account created in RCW 70.105D.170,
7 if the legislature determines that priorities for spending exceed
8 available funds in those accounts;

9 (t) During the (~~2013-2015 and~~) 2015-2017 and 2017-2019 fiscal
10 biennia, the department of ecology's water quality, shorelands,
11 environmental assessment, administration, and air quality programs;

12 (u) During the 2013-2015 fiscal biennium, actions at the state
13 conservation commission to improve water quality for shellfish;

14 (v) During the 2013-2015 and 2015-2017 fiscal biennia, actions at
15 the University of Washington for reducing ocean acidification;

16 (w) During the 2015-2017 and 2017-2019 fiscal (~~biennium~~)
17 biennia, for the University of Washington Tacoma soil remediation
18 project;

19 (x) For the 2013-2015 fiscal biennium, moneys in the state toxics
20 control account may be spent on projects in section 3160, chapter 19,
21 Laws of 2013 2nd sp. sess. and for transfer to the local toxics
22 control account;

23 (y) For the 2013-2015 fiscal biennium, moneys in the state toxics
24 control account may be transferred to the radioactive mixed waste
25 account; and

26 (z) For the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia,
27 forest practices regulation at the department of natural resources.

28 (4)(a) The department shall use moneys deposited in the local
29 toxics control account for grants or loans to local governments for
30 the following purposes in descending order of priority:

31 (i) Extended grant agreements entered into under (e)(i) of this
32 subsection;

33 (ii) Remedial actions, including planning for adaptive reuse of
34 properties as provided for under (e)(iv) of this subsection. The
35 department must prioritize funding of remedial actions at:

36 (A) Facilities on the department's hazardous sites list with a
37 high hazard ranking for which there is an approved remedial action
38 work plan or an equivalent document under federal cleanup law;

39 (B) Brownfield properties within a redevelopment opportunity zone
40 if the local government is a prospective purchaser of the property

1 and there is a department-approved remedial action work plan or
2 equivalent document under the federal cleanup law;

3 (iii) Storm water pollution source projects that: (A) Work in
4 conjunction with a remedial action; (B) protect completed remedial
5 actions against recontamination; or (C) prevent hazardous clean-up
6 sites;

7 (iv) Hazardous waste plans and programs under chapter 70.105 RCW;

8 (v) Solid waste plans and programs under chapters 70.95, 70.95C,
9 70.95I, and 70.105 RCW;

10 (vi) Petroleum-based plastic or expanded polystyrene foam debris
11 cleanup activities in fresh or marine waters; and

12 (vii) Appropriations to the state toxics control account or the
13 environmental legacy stewardship account created in RCW 70.105D.170,
14 if the legislature determines that priorities for spending exceed
15 available funds in those accounts.

16 (b) Funds for plans and programs must be allocated consistent
17 with the priorities and matching requirements established in chapters
18 70.105, 70.95C, 70.95I, and 70.95 RCW.

19 (c) During the 2013-2015 fiscal biennium, the local toxics
20 control account may also be used for local government storm water
21 planning and implementation activities.

22 (d) During the 2013-2015 fiscal biennium, the legislature may
23 transfer from the local toxics control account to the state general
24 fund, such amounts as reflect the excess fund balance in the account.

25 (e) To expedite cleanups throughout the state, the department may
26 use the following strategies when providing grants to local
27 governments under this subsection:

28 (i) Enter into an extended grant agreement with a local
29 government conducting remedial actions at a facility where those
30 actions extend over multiple biennia and the total eligible cost of
31 those actions exceeds twenty million dollars. The agreement is
32 subject to the following limitations:

33 (A) The initial duration of such an agreement may not exceed ten
34 years. The department may extend the duration of such an agreement
35 upon finding substantial progress has been made on remedial actions
36 at the facility;

37 (B) Extended grant agreements may not exceed fifty percent of the
38 total eligible remedial action costs at the facility; and

39 (C) The department may not allocate future funding to an extended
40 grant agreement unless the local government has demonstrated to the

1 department that funds awarded under the agreement during the previous
2 biennium have been substantially expended or contracts have been
3 entered into to substantially expend the funds;

4 (ii) Enter into a grant agreement with a local government
5 conducting a remedial action that provides for periodic reimbursement
6 of remedial action costs as they are incurred as established in the
7 agreement;

8 (iii) Enter into a grant agreement with a local government prior
9 to it acquiring a property or obtaining necessary access to conduct
10 remedial actions, provided the agreement is conditioned upon the
11 local government acquiring the property or obtaining the access in
12 accordance with a schedule specified in the agreement;

13 (iv) Provide integrated planning grants to local governments to
14 fund studies necessary to facilitate remedial actions at brownfield
15 properties and adaptive reuse of properties following remediation.
16 Eligible activities include, but are not limited to: Environmental
17 site assessments; remedial investigations; health assessments;
18 feasibility studies; site planning; community involvement; land use
19 and regulatory analyses; building and infrastructure assessments;
20 economic and fiscal analyses; and any environmental analyses under
21 chapter 43.21C RCW;

22 (v) Provide grants to local governments for remedial actions
23 related to area-wide groundwater contamination. To receive the
24 funding, the local government does not need to be a potentially
25 liable person or be required to seek reimbursement of grant funds
26 from a potentially liable person;

27 (vi) The director may alter grant matching requirements to create
28 incentives for local governments to expedite cleanups when one of the
29 following conditions exists:

30 (A) Funding would prevent or mitigate unfair economic hardship
31 imposed by the clean-up liability;

32 (B) Funding would create new substantial economic development,
33 public recreational opportunities, or habitat restoration
34 opportunities that would not otherwise occur; or

35 (C) Funding would create an opportunity for acquisition and
36 redevelopment of brownfield property under RCW 70.105D.040(5) that
37 would not otherwise occur;

38 (vii) When pending grant applications under (e)(iv) and (v) of
39 this subsection (4) exceed the amount of funds available, designated

1 redevelopment opportunity zones must receive priority for
2 distribution of available funds.

3 (f) To expedite multiparty clean-up efforts, the department may
4 purchase remedial action cost-cap insurance. For the 2013-2015 fiscal
5 biennium, moneys in the local toxics control account may be spent on
6 projects in sections 3024, 3035, 3036, and 3059, chapter 19, Laws of
7 2013 2nd sp. sess.

8 (5) Except for unanticipated receipts under RCW 43.79.260 through
9 43.79.282, moneys in the state and local toxics control accounts may
10 be spent only after appropriation by statute.

11 (6) No moneys deposited into either the state or local toxics
12 control account may be used for: Natural disasters where there is no
13 hazardous substance contamination; high performance buildings; solid
14 waste incinerator facility feasibility studies, construction,
15 maintenance, or operation; or after January 1, 2010, for projects
16 designed to address the restoration of Puget Sound, funded in a
17 competitive grant process, that are in conflict with the action
18 agenda developed by the Puget Sound partnership under RCW 90.71.310.
19 However, this subsection does not prevent an appropriation from the
20 state toxics control account to the department of revenue to enforce
21 compliance with the hazardous substance tax imposed in chapter 82.21
22 RCW.

23 (7) Except during the 2011-2013 and the 2015-2017 fiscal biennia,
24 one percent of the moneys collected under RCW 82.21.030 shall be
25 allocated only for public participation grants to persons who may be
26 adversely affected by a release or threatened release of a hazardous
27 substance and to not-for-profit public interest organizations. The
28 primary purpose of these grants is to facilitate the participation by
29 persons and organizations in the investigation and remedying of
30 releases or threatened releases of hazardous substances and to
31 implement the state's solid and hazardous waste management
32 priorities. No grant may exceed sixty thousand dollars. Grants may be
33 renewed annually. Moneys appropriated for public participation that
34 are not expended at the close of any biennium revert to the state
35 toxics control account.

36 (8) The department shall adopt rules for grant or loan issuance
37 and performance. To accelerate both remedial action and economic
38 recovery, the department may expedite the adoption of rules necessary
39 to implement chapter 1, Laws of 2013 2nd sp. sess. using the
40 expedited procedures in RCW 34.05.353. The department shall initiate

1 the award of financial assistance by August 1, 2013. To ensure the
2 adoption of rules will not delay financial assistance, the department
3 may administer the award of financial assistance through interpretive
4 guidance pending the adoption of rules through July 1, 2014.

5 (9) Except as provided under subsection (3)(k) and (q) of this
6 section, nothing in chapter 1, Laws of 2013 2nd sp. sess. affects the
7 ability of a potentially liable person to receive public funding.

8 (10) During the 2015-2017 fiscal biennium the local toxics
9 control account may also be used for the centennial clean water
10 program and for the storm water financial assistance program
11 administered by the department of ecology.

12 (11) During the 2017-2019 biennium the state toxics control
13 account, the local toxics control account, and the environmental
14 legacy stewardship account may be used for interchangeable purposes
15 and funds may be transferred between accounts to accomplish those
16 purposes.

17 **Sec. 981.** RCW 71.24.580 and 2016 sp.s. c 29 s 511 are each
18 amended to read as follows:

19 (1) The criminal justice treatment account is created in the
20 state treasury. Moneys in the account may be expended solely for: (a)
21 Substance use disorder treatment and treatment support services for
22 offenders with a substance use disorder that, if not treated, would
23 result in addiction, against whom charges are filed by a prosecuting
24 attorney in Washington state; (b) the provision of substance use
25 disorder treatment services and treatment support services for
26 nonviolent offenders within a drug court program; and (c) the
27 administrative and overhead costs associated with the operation of a
28 drug court. During the 2015-2017 fiscal biennium, the legislature may
29 transfer from the criminal justice treatment account to the state
30 general fund amounts as reflect the state savings associated with the
31 implementation of the medicaid expansion of the federal affordable
32 care act and the excess fund balance of the account. During the
33 2017-2019 fiscal biennium, the legislature may direct the state
34 treasurer to make transfers of moneys in the criminal justice
35 treatment account to the state general fund. It is the intent of the
36 legislature to continue, in future biennia, the policy of
37 transferring to the state general fund such amounts as reflect the
38 excess fund balance of the account. Moneys in the account may be
39 spent only after appropriation.

1 (2) For purposes of this section:

2 (a) "Treatment" means services that are critical to a
3 participant's successful completion of his or her substance use
4 disorder treatment program, but does not include the following
5 services: Housing other than that provided as part of an inpatient
6 substance use disorder treatment program, vocational training, and
7 mental health counseling; and

8 (b) "Treatment support" means transportation to or from inpatient
9 or outpatient treatment services when no viable alternative exists,
10 and child care services that are necessary to ensure a participant's
11 ability to attend outpatient treatment sessions.

12 (3) Revenues to the criminal justice treatment account consist
13 of: (a) Funds transferred to the account pursuant to this section;
14 and (b) any other revenues appropriated to or deposited in the
15 account.

16 (4)(a) For the fiscal year beginning July 1, 2006, and each
17 subsequent fiscal year, the amount transferred shall be increased on
18 an annual basis by the implicit price deflator as published by the
19 federal bureau of labor statistics.

20 (b) In each odd-numbered year, the legislature shall appropriate
21 the amount transferred to the criminal justice treatment account in
22 (a) of this subsection to the department for the purposes of
23 subsection (5) of this section.

24 (5) Moneys appropriated to the department from the criminal
25 justice treatment account shall be distributed as specified in this
26 subsection. The department may retain up to three percent of the
27 amount appropriated under subsection (4)(b) of this section for its
28 administrative costs.

29 (a) Seventy percent of amounts appropriated to the department
30 from the account shall be distributed to counties pursuant to the
31 distribution formula adopted under this section. The division of
32 alcohol and substance abuse, in consultation with the department of
33 corrections, the Washington state association of counties, the
34 Washington state association of drug court professionals, the
35 superior court judges' association, the Washington association of
36 prosecuting attorneys, representatives of the criminal defense bar,
37 representatives of substance use disorder treatment providers, and
38 any other person deemed by the department to be necessary, shall
39 establish a fair and reasonable methodology for distribution to
40 counties of moneys in the criminal justice treatment account. County

1 or regional plans submitted for the expenditure of formula funds must
2 be approved by the panel established in (b) of this subsection.

3 (b) Thirty percent of the amounts appropriated to the department
4 from the account shall be distributed as grants for purposes of
5 treating offenders against whom charges are filed by a county
6 prosecuting attorney. The department shall appoint a panel of
7 representatives from the Washington association of prosecuting
8 attorneys, the Washington association of sheriffs and police chiefs,
9 the superior court judges' association, the Washington state
10 association of counties, the Washington defender's association or the
11 Washington association of criminal defense lawyers, the department of
12 corrections, the Washington state association of drug court
13 professionals, substance use disorder treatment providers, and the
14 division. The panel shall review county or regional plans for funding
15 under (a) of this subsection and grants approved under this
16 subsection. The panel shall attempt to ensure that treatment as
17 funded by the grants is available to offenders statewide.

18 (6) The county alcohol and drug coordinator, county prosecutor,
19 county sheriff, county superior court, a substance abuse treatment
20 provider appointed by the county legislative authority, a member of
21 the criminal defense bar appointed by the county legislative
22 authority, and, in counties with a drug court, a representative of
23 the drug court shall jointly submit a plan, approved by the county
24 legislative authority or authorities, to the panel established in
25 subsection (5)(b) of this section, for disposition of all the funds
26 provided from the criminal justice treatment account within that
27 county. The funds shall be used solely to provide approved alcohol
28 and substance abuse treatment pursuant to RCW 71.24.560, treatment
29 support services, and for the administrative and overhead costs
30 associated with the operation of a drug court.

31 (a) No more than ten percent of the total moneys received under
32 subsections (4) and (5) of this section by a county or group of
33 counties participating in a regional agreement shall be spent on the
34 administrative and overhead costs associated with the operation of a
35 drug court.

36 (b) No more than ten percent of the total moneys received under
37 subsections (4) and (5) of this section by a county or group of
38 counties participating in a regional agreement shall be spent for
39 treatment support services.

1 (7) Counties are encouraged to consider regional agreements and
2 submit regional plans for the efficient delivery of treatment under
3 this section.

4 (8) Moneys allocated under this section shall be used to
5 supplement, not supplant, other federal, state, and local funds used
6 for substance abuse treatment.

7 (9) Counties must meet the criteria established in RCW
8 2.30.030(3).

9 (10) The authority under this section to use funds from the
10 criminal justice treatment account for the administrative and
11 overhead costs associated with the operation of a drug court expires
12 June 30, 2015.

13 **Sec. 982.** RCW 74.13.621 and 2015 3rd sp.s. c 4 s 970 are each
14 amended to read as follows:

15 (1) Within existing resources, the department shall establish an
16 oversight committee to monitor, guide, and report on kinship care
17 recommendations and implementation activities. The committee shall:

18 (a) Draft a kinship care definition that is restricted to persons
19 related by blood, marriage, or adoption, including marriages that
20 have been dissolved, or for a minor defined as an "Indian child"
21 under the federal Indian child welfare act (25 U.S.C. Sec. 1901 et
22 seq.), the definition of "extended family member" under the federal
23 Indian child welfare act, and a set of principles. If the committee
24 concludes that one or more programs or services would be more
25 efficiently and effectively delivered under a different definition of
26 kin, it shall state what definition is needed, and identify the
27 program or service in the report. It shall also provide evidence of
28 how the program or service will be more efficiently and effectively
29 delivered under the different definition. The department shall not
30 adopt rules or policies changing the definition of kin without
31 authorizing legislation;

32 (b) Monitor and provide consultation on the implementation of
33 recommendations contained in the 2002 kinship care report, including
34 but not limited to the recommendations relating to legal and respite
35 care services and resources;

36 (c) Partner with nonprofit organizations and private sector
37 businesses to guide a public education awareness campaign; and

38 (d) Assist with developing future recommendations on kinship care
39 issues.

1 (2) The department shall consult with the oversight committee on
2 its efforts to better collaborate and coordinate services to benefit
3 kinship care families.

4 (3) The oversight committee must consist of a minimum of thirty
5 percent kinship caregivers, who shall represent a diversity of
6 kinship families. Statewide representation with geographic, ethnic,
7 and gender diversity is required. Other members shall include
8 representatives of the department, representatives of relevant state
9 agencies, representatives of the private nonprofit and business
10 sectors, child advocates, representatives of Washington state Indian
11 tribes as defined under the federal Indian welfare act (25 U.S.C.
12 Sec. 1901 et seq.), and representatives of the legal or judicial
13 field. Birth parents, foster parents, and others who have an interest
14 in these issues may also be included.

15 (4) To the extent funding is available, the department may
16 reimburse nondepartmental members of the oversight committee for
17 costs incurred in participating in the meetings of the oversight
18 committee.

19 (5) The kinship care oversight committee shall update the
20 legislature and governor annually on committee activities, with the
21 first update due by January 1, 2006.

22 (6) This section expires June 30, (~~(2017)~~) 2019.

23 **Sec. 983.** RCW 77.12.201 and 2016 sp.s. c 36 s 947 are each
24 amended to read as follows:

25 The legislative authority of a county may elect, by giving
26 written notice to the director and the treasurer prior to January 1st
27 of any year, to obtain for the following year an amount in lieu of
28 real property taxes on game lands as provided in RCW 77.12.203. Upon
29 the election, the county shall keep a record of all fines,
30 forfeitures, reimbursements, and costs assessed and collected, in
31 whole or in part, under this title for violations of law or rules
32 adopted pursuant to this title, with the exception of the
33 (~~(2011-2013, 2013-2015[,] and)~~) 2015-2017 and 2017-2019 fiscal
34 biennia, and shall monthly remit an amount equal to the amount
35 collected to the state treasurer for deposit in the state general
36 fund. The election shall continue until the department is notified
37 differently prior to January 1st of any year.

1 **Sec. 984.** RCW 77.12.203 and 2015 3rd sp.s. c 4 s 971 are each
2 amended to read as follows:

3 (1) Except as provided in subsection (5) of this section and
4 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
5 director must pay by April 30th of each year on game lands,
6 regardless of acreage, in each county, if requested by an election
7 under RCW 77.12.201, an amount in lieu of real property taxes equal
8 to that amount paid on similar parcels of open space land taxable
9 under chapter 84.34 RCW or the greater of seventy cents per acre per
10 year or the amount paid in 1984 plus an additional amount for control
11 of noxious weeds equal to that which would be paid if such lands were
12 privately owned. This amount may not be assessed or paid on
13 department buildings, structures, facilities, game farms, fish
14 hatcheries, water access sites, tidelands, or public fishing areas.

15 (2) "Game lands," as used in this section and RCW 77.12.201,
16 means those tracts, regardless of acreage, owned in fee by the
17 department and used for wildlife habitat and public recreational
18 purposes. All lands purchased for wildlife habitat, public access, or
19 recreation purposes with federal funds in the Snake River drainage
20 basin are considered game lands regardless of acreage.

21 (3) This section does not apply to lands transferred after April
22 23, 1990, to the department from other state agencies.

23 (4) The county must distribute the amount received under this
24 section in lieu of real property taxes to all property taxing
25 districts except the state in appropriate tax code areas the same way
26 it would distribute local property taxes from private property. The
27 county must distribute the amount received under this section for
28 weed control to the appropriate weed district.

29 (5) For the 2013-2015 and 2015-2017 fiscal biennia, the director
30 must pay by April 30th of each year on game lands in each county, if
31 requested by an election under RCW 77.12.201, an amount in lieu of
32 real property taxes and must be distributed as follows:

33 **County**

34	Adams.....	1,909
35	Asotin.....	36,123
36	Chelan.....	24,757
37	Columbia.....	7,795
38	Ferry.....	6,781

1	Garfield.....	4,840
2	Grant.....	37,443
3	Kittitas.....	143,974
4	Klickitat.....	21,906
5	Lincoln.....	13,535
6	Okanogan.....	151,402
7	Pend Oreille.....	3,309
8	Yakima.....	126,225

9 These amounts may not be assessed or paid on department buildings,
10 structures, facilities, game farms, fish hatcheries, water access
11 sites, tidelands, or public fishing areas.

12 (6) For the 2017-2019 fiscal biennium, the director must pay by
13 April 30th of each year on game lands in each county, if requested by
14 an election under RCW 77.12.201, an amount in lieu of real property
15 taxes and must be distributed as follows:

16	<u>County</u>	
17	<u>Adams.....</u>	<u>1,235</u>
18	<u>Asotin.....</u>	<u>26,425</u>
19	<u>Chelan.....</u>	<u>39,858</u>
20	<u>Columbia.....</u>	<u>20,713</u>
21	<u>Ferry.....</u>	<u>22,798</u>
22	<u>Garfield.....</u>	<u>12,744</u>
23	<u>Grant.....</u>	<u>71,930</u>
24	<u>Kittitas.....</u>	<u>382,638</u>
25	<u>Klickitat.....</u>	<u>51,019</u>
26	<u>Lincoln.....</u>	<u>13,000</u>
27	<u>Okanogan.....</u>	<u>264,036</u>
28	<u>Pend Oreille.....</u>	<u>5,546</u>
29	<u>Yakima.....</u>	<u>186,056</u>

30 These amounts may not be assessed or paid on department buildings,
31 structures, facilities, game farms, fish hatcheries, water access
32 sites, tidelands, or public fishing areas.

1 **Sec. 985.** RCW 79.64.040 and 2015 3rd sp.s. c 4 s 972 are each
2 amended to read as follows:

3 (1) The board shall determine the amount deemed necessary in
4 order to achieve the purposes of this chapter and shall provide by
5 rule for the deduction of this amount from the moneys received from
6 all leases, sales, contracts, licenses, permits, easements, and
7 rights-of-way issued by the department and affecting state lands and
8 aquatic lands, provided that no deduction shall be made from the
9 proceeds from agricultural college lands.

10 (2) Moneys received as deposits from successful bidders, advance
11 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
12 prior to December 1, 1981, which have not been subjected to deduction
13 under this section are not subject to deduction under this section.

14 (3) Except as otherwise provided in subsection (5) of this
15 section, the deductions authorized under this section shall not
16 exceed twenty-five percent of the moneys received by the department
17 in connection with any one transaction pertaining to state lands and
18 aquatic lands other than second-class tide and shore lands and the
19 beds of navigable waters, and fifty percent of the moneys received by
20 the department pertaining to second-class tide and shore lands and
21 the beds of navigable waters.

22 (4) In the event that the department sells logs using the
23 contract harvesting process described in RCW 79.15.500 through
24 79.15.530, the moneys received subject to this section are the net
25 proceeds from the contract harvesting sale.

26 (5) (~~During the 2013-2015 fiscal biennium, the twenty-five~~
27 ~~percent limitation on deductions set in subsection (3) of this~~
28 ~~section may be increased up to thirty percent by the board.)) During
29 the 2015-2017 and 2017-2019 fiscal ((~~biennium~~)) biennia, the board
30 may increase the twenty-five percent limitation up to thirty-two
31 percent.~~

32 **Sec. 986.** RCW 79.64.110 and 2015 3rd sp.s. c 4 s 973 are each
33 amended to read as follows:

34 (1) Any moneys derived from the lease of state forestlands or
35 from the sale of valuable materials, oils, gases, coal, minerals, or
36 fossils from those lands, or the appraised value of these resources
37 when transferred to a public agency under RCW 79.22.060, except as
38 provided in RCW 79.22.060(4), must be distributed as follows:

1 (a) For state forestlands acquired through RCW 79.22.040 or by
2 exchange for lands acquired through RCW 79.22.040:

3 (i) The expense incurred by the state for administration,
4 reforestation, and protection, not to exceed twenty-five percent,
5 which rate of percentage shall be determined by the board, must be
6 returned to the forest development account created in RCW 79.64.100.
7 During the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia, the
8 board may increase the twenty-five percent limitation up to twenty-
9 seven percent.

10 (ii) Any balance remaining must be paid to the county in which
11 the land is located or, for counties participating in a land pool
12 created under RCW 79.22.140, to each participating county
13 proportionate to its contribution of asset value to the land pool as
14 determined by the board. Payments made under this subsection are to
15 be paid, distributed, and prorated, except as otherwise provided in
16 this section, to the various funds in the same manner as general
17 taxes are paid and distributed during the year of payment.

18 (iii) Any balance remaining, paid to a county with a population
19 of less than sixteen thousand, must first be applied to the reduction
20 of any indebtedness existing in the current expense fund of the
21 county during the year of payment.

22 (iv) With regard to moneys remaining under this subsection
23 (1)(a), within seven working days of receipt of these moneys, the
24 department shall certify to the state treasurer the amounts to be
25 distributed to the counties. The state treasurer shall distribute
26 funds to the counties four times per month, with no more than ten
27 days between each payment date.

28 (b) For state forestlands acquired through RCW 79.22.010 or by
29 exchange for lands acquired through RCW 79.22.010, except as provided
30 in RCW 79.64.120:

31 (i) Fifty percent shall be placed in the forest development
32 account.

33 (ii) Fifty percent shall be prorated and distributed to the state
34 general fund, to be dedicated for the benefit of the public schools,
35 to the county in which the land is located or, for counties
36 participating in a land pool created under RCW 79.22.140, to each
37 participating county proportionate to its contribution of asset value
38 to the land pool as determined by the board, and according to the
39 relative proportions of tax levies of all taxing districts in the
40 county. The portion to be distributed to the state general fund shall

1 be based on the regular school levy rate under RCW 84.52.065 and the
2 levy rate for any maintenance and operation special school levies.
3 With regard to the portion to be distributed to the counties, the
4 department shall certify to the state treasurer the amounts to be
5 distributed within seven working days of receipt of the money. The
6 state treasurer shall distribute funds to the counties four times per
7 month, with no more than ten days between each payment date. The
8 money distributed to the county must be paid, distributed, and
9 prorated to the various other funds in the same manner as general
10 taxes are paid and distributed during the year of payment.

11 (2) A school district may transfer amounts deposited in its debt
12 service fund pursuant to this section into its capital projects fund
13 as authorized in RCW 28A.320.330.

14 **Sec. 987.** RCW 79.105.150 and 2015 3rd sp.s. c 4 s 974 are each
15 amended to read as follows:

16 (1) After deduction for management costs as provided in RCW
17 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
18 received by the state from the sale or lease of state-owned aquatic
19 lands and from the sale of valuable material from state-owned aquatic
20 lands shall be deposited in the aquatic lands enhancement account
21 which is hereby created in the state treasury. After appropriation,
22 these funds shall be used solely for aquatic lands enhancement
23 projects; for the purchase, improvement, or protection of aquatic
24 lands for public purposes; for providing and improving access to the
25 lands; and for volunteer cooperative fish and game projects. During
26 the 2013-2015 ~~((and))~~, 2015-2017, and 2017-2019 fiscal biennia, the
27 aquatic lands enhancement account may be used to support the
28 shellfish program, the ballast water program, hatcheries, the Puget
29 Sound toxic sampling program and steelhead mortality research at the
30 department of fish and wildlife, the knotweed program at the
31 department of agriculture, actions at the University of Washington
32 for reducing ocean acidification, which may include the creation of a
33 center on ocean acidification, ~~((and))~~ the Puget SoundCorps program,
34 and support of the marine resource advisory council and the
35 Washington coastal marine advisory council. During the 2013-2015
36 fiscal biennium, the legislature may transfer from the aquatic lands
37 enhancement account to the geoduck aquaculture research account for
38 research related to shellfish aquaculture. During the 2015-2017
39 fiscal biennium, the legislature may transfer moneys from the aquatic

1 lands enhancement account to the marine resources stewardship trust
2 account.

3 (2) In providing grants for aquatic lands enhancement projects,
4 the recreation and conservation funding board shall:

5 (a) Require grant recipients to incorporate the environmental
6 benefits of the project into their grant applications;

7 (b) Utilize the statement of environmental benefits,
8 consideration, except as provided in RCW 79.105.610, of whether the
9 applicant is a Puget Sound partner, as defined in RCW 90.71.010,
10 whether a project is referenced in the action agenda developed by the
11 Puget Sound partnership under RCW 90.71.310, and except as otherwise
12 provided in RCW 79.105.630, and effective one calendar year following
13 the development and statewide availability of model evergreen
14 community management plans and ordinances under RCW 35.105.050,
15 whether the applicant is an entity that has been recognized, and what
16 gradation of recognition was received, in the evergreen community
17 recognition program created in RCW 35.105.030 in its prioritization
18 and selection process; and

19 (c) Develop appropriate outcome-focused performance measures to
20 be used both for management and performance assessment of the grants.

21 (3) To the extent possible, the department should coordinate its
22 performance measure system with other natural resource-related
23 agencies as defined in RCW 43.41.270.

24 (4) The department shall consult with affected interest groups in
25 implementing this section.

26 (5) After January 1, 2010, any project designed to address the
27 restoration of Puget Sound may be funded under this chapter only if
28 the project is not in conflict with the action agenda developed by
29 the Puget Sound partnership under RCW 90.71.310.

30 **Sec. 988.** RCW 79A.80.090 and 2016 sp.s. c 36 s 948 are each
31 amended to read as follows:

32 (1) The recreation access pass account is created in the state
33 treasury. All moneys received from the sale of discover passes and
34 day-use permits must be deposited into the account.

35 (2) Each fiscal biennium, the first seventy-one million dollars
36 in revenue must be distributed to the agencies in the following
37 manner:

38 (a) Eight percent to the department of fish and wildlife and
39 deposited into the state wildlife account created in RCW 77.12.170;

1 (b) Eight percent to the department of natural resources and
2 deposited into the parkland trust revolving fund created in RCW
3 43.30.385;

4 (c) Eighty-four percent to the state parks and recreation
5 commission and deposited into the state parks renewal and stewardship
6 account created in RCW 79A.05.215;

7 (d) During the 2015-2017 fiscal biennium, expenditures from the
8 recreation access pass account may be used for Skamania county court
9 costs (~~and~~). During the 2015-2017 and 2017-2019 fiscal biennia,
10 expenditures from the recreation access pass account may be used for
11 the state parks and recreation commission, in partnership with the
12 departments of fish and wildlife and natural resources, to develop
13 options and recommendations to improve recreational access fee
14 systems.

15 (3) Each fiscal biennium, revenues in excess of seventy-one
16 million dollars must be distributed equally among the agencies to the
17 accounts identified in subsection (2) of this section.

18 **Sec. 989.** RCW 82.19.040 and 2015 c 15 s 5 are each amended to
19 read as follows:

20 (1) To the extent applicable, all of the definitions of chapter
21 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the
22 tax imposed in this chapter.

23 (2) Until June 30, (~~2017~~) 2019, taxes collected under this
24 chapter shall be distributed as follows: (a) Five million dollars per
25 fiscal year must be deposited in equal monthly amounts to the state
26 parks renewal and stewardship account under RCW 79A.05.215; and (b)
27 the remainder to the waste reduction, recycling, and litter control
28 account under RCW 70.93.180.

29 **Sec. 990.** RCW 82.19.040 and 2015 c 15 s 6 are each amended to
30 read as follows:

31 (1) To the extent applicable, all of the definitions of chapter
32 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the
33 tax imposed in this chapter.

34 (2) Beginning June 30, (~~2017~~) 2019, taxes collected under this
35 chapter shall be deposited in the waste reduction, recycling, and
36 litter control account under RCW 70.93.180.

1 **Sec. 991.** RCW 83.100.230 and 2015 3rd sp.s. c 4 s 977 are each
2 amended to read as follows:

3 The education legacy trust account is created in the state
4 treasury. Money in the account may be spent only after appropriation.
5 Expenditures from the account may be used only for support of the
6 common schools, and for expanding access to higher education through
7 funding for new enrollments and financial aid, and other educational
8 improvement efforts. During the 2015-2017 (~~biennium~~) and 2017-2019
9 fiscal biennia appropriations from the account may be made for
10 support of early learning programs. It is the intent of the
11 legislature that this policy will be continued in subsequent fiscal
12 biennia.

13 **Sec. 992.** 2013 2nd sp.s. c 15 s 8 (uncodified) is amended to
14 read as follows:

15 Sections 5 (~~through~~) and 6 of this act expire June 30, 2019.
16 Section 7 of this act expires June 30, 2017.

17 **Sec. 993.** 2015 c 15 s 8 (uncodified) is amended to read as
18 follows:

19 Sections 2 and 5 of this act expire June 30, (~~2017~~) 2019.

20 **Sec. 994.** 2015 c 15 s 9 (uncodified) is amended to read as
21 follows:

22 Sections 3 and 6 of this act take effect June 30, (~~2017~~) 2019.

23 **Sec. 995.** 2017 c 313 s 201 (uncodified) is amended to read as
24 follows:

25 **FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION**

26 Highway Safety Account—State Appropriation	\$4,266,000
27 Highway Safety Account—Federal Appropriation	\$22,048,000
28 Highway Safety Account—Private/Local Appropriation	\$118,000
29 School Zone Safety Account—State Appropriation	\$850,000
30 TOTAL APPROPRIATION.	\$27,282,000

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

33 (1) \$100,000 of the highway safety account—state appropriation is
34 provided solely for the implementation of chapter 324, Laws of 2017
35 (Substitute Senate Bill No. 5402)(~~(, Laws of 2017)~~) (bicyclist safety

1 advisory council). (~~(If chapter . . . (Substitute Senate Bill No.~~
2 ~~5402), Laws of 2017 is not enacted by June 30, 2017, the amount~~
3 ~~provided in this subsection lapses.))~~

4 (2) \$1,000,000 of the highway safety account—state appropriation
5 is provided solely for the implementation of section 13(4), chapter
6 (~~(Senate Bill No. 5037), Laws of 2017 (DUI fourth offense). If~~
7 ~~chapter (Senate Bill No. 5037), Laws of 2017 is not enacted by June~~
8 ~~30, 2017, the amount in this subsection lapses))~~ 336, Laws of 2017
9 (Engrossed Second Substitute House Bill No. 1614)(impaired driving).

10 The funding is provided for grants to organizations that seek to
11 reduce driving under the influence of drugs and alcohol and for
12 administering the program. \$108,806 of the amount provided in this
13 subsection is for the commission to cover the costs associated with
14 administering the grant program. The funding provided in this
15 subsection is contingent on the availability of funds raised by the
16 (~~(blood alcohol content test))~~ fee, described in section 13(4),
17 chapter 336, Laws of 2017 (Engrossed Second Substitute House Bill No.
18 1614)(impaired driving), sufficient to cover the costs of
19 administering the program(~~(, as provided in section 705 of this~~
20 ~~act))~~).

21 **Sec. 996.** RCW 39.26.200 and 2015 c 44 s 1 are each amended to
22 read as follows:

23 (1)(a) The director shall provide notice to the contractor of the
24 director's intent to either fine or debar with the specific reason
25 for either the fine or debarment. The department must establish the
26 debarment and fining processes by rule.

27 (b) After reasonable notice to the contractor and reasonable
28 opportunity for that contractor to be heard, the director has the
29 authority to debar a contractor for cause from consideration for
30 award of contracts. The debarment must be for a period of not more
31 than three years.

32 (2) The director may either fine or debar a contractor based on a
33 finding of one or more of the following causes:

34 (a) Conviction for commission of a criminal offense as an
35 incident to obtaining or attempting to obtain a public or private
36 contract or subcontract, or in the performance of such contract or
37 subcontract;

38 (b) Conviction or a final determination in a civil action under
39 state or federal statutes of fraud, embezzlement, theft, forgery,

1 bribery, falsification or destruction of records, receiving stolen
2 property, violation of the federal false claims act, 31 U.S.C. Sec.
3 3729 et seq., or the state medicaid fraud false claims act, chapter
4 74.66 RCW, or any other offense indicating a lack of business
5 integrity or business honesty that currently, seriously, and directly
6 affects responsibility as a state contractor;

7 (c) Conviction under state or federal antitrust statutes arising
8 out of the submission of bids or proposals;

9 (d) Two or more violations within the previous five years of the
10 federal labor relations act as determined by the national labor
11 relations board or court of competent jurisdiction;

12 (e) Violation of contract provisions, as set forth in this
13 subsection, of a character that is regarded by the director to be so
14 serious as to justify debarment action:

15 (i) Deliberate failure without good cause to perform in
16 accordance with the specifications or within the time limit provided
17 in the contract; or

18 (ii) A recent record of failure to perform or of unsatisfactory
19 performance in accordance with the terms of one or more contracts,
20 however the failure to perform or unsatisfactory performance caused
21 by acts beyond the control of the contractor may not be considered to
22 be a basis for debarment;

23 (f) Violation of ethical standards set forth in RCW 39.26.020;
24 ((and))

25 (g) Any other cause the director determines to be so serious and
26 compelling as to affect responsibility as a state contractor,
27 including debarment by another governmental entity for any cause
28 listed in regulations; and

29 (h) During the 2017-2019 fiscal biennium, the failure to comply
30 with a provision in a state master contract or other agreement with a
31 state agency that requires equality among its workers by ensuring
32 similarly employed individuals are compensated as equals.

33 (3) The director must issue a written decision to debar. The
34 decision must:

35 (a) State the reasons for the action taken; and

36 (b) Inform the debarred contractor of the contractor's rights to
37 judicial or administrative review.

38 **Sec. 997.** RCW 79A.25.210 and 2007 c 241 s 54 are each amended to
39 read as follows:

1 The firearms range account is hereby created in the state general
2 fund. Moneys in the account shall be subject to legislative
3 appropriation and shall be used for purchase and development of land,
4 construction or improvement of range facilities, including fixed
5 structure construction or remodeling, equipment purchase, safety or
6 environmental improvements, noise abatement, and liability protection
7 for public and nonprofit firearm range training and practice
8 facilities.

9 Grant funds shall not be used for expendable shooting supplies,
10 or normal operating expenses. In making grants, the board shall give
11 priority to projects for noise abatement or safety improvement. Grant
12 funds shall not supplant funds for other organization programs.

13 The funds will be available to nonprofit shooting organizations,
14 school districts, and state, county, or local governments on a match
15 basis. All entities receiving matching funds must be open on a
16 regular basis and usable by law enforcement personnel or the general
17 public who possess Washington concealed pistol licenses or Washington
18 hunting licenses or who are enrolled in a firearm safety class.

19 Applicants for a grant from the firearms range account shall
20 provide matching funds in either cash or in-kind contributions. The
21 match must represent one dollar in value for each one dollar of the
22 grant except that in the case of a grant for noise abatement or
23 safety improvements the match must represent one dollar in value for
24 each two dollars of the grant. In-kind contributions include but are
25 not limited to labor, materials, and new property. Existing assets
26 and existing development may not apply to the match.

27 Applicants other than school districts or local or state
28 government must be registered as a nonprofit or not-for-profit
29 organization with the Washington secretary of state. The
30 organization's articles of incorporation must contain provisions for
31 the organization's structure, officers, legal address, and registered
32 agent.

33 Organizations requesting grants must provide the hours of range
34 availability for public and law enforcement use. The fee structure
35 will be submitted with the grant application.

36 Any nonprofit organization or agency accepting a grant under this
37 program will be required to pay back the entire grant amount to the
38 firearms range account if the use of the range facility is
39 discontinued less than ten years after the grant is accepted.

1 Entities receiving grants must make the facilities for which
2 grant funding is received open for hunter safety education classes
3 and firearm safety classes on a regular basis for no fee.

4 Government units or school districts applying for grants must
5 open their range facility on a regular basis for hunter safety
6 education classes and firearm safety classes.

7 The board shall adopt rules to implement chapter 195, Laws of
8 1990, pursuant to chapter 34.05 RCW. During the 2017-2019 fiscal
9 biennium, expenditures from the firearms range account may be used to
10 implement chapter 74, Laws of 2017 (SHB 1100) (concealed pistol
11 licenses) and chapter 282, Laws of 2017 (SB 5268) (concealed pistol
12 license notices).

13 NEW SECTION. Sec. 998. Section 990 (RCW 82.19.040) of this act
14 takes effect June 30, 2019.

15 NEW SECTION. Sec. 999. Section 989 (RCW 82.19.040) of this act
16 expires June 30, 2019.

(End of part)

PART XI
GENERAL GOVERNMENT

Sec. 1101. 2016 sp.s. c 36 s 112 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2016)	\$17,000,000
General Fund—State Appropriation (FY 2017)	(\$17,311,000)
	<u>\$17,353,000</u>
TOTAL APPROPRIATION	(\$34,311,000)
	<u>\$34,353,000</u>

Sec. 1102. 2016 sp.s. c 36 s 113 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2016)	\$56,244,000
General Fund—State Appropriation (FY 2017)	(\$56,764,000)
	<u>\$56,840,000</u>
General Fund—Federal Appropriation	\$2,154,000
General Fund—Private/Local Appropriation	\$667,000
Judicial Information Systems Account—State Appropriation	\$56,772,000
Judicial Stabilization Trust Account—State Appropriation	\$6,691,000
TOTAL APPROPRIATION	(\$178,708,000)
	<u>\$179,368,000</u>

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

(1) \$878,000 of the general fund—state appropriation for fiscal year 2016, \$878,000 of the general fund—state appropriation for fiscal year 2017, and \$6,784,000 of the judicial information systems account—state appropriation are provided solely for the information network hub project.

(2) \$516,000 of the judicial information systems account—state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades.

(3) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate

1 reimbursement for costs for any new programs or increased level of
2 service for purposes of RCW 43.135.060.

3 (4) \$1,849,000 of the judicial information systems account—state
4 appropriation is provided solely for replacing computer equipment at
5 state courts and state judicial agencies.

6 (5) \$1,399,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$1,399,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for school districts for
9 petitions to juvenile court for truant students as provided in RCW
10 28A.225.030 and 28A.225.035. The administrator for the courts shall
11 develop an interagency agreement with the superintendent of public
12 instruction to allocate the funding provided in this subsection.
13 Allocation of this money to school districts shall be based on the
14 number of petitions filed. This funding includes amounts school
15 districts may expend on the cost of serving petitions filed under RCW
16 28A.225.030 by certified mail or by personal service or for the
17 performance of service of process for any hearing associated with RCW
18 28A.225.030.

19 (6)(a) \$7,313,000 of the general fund—state appropriation for
20 fiscal year 2016 and \$7,313,000 of the general fund—state
21 appropriation for fiscal year 2017 are provided solely for
22 distribution to county juvenile court administrators to fund the
23 costs of processing truancy, children in need of services, and at-
24 risk youth petitions. The administrator for the courts, in
25 conjunction with the juvenile court administrators, shall develop an
26 equitable funding distribution formula. The formula shall neither
27 reward counties with higher than average per-petition processing
28 costs nor shall it penalize counties with lower than average per-
29 petition processing costs.

30 (b) Each fiscal year during the 2015-2017 fiscal biennium, each
31 county shall report the number of petitions processed and the total
32 actual costs of processing truancy, children in need of services, and
33 at-risk youth petitions. Counties shall submit the reports to the
34 administrator for the courts no later than 45 days after the end of
35 the fiscal year. The administrator for the courts shall
36 electronically transmit this information to the chairs and ranking
37 minority members of the house of representatives and senate fiscal
38 committees no later than 60 days after a fiscal year ends. These

1 reports are deemed informational in nature and are not for the
2 purpose of distributing funds.

3 (7) \$584,000 of the judicial information systems account—state
4 appropriation is provided solely for the content management system
5 for the appellate courts.

6 (8) \$200,000 of the general fund—state appropriation for fiscal
7 year 2016 is provided solely for the office of public guardianship
8 for the purpose of providing guardianship services to low income and
9 indigent alleged or actual incapacitated persons who were receiving
10 services on July 10, 2013.

11 (9) \$118,000 of the judicial information systems account—state
12 appropriation for fiscal year 2016 is provided solely for
13 implementation of chapter 287, Laws of 2015 (Engrossed House Bill No.
14 1943).

15 (10) \$75,000 of the general fund—state appropriation for fiscal
16 year 2016 is provided solely for the planning and design of a
17 dependency court improvement demonstration program. The plan must be
18 developed jointly with the one family one team public private
19 partnership, with a private cash match of \$75,000. If the cash match
20 is not available by August 1, 2015, the administrative office of the
21 courts will not be required to complete the planning and design of a
22 dependency court improvement demonstration program. By January 1,
23 2016, the public private partnership shall provide to the appropriate
24 committees of the legislature the program design, including ongoing
25 administrative funding, and a statement of the public and private
26 funding required in order to provide demonstration grants to up to
27 four counties.

28 (11) \$6,080,000 of the judicial information systems account—state
29 appropriation for fiscal year 2016 is provided solely for continued
30 implementation of the superior court case management system project.

31 (12) \$7,010,000 of the judicial information systems account—state
32 appropriation for fiscal year 2017 is provided solely for continued
33 implementation of the superior court case management system. The
34 steering committee for the superior court case management system, the
35 office of administrator of the courts, and county clerks shall work
36 with the case management system vendor to develop cost estimates for
37 modifications to the superior court case management system to address
38 security and document management concerns raised by county clerks. If
39 the cost estimates are not provided to the fiscal committees of the

1 legislature by January 1, 2016, the amounts provided in this
2 subsection shall lapse. Furthermore, the amounts provided in this
3 subsection shall lapse if the superior court case management system
4 is not live and fully functional in Franklin, Thurston, and Yakima
5 counties by February 1, 2016.

6 (13) The existing steering committee for the superior court case
7 management system shall continue oversight responsibilities
8 throughout the various phases of the project to include, but not be
9 limited to, vendor management, contract and deliverable management,
10 assuring reasonable satisfaction of the business and technical needs
11 at the local level, receipt of stakeholder feedback, and
12 communication between the various stakeholder groups and the judicial
13 information systems committee. Issues of significant scope, schedule
14 or budget changes, and risk mitigation strategies must be escalated
15 to the judicial information systems committee for consideration. In
16 the event that a majority of the steering committee members cannot
17 reach a decision, the issue must be escalated to the judicial
18 information systems committee for consideration. The superior court
19 case management system project steering committee may solicit input
20 from user groups as deemed appropriate.

21 (14) The courts of limited jurisdiction case management system
22 (CLJ-CMS) replacement project shall be guided by a project steering
23 committee to provide project oversight throughout the various phases
24 of the project to include, but not be limited to, vendor management,
25 contract and deliverable management, assuring reasonable satisfaction
26 of the business and technical needs at the local level, receipt of
27 stakeholder feedback, and communication between the various
28 stakeholder groups and the judicial information systems committee.
29 The project steering committee shall be comprised of three members
30 from the administrative office of the courts, two members from the
31 district and municipal court judges association, three members from
32 the district and municipal court management association, and two
33 members from the misdemeanor corrections association. Issues of
34 significant scope, schedule or budget changes, and risk mitigation
35 strategies must be escalated to the judicial information systems
36 committee for consideration. In the event that a majority of the
37 project steering committee members cannot reach a decision, the issue
38 must be escalated to the judicial information systems committee for
39 consideration. The courts of limited jurisdiction case management

1 system replacement project steering committee may solicit input from
2 user groups as deemed appropriate.

3 (15) \$3,789,000 of the judicial information systems account—state
4 appropriation is provided solely for preparation and procurement
5 activities related to the courts of limited jurisdiction case
6 management system (CLJ-CMS) replacement project. The appropriations
7 are further conditioned that the CLJ-CMS replacement project be
8 funded entirely from judicial information system account funds in
9 future biennia. The amounts provided in this subsection for the CLJ-
10 CMS replacement project shall not be expended prior to January 1,
11 2016. In addition, if the following activities are not complete by
12 the dates provided, no further funds appropriated in this subsection
13 shall be expended on the CLJ-CMS replacement project.

14 (a) Beginning April 1, 2016, and each calendar quarter
15 thereafter, quality assurance reports for the CLJ-CMS replacement
16 project shall be provided to the office of chief information officer
17 for review and for posting on its information technology project
18 dashboard.

19 (b) No later than July 1, 2016, the CLJ-CMS replacement project
20 steering committee shall provide a report to the legislature on the
21 status of the procurement process for a CLJ-CMS replacement project,
22 including an affirmation that the project is designed to meet the
23 business processes and requirements of all thirty-nine counties. In
24 addition, the report shall include a statement from each court of
25 limited jurisdiction of its intended use of the new CLJ-CMS.

26 (c) No later than January 1, 2017, the judicial information
27 system committee must approve the publication of a request for
28 proposal for the CLJ-CMS replacement project.

29 (d) Prior to any CLJ-CMS replacement project steering committee
30 recommendation to the judicial information system committee of a
31 preferred vendor and prior to the selection of an apparently
32 successful vendor, the office of chief information officer must be
33 allowed to review vendor submittals in response to the request for
34 proposal. To better inform its selection, the office of chief
35 information officer must provide to the CLJ-CMS replacement project
36 steering committee an evaluation each vendor's proposed technology
37 solution assessing its architecture, security, vendor experience and
38 qualifications, project risks and risk management, and whether the
39 technology solution represents the best value.

1 **Sec. 1103.** 2016 sp.s. c 36 s 114 (uncodified) is amended to read
2 as follows:

3 **FOR THE OFFICE OF PUBLIC DEFENSE**

4	General Fund—State Appropriation (FY 2016).	\$37,558,000
5	General Fund—State Appropriation (FY 2017).	(\$37,809,000)
6		<u>\$38,290,000</u>
7	Judicial Stabilization Trust Account—State	
8	Appropriation.	\$3,648,000
9	TOTAL APPROPRIATION.	(\$79,015,000)
10		<u>\$79,496,000</u>

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

13 (1) The amounts provided include funding for expert and
14 investigative services in death penalty personal restraint petitions.

15 (2) \$924,000 of the general fund—state appropriation for fiscal
16 year 2016 and \$462,000 of the general fund—state appropriation for
17 fiscal year 2017 are provided solely for parents representation
18 program costs related to increased parental rights termination
19 filings from the department of social and health services permanency
20 initiative.

21 (3) \$451,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$915,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely to increase payments for
24 attorneys who contract with the office for indigent defense
25 representation.

26 (4) \$900,000 of the general fund—state appropriation for fiscal
27 year 2016 and \$900,000 of the general fund—state appropriation for
28 fiscal year 2017 are provided solely for the purpose of improving the
29 quality of trial court public defense services.

30 (5) \$245,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$320,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely to implement chapter 117, Laws
33 of 2015 (Second Substitute Senate Bill No. 5486). Funds must be used
34 to maintain the current programs in Grays Harbor/Pacific, King,
35 Kitsap, Pierce, Snohomish, Spokane, and Thurston/Mason counties;
36 expand services in three of these locations; provide for program
37 administration; and to fund the first stage of an evaluation of the
38 program to determine if the parents for parents program can be
39 considered evidence-based.

1 **Sec. 1104.** 2016 sp.s. c 36 s 117 (uncodified) is amended to read
2 as follows:

3 **FOR THE LIEUTENANT GOVERNOR**

4	General Fund—State Appropriation (FY 2016).	\$636,000
5	General Fund—State Appropriation (FY 2017).	(\$656,000)
6		<u>\$721,000</u>
7	General Fund—Private/Local Appropriation.	\$90,000
8	TOTAL APPROPRIATION.	(\$1,382,000)
9		<u>\$1,447,000</u>

10 **Sec. 1105.** 2016 sp.s. c 36 s 119 (uncodified) is amended to read
11 as follows:

12 **FOR THE SECRETARY OF STATE**

13	General Fund—State Appropriation (FY 2016).	\$25,956,000
14	General Fund—State Appropriation (FY 2017).	(\$12,956,000)
15		<u>\$13,206,000</u>
16	General Fund—Federal Appropriation.	\$7,576,000
17	Public Records Efficiency, Preservation, and Access	
18	Account—State Appropriation.	\$8,807,000
19	Charitable Organization Education Account—State	
20	Appropriation.	\$671,000
21	Local Government Archives Account—State	
22	Appropriation.	\$9,147,000
23	Election Account—Federal Appropriation.	\$4,387,000
24	Washington State Heritage Center Account—State	
25	Appropriation.	\$9,823,000
26	TOTAL APPROPRIATION.	(\$79,323,000)
27		<u>\$79,573,000</u>

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

30 (1) \$3,301,000 of the general fund—state appropriation for fiscal
31 year 2016 is provided solely to reimburse counties for the state's
32 share of primary and general election costs and the costs of
33 conducting mandatory recounts on state measures. Counties shall be
34 reimbursed only for those odd-year election costs that the secretary
35 of state validates as eligible for reimbursement.

36 (2)(a) \$2,682,000 of the general fund—state appropriation for
37 fiscal year 2016 and \$2,761,000 of the general fund—state
38 appropriation for fiscal year 2017 are provided solely for

1 contracting with a nonprofit organization to produce gavel-to-gavel
2 television coverage of state government deliberations and other
3 events of statewide significance during the 2015-2017 fiscal
4 biennium. The funding level for each year of the contract shall be
5 based on the amount provided in this subsection. The nonprofit
6 organization shall be required to raise contributions or commitments
7 to make contributions, in cash or in kind, in an amount equal to
8 forty percent of the state contribution. The office of the secretary
9 of state may make full or partial payment once all criteria in this
10 subsection have been satisfactorily documented.

11 (b) The legislature finds that the commitment of on-going funding
12 is necessary to ensure continuous, autonomous, and independent
13 coverage of public affairs. For that purpose, the secretary of state
14 shall enter into a contract with the nonprofit organization to
15 provide public affairs coverage.

16 (c) The nonprofit organization shall prepare an annual
17 independent audit, an annual financial statement, and an annual
18 report, including benchmarks that measure the success of the
19 nonprofit organization in meeting the intent of the program.

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

23 (i) Attempting to influence the passage or defeat of any
24 legislation by the legislature of the state of Washington, by any
25 county, city, town, or other political subdivision of the state of
26 Washington, or by the congress, or the adoption or rejection of any
27 rule, standard, rate, or other legislative enactment of any state
28 agency;

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

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

32 (3) Any reductions to funding for the Washington talking book and
33 Braille library may not exceed in proportion any reductions taken to
34 the funding for the library as a whole.

35 (4) \$11,497,000 of the general fund—state appropriation for
36 fiscal year 2016 is provided solely for the 2016 presidential primary
37 election.

38 (5) \$3,000,000 of the Washington state heritage center account—
39 state appropriation is provided solely for state library programs. If
40 House Bill No. 2195 (auditor's fees) is not enacted by July 10, 2015,

1 the amounts provided in this subsection shall lapse. If the increase
2 in auditor's fees generates less revenue than provided in this
3 subsection, the secretary of state shall reduce expenditures so that
4 amounts provided in this subsection do not exceed revenue generated
5 from the increase in auditor's fees.

6 (6) \$771,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$772,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for the state library to
9 purchase statewide online access to the information technology
10 academy to allow public access to online courses and learning
11 resources through public libraries.

12 **Sec. 1106.** 2016 sp.s. c 36 s 118 (uncodified) is amended to read
13 as follows:

14 **FOR THE PUBLIC DISCLOSURE COMMISSION**

15	General Fund—State Appropriation (FY 2016).	\$2,416,000
16	General Fund—State Appropriation (FY 2017).	(\$2,437,000)
17		<u>\$2,819,000</u>
18	TOTAL APPROPRIATION.	(\$4,853,000)
19		<u>\$5,235,000</u>

20 **Sec. 1107.** 2016 sp.s. c 36 s 120 (uncodified) is amended to read
21 as follows:

22 **FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

23	General Fund—State Appropriation (FY 2016).	\$266,000
24	General Fund—State Appropriation (FY 2017).	(\$274,000)
25		<u>\$275,000</u>
26	TOTAL APPROPRIATION.	(\$540,000)
27		<u>\$541,000</u>

28 The appropriations in this section are subject to the following
29 conditions and limitations: The office shall assist the department of
30 enterprise services on providing the government-to-government
31 training sessions for federal, state, local, and tribal government
32 employees. The training sessions shall cover tribal historical
33 perspectives, legal issues, tribal sovereignty, and tribal
34 governments. Costs of the training sessions shall be recouped through
35 a fee charged to the participants of each session. The department of
36 enterprise services shall be responsible for all of the

1 administrative aspects of the training, including the billing and
2 collection of the fees for the training.

3 **Sec. 1108.** 2016 sp.s. c 36 s 121 (uncodified) is amended to read
4 as follows:

5 **FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

6	General Fund—State Appropriation (FY 2016).	\$235,000
7	General Fund—State Appropriation (FY 2017).	((\$231,000))
8		<u>\$232,000</u>
9	TOTAL APPROPRIATION.	((\$466,000))
10		<u>\$467,000</u>

11 **Sec. 1109.** 2015 3rd sp.s. c 4 s 125 (uncodified) is amended to
12 read as follows:

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

14	General Fund—State Appropriation (FY 2016).	\$146,000
15	General Fund—State Appropriation (FY 2017).	((\$185,000))
16		<u>\$186,000</u>
17	TOTAL APPROPRIATION.	((\$331,000))
18		<u>\$332,000</u>

19 **Sec. 1110.** 2016 sp.s. c 36 s 124 (uncodified) is amended to read
20 as follows:

21 **FOR THE ATTORNEY GENERAL**

22	General Fund—State Appropriation (FY 2016).	\$11,420,000
23	General Fund—State Appropriation (FY 2017).	((\$8,417,000))
24		<u>\$8,826,000</u>
25	General Fund—Federal Appropriation.	\$6,930,000
26	New Motor Vehicle Arbitration Account—State	
27	Appropriation.	\$1,041,000
28	Legal Services Revolving Account—State	
29	Appropriation.	((\$227,558,000))
30		<u>\$230,756,000</u>
31	Tobacco Prevention and Control Account—State	
32	Appropriation.	\$273,000
33	Medicaid Fraud Penalty Account—State Appropriation.	\$3,065,000
34	Public Service Revolving Account—State	
35	Appropriation.	\$2,220,000
36	Child Rescue Fund—State Appropriation.	\$500,000

1 TOTAL APPROPRIATION. (~~(\$261,424,000)~~)
2 \$265,031,000

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

5 (1) The attorney general shall report each fiscal year on actual
6 legal services expenditures and actual attorney staffing levels for
7 each agency receiving legal services. The report shall be submitted
8 to the office of financial management and the fiscal committees of
9 the senate and house of representatives no later than ninety days
10 after the end of each fiscal year. As part of its by agency report to
11 the legislative fiscal committees and the office of financial
12 management, the office of the attorney general shall include
13 information detailing the agency's expenditures for its agency-wide
14 overhead and a breakdown by division of division administration
15 expenses.

16 (2) Prior to entering into any negotiated settlement of a claim
17 against the state that exceeds five million dollars, the attorney
18 general shall notify the director of financial management and the
19 chairs of the senate committee on ways and means and the house of
20 representatives committee on appropriations.

21 (3) The attorney general shall annually report to the fiscal
22 committees of the legislature all new cy pres awards and settlements
23 and all new accounts, disclosing their intended uses, balances, the
24 nature of the claim or account, proposals, and intended timeframes
25 for the expenditure of each amount. The report shall be distributed
26 electronically and posted on the attorney general's web site. The
27 report shall not be printed on paper or distributed physically.

28 (4) \$2,218,000 of the public service revolving account—state
29 appropriation is provided solely for the work of the public counsel
30 section of the office of the attorney general.

31 (5) \$353,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$353,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for a grant to the Washington
34 coalition of crime victim advocates to provide training,
35 certification, and technical assistance for crime victim service
36 center advocates.

37 (6) \$1,196,000 of the legal services revolving fund—state
38 appropriation is provided solely for the implementation of chapter

1 70, Laws of 2015 (Second Substitute Senate Bill No. 5052) (cannabis
2 patient protection).

3 (7) \$14,000 of the legal services revolving account—state
4 appropriation is provided solely for implementation of chapter 240,
5 Laws of 2015 (Substitute Senate Bill No. 5740) (extended foster
6 care).

7 (8) \$182,000 of the legal services revolving account—state
8 appropriation is provided solely for implementation of chapter 274,
9 Laws of 2015 (Engrossed Substitute House Bill No. 1449) (oil
10 transportation safety).

11 (9) \$71,000 of the legal services revolving account—state
12 appropriation is provided solely for implementation of Engrossed
13 Second Substitute House Bill No. 1472 (chemical action plans), Second
14 Substitute Senate Bill No. 5056 (safer chemicals/action plans),
15 Substitute Senate Bill No. 6131 (safer chemicals), or any of these.
16 If none of these bills are enacted by July 10, 2015, the amount
17 provided in this subsection shall lapse.

18 (10) Pursuant to chapter 247, Laws of 2015 (Second Substitute
19 House Bill No. 1281) (sexual exploitation of a minor), the office of
20 the attorney general may expend \$500,000 from the child rescue fund—
21 state appropriation, or an amount not to exceed actual revenues into
22 the account.

23 (11) \$37,000 of the general fund—state appropriation for fiscal
24 year 2017 is provided solely for implementation of Second Substitute
25 House Bill No. 2726 (retirement communities). If the bill is not
26 enacted by June 30, 2016, the amount provided in this subsection
27 shall lapse.

28 (12) Appropriations in this section include specific funds for
29 the implementation of Substitute Senate Bill No. 6160 (regulating
30 motor vehicle airbags).

31 (13) \$55,000 of the general fund—state appropriation for fiscal
32 year 2017 is provided solely for implementation of Substitute Senate
33 Bill No. 6360 (traffic fines consolidation). If the bill is not
34 enacted by June 30, 2016, the amount provided in this subsection
35 shall lapse.

36 **Sec. 1111.** 2016 sp.s. c 36 s 125 (uncodified) is amended to read
37 as follows:

38 **FOR THE CASELOAD FORECAST COUNCIL**

1	General Fund—State Appropriation (FY 2016).	\$1,397,000
2	General Fund—State Appropriation (FY 2017).	(\$1,460,000)
3		<u>\$1,508,000</u>
4	TOTAL APPROPRIATION.	(\$2,857,000)
5		<u>\$2,905,000</u>

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

8 (1) \$55,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$55,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely for Substitute Senate Bill No.
11 5999 (caseload forecast council). (~~If the bill is not enacted by~~
12 ~~July 10, 2015, the amounts provided in this subsection shall lapse.~~)

13 (2)(a) The caseload forecast council, in cooperation with the
14 appropriate legislative committees and legislative staff, the office
15 of financial management, the department of corrections, the
16 department of social and health services, the administrative office
17 of the courts, the minority and justice commission, the Washington
18 state institute for public policy, the department of early learning,
19 the student achievement council, the state board of education, the
20 sentencing guidelines commission, and a person from communities at
21 large deemed appropriate must develop recommendations for procedures
22 and tools which will enable them to provide cost-effective racial and
23 ethnic impact statements to legislative bills affecting criminal
24 justice, human services, and education caseloads forecasted by the
25 caseload forecast council. The recommendations for the racial and
26 ethnic impact statements must be able to identify the positive and
27 negative impacts on communities as a result of proposed or adopted
28 legislation.

29 (b) The caseload forecast council shall submit a report to the
30 governor and appropriate committees of the legislature on or before
31 December 31, 2016, outlining recommendations for procedures and tools
32 necessary to provide racial and ethnic impact statements to criminal
33 justice, human services, and education caseloads, as well as
34 outlining implementation cost estimates and potential funding
35 sources.

36 (3) In addition to caseload forecasts for common schools as
37 defined in RCW 43.88C.010(7), during the remainder of the 2015-2017
38 fiscal biennium the council must provide a separate forecast of
39 enrollment for charter schools authorized by chapter 28A.710 RCW as

1 amended by Engrossed Second Substitute Senate Bill No. 6194 (public
2 schools other than common schools).

3 **Sec. 1112.** 2016 sp.s. c 36 s 127 (uncodified) is amended to read
4 as follows:

5 **FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

6	General Fund—State Appropriation (FY 2016).	\$805,000
7	General Fund—State Appropriation (FY 2017).	(\$888,000)
8		<u>\$892,000</u>
9	Lottery Administrative Account—State Appropriation.	\$50,000
10	TOTAL APPROPRIATION.	(\$1,743,000)
11		<u>\$1,747,000</u>

12 **Sec. 1113.** 2016 sp.s. c 36 s 128 (uncodified) is amended to read
13 as follows:

14 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

15	General Fund—State Appropriation (FY 2016).	\$19,280,000
16	General Fund—State Appropriation (FY 2017).	(\$19,623,000)
17		<u>\$20,130,000</u>
18	General Fund—Federal Appropriation.	\$38,822,000
19	General Fund—Private/Local Appropriation.	\$498,000
20	Economic Development Strategic Reserve Account—State	
21	Appropriation.	\$310,000
22	Personnel Service Fund—State Appropriation.	\$8,696,000
23	Higher Education Personnel Services Account—State	
24	Appropriation.	\$1,497,000
25	Performance Audits of Government Account—State	
26	Appropriation.	\$534,000
27	Statewide Information Technology System Development	
28	Revolving Account—State Appropriation.	\$15,799,000
29	Office of Financial Management Central	
30	Service Account—State Appropriation.	\$14,610,000
31	TOTAL APPROPRIATION.	(\$106,237,000)
32		<u>\$120,176,000</u>

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

35 (1) The appropriations in this section represent a transfer of
36 expenditure authority of \$2,333,000 of the general fund—federal
37 appropriation for fiscal year 2016 and \$1,782,000 of the general fund

1 —federal appropriation for fiscal year 2017 to the office of
2 financial management to implement Engrossed Substitute Senate Bill
3 No. 5084 (all payer claims database).

4 (2) \$13,799,000 of the statewide information technology system
5 development revolving account—state appropriation is provided solely
6 for prepayment of the debt service for the time, leave, and
7 attendance system. The enterprise time, leave, and attendance project
8 shall be discontinued, but the office and other state agencies may
9 utilize acquired project assets for other purposes to the extent
10 practicable.

11 (3) \$50,000 of the general fund—state appropriation for fiscal
12 year 2016 is provided solely for implementation of Engrossed Second
13 Substitute House Bill No. 1491 (early care and education system). If
14 the bill is not enacted by July 10, 2015, the amount provided in this
15 subsection shall lapse.

16 (4) \$33,000 of the general fund—state appropriation for fiscal
17 year 2017 is provided one time solely to implement chapter 244, Laws
18 of 2015 (college bound scholarship).

19 (5) \$168,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$163,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely to implement chapter 245, Laws
22 of 2015 (outdoor recreation).

23 (6)(a) Within funds appropriated in this section, the education
24 data center created in RCW 43.41.400 shall complete an evaluation of
25 the state need grant and submit a report to the appropriate
26 committees of the legislature by December 1, 2016. To the extent it
27 is not duplicative of other studies, the report shall evaluate
28 educational outcomes emphasizing degree completion rates at the
29 postsecondary levels. The report shall study certain aspects of the
30 state need grant program, including but not limited to:

31 (i) State need grant recipient grade point average and its
32 relationship to positive outcomes, including but not limited to:

33 (A) Variance between community and technical colleges and the
34 four-year institutions of higher education;

35 (B) Variance between state need grant recipients and students on
36 the state need grant unserved waiting list; and

37 (C) Differentials between quarter or semester grade point
38 averages and cumulative grade point averages.

1 (ii) Possible outcomes of requiring a minimum grade point
2 average, per semester or quarter or cumulatively, for state need
3 grant renewal.

4 (b) Beginning July 1, 2016, the student achievement council and
5 all institutions of higher education eligible to participate in the
6 state need grant shall ensure that data needed to analyze and
7 evaluate the effectiveness of the state need grant program are
8 promptly transmitted to the education data center so that it is
9 available and easily accessible. The data to be reported must include
10 but not be limited to:

11 (i) The number of state need grant recipients;

12 (ii) The number of students on the unserved waiting list of the
13 state need grant;

14 (iii) Persistence and completion rates of state need grant
15 recipients and students on the state need grant unserved waiting
16 list, disaggregated by institutions of higher education;

17 (iv) State need grant recipients and students on state need grant
18 unserved waiting list grade point averages; and

19 (v) State need grant program costs.

20 (c) The student achievement council shall submit student unit
21 record data for the state need grant program applicants and
22 recipients to the education data center.

23 (7) \$250,000 of the general fund—state appropriation for fiscal
24 year 2017 is provided solely for a contract with a consultant to
25 examine the current configuration and financing of the state hospital
26 system pursuant to Engrossed Second Substitute House Bill No. 2453
27 (state hospital oversight) or Substitute Senate Bill No. 6656 (state
28 hospital practices).

29 ~~((+9))~~ (8) \$150,000 of the general fund—state appropriation for
30 fiscal year 2016 and \$150,000 of the general fund—state appropriation
31 for fiscal year 2017 are provided solely for the cost to support the
32 blue ribbon commission on delivery of services to children and
33 families established by the governor's executive order 16-03. The
34 commission shall develop recommendations on whether to create a
35 separate state department of children and families, including a
36 mission and vision for the new department, new organization
37 structures, estimated costs, transition plans, and benchmarks for
38 assessing the improvements in outcomes for children and families
39 expected to result from the reorganization, including the metrics to

1 measure those short and long-term expected outcomes, and the expected
2 impact on total administrative costs among the involved state
3 agencies. The commission shall produce recommendations no later than
4 November 1, 2016.

5 **Sec. 1114.** 2016 sp.s. c 36 s 130 (uncodified) is amended to read
6 as follows:

7 **FOR THE WASHINGTON STATE LOTTERY**

8 Lottery Administrative Account—State
9 Appropriation. (~~(\$28,797,000)~~)
10 \$29,018,000

11 The appropriation in this section is subject to the following
12 conditions and limitations:

13 (1) \$690,000 of the lottery administrative account—state
14 appropriation is provided solely for the replacement of the lottery's
15 gaming systems vendor contract.

16 (2) No portion of this appropriation may be used for acquisition
17 of gaming system capabilities that violates state law.

18 (3) Pursuant to RCW 67.70.040, the commission shall take such
19 action necessary to reduce by \$6,000,000 each fiscal year the total
20 amount of compensation paid to licensed lottery sales agents. It is
21 anticipated that the result of this action will reduce retail
22 commissions to an average of 5.1 percent of sales.

23 **Sec. 1115.** 2016 sp.s. c 36 s 131 (uncodified) is amended to read
24 as follows:

25 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

26 General Fund—State Appropriation (FY 2016). \$260,000
27 General Fund—State Appropriation (FY 2017). (~~(\$259,000)~~)
28 \$260,000
29 TOTAL APPROPRIATION. (~~(\$519,000)~~)
30 \$520,000

31 **Sec. 1116.** 2016 sp.s. c 36 s 132 (uncodified) is amended to read
32 as follows:

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

34 General Fund—State Appropriation (FY 2016). \$254,000
35 General Fund—State Appropriation (FY 2017). (~~(\$260,000)~~)
36 \$261,000

1 TOTAL APPROPRIATION. ((~~\$514,000~~))
2 \$515,000

3 **Sec. 1117.** 2016 sp.s. c 36 s 134 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF REVENUE**

6 General Fund—State Appropriation (FY 2016). ((~~\$119,358,000~~))
7 \$119,348,000

8 General Fund—State Appropriation (FY 2017). ((~~\$120,551,000~~))
9 \$121,623,000

10 Financial Services Regulation Account—State
11 Appropriation. \$10,000,000

12 Timber Tax Distribution Account—State
13 Appropriation. \$6,604,000

14 Waste Reduction/Recycling/Litter Control—State
15 Appropriation. \$141,000

16 State Toxics Control Account—State Appropriation. \$101,000

17 Business License Account—State Appropriation. \$24,590,000

18 TOTAL APPROPRIATION. ((~~\$267,381,000~~))
19 \$282,407,000

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

22 (1) \$5,628,000 of the general fund—state appropriation for fiscal
23 year 2017, and \$7,890,000 of the business license account—state
24 appropriation are provided solely for the taxpayer legacy system
25 replacement project.

26 (2) \$487,000 of the general fund—state appropriation for fiscal
27 year 2016 and \$582,000 of the general fund—state appropriation for
28 fiscal year 2017 are provided solely for implementation of Substitute
29 Senate Bill No. 5186 (disabled veterans and seniors). If the bill is
30 not enacted by July 10, 2015, the amounts provided in this subsection
31 shall lapse.

32 (3) \$60,000 of the general fund—state appropriation for fiscal
33 year 2017 is provided solely for the implementation of Substitute
34 Senate Bill No. 6211 (nonprofit homeownership development). If the
35 bill is not enacted by June 30, 2016, the amount in this subsection
36 shall lapse.

37 ((+5)) (4) \$21,000 of the general fund—state appropriation for
38 fiscal year 2017 is provided solely for the implementation of

1 Engrossed Substitute Senate Bill No. 6328 (vapor products). If the
2 bill is not enacted by June 30, 2016, the amount provided in this
3 subsection shall lapse.

4 **Sec. 1118.** 2016 sp.s. c 36 s 135 (uncodified) is amended to read
5 as follows:

6 **FOR THE BOARD OF TAX APPEALS**

7	General Fund—State Appropriation (FY 2016).	\$1,321,000
8	General Fund—State Appropriation (FY 2017).	(\$1,303,000)
9		<u>\$1,360,000</u>
10	TOTAL APPROPRIATION.	(\$2,624,000)
11		<u>\$2,681,000</u>

12 **Sec. 1119.** 2016 sp.s. c 36 s 136 (uncodified) is amended to read
13 as follows:

14 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

15	OMWBE Enterprises Account—State Appropriation.	(\$4,889,000)
16		<u>\$4,906,000</u>

17 **Sec. 1120.** 2016 sp.s. c 36 s 137 (uncodified) is amended to read
18 as follows:

19 **FOR THE INSURANCE COMMISSIONER**

20	General Fund—State Appropriation (FY 2016).	\$300,000
21	General Fund—State Appropriation (FY 2017).	\$227,000
22	General Fund—Federal Appropriation.	\$4,571,000
23	Insurance Commissioners Regulatory Account—State	
24	Appropriation.	\$55,772,000
25	TOTAL APPROPRIATION.	\$60,870,000

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

28 (1) \$168,000 of the insurance commissioners regulatory account—
29 state appropriation is provided solely for the implementation of
30 chapter 17, Laws of 2015 (HB 1172).

31 (2) \$129,000 of the insurance commissioners regulatory account—
32 state appropriation is provided solely for the implementation of
33 chapter 63, Laws of 2015 (HB 1077).

34 (3) \$272,000 of the insurance commissioners regulatory account—
35 state appropriation is provided solely for the implementation of
36 chapter 122, Laws of 2015 (SB 5717).

1 (4) \$25,000 of the insurance commissioners regulatory account—
2 state appropriation is provided solely for the implementation of
3 chapter 19, Laws of 2015 (SSB 5023).

4 (5) \$283,000 of the insurance commissioners regulatory account—
5 state appropriation is provided solely for the implementation of
6 House Bill No. 2326 (independent review organizations). (~~If the bill
7 is not enacted by June 30, 2016, the amount provided in this
8 subsection shall lapse.~~)

9 (6) \$143,000 of the insurance commissioners regulatory account—
10 state appropriation is provided solely for the implementation of
11 Senate Bill No. 5180 (life insurance reserves). (~~If the bill is not
12 enacted by June 30, 2016, the amount provided in this subsection
13 shall lapse.~~)

14 (7) \$797,000 of the insurance commissioners regulatory account—
15 state appropriation is provided solely for the implementation of
16 Fifth Engrossed Substitute Senate Bill No. 5857 (pharmacy benefit
17 managers). (~~If the bill is not enacted by June 30, 2016, the amount
18 provided in this subsection shall lapse.~~)

19 **Sec. 1121.** 2016 sp.s. c 36 s 139 (uncodified) is amended to read
20 as follows:

21 **FOR THE LIQUOR AND CANNABIS BOARD**

22 Dedicated Marijuana Fund—State	
23 Appropriation (FY 2016).	\$7,736,000
24 Dedicated Marijuana Fund—State	
25 Appropriation (FY 2017).	\$8,481,000
26 Liquor Revolving Account—State Appropriation.	\$66,830,000
27 General Fund—Federal Appropriation.	\$2,821,000
28 General Fund—State Appropriation (FY 2017).	\$260,000
29 General Fund—Private/Local Appropriation.	\$25,000
30 TOTAL APPROPRIATION.	\$86,153,000

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

33 (1) \$2,183,000 of the dedicated marijuana account—state
34 appropriation for fiscal year 2016 and \$2,818,000 of the dedicated
35 marijuana account—state appropriation for fiscal year 2017 are
36 provided solely for implementation of Substitute House Bill No. 2136
37 (marijuana market reforms) and Second Substitute Senate Bill No. 5052

1 (cannabis patient protection). (~~If either bill is not enacted by~~
2 ~~July 10, 2015, the amount provided in this subsection shall lapse.~~)

3 (2) \$376,000 of the liquor revolving fund—state appropriation is
4 provided solely for the implementation of Substitute Senate Bill No.
5 5280 (beer and cider sales). (~~If the bill is not enacted by July 10,~~
6 ~~2015, the amount provided in this subsection shall lapse.~~)

7 (3) \$2,641,000 of the liquor revolving account—state
8 appropriation is provided solely for additional cigarette and tobacco
9 enforcement. The liquor control board must provide additional
10 cigarette and tobacco enforcement officers and pursue strategies to
11 reduce the amount of smuggled, contraband, and otherwise untaxed
12 cigarette and tobacco products in the state. The liquor control board
13 must report the amount of untaxed cigarette and tobacco taxes
14 recovered in comparison to past years to the appropriate committees
15 of the legislature by January 1, 2016, and January 1, 2017.

16 (4) \$366,000 of the liquor revolving account—state appropriation
17 is provided solely for the implementation of Substitute House Bill
18 No. 2831 (small business liquor sales). (~~If the bill is not enacted~~
19 ~~by June 30, 2016, the amount provided in this subsection shall~~
20 ~~lapse.~~)

21 (5) The appropriations in this section include sufficient funding
22 for the implementation of Engrossed Substitute Senate Bill No. 6470
23 (wineries).

24 (6) \$260,000 of the general fund—state appropriation for fiscal
25 year 2017 is provided solely for the implementation of Engrossed
26 Substitute Senate Bill No. (~~6238~~) 6328 (vapor products). (~~If the~~
27 ~~bill is not enacted by June 30, 2016, the amount provided in this~~
28 ~~subsection shall lapse.~~)

29 (7) The liquor and cannabis board may require electronic payment
30 of the marijuana excise tax levied by RCW 69.50.535. The liquor and
31 cannabis board may allow a waiver to the electronic payment
32 requirement for good cause as provided by rule.

33 **Sec. 1122.** 2016 sp.s. c 36 s 141 (uncodified) is amended to read
34 as follows:

35 **FOR THE MILITARY DEPARTMENT**

36	General Fund—State Appropriation (FY 2016).	\$3,386,000
37	General Fund—State Appropriation (FY 2017).	\$3,654,000
38	General Fund—Federal Appropriation.	\$136,380,000

1	Enhanced 911 Account—State Appropriation.	\$56,594,000
2	Disaster Response Account—State Appropriation.	(\$41,383,000)
3		<u>\$40,131,000</u>
4	Disaster Response Account—Federal Appropriation.	(\$107,317,000)
5		<u>\$110,862,000</u>
6	Military Department Rent and Lease Account—State	
7	Appropriation.	\$615,000
8	Worker and Community Right-to-Know Account—State	
9	Appropriation.	\$2,888,000
10	Oil Spill Prevention Account—State Appropriation.	\$1,000,000
11	TOTAL APPROPRIATION.	(\$353,217,000)
12		<u>\$355,510,000</u>

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

15 (1) The military department shall submit a report to the office
16 of financial management and the legislative fiscal committees on
17 October 1st and February 1st of each year detailing information on
18 the disaster response account, including: (a) The amount and type of
19 deposits into the account; (b) the current available fund balance as
20 of the reporting date; and (c) the projected fund balance at the end
21 of the 2015-2017 biennium based on current revenue and expenditure
22 patterns.

23 (2) \$60,000,000 of the general fund—federal appropriation is
24 provided solely for homeland security, subject to the following
25 conditions: Any communications equipment purchased by local
26 jurisdictions or state agencies shall be consistent with standards
27 set by the Washington state interoperability executive committee.

28 (3) \$1,000,000 of the oil spill prevention account—state
29 appropriation is provided solely for implementation of chapter 274,
30 Laws of 2015 (Engrossed Substitute House Bill No. 1449) (oil
31 transportation safety).

32 (4) \$100,000 of the general fund—state appropriation for fiscal
33 year 2016 and \$100,000 of the general fund—state appropriation for
34 fiscal year 2017 are provided solely for the conditional scholarship
35 program pursuant to chapter 28B.103 RCW.

36 (5) \$5,000,000 of the enhanced 911 account—state appropriation is
37 provided solely for financial assistance to counties to replace
38 analog 911 telephone and network equipment with next generation 911
39 capable technology.

1 (6) \$1,850,000 of the disaster response account—state
2 appropriation is provided solely to Okanogan and Ferry counties to
3 address deficiencies within their communications infrastructure for
4 911 dispatch. Funds will be used to replace failing radio dispatching
5 hardware within 911 dispatch centers; build interoperable
6 communications between each county's dispatch center such that each
7 can serve as a back-up to the other; and build upon the existing
8 wireless microwave network for 911 calls, dispatch centers, and first
9 responder radio operations. Prior to releasing any state funds, the
10 department will consult with the counties to determine if federal
11 funds are available for any proposed expenditure and assist the
12 counties with any application for such funds.

13 (7) \$130,000 of the enhanced 911 account—state appropriation is
14 provided solely for the department to conduct a pilot program within
15 King county to implement a mobile phone application that notifies
16 persons trained in cardiopulmonary resuscitation of persons nearby
17 who are having a cardiac emergency. The department may partner with
18 the county, a city, a fire district, or a search and rescue
19 organization for purposes of implementing the application and
20 software-as-a-service in an existing computer-aided dispatch system.
21 The department will report the results of the pilot program to the
22 legislature by December 1, 2016.

23 (8) \$5,679,000 of the enhanced 911 account—state appropriation is
24 provided solely for transitioning to an internet protocol based next
25 generation 911 network and increased network costs during the
26 transition and hardware required for the new system. The department's
27 activities and procurement is a major information technology project
28 subject to oversight and review by the office of the chief
29 information officer.

30 (9) \$392,000 of the disaster response account—state appropriation
31 is provided solely for fire suppression training and equipment to
32 national guard soldiers and airmen.

33 **Sec. 1123.** 2016 sp.s. c 36 s 143 (uncodified) is amended to read
34 as follows:

35 **FOR THE BOARD OF ACCOUNTANCY**
36 Certified Public Accountants' Account—State
37 Appropriation. (~~(\$6,117,000)~~)
38 \$6,125,000

1 The appropriation in this section is subject to the following
2 conditions and limitations: \$3,300,000 of the certified public
3 accountants' account—state appropriation is provided solely for
4 deposit into the certified public accounting transfer account to fund
5 Washington-based colleges and universities for students pursuing
6 degrees in accounting or taxation as provided in chapter 215, Laws of
7 2015 (Substitute Senate Bill No. 5534).

8 **Sec. 1124.** 2016 sp.s. c 36 s 147 (uncodified) is amended to read
9 as follows:

10 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

11 Volunteer Firefighters' and Reserve Officers'

12 Administrative Account—State Appropriation. . . . (~~(\$1,011,000)~~)
13 \$1,014,000

14 **Sec. 1125.** 2016 sp.s. c 36 s 148 (uncodified) is amended to read
15 as follows:

16 **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

17 General Fund—State Appropriation (FY 2016). \$1,369,000
18 General Fund—State Appropriation (FY 2017). (~~(\$1,395,000)~~)
19 \$1,409,000
20 General Fund—Federal Appropriation. \$2,122,000
21 General Fund—Private/Local Appropriation. \$14,000
22 TOTAL APPROPRIATION. (~~(\$4,900,000)~~)
23 \$4,914,000

24 The appropriations in this section are subject to the following
25 conditions and limitations: \$121,000 of the general fund—state
26 appropriation for fiscal year 2016 and \$121,000 of the general fund—
27 state appropriation for fiscal year 2017 are provided solely for the
28 Washington main street program.

29 **Sec. 1126.** 2016 sp.s. c 36 s 149 (uncodified) is amended to read
30 as follows:

31 **FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY**

32 General Fund—State Appropriation (FY 2016). \$1,000,000
33 General Fund—State Appropriation (FY 2017). (~~(\$428,000)~~)
34 \$778,000

35 Consolidated Technology Services Revolving

1	Account—State Appropriation	\$7,366,000
2	TOTAL APPROPRIATION.	(\$8,794,000)
3		<u>\$9,144,000</u>

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

6 (1) In conjunction with the office of the chief information
7 officer's prioritization of proposed information technology
8 expenditures, agency budget requests for proposed information
9 technology expenditures shall include the following: The agency's
10 priority ranking of each information technology request; the
11 estimated cost for the current biennium; the estimated total cost of
12 the request over all biennia; and the expected timeline to complete
13 the request. The office of the chief information officer and the
14 office of financial management may request agencies to include
15 additional information on proposed information technology expenditure
16 requests.

17 (2) \$550,000 of the general fund—state appropriation for fiscal
18 year 2016 is provided solely for the office of the chief information
19 officer to develop a statewide strategic business and technology
20 architecture plan for time capture, payroll and payment processes,
21 and eligibility and authorization processes for the department of
22 early learning. In collaboration with the department of early
23 learning the plan will identify and recommend whether existing
24 systems, or planned systems, can and should be used to meet the
25 department of early learning's business needs. A child care
26 attendance and billing solution must be designed or modified to align
27 with the statewide enterprise strategy once the strategic
28 architecture is established. The plan shall be completed and
29 delivered to the appropriate committees of the legislature by
30 December 1, 2015.

31 (3) \$450,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$428,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely to the office of the chief
34 information officer for statewide technical oversight of information
35 technology projects or investments and proposed projects or
36 investments impacting time capture, payroll and payment processes and
37 systems, and eligibility, case management and authorization systems
38 within the department of social and health services, the department
39 of health, the department of early learning, and the health care

1 authority. As part of the technical oversight, the office of the
2 chief information officer shall identify where existing or proposed
3 technology investments should be consolidated, reused, or otherwise
4 leveraged to meet multiagency needs or increase interoperability,
5 increase alignment with statewide policies, standards, strategies,
6 architectures, and reduce redundant investments over time.

7 (4) \$7,366,000 of the consolidated technology services revolving
8 account—state appropriation is provided solely for implementation of
9 Second Substitute House Bill No. 1391 or Second Substitute Senate
10 Bill No. 5315 (aligning information technology functions). If neither
11 bill is enacted by July 10, 2015, the amount provided in this
12 subsection shall lapse.

(End of part)

PART XII
HUMAN SERVICES

Sec. 1201. 2016 sp.s. c 36 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

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

(3) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the

1 federal government, historical utilization, economic data, and
2 clinical input constitute reliable data upon which to determine the
3 payment rates.

4 (4) The department shall to the maximum extent practicable use
5 the same system for delivery of spoken-language interpreter services
6 for social services appointments as the one established for medical
7 appointments in the health care authority. When contracting directly
8 with an individual to deliver spoken language interpreter services,
9 the department shall only contract with language access providers who
10 are working at a location in the state and who are state-certified or
11 state-authorized, except that when such a provider is not available,
12 the department may use a language access provider who meets other
13 certifications or standards deemed to meet state standards, including
14 interpreters in other states.

15 (5) Information technology projects or investments and proposed
16 projects or investments impacting time capture, payroll and payment
17 processes and systems, eligibility, case management, and
18 authorization systems within the department of social and health
19 services are subject to technical oversight by the office of the
20 chief information officer.

21 (6)(a) The department shall facilitate enrollment under the
22 medicaid expansion for clients applying for or receiving state funded
23 services from the department and its contractors. Prior to open
24 enrollment, the department shall coordinate with the health care
25 authority to provide referrals to the Washington health benefit
26 exchange for clients that will be ineligible for medicaid.

27 (b) To facilitate a single point of entry across public and
28 medical assistance programs, and to maximize the use of federal
29 funding, the health care authority, the department of social and
30 health services, and the health benefit exchange will coordinate
31 efforts to expand HealthPlanfinder access to public assistance and
32 medical eligibility staff. No later than October 1, 2015, the
33 department shall complete medicaid applications in the
34 HealthPlanfinder for households receiving or applying for public
35 assistance benefits.

36 (c) The department, in coordination with the health care
37 authority, shall pursue a federal waiver to use supplemental
38 nutrition assistance program eligibility, aged, blind, or disabled
39 program eligibility, or temporary assistance for needy families
40 eligibility, to enroll eligible persons into medicaid.

1 (7) In accordance with RCW 71.24.380, the health care authority
2 and the department are authorized to purchase medical and behavioral
3 health services through integrated contracts upon request of all of
4 the county authorities in a regional service area to become an early
5 adopter of fully integrated purchasing of medical and behavioral
6 health services. The department may combine and transfer such amounts
7 appropriated under sections 204, 208, and 213 of this act as may be
8 necessary to fund early adopter contracts. The amount of medicaid
9 funding transferred from each program may not exceed the average per
10 capita cost assumed in this act for individuals covered by that
11 program, actuarially adjusted for the health condition of persons
12 enrolled, times the number of clients enrolled. The amount of non-
13 medicaid funding transferred from sections 204 and 208 may not exceed
14 the amount that would have been contracted with a behavioral health
15 organization if the county authorities had not requested to become an
16 early adopter of fully integrated purchasing. These limits do not
17 apply to the amounts provided in section 204(1)(s) of this act. If
18 any funding that this act provides solely for a specific purpose is
19 transferred under this subsection, that funding must be used
20 consistently with the provisions and conditions for which it was
21 provided.

22 (8) In accordance with RCW 71.24.380, the department is
23 authorized to purchase mental health and substance use disorder
24 services through integrated contracts with behavioral health
25 organizations. The department may combine and transfer such amounts
26 appropriated under sections 204 and 208 of this act as may be
27 necessary to finance these behavioral health organization contracts.
28 If any funding that this act provides solely for a specific purpose
29 is transferred under this subsection, that funding must be used
30 consistently with the provisions and conditions for which it was
31 provided.

32 (9)(a) The appropriations to the department of social and health
33 services in this act shall be expended for the programs and in the
34 amounts specified in this act. However, after May 1, (~~2016~~) 2017,
35 unless prohibited by this act, the department may transfer up to
36 \$40,000,000 in general fund—state appropriations for fiscal year
37 (~~2016~~) 2017 among programs after approval by the director of
38 financial management solely for costs incurred at the state
39 psychiatric hospitals.

1 (b) Except for within its mental health programs, after May 1,
2 2017, the department may transfer appropriations as necessary between
3 budget categories or subprograms within individual department
4 programs as needed to fund actual expenditures through the end of
5 fiscal year 2017.

6 (c) Within the mental health programs, the department may
7 transfer appropriations as necessary between budget categories or
8 subprograms and provisos.

9 (d) The department shall not transfer appropriations, and the
10 director of financial management shall not approve the transfer,
11 unless the transfer is consistent with the objective of conserving,
12 to the maximum extent possible, the expenditure of state moneys. The
13 director of financial management shall notify the appropriate fiscal
14 committees of the senate and house of representatives in writing
15 seven days prior to approving any allotment modifications or
16 transfers under this subsection. The written notification shall
17 include a narrative explanation and justification of the changes,
18 along with expenditures and allotments by budget unit and
19 appropriation, both before and after any allotment modifications or
20 transfers.

21 (10) To facilitate the authority provided in subsection (7) and
22 (8) of this section, and to ensure a new accounting structure is in
23 place as of July 1, 2017, the department is authorized to create a
24 new program for accounting purposes only that combines the mental
25 health program and alcohol and substance abuse program allotments and
26 expenditures.

27 **Sec. 1202.** 2016 sp.s. c 36 s 202 (uncodified) is amended to read
28 as follows:

29 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY**
30 **SERVICES PROGRAM**

31	General Fund—State Appropriation (FY 2016).	\$324,746,000
32	General Fund—State Appropriation (FY 2017).	(\$337,124,000)
33		<u>\$347,453,000</u>
34	General Fund—Federal Appropriation.	(\$511,676,000)
35		<u>\$517,808,000</u>
36	General Fund—Private/Local Appropriation.	(\$1,354,000)
37		<u>\$1,854,000</u>
38	Domestic Violence Prevention Account—State	

1	Appropriation.	\$1,908,000
2	Child and Family Reinvestment Account—State	
3	Appropriation.	\$6,529,000
4	TOTAL APPROPRIATION.	((\$1,183,337,000))
5		<u>\$1,200,298,000</u>

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

8 (1) Amounts appropriated in this section include funding for the
9 department to establish basic foster care rates consistent with the
10 settlement agreement in *FPAWS v. Quigley*.

11 (2) \$668,000 of the general fund—state appropriation for fiscal
12 year 2016 and \$668,000 of the general fund—state appropriation for
13 fiscal year 2017 are provided solely to contract for the operation of
14 one pediatric interim care center. The center shall provide
15 residential care for up to thirteen children through two years of
16 age. Seventy-five percent of the children served by the center must
17 be in need of special care as a result of substance abuse by their
18 mothers. The center shall also provide on-site training to
19 biological, adoptive, or foster parents. The center shall provide at
20 least three months of consultation and support to the parents
21 accepting placement of children from the center. The center may
22 recruit new and current foster and adoptive parents for infants
23 served by the center. The department shall not require case
24 management as a condition of the contract.

25 (3) \$253,000 of the general fund—state appropriation for fiscal
26 year 2016 and \$253,000 of the general fund—state appropriation for
27 fiscal year 2017 are provided solely for the costs of the eight
28 existing hub home foster families that provide a foster care delivery
29 model that includes a licensed hub home. Use of the hub home model is
30 intended to support foster parent retention, improve child outcomes,
31 and encourage the least restrictive community placements for children
32 in out-of-home care.

33 (4) \$579,000 of the general fund—state appropriation for fiscal
34 year 2016, \$579,000 of the general fund—state appropriation for
35 fiscal year 2017, and \$109,000 of the general fund—federal
36 appropriation are provided solely for a receiving care center east of
37 the Cascade mountains.

38 (5) \$990,000 of the general fund—state appropriation for fiscal
39 year 2016 and \$990,000 of the general fund—state appropriation for

1 fiscal year 2017 are provided solely for services provided through
2 children's advocacy centers.

3 (6) \$1,250,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$1,351,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for implementation of
6 performance-based contracts for family support and related services
7 pursuant to RCW 74.13B.020.

8 (7) \$4,865,000 of the general fund—state appropriation for fiscal
9 year 2016, \$3,564,000 of the general fund—state appropriation for
10 fiscal year 2017, \$6,529,000 of the child and family reinvestment
11 account—state appropriation, and \$15,958,000 of the general fund—
12 federal appropriation, are provided solely for family assessment
13 response.

14 (8) \$94,000 of the general fund—state appropriation for fiscal
15 year 2016 and \$94,000 of the general fund—state appropriation for
16 fiscal year 2017 are provided solely for a contract with a child
17 advocacy center in Spokane to provide continuum of care services for
18 children who have experienced abuse or neglect and their families.

19 (9) \$668,000 of the domestic violence prevention account—state
20 appropriation is provided solely for implementation of chapter 275,
21 Laws of 2015 (SSB 5631) (domestic violence victims).

22 (10) \$1,996,000 of the general fund—state appropriation for
23 fiscal year 2016, \$3,434,000 of the general fund—state appropriation
24 for 2017, and \$844,000 of the general fund—federal appropriation are
25 provided solely for the children's administration to:

26 (a) Reduce the caseload ratios of social workers serving children
27 in foster care to promote decreased lengths of stay and to make
28 progress towards achievement of the Braam settlement caseload
29 outcome;

30 (b) Support the closure of child protective services
31 investigations within ninety days of intake, where appropriate; and

32 (c) Progress towards statewide expansion and support of the child
33 protective services family assessment response pathway.

34 The children's administration must, in the manner it determines
35 appropriate, balance expenditure of amounts provided in this
36 subsection in a way that makes substantial investments in each of the
37 three purposes in (a) through (c) of this subsection. Of the amounts
38 provided in this subsection, no more than \$1,600,000 may be used for
39 the purpose of (b) of this subsection.

1 (11) \$819,000 of the general fund—state appropriation for fiscal
2 year 2017 and \$373,000 of the general fund—federal appropriation are
3 provided solely for implementation of chapter 240, Laws of 2015 (SSB
4 5740) (extended foster care).

5 (12) \$784,000 of the general fund—state appropriation for fiscal
6 year 2017 is provided solely for early achievers tiered reimbursement
7 for family home and center child care providers consistent with
8 Engrossed Second Substitute House Bill No. 1491 (early care &
9 education system).

10 (13)(a) \$539,000 of the general fund—state appropriation for
11 fiscal year 2016, \$540,000 of the general fund—state appropriation
12 for fiscal year 2017, \$656,000 of the general fund private/local
13 appropriation, and \$253,000 of the general fund—federal appropriation
14 are provided solely for a contract with an educational advocacy
15 provider with expertise in foster care educational outreach. The
16 amounts in this subsection are provided solely for contracted
17 education coordinators to assist foster children in succeeding in
18 K-12 and higher education systems and to assure a focus on education
19 during the department's transition to performance-based contracts.
20 Funding must be prioritized to regions with high numbers of foster
21 care youth, or regions where backlogs of youth that have formerly
22 requested educational outreach services exist. The children's
23 administration is encouraged to use private matching funds to
24 maintain educational advocacy services.

25 (b) Beginning in fiscal year 2017, the children's administration
26 shall contract with the office of the superintendent of public
27 instruction, which in turn shall contract with a nongovernmental
28 entity or entities to provide educational advocacy services pursuant
29 to Fourth Substitute House Bill No. 1999 (foster youth edu.
30 outcomes). (~~If the bill is not enacted by June 30, 2016, language in
31 this subsection shall lapse.~~)

32 (14) The children's administration shall adopt policies to reduce
33 the percentage of parents requiring supervised visitation, including
34 clarification of the threshold for transition from supervised to
35 unsupervised visitation prior to reunification. The children's
36 administration shall submit the revised visitation policy to the
37 appropriate policy and fiscal committees of the legislature by
38 December 1, 2015.

1 (15) \$446,000 of the general fund—state appropriation for fiscal
2 year 2016 is provided solely for a contract with a nongovernmental
3 entity or entities for the demonstration site to improve the
4 educational outcomes of students who are dependent pursuant to
5 chapter 13.34 RCW that was established pursuant to the 2013-2015
6 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013,
7 2nd sp. sess.

8 (a) The demonstration site in this subsection must facilitate the
9 educational progress and graduation of dependent youth by providing
10 individualized education services and monitoring and supporting
11 dependent youths' remediation needs, special education needs, and
12 completion of education milestones. The contract must be performance-
13 based with a stated goal of improving the graduation rates of foster
14 youth by two percent per year over five school year periods. The
15 baseline for measurement for the existing site was established in the
16 2013-14 school year and remains applicable through the 2017-18 school
17 year.

18 (b) The demonstration site must develop and provide services
19 aimed at improving the educational outcomes of foster youth. These
20 services must include:

21 (i) Direct advocacy for foster youth to eliminate barriers to
22 educational access and success;

23 (ii) Consultation with children's administration case workers to
24 develop educational plans for and with participating youth;

25 (iii) Monitoring educational progress of participating youth;

26 (iv) Providing participating youth with school and local
27 resources that may assist in educational access and success; and

28 (v) Coaching youth, caregivers, and social workers to advocate
29 for dependent youth in the educational system.

30 (c) The contractor must report demonstration site outcomes to the
31 department of social and health services and the office of the
32 superintendent of public instruction by September 30, 2015, for the
33 2014-15 school year and by September 30, 2016, for the 2015-16 school
34 year.

35 (d) The children's administration shall proactively refer all
36 eligible students thirteen years or older within the demonstration
37 site area to the contractor for educational services.

38 (e) The contractor shall report to the legislature by September
39 30, 2015, for the 2014-15 school year and by September 30, 2016, for
40 the 2015-16 school year on the number of eligible youth referred by

1 the children's administration, the number of youth served, and the
2 effectiveness of the demonstration site in increasing graduation
3 rates for dependent youth.

4 (16) The children's administration, office of the superintendent
5 of public instruction, and student achievement council shall
6 collaborate with the office of the attorney general, other
7 governmental agencies, advocacy organizations, and others as needed
8 to report to the legislature by December 1, 2015, on strategies to
9 permit supplemental education transition planning for dependent youth
10 to be administered by the student achievement council and the
11 demonstration sites to be administered by the office of the
12 superintendent of public instruction no later than June 30, 2016. The
13 report shall assess the feasibility of transitioning the programs and
14 recommend strategies to resolve data and information sharing barriers
15 through legislative policy and professional practice.

16 (17) \$334,000 of the general fund—state appropriation for fiscal
17 year 2016, \$548,000 of the general fund—state appropriation for
18 fiscal year 2017, and \$249,000 of the general fund—federal
19 appropriation are provided solely for extended foster care services
20 for eligible youth engaged in employment for eighty hours or more per
21 month, pursuant to chapter 122, Laws of 2014.

22 (18) The children's administration is encouraged to control
23 exceptional reimbursement decisions so that the child's needs are met
24 without excessive costs.

25 (19) \$841,000 of the general fund—state appropriation for fiscal
26 year 2017 is provided solely for a base rate increase and an increase
27 in tiered reimbursement rates, levels three through five, for
28 licensed family child care providers. This funding is for the
29 supplemental agreement to the 2015-2017 collective bargaining
30 agreement covering family child care providers as set forth in
31 section 905 of this act.

32 (20)(a) The children's administration shall develop a plan, in
33 consultation with providers, to improve placement stability and
34 promote a continuum of care for children and youth who have
35 experienced abuse and neglect and require long-term placement with
36 behavioral supports. The plan shall include the following in regards
37 to these children and youth:

38 (i) Analysis of the cost-effectiveness and outcomes of existing
39 placement options;

1 (ii) Development of common and consistent assessment criteria for
2 determining the necessary level of care;

3 (iii) Delineation of a continuity of care continuum;

4 (iv) Identification of gaps in services with recommended
5 strategies and costs for addressing those gaps, and;

6 (v) Development of models for stabilizing funding, including
7 forecasting models, for all components of the service continuum.

8 (b) The children's administration shall submit the plan to the
9 appropriate legislative committees by December 1, 2016.

10 (21) \$10,653,000 of the general fund—state appropriation for
11 fiscal year 2017 is provided solely for the purpose of settling all
12 claims and meeting the terms of the settlement agreement in the
13 lawsuit *Perez v. Department of Social and Health Services, United*
14 *States District Court Western District of Washington at Tacoma, Cause*
15 *No. 3:08-cv-05479-BHS, covering the payment of overtime for eligible*
16 *class members and related employer taxes, retirement contributions,*
17 *and other mandatory withholdings. Of the amount appropriated in this*
18 *subsection, \$9,750,000 is to pay to eligible class members back wages*
19 *and statutory damages. The expenditure of this appropriation is*
20 *contingent on the release of all claims in the case, and the total*
21 *settlement costs paid to class members shall not exceed the*
22 *designated amount provided in this subsection.*

23 **Sec. 1203.** 2016 sp.s. c 36 s 203 (uncodified) is amended to read
24 as follows:

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE**
26 **REHABILITATION PROGRAM**

27	General Fund—State Appropriation (FY 2016).	\$92,347,000
28	General Fund—State Appropriation (FY 2017).	((\$90,892,000))
29		<u>\$92,319,000</u>
30	General Fund—Federal Appropriation.	\$3,464,000
31	General Fund—Private/Local Appropriation.	\$1,985,000
32	Washington Auto Theft Prevention Authority Account—	
33	State Appropriation.	\$196,000
34	Juvenile Accountability Incentive Account—Federal	
35	Appropriation.	((\$2,801,000))
36		<u>\$1,400,000</u>
37	TOTAL APPROPRIATION.	((\$191,685,000))
38		<u>\$191,711,000</u>

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

3 (1) \$331,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$331,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for deposit in the county
6 criminal justice assistance account for costs to the criminal justice
7 system associated with the implementation of chapter 338, Laws of
8 1997 (juvenile code revisions). The amounts provided in this
9 subsection are intended to provide funding for county adult court
10 costs associated with the implementation of chapter 338, Laws of 1997
11 and shall be distributed in accordance with RCW 82.14.310.

12 (2) \$6,198,000 of the general fund—state appropriation for fiscal
13 year 2016 and \$6,198,000 of the general fund—state appropriation for
14 fiscal year 2017 are provided solely to implement community juvenile
15 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
16 code revisions). Funds provided in this subsection may be used solely
17 for community juvenile accountability grants, administration of the
18 grants, and evaluations of programs funded by the grants.

19 (3) \$1,130,000 of the general fund—state appropriation for fiscal
20 year 2016 is provided solely to implement alcohol and substance abuse
21 treatment programs for locally committed offenders. Funding for this
22 purpose in fiscal year 2017 is provided through a memorandum of
23 understanding with the department of social and health services
24 alcohol and substance abuse program. The juvenile rehabilitation
25 administration shall award these moneys on a competitive basis to
26 counties that submitted a plan for the provision of services approved
27 by the division of alcohol and substance abuse. The juvenile
28 rehabilitation administration shall develop criteria for evaluation
29 of plans submitted and a timeline for awarding funding and shall
30 assist counties in creating and submitting plans for evaluation.

31 (4) \$3,123,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$2,841,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for grants to county juvenile
34 courts for the following juvenile justice programs identified by the
35 Washington state institute for public policy (institute) in its
36 report: "Inventory of Evidence-based, Research-based, and Promising
37 Practices for Prevention and Intervention Services for Children and
38 Juveniles in the Child Welfare, Juvenile Justice, and Mental Health
39 Systems." Additional funding for this purpose in fiscal year 2017 is

1 provided through a memorandum of understanding with the department of
2 social and health services alcohol and substance abuse program.
3 County juvenile courts shall apply to the juvenile rehabilitation
4 administration for funding for program-specific participation and the
5 administration shall provide grants to the courts consistent with the
6 per-participant treatment costs identified by the institute.

7 (5) \$1,537,000 of the general fund—state appropriation for fiscal
8 year 2016 and \$1,537,000 of the general fund—state appropriation for
9 fiscal year 2017 are provided solely for expansion of the following
10 juvenile justice treatments and therapies in juvenile rehabilitation
11 administration programs identified by the Washington state institute
12 for public policy in its report: "Inventory of Evidence-based,
13 Research-based, and Promising Practices for Prevention and
14 Intervention Services for Children and Juveniles in the Child
15 Welfare, Juvenile Justice, and Mental Health Systems." The
16 administration may concentrate delivery of these treatments and
17 therapies at a limited number of programs to deliver the treatments
18 in a cost-effective manner.

19 (6)(a) The juvenile rehabilitation administration shall
20 administer a block grant to county juvenile courts for the purpose of
21 serving youth adjudicated in the county juvenile justice system.
22 Funds dedicated to the block grant include: Consolidated juvenile
23 service (CJS) funds, community juvenile accountability act (CJAA)
24 grants, chemical dependency/mental health disposition alternative
25 (CDDA), and suspended disposition alternative (SDA). The juvenile
26 rehabilitation administration shall follow the following formula and
27 will prioritize evidence-based programs and disposition alternatives
28 and take into account juvenile courts program-eligible youth in
29 conjunction with the number of youth served in each approved
30 evidence-based program or disposition alternative: (i) Thirty-seven
31 and one-half percent for the at-risk population of youth ten to
32 seventeen years old; (ii) fifteen percent for moderate and high-risk
33 youth; (iii) twenty-five percent for evidence-based program
34 participation; (iv) seventeen and one-half percent for minority
35 populations; (v) three percent for the chemical dependency
36 disposition alternative; and (vi) two percent for the mental health
37 and sentencing dispositional alternatives. Funding for the special
38 sex offender disposition alternative (SSODA) shall not be included in
39 the block grant, but allocated on the average daily population in
40 juvenile courts. Funding for the evidence-based expansion grants

1 shall be excluded from the block grant formula. Funds may be used for
2 promising practices when approved by the juvenile rehabilitation
3 administration and juvenile courts, through the community juvenile
4 accountability act committee, based on the criteria established in
5 consultation with Washington state institute for public policy and
6 the juvenile courts.

7 (b) The juvenile rehabilitation administration and the juvenile
8 courts shall establish a block grant funding formula oversight
9 committee with equal representation from the juvenile rehabilitation
10 administration and the juvenile courts. The purpose of this committee
11 is to assess the ongoing implementation of the block grant funding
12 formula, utilizing data-driven decision making and the most current
13 available information. The committee will be cochaired by the
14 juvenile rehabilitation administration and the juvenile courts, who
15 will also have the ability to change members of the committee as
16 needed to achieve its purpose. Initial members will include one
17 juvenile court representative from the finance committee, the
18 community juvenile accountability act committee, the risk assessment
19 quality assurance committee, the executive board of the Washington
20 association of juvenile court administrators, the Washington state
21 center for court research, and a representative of the superior court
22 judges association; two representatives from the juvenile
23 rehabilitation administration headquarters program oversight staff,
24 two representatives of the juvenile rehabilitation administration
25 regional office staff, one representative of the juvenile
26 rehabilitation administration fiscal staff and a juvenile
27 rehabilitation administration division director. The committee may
28 make changes to the formula categories other than the evidence-based
29 program and disposition alternative categories if it is determined
30 the changes will increase statewide service delivery or effectiveness
31 of evidence-based program or disposition alternative resulting in
32 increased cost benefit savings to the state. Long-term cost benefit
33 must be considered. Percentage changes may occur in the evidence-
34 based program or disposition alternative categories of the formula
35 should it be determined the changes will increase evidence-based
36 program or disposition alternative delivery and increase the cost
37 benefit to the state. These outcomes will also be considered in
38 determining when evidence-based expansion or special sex offender
39 disposition alternative funds should be included in the block grant
40 or left separate.

1 (c) The juvenile courts and administrative office of the courts
2 shall be responsible for collecting and distributing information and
3 providing access to the data systems to the juvenile rehabilitation
4 administration and the Washington state institute for public policy
5 related to program and outcome data. The juvenile rehabilitation
6 administration and the juvenile courts will work collaboratively to
7 develop program outcomes that reinforce the greatest cost benefit to
8 the state in the implementation of evidence-based practices and
9 disposition alternatives.

10 (7) The juvenile courts and administrative office of the courts
11 shall collect and distribute information related to program outcome
12 and provide access to these data systems to the juvenile
13 rehabilitation administration and Washington state institute for
14 public policy. The agreements between administrative office of the
15 courts, the juvenile courts, and the juvenile rehabilitation
16 administration shall be executed to ensure that the juvenile
17 rehabilitation administration receives the data that the juvenile
18 rehabilitation administration identifies as needed to comply with
19 this subsection. This includes, but is not limited to, information by
20 program at the statewide aggregate level, individual court level, and
21 individual client level for the purpose of the juvenile
22 rehabilitation administration providing quality assurance and
23 oversight for the locally committed youth block grant and associated
24 funds and at times as specified by the juvenile rehabilitation
25 administration as necessary to carry out these functions. The data
26 shall be provided in a manner that reflects the collaborative work
27 the juvenile rehabilitation administration and juvenile courts have
28 developed regarding program outcomes that reinforce the greatest cost
29 benefit to the state in the implementation of evidence-based
30 practices and disposition alternatives.

31 (8) \$445,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$445,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for funding of the teamchild
34 project.

35 (9) \$178,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$178,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for the juvenile detention
38 alternatives initiative.

1 (10) \$500,000 of the general fund—state appropriation for fiscal
 2 year 2016 and \$500,000 of the general fund—state appropriation for
 3 fiscal year 2017 are provided solely for a grant program focused on
 4 criminal street gang prevention and intervention. The juvenile
 5 rehabilitation administration may award grants under this subsection.
 6 The juvenile rehabilitation administration shall give priority to
 7 applicants who have demonstrated the greatest problems with criminal
 8 street gangs. Applicants composed of, at a minimum, one or more local
 9 governmental entities and one or more nonprofit, nongovernmental
 10 organizations that have a documented history of creating and
 11 administering effective criminal street gang prevention and
 12 intervention programs may apply for funding under this subsection.
 13 Each entity receiving funds must report to the juvenile
 14 rehabilitation administration on the number and types of youth
 15 served, the services provided, and the impact of those services on
 16 the youth and the community.

17 (11) The juvenile rehabilitation institutions may use funds
 18 appropriated in this subsection to purchase goods and supplies
 19 through hospital group purchasing organizations when it is cost-
 20 effective to do so.

21 (12) \$250,000 of the general fund—state appropriation for fiscal
 22 year 2017 is provided solely for implementation of Engrossed
 23 Substitute House Bill No. 2746 (juvenile offender treatment). (~~If~~
 24 ~~the bill is not enacted by June 30, 2016, the amount provided in this~~
 25 ~~subsection shall lapse.~~)

26 **Sec. 1204.** 2016 sp.s. c 36 s 204 (uncodified) is amended to read
 27 as follows:

28 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH**
 29 **PROGRAM**

30 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

31	General Fund—State Appropriation (FY 2016).	\$310,977,000
32	General Fund—State Appropriation (FY 2017).	((\$355,262,000))
33		<u>\$343,067,000</u>
34	General Fund—Federal Appropriation.	((\$1,011,270,000))
35		<u>\$986,307,000</u>
36	General Fund—Private/Local Appropriation.	\$17,864,000
37	Dedicated Marijuana Account—State Appropriation	
38	(FY 2016).	\$2,778,000

1	Dedicated Marijuana Account—State Appropriation	
2	(FY 2017).	\$3,684,000
3	TOTAL APPROPRIATION.	((\$1,701,835,000))
4		<u>\$1,664,677,000</u>

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

7 (a) For the purposes of this subsection, the term "regional
8 support networks," includes, effective April 1, 2016, behavioral
9 health organizations which assume the duties of regional support
10 networks pursuant to chapter 225, Laws of 2014 (2SSB 6312).

11 (b) \$12,204,000 of the general fund—state appropriation for
12 fiscal year 2016, ((~~\$13,761,000~~)) \$8,921,000 of the general fund—
13 state appropriation for fiscal year 2017, and ((~~\$17,918,000~~))
14 \$15,312,000 of the general fund—federal appropriation are provided
15 solely to reimburse regional support networks for increased
16 utilization costs, as compared to utilization costs in fiscal year
17 2014, that are incurred in order to meet statutory obligations to
18 provide individualized mental health treatment in appropriate
19 settings to individuals who are detained or committed under the
20 involuntary treatment act. Prior to distributing funds to a regional
21 support network requesting reimbursement for costs relative to
22 increased utilization, the department must receive adequate
23 documentation of such increased utilization and costs. Regional
24 support networks receiving funds for community hospitals or
25 evaluation and treatment center beds under (p) of this subsection are
26 only eligible for reimbursement that exceeds the total of their
27 utilization costs in fiscal year 2014 and the costs of services
28 provided with additional funds received under (p) of this subsection.

29 (c) \$2,452,000 of the general fund—state appropriation for fiscal
30 year 2016, \$2,264,000 of the general fund—state appropriation for
31 fiscal year 2017, and \$2,653,000 of the general fund—federal
32 appropriation are provided solely for implementation of chapter 258,
33 Laws of 2015 (E2SSB 5269) (involuntary treatment act). Regional
34 support networks must use these amounts for involuntary treatment
35 costs associated with implementation of this bill.

36 (d) \$3,776,000 of the general fund—state appropriation for fiscal
37 year 2016, \$5,780,000 of the general fund—state appropriation for
38 fiscal year 2017, and \$6,054,000 of the general fund—federal
39 appropriation are provided solely for implementation of chapter 250,

1 Laws of 2015 (E2SHB 1450) (involuntary outpatient treatment).
2 Regional support networks must use these amounts for increases in
3 community mental health treatment associated with implementation of
4 this bill.

5 (e) \$81,180,000 of the general fund—state appropriation for
6 fiscal year 2016 and \$81,180,000 of the general fund—state
7 appropriation for fiscal year 2017 are provided solely for persons
8 and services not covered by the medicaid program. To the extent
9 possible, levels of regional support network spending shall be
10 maintained in the following priority order: Crisis and commitment
11 services; community inpatient services; and residential care
12 services, including personal care and emergency housing assistance.
13 These amounts includes a reduction of \$4,715,000 for fiscal year 2016
14 and \$4,715,000 for fiscal year 2017 associated with a funding shift
15 that allows for increased federal participation for community
16 inpatient stays that were previously ineligible for federal matching
17 funds. This reduction will be distributed to regional support
18 networks based on the same proportions that were added to regional
19 support network capitation ranges specific to the waiver that allowed
20 for federal funds to be used for community inpatient stays that were
21 previously ineligible for federal matching funds. The department must
22 allow regional support networks to use medicaid capitation payments
23 to provide services to medicaid enrollees that are in addition to
24 those covered under the state plan in accordance with the conditions
25 established under federal regulations governing medicaid managed care
26 contracts and subject to federal approval by the center for medicaid
27 and medicare services.

28 (f) \$6,590,000 of the general fund—state appropriation for fiscal
29 year 2016, \$6,590,000 of the general fund—state appropriation for
30 fiscal year 2017, and \$7,620,000 of the general fund—federal
31 appropriation are provided solely for the department and regional
32 support networks to continue to contract for implementation of high-
33 intensity programs for assertive community treatment (PACT) teams. In
34 determining the proportion of medicaid and nonmedicaid funding
35 provided to regional support networks with PACT teams, the department
36 shall consider the differences between regional support networks in
37 the percentages of services and other costs associated with the teams
38 that are not reimbursable under medicaid. The department may allow
39 regional support networks which have nonmedicaid reimbursable costs

1 that are higher than the nonmedicaid allocation they receive under
2 this section to supplement these funds with local dollars or funds
3 received under section 204(1)(e) of this act. The department and
4 regional support networks shall maintain consistency with all
5 essential elements of the PACT evidence-based practice model in
6 programs funded under this section.

7 (g) The number of nonforensic beds allocated for use by regional
8 support networks at eastern state hospital shall be 192 per day. The
9 number of nonforensic beds allocated for use by regional support
10 networks at western state hospital shall be 587 per day in fiscal
11 year 2016. Pursuant to Engrossed Second Substitute House Bill No.
12 2453 (state hospital oversight) or Substitute Senate Bill No. 6656
13 (state hospital practices), the department must transition and divert
14 enough patients with long term care needs from western state hospital
15 by January 1, 2017, to reduce the capacity needed for this population
16 by 30 beds and the department must reduce the number of nonforensic
17 beds allocated for use by regional support networks at western state
18 hospital to 557. The department may contract through a regional
19 support network for up to 30 local community hospital beds to provide
20 treatment to individuals on a 90 day involuntary commitment order and
21 must lower that regional support network's allocation of beds by the
22 number of contracted beds.

23 (h) From the general fund—state appropriations in this
24 subsection, the secretary of social and health services shall assure
25 that regional support networks reimburse the aging and disability
26 services administration for the general fund—state cost of medicaid
27 personal care services that enrolled regional support network
28 consumers use because of their psychiatric disability.

29 (i) The department is authorized to continue to contract
30 directly, rather than through contracts with regional support
31 networks, for children's long-term inpatient facility services.

32 (j) \$750,000 of the general fund—state appropriation for fiscal
33 year 2016 and \$750,000 of the general fund—state appropriation for
34 fiscal year 2017 are provided solely to continue performance-based
35 incentive contracts to provide appropriate community support services
36 for individuals with severe mental illness who were discharged from
37 the state hospitals as part of the expanding community services
38 initiative. These funds will be used to enhance community residential

1 and support services provided by regional support networks through
2 other state and federal funding.

3 (k) \$1,125,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$1,125,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for the Spokane regional support
6 network to implement services to reduce utilization and the census at
7 eastern state hospital. Such services shall include:

8 (i) High intensity treatment team for persons who are high
9 utilizers of psychiatric inpatient services, including those with co-
10 occurring disorders and other special needs;

11 (ii) Crisis outreach and diversion services to stabilize in the
12 community individuals in crisis who are at risk of requiring
13 inpatient care or jail services;

14 (iii) Mental health services provided in nursing facilities to
15 individuals with dementia, and consultation to facility staff
16 treating those individuals; and

17 (iv) Services at the sixteen-bed evaluation and treatment
18 facility.

19 At least annually, the Spokane regional support network shall
20 assess the effectiveness of these services in reducing utilization at
21 eastern state hospital, identify services that are not optimally
22 effective, and modify those services to improve their effectiveness.

23 (l) \$1,204,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$1,204,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely to reimburse Pierce and Spokane
26 counties for the cost of conducting 180-day commitment hearings at
27 the state psychiatric hospitals.

28 (m) Regional support networks may use local funds to earn
29 additional federal medicaid match, provided the locally matched rate
30 does not exceed the upper-bound of their federally allowable rate
31 range, and provided that the enhanced funding is used only to provide
32 medicaid state plan or waiver services to medicaid clients.
33 Additionally, regional support networks may use a portion of the
34 state funds allocated in accordance with (e) of this subsection to
35 earn additional medicaid match, but only to the extent that the
36 application of such funds to medicaid services does not diminish the
37 level of crisis and commitment, community inpatient, residential
38 care, and outpatient services presently available to persons not
39 eligible for medicaid.

1 (n) \$2,291,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$2,291,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for mental health services for
4 mentally ill offenders while confined in a county or city jail and
5 for facilitating access to programs that offer mental health services
6 upon release from confinement.

7 (o) Within the amounts appropriated in this section, funding is
8 provided for the department to develop and phase in intensive mental
9 health services for high needs youth consistent with the settlement
10 agreement in *T.R. v. Dreyfus and Porter*.

11 (p) \$9,184,000 of the general fund—state appropriation for fiscal
12 year 2016, \$11,405,000 of the general fund—state appropriation for
13 fiscal year 2017, and \$17,680,000 of the general fund—federal
14 appropriation are provided solely for enhancement of community mental
15 health services. The department must contract these funds for the
16 operation of community programs in which the department determines
17 there is a need for capacity that allows individuals to be diverted
18 or transitioned from the state hospitals including but not limited
19 to: (i) Community hospital or free standing evaluation and treatment
20 services providing short-term detention and commitment services under
21 the involuntary treatment act to be located in the geographic areas
22 of the King regional support network, the Spokane regional support
23 network outside of Spokane county, and the Thurston Mason regional
24 support network; (ii) one new full program of an assertive community
25 treatment team in the King regional support network and two new half
26 programs of assertive community treatment teams in the Spokane
27 regional support network and the Pierce regional support network; and
28 (iii) three new recovery support services programs in the Grays
29 Harbor regional support network, the greater Columbia regional
30 support network, and the north sound regional support network. In
31 contracting for community evaluation and treatment services, the
32 department may not use these resources in facilities that meet the
33 criteria to be classified under federal law as institutions for
34 mental diseases. If the department is unable to come to a contract
35 agreement with a designated regional support network for any of the
36 services identified above, it may consider contracting for that
37 service in another regional support network that has the need for
38 such service.

1 (q) The appropriations in this section include a reduction of
2 \$16,462,000 in general fund—state and \$16,468,000 of general fund—
3 federal expenditure authority. This reduction must be achieved by
4 reducing regional support network medicaid rates for disabled adults,
5 nondisabled adults, disabled children, and nondisabled children. No
6 regional support network rate may be lowered below the low end of the
7 rate range that is certified as actuarially sound. The department
8 must work to develop updated minimum and maximum reserve levels that
9 reflect the changes in the number of medicaid eligible individuals
10 since reserve levels were originally set as well as the integration
11 of substance use disorder services into managed care contracts funded
12 within the amounts appropriated in this section. The department must
13 submit a report to the office of financial management and the
14 appropriate fiscal committees of the legislature by December 1, 2015,
15 that includes the revised minimum and maximum reserve levels for
16 medicaid and nonmedicaid behavioral health organization contracts.

17 (r) \$300,000 of the general fund—state appropriation for fiscal
18 year 2016, \$1,394,000 of the general fund—state appropriation for
19 fiscal year 2017, and \$2,020,000 of the general fund—federal
20 appropriation are provided solely for implementation of chapter 7,
21 Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency
22 evaluation and restoration services). Regional support networks must
23 use the amounts for outpatient mental health treatment costs
24 associated with implementation of the bill.

25 (s) \$1,500,000 of the general fund—state appropriation for fiscal
26 year 2017 is provided solely to support the southwest Washington
27 region in transitioning to become an early adopter for full
28 integration of physical and behavioral health care. These amounts
29 must be used to provide a reserve for nonmedicaid services in the
30 region and to stabilize the new crisis services system. The
31 department and the health care authority must develop a memorandum of
32 understanding on the use of these funds.

33 (t) By April 1, 2016, the department must establish minimum and
34 maximum funding levels for all reserves allowed under behavioral
35 health organization contracts and insert contract language that
36 clearly states the requirements and limitations. The department must
37 monitor and ensure that behavioral health organization reserves do
38 not exceed maximum levels. The department must monitor behavioral
39 health organization revenue and expenditure reports and must require

1 a behavioral health organization to submit a corrective action plan
2 on how it will spend its excess reserves within a reasonable period
3 of time, when its reported reserves exceed maximum levels established
4 under the contract. The department must review and approve such plans
5 and monitor to ensure compliance. If the department determines that a
6 behavioral health organization has failed to provide an adequate
7 excess reserve corrective action plan or is not complying with an
8 approved plan, the department must reduce payments to the behavioral
9 health organization in accordance with remedial actions provisions
10 included in the contract. These reductions in payments must continue
11 until the department determines that the behavioral health
12 organization has come into substantial compliance with an approved
13 excess reserve corrective action plan.

14 (u) \$2,000,000 of the general fund—state appropriation for fiscal
15 year 2017 and \$762,000 of the general fund—federal appropriation for
16 fiscal year 2017 are provided solely for four housing support and
17 step down services teams.

18 (v) \$1,760,000 of the general fund—federal appropriation is
19 provided solely for a pilot project to put peer bridging staff into
20 each regional support network as part of the state psychiatric
21 liaison teams to promote continuity of service as individuals return
22 to their communities. The department must collect and make available
23 data on the impact of peer staff on state hospital discharges and
24 community placements.

25 (w) \$417,000 of the general fund—state appropriation for fiscal
26 year 2017 and \$179,000 of the general fund—federal appropriation are
27 provided solely for implementation of Second Substitute House Bill
28 No. 1448 (suicide threat response). (~~If the bill is not enacted by~~
29 ~~June 30, 2016, the amounts provided in this subsection shall lapse.~~)

30 (2) INSTITUTIONAL SERVICES

31	General Fund—State Appropriation (FY 2016).	\$178,731,000
32	General Fund—State Appropriation (FY 2017).	((\$196,851,000))
33		<u>\$241,822,000</u>
34	General Fund—Federal Appropriation.	((\$165,365,000))
35		<u>\$167,693,000</u>
36	General Fund—Private/Local Appropriation.	((\$49,742,000))
37		<u>\$51,180,000</u>
38	Governor's Behavioral Health Innovation Fund—State	
39	Appropriation.	\$6,777,000

1 TOTAL APPROPRIATION. ((~~\$597,466,000~~))
2 \$646,203,000

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

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

8 (b) \$231,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$231,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely for a community partnership
11 between western state hospital and the city of Lakewood to support
12 community policing efforts in the Lakewood community surrounding
13 western state hospital. The amounts provided in this subsection
14 (2)(b) are for the salaries, benefits, supplies, and equipment for
15 one full-time investigator, one full-time police officer, and one
16 full-time community service officer at the city of Lakewood.

17 (c) \$45,000 of the general fund—state appropriation for fiscal
18 year 2016 and \$45,000 of the general fund—state appropriation for
19 fiscal year 2017 are provided solely for payment to the city of
20 Lakewood for police services provided by the city at western state
21 hospital and adjacent areas.

22 (d) \$9,571,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$17,287,000 of the general fund—state appropriation for
24 fiscal year 2017 are provided solely for implementation of efforts to
25 improve the timeliness of competency restoration services pursuant to
26 chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency
27 treatment and evaluation services). This funding must be used to
28 increase the number of forensic beds at western state hospital to
29 three hundred thirty and the number of forensic beds at eastern state
30 hospital to one hundred twenty-five by June 30, 2017. Pursuant to
31 chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of
32 competency treatment and evaluation services), the department may
33 contract some of these amounts for services at alternative locations
34 if the secretary determines that there is a need.

35 (e) \$2,349,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$2,318,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for implementation of efforts to
38 improve the timeliness of competency evaluation services for
39 individuals who are in local jails pursuant to chapter 5, Laws of

1 2015 (SSB 5889) (timeliness of competency treatment and evaluation
2 services). This funding must be used solely to increase the number of
3 staff providing competency evaluation services.

4 (f) \$135,000 of the general fund—state appropriation for fiscal
5 year 2017 is provided solely for the department to hire an on-site
6 safety compliance officer, stationed at Western State Hospital, to
7 provide oversight and accountability of the hospital's response to
8 safety concerns regarding the hospital's work environment.

9 (g) \$600,000 of the general fund—state appropriation for fiscal
10 year 2017 is provided solely for the department to contract with the
11 University of Washington department of psychiatry and behavioral
12 sciences. The University of Washington shall conduct an analysis and
13 develop a plan to create a high quality forensic teaching unit in
14 collaboration with Western State Hospital. The plan shall include an
15 appraisal of risks, barriers, and benefits to implementation as well
16 as an implementation timeline. The University of Washington shall
17 report to the department, the office of financial management, and
18 relevant policy and fiscal committees of the legislature on findings
19 and recommendations by November 1, 2017.

20 (h) \$6,777,000 of the governor's behavioral health innovation
21 fund appropriation is provided solely to improve the quality of care,
22 patient and staff safety, and the efficiency of operations at the
23 state hospitals pursuant to Engrossed Second Substitute House Bill
24 No. 2453 (state hospital oversight) or Substitute Senate Bill No.
25 6656 (state hospital practices). In accordance with Engrossed Second
26 Substitute House Bill No. 2453 or Substitute Senate Bill No. 6656,
27 the department must apply to and receive approval from the office of
28 financial management prior to expending appropriations from this
29 account. If neither bill is enacted by June 30, 2016, the amounts
30 provided in this subsection shall lapse. It is the intent of the
31 legislature that the ongoing costs of services that are implemented
32 through these amounts be considered as maintenance level in the
33 fiscal year 2017-2019 operating budget.

34 (i) \$510,000 of the general fund—state appropriation for fiscal
35 year 2016 and \$6,256,000 of the general fund—state appropriation for
36 fiscal year 2017 are provided solely to increase the number of funded
37 registered nurses at western state hospital by 51 positions by July
38 1, 2016. If the department is unable to fill these positions by July
39 1, 2016, the department may develop an alternative plan for spending

1 the amount proportional to the positions that are not filled. This
2 plan must be submitted to the office of financial management
3 following the same process established in Engrossed Second Substitute
4 House Bill No. 2453 (state hospital oversight) or Substitute Senate
5 Bill No. 6656 (state hospital practices) for applying for funds in
6 the Governor's behavioral health innovation fund. The office of
7 financial management may, after receiving input from the select
8 committee created in Engrossed Second Substitute House Bill No. 2453
9 or Substitute Senate Bill No. 6656, approve that an amount
10 proportional to the positions that are not filled be spent on the
11 department's alternative plan.

12 (j) \$791,000 of the general fund—state appropriation for fiscal
13 year 2016, \$1,456,000 of the general fund—state appropriation for
14 fiscal year 2017, and \$199,000 of the general fund—federal
15 appropriation are provided solely for the unilateral implementation
16 of targeted job classification compensation increases as set forth in
17 section 903 of this act, effective December 1, 2015, at eastern and
18 western state hospitals. The legislature recognizes that the
19 compensation increases were necessitated by an emergency and an
20 imminent jeopardy determination by the centers for medicare and
21 medicaid services that relates to the safety and health of clients
22 and employees.

23 (k) \$611,000 of the general fund—state appropriation for fiscal
24 year 2016, \$2,264,000 of the general fund—state appropriation for
25 fiscal year 2017, and \$250,000 of the general fund—federal
26 appropriation are provided solely for the implementation of a
27 memorandum of understanding between the governor and the service
28 employees international union healthcare 1199nw amending the
29 collective bargaining agreement under chapter 41.80 RCW for the
30 2015-2017 fiscal biennium as set forth in section 902 of this act,
31 effective December 1, 2015, at eastern and western state hospitals
32 and the child study treatment center. The legislature recognizes that
33 the memorandum of understanding was necessitated by an emergency and
34 an imminent jeopardy determination by the center for medicare and
35 medicaid services that relates to the safety and health of clients
36 and employees.

37 (l) (~~(\$3,789,000)~~) \$2,425,000 of the general fund—state
38 appropriation for fiscal year 2017 is provided solely to improve

1 western state hospital patient and employee safety by opening a civil
2 ward in order to reduce the patients per ward.

3 (m) \$224,000 of the general fund—state appropriation for fiscal
4 year 2017 is provided solely for the department to hire two staff for
5 western state hospital dedicated to discharge planning and
6 coordination efforts between other parts of the department and with
7 the regional support networks to more efficiently and properly
8 discharge patients determined ready to go back to their communities.

9 (n) \$1,900,000 of the general fund—state appropriation for fiscal
10 year 2017 is provided solely for the fifteen percent assignment pay
11 increase for psychiatrist classifications at eastern and western
12 state hospital granted during fiscal year 2015.

13 (o) \$891,000 of the general fund—state appropriation for fiscal
14 year 2016, \$1,600,000 of the general fund—state appropriation for
15 fiscal year 2017, and \$211,000 of the general fund—federal
16 appropriation are provided solely for implementation of a new
17 memorandum of understanding between the state and the union of
18 physicians of Washington to increase compensation for physician and
19 psychiatrist classifications under chapter 41.80 RCW for the
20 2015-2017 fiscal biennium pursuant to section 901 of this act. The
21 memorandum of understanding reached between the state and the union
22 of physicians of Washington effective December 1, 2015, is not
23 approved. The amounts provided in this subsection are contingent on
24 the state and the union of physicians of Washington reaching an
25 agreement by June 30, 2016, that allows psychiatric advanced
26 registered nurse practitioners and physician assistants to perform
27 work and tasks that are currently or have been historically performed
28 by physicians and psychiatrists at the state hospitals.

29 (p) \$19,000 of the general fund—state appropriation for fiscal
30 year 2017 and \$1,000 of the general fund—federal appropriation are
31 provided solely for nonrepresented state employees in targeted state
32 employee job classifications as set forth in section 906 of this act.

33 (3) SPECIAL PROJECTS

34	General Fund—State Appropriation (FY 2016).	\$477,000
35	General Fund—State Appropriation (FY 2017).	\$490,000
36	General Fund—Federal Appropriation.	(\$7,391,000)
37		<u>\$8,274,000</u>
38	TOTAL APPROPRIATION.	(\$8,358,000)
39		<u>\$9,241,000</u>

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

3 (a) \$446,000 of the general fund—state appropriation for fiscal
4 year 2016, \$446,000 of the general fund—state appropriation for
5 fiscal year 2017, and \$178,000 of the general fund—federal
6 appropriation are provided solely for the University of Washington's
7 evidence-based practice institute which supports the identification,
8 evaluation, and implementation of evidence-based or promising
9 practices. The institute must work with the department to develop a
10 plan to seek private, federal, or other grant funding in order to
11 reduce the need for state general funds.

12 (b) No more than \$883,000 of the general fund—federal
13 appropriation may be expended for supportive housing and supportive
14 employment services described in initiative 3 of the medicaid
15 transformation demonstration waiver currently being sought under
16 healthier Washington. The authority shall not increase general fund—
17 state expenditures on this initiative. The authority shall report to
18 the fiscal committees of the legislature all expenditures under this
19 subsection and shall provide such fiscal data in the manner, form,
20 and time requested by the legislative fiscal committees.

21 (4) PROGRAM SUPPORT

22	General Fund—State Appropriation (FY 2016).	\$9,779,000
23	General Fund—State Appropriation (FY 2017).	(\$9,120,000)
24		<u>\$9,874,000</u>
25	General Fund—Federal Appropriation.	(\$12,025,000)
26		<u>\$12,396,000</u>
27	General Fund—Private/Local Appropriation.	\$502,000
28	TOTAL APPROPRIATION.	(\$31,426,000)
29		<u>\$32,551,000</u>

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

32 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
33 the department is authorized to adopt license and certification fees
34 in fiscal years 2016 and 2017 to support the costs of the regulatory
35 program. The department's fee schedule shall have differential rates
36 for providers with proof of accreditation from organizations that the
37 department has determined to have substantially equivalent standards
38 to those of the department, including but not limited to the joint

1 commission on accreditation of health care organizations, the
2 commission on accreditation of rehabilitation facilities, and the
3 council on accreditation. To reflect the reduced costs associated
4 with regulation of accredited programs, the department's fees for
5 organizations with such proof of accreditation must reflect the lower
6 costs of licensing for these programs than for other organizations
7 which are not accredited.

8 (b) In developing the new medicaid managed care rates under which
9 the public mental health managed care system will operate, the
10 department must seek to estimate the reasonable and necessary cost of
11 efficiently and effectively providing a comparable set of medically
12 necessary mental health benefits to persons of different acuity
13 levels regardless of where in the state they live. The department
14 must report to the office of financial management and to the relevant
15 fiscal and policy committees of the legislature on its proposed new
16 mental health managed care rate-setting approach by August 1, 2015,
17 and again at least sixty days prior to implementation of new
18 capitation rates.

19 (c) Within the amounts appropriated in this section, funding is
20 provided for the department to continue to develop the child
21 adolescent needs and strengths assessment tool and build workforce
22 capacity to provide evidence based wraparound services for children,
23 consistent with the settlement agreement in *T.R. v. Dreyfus and*
24 *Porter*.

25 (d) Pursuant to Engrossed Second Substitute House Bill No. 2453
26 (state hospital oversight) or Substitute Senate Bill No. 6656 (state
27 hospital practices), \$260,000 of the general fund—state appropriation
28 for fiscal year 2017 is provided solely for the department to
29 contract with an external consultant to examine the clinical role of
30 staffing at the state hospitals. The consultant shall report to the
31 department, the office of financial management, and relevant
32 legislative policy and fiscal committees on the consultant's findings
33 and recommendations in accordance with the timelines established in
34 Engrossed Second Substitute House Bill No. 2453 or Substitute Senate
35 Bill No. 6656.

36 **Sec. 1205.** 2016 sp.s. c 36 s 205 (uncodified) is amended to read
37 as follows:

38 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL**
39 **DISABILITIES PROGRAM**

1 (1) COMMUNITY SERVICES

2	General Fund—State Appropriation (FY 2016).	\$515,567,000
3	General Fund—State Appropriation (FY 2017).	((\$575,185,000))
4		<u>\$562,770,000</u>
5	General Fund—Federal Appropriation.	((\$1,098,035,000))
6		<u>\$1,085,125,000</u>
7	General Fund—Private/Local Appropriation.	\$534,000
8	TOTAL APPROPRIATION.	((\$2,189,321,000))
9		<u>\$2,163,996,000</u>

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

12 (a) Individuals receiving services as supplemental security
13 income (SSI) state supplemental payments shall not become eligible
14 for medical assistance under RCW 74.09.510 due solely to the receipt
15 of SSI state supplemental payments.

16 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
17 43.135.055, the department is authorized to increase nursing
18 facility, assisted living facility, and adult family home fees as
19 necessary to fully support the actual costs of conducting the
20 licensure, inspection, and regulatory programs. The license fees may
21 not exceed the department's annual licensing and oversight activity
22 costs and shall include the department's cost of paying providers for
23 the amount of the license fee attributed to medicaid clients.

24 (i) The current annual renewal license fee for adult family homes
25 shall be \$225 per bed beginning in fiscal year 2016 and \$225 per bed
26 beginning in fiscal year 2017. A processing fee of \$2,750 shall be
27 charged to each adult family home when the home is initially
28 licensed. This fee is nonrefundable.

29 (ii) The current annual renewal license fee for assisted living
30 facilities shall be \$106 per bed beginning in fiscal year 2016 and
31 \$106 per bed beginning in fiscal year 2017.

32 (iii) The current annual renewal license fee for nursing
33 facilities shall be \$359 per bed beginning in fiscal year 2016 and
34 \$359 per bed beginning in fiscal year 2017.

35 (c) \$8,571,000 of the general fund—state appropriation for fiscal
36 year 2016, \$18,181,000 of the general fund—state appropriation for
37 fiscal year 2017, and \$33,427,000 of the general fund—federal
38 appropriation are provided solely for the implementation of the
39 agreement reached between the governor and the service employees

1 international union healthcare 775nw under the provisions of chapters
2 74.39A and 41.56 RCW for the 2015-2017 fiscal biennium.

3 (d) The department shall reimburse with the exceptional care rate
4 adult family homes that provided care solely to clients with HIV/AIDS
5 on or before January 1, 2000, and continue to provide care solely to
6 clients with HIV/AIDS. The department shall not reduce the
7 exceptional care rate from the rate paid on October 1, 2013.

8 (e) \$774,000 of the general fund—state appropriation for fiscal
9 year 2016, \$1,547,000 of the general fund—state appropriation for
10 fiscal year 2017, and \$7,185,000 of the general fund—federal
11 appropriation are provided solely for a payment system that satisfies
12 medicaid requirements regarding time reporting for W-2 providers. The
13 amounts provided in this subsection are conditioned on the department
14 satisfying the requirements of the project management oversight
15 standards and policies established by the office of the chief
16 information officer.

17 (f) \$1,184,000 of the general fund—state appropriation for fiscal
18 year 2016, \$2,483,000 of the general fund—state appropriation for
19 fiscal year 2017, and \$4,638,000 of the general fund—federal
20 appropriation are provided solely for the homecare agency parity
21 impacts of the agreement between the governor and the service
22 employees international union healthcare 775nw.

23 (g) The department is authorized to establish limited exemption
24 criteria in rule to address RCW 74.39A.325 when a landline phone is
25 not available to the employee.

26 (h) The department may authorize a one-time waiver of all or any
27 portion of the licensing and processing fees required under RCW
28 70.128.060 in any case in which the department determines that an
29 adult family home is being relicensed because of exceptional
30 circumstances, such as death or incapacity of a provider, and that to
31 require the full payment of the licensing and processing fees would
32 present a hardship to the applicant. In these situations the
33 department is also granted the authority to waive the required
34 residential administrator training for a period of 120 days if
35 necessary to ensure continuity of care during the relicensing
36 process.

37 (i) The department of social and health services shall increase
38 the benchmark rates for community residential service businesses
39 providing supported living, group home, and licensed staff

1 residential services for people with developmental disabilities by
2 sixty cents starting July 1, 2015, and by an additional sixty cents
3 starting July 1, 2016.

4 (j) The department of social and health services shall
5 standardize the administrative rate for community residential service
6 businesses providing supported living, group home, and licensed staff
7 residential services for people with developmental disabilities
8 starting July 1, 2015.

9 (k) Community residential cost reports that are submitted by or
10 on behalf of contracted agency providers are required to include
11 information about agency staffing including health insurance, wages,
12 number of positions, and turnover.

13 (l) Within the amounts provided in this subsection, the
14 developmental disabilities administration must prepare a report that
15 describes options for modifying the current system of pre-vocational
16 services for individuals with developmental disabilities. The
17 developmental disabilities administration must not transition clients
18 receiving pre-vocational services into integrated settings until the
19 conclusion of the 2016 legislative session, unless there is a group
20 supported employment, individual employment, or community access
21 opportunity that is supported by the client and his or her legal
22 representative. If a client transitions out of a congregate setting
23 prior to December 1, 2016, then for each client, during the period
24 before and after leaving the congregate setting, the report must
25 describe the hours of service, hours worked, hourly wage, monthly
26 earnings, authorized waiver services, and per capita expenditures.
27 The report must be submitted to the appropriate fiscal and policy
28 committees of the legislature by January 1, 2016. At a minimum, the
29 report must describe the following options:

30 (i) Modify the current system to ensure compliance with rules
31 established by the centers for medicare and medicaid services;

32 (ii) Continue the current system without federal matching funds;
33 and

34 (iii) Transition clients out of congregate settings and into
35 integrated settings. Under this option, the report must describe an
36 anticipated phase-out schedule and medicaid waiver services that
37 could be authorized to mitigate the impact for transitioning clients.

38 (m) The department shall establish new rules and standards to
39 ensure that adult family homes are monitored and licensed to meet the
40 needs of young adults with a developmental disability. These adult

1 family homes may require a package of services including specialized
2 care assessment and planning, personal care, specialized
3 environmental features, and accommodations.

4 (n) \$650,000 of the general fund—state appropriation for fiscal
5 year 2016, \$650,000 of the general fund—state appropriation for
6 fiscal year 2017, and \$800,000 of the general fund—federal
7 appropriation are provided solely for the development and
8 implementation of eight enhanced respite beds across the state for
9 children. These services are intended to provide families and
10 caregivers with a break in caregiving, the opportunity for behavioral
11 stabilization of the child, and the ability to partner with the state
12 in the development of an individualized service plan that allows the
13 child to remain in his or her family home. The department must
14 provide the legislature with a respite utilization report by January
15 2, 2016, and each year thereafter that provides information about the
16 number of children who have used enhanced respite in the preceding
17 year, as well as the location and number of days per month that each
18 respite bed was occupied.

19 (o) \$550,000 of the general fund—state appropriation for fiscal
20 year 2016, \$550,000 of the general fund—state appropriation for
21 fiscal year 2017, and \$700,000 of the general fund—federal
22 appropriation are provided solely for the development and
23 implementation of eight community respite beds across the state for
24 adults. These services are intended to provide families and
25 caregivers with a break in caregiving and the opportunity for
26 stabilization of the individual in a community-based setting as an
27 alternative to using a residential habilitation center to provide
28 planned or emergent respite. The department must provide the
29 legislature with a respite utilization report by January 2, 2016, and
30 each year thereafter that provides information about the number of
31 individuals who have used community respite in the preceding year, as
32 well as the location and number of days per month that each respite
33 bed was occupied.

34 (p) \$46,000 of the general fund—state appropriation for fiscal
35 year 2017 is provided solely for the implementation of either
36 Substitute Senate Bill No. 6329 (parent-to-parent) or House Bill No.
37 2394 (parent-to-parent program). (~~(If neither bill is enacted by June~~
38 ~~30, 2016, the amount provided in this subsection shall lapse.))~~)

1 (q) \$901,000 of the general fund—state appropriation for fiscal
2 year 2017 and \$601,000 of the general fund—federal appropriation are
3 provided solely for the implementation of Engrossed Second Substitute
4 Senate Bill No. 6564 (providing protections for persons with
5 developmental disabilities). ((If this bill is not enacted by June
6 30, 2016, the amounts provided in this subsection shall lapse.))

7 (2) INSTITUTIONAL SERVICES

8	General Fund—State Appropriation (FY 2016).	\$94,973,000
9	General Fund—State Appropriation (FY 2017).	(\$98,257,000)
10		<u>\$97,713,000</u>
11	General Fund—Federal Appropriation.	(\$180,543,000)
12		<u>\$180,170,000</u>
13	General Fund—Private/Local Appropriation.	\$23,041,000
14	TOTAL APPROPRIATION.	(\$396,814,000)
15		<u>\$395,897,000</u>

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

18 (a) Individuals receiving services as supplemental security
19 income (SSI) state supplemental payments shall not become eligible
20 for medical assistance under RCW 74.09.510 due solely to the receipt
21 of SSI state supplemental payments.

22 (b) \$721,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$721,000 of the general fund—state appropriation for
24 fiscal year 2017 are for the department to fulfill its contracts with
25 the school districts under chapter 28A.190 RCW to provide
26 transportation, building space, and other support services as are
27 reasonably necessary to support the educational programs of students
28 living in residential habilitation centers.

29 (c) \$558,000 of the general fund—state appropriation for fiscal
30 year 2016, \$558,000 of the general fund—state appropriation for
31 fiscal year 2017, and \$1,074,000 of the general fund—federal
32 appropriation are for specialized services required by the centers
33 for medicare and medicaid services as a result of preadmission
34 screening and resident review assessments.

35 (d) \$2,978,000 of the general fund—state appropriation for fiscal
36 year 2016, \$2,978,000 of the general fund—state appropriation for
37 fiscal year 2017, and \$5,956,000 of the general fund—federal
38 appropriation are for additional staff to ensure compliance with

1 centers for medicare and medicaid services requirements for
2 habilitation, nursing care, staff safety, and client safety at the
3 residential habilitation centers.

4 (e) The residential habilitation centers may use funds
5 appropriated in this subsection to purchase goods and supplies
6 through hospital group purchasing organizations when it is cost-
7 effective to do so.

8 (f) \$100,000 of the general fund—state appropriation for fiscal
9 year 2016, \$100,000 of the general fund—state appropriation for
10 fiscal year 2017, and \$200,000 of the general fund—federal
11 appropriation are provided solely for respite services in an existing
12 eight-bed cottage at Yakima valley school for individuals who are
13 developmentally disabled and in need of crisis stabilization support.

14 (g) \$834,000 of the general fund—state appropriation for fiscal
15 year 2017 and \$833,000 of the general fund—federal appropriation are
16 provided solely for an additional eight planned respite beds at
17 Yakima valley school.

18 (3) PROGRAM SUPPORT

19	General Fund—State Appropriation (FY 2016).	\$2,604,000
20	General Fund—State Appropriation (FY 2017).	((2,422,000))
21		<u>\$2,348,000</u>
22	General Fund—Federal Appropriation.	((3,164,000))
23		<u>\$3,148,000</u>
24	TOTAL APPROPRIATION.	((8,190,000))
25		<u>\$8,100,000</u>

26 (4) SPECIAL PROJECTS

27	General Fund—State Appropriation (FY 2016).	\$92,000
28	General Fund—State Appropriation (FY 2017).	((55,000))
29		<u>\$201,000</u>
30	General Fund—Federal Appropriation.	((1,103,000))
31		<u>\$1,250,000</u>
32	TOTAL APPROPRIATION.	((1,250,000))
33		<u>\$1,543,000</u>

34 **Sec. 1206.** 2016 sp.s. c 36 s 206 (uncodified) is amended to read
35 as follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT**
37 **SERVICES PROGRAM**

1	General Fund—State Appropriation (FY 2016).	\$909,817,000
2	General Fund—State Appropriation (FY 2017).	((\$1,030,159,000))
3		<u>\$986,200,000</u>
4	General Fund—Federal Appropriation.	((\$2,385,151,000))
5		<u>\$2,344,719,000</u>
6	General Fund—Private/Local Appropriation.	\$33,797,000
7	Traumatic Brain Injury Account—State Appropriation.	\$3,968,000
8	Skilled Nursing Facility Safety Net Trust Account—	
9	State Appropriation.	\$133,360,000
10	TOTAL APPROPRIATION.	((\$4,497,252,000))
11		<u>\$4,411,861,000</u>

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

14 (1) For purposes of implementing chapter 74.46 RCW, the weighted
15 average nursing facility payment rate shall not exceed \$178.87 for
16 fiscal year 2016 and shall not exceed (~~((\$197.33))~~) \$196.41 for fiscal
17 year 2017. There will be no adjustments for economic trends and
18 conditions in fiscal years 2016 and 2017. The economic trends and
19 conditions factor or factors defined in the biennial appropriations
20 act shall not be compounded with the economic trends and conditions
21 factor or factors defined in any other biennial appropriations acts
22 before applying it to the component rate allocations established in
23 accordance with chapter 74.46 RCW. When no economic trends and
24 conditions factor for either fiscal year is defined in a biennial
25 appropriations act, no economic trends and conditions factor or
26 factors defined in any earlier biennial appropriations act shall be
27 applied solely or compounded to the component rate allocations
28 established in accordance with chapter 74.46 RCW.

29 (a) For fiscal year 2016 within the funds provided, the
30 department shall continue to provide an add-on per medicaid resident
31 day per facility not to exceed \$1.57. The add-on shall be used to
32 increase wages, benefits, and/or staffing levels for certified nurse
33 aides; or to increase wages and/or benefits for dietary aides,
34 housekeepers, laundry aides, or any other category of worker whose
35 statewide average dollars-per-hour wage was less than \$15 in calendar
36 year 2008, according to cost report data. The add-on may also be used
37 to address resulting wage compression for related job classes
38 immediately affected by wage increases to low-wage workers. For
39 fiscal year 2016 within funds provided, the department shall provide

1 an additional add-on per medicaid resident day per facility not to
2 exceed the industry weighted average rate of \$2.44. The add-on shall
3 be used to increase wages, benefits, and/or staffing levels for
4 certified nurse aides; or to increase wages and/or benefits for
5 dietary aides, housekeepers, laundry aides, or any other category of
6 worker whose statewide average dollars-per-hour wage was less than
7 \$17 in calendar year 2012, according to cost report data. The
8 department shall continue reporting requirements and a settlement
9 process to ensure that the funds are spent according to this
10 subsection.

11 (b) The department shall do a comparative analysis of the
12 facility-based payment rates calculated on July 1, 2015, using the
13 payment methodology defined in chapter 74.46 RCW and as funded in the
14 omnibus appropriations act, excluding the low wage worker add-on
15 found in (a) of this subsection, the rate add-ons for direct care,
16 support services, and therapy care found in (g) of this subsection,
17 the comparative add-on, acuity add-on, and safety net reimbursement,
18 to the facility-based payment rates in effect June 30, 2010. For
19 fiscal year 2016, if the facility-based payment rate calculated on
20 July 1, 2015, is smaller than the facility-based payment rate on June
21 30, 2010, then the difference shall be provided to the individual
22 nursing facilities as an add-on payment per medicaid resident day.

23 (c) During the comparative analysis performed in subsection (b)
24 of this section, for fiscal year 2016, if it is found that the direct
25 care rate for any facility calculated using the payment methodology
26 defined in chapter 74.46 RCW and as funded in the omnibus
27 appropriations act, excluding the low wage worker add-on found in (a)
28 of this subsection, the rate add-ons for direct care, support
29 services, and therapy care found in (g) of this subsection, the
30 comparative add-on, acuity add-on, and safety net reimbursement, is
31 greater than the direct care rate in effect on June 30, 2010, then
32 the facility shall receive a ten percent direct care rate add-on to
33 compensate that facility for taking on more acute clients than they
34 have in the past.

35 (d) The department shall provide a medicaid rate add-on to
36 reimburse the medicaid share of the skilled nursing facility safety
37 net assessment as a medicaid allowable cost. The nursing facility
38 safety net rate add-on may not be included in the calculation of the
39 annual statewide weighted average nursing facility payment rate.

1 (e) The rate add-on provided in (c) of this subsection is subject
2 to the reconciliation and settlement process provided in RCW
3 74.46.022(6).

4 (f) If the waiver requested from the federal centers for medicare
5 and medicaid services in relation to the safety net assessment is for
6 any reason disapproved, (b), (c), (d), (g), and the fiscal year 2016
7 additional add-on in (a) of this subsection do not apply.

8 (g) For fiscal year 2016, the department shall provide the
9 following rate add-ons per medicaid resident day:

10 (i) A direct care rate add-on of \$3.63 per medicaid resident day;

11 (ii) A support services rate add-on of \$1.12 per medicaid
12 resident day; and

13 (iii) A therapy care rate add-on of \$0.05 per patient day.

14 This subsection (1)(g) is subject to the reconciliation and
15 settlement process provided in RCW 74.46.022(6).

16 (h) Beginning July 1, 2016, a nursing home provider's direct care
17 rate shall be set so that it does not exceed one hundred and eighteen
18 percent of its base year's direct care allowable costs except if the
19 provider is below the minimum staffing standard established in RCW
20 74.42.360(2).

21 (2) In accordance with chapter 74.46 RCW, the department shall
22 issue no additional certificates of capital authorization for fiscal
23 year 2016 and no new certificates of capital authorization for fiscal
24 year 2017 and shall grant no rate add-ons to payment rates for
25 capital improvements not requiring a certificate of need and a
26 certificate of capital authorization for fiscal years 2016 and 2017.

27 (3) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
28 43.135.055, the department is authorized to increase nursing
29 facility, assisted living facility, and adult family home fees as
30 necessary to fully support the actual costs of conducting the
31 licensure, inspection, and regulatory programs. The license fees may
32 not exceed the department's annual licensing and oversight activity
33 costs and shall include the department's cost of paying providers for
34 the amount of the license fee attributed to medicaid clients.

35 (a) The current annual renewal license fee for adult family homes
36 shall be \$225 per bed beginning in fiscal year 2016 and \$225 per bed
37 beginning in fiscal year 2017. A processing fee of \$2,750 shall be
38 charged to each adult family home when the home is initially
39 licensed. This fee is nonrefundable.

1 (b) \$193,000 of the general fund—state appropriation for fiscal
2 year 2017 is provided solely to the department to implement a new
3 processing fee of \$700 when adult family home providers file a change
4 of ownership application.

5 (c) The current annual renewal license fee for assisted living
6 facilities shall be \$106 per bed beginning in fiscal year 2016 and
7 \$106 per bed beginning in fiscal year 2017.

8 (d) The current annual renewal license fee for nursing facilities
9 shall be \$359 per bed beginning in fiscal year 2016 and \$359 per bed
10 beginning in fiscal year 2017.

11 (4) The department is authorized to place long-term care clients
12 residing in nursing homes and paid for with state only funds into
13 less restrictive community care settings while continuing to meet the
14 client's care needs.

15 (5) \$3,095,000 of the general fund—state appropriation for fiscal
16 year 2017 and \$3,095,000 of the general fund—federal appropriation
17 are provided within existing appropriations solely to exempt the five
18 highest acuity resource utilization group categories (beginning with
19 PC2 through PE2) from the adjustment to case mix index per RCW
20 74.46.485. Nursing homes shall be required to notify the department's
21 identified home and community services division contact within 30
22 days of a medicaid resident being identified in one of the five
23 lowest resource utilization group categories (beginning with PA1
24 through PC1). The department shall complete an assessment of those
25 residents who desire to transition into a community setting. The
26 department shall identify within 30 days whether an alternate setting
27 of the client's choosing is available to meet the resident's needs.
28 Nursing homes shall work collaboratively with the department to
29 transition into the community at least ninety-six residents, assessed
30 in the five lowest acuity resource utilization group categories (PA1
31 through PC1). For the first two quarters of fiscal year 2017, the
32 downward adjustment shall be no greater than thirteen percent. If,
33 after the first two quarters of fiscal year 2017, the department
34 determines the nursing homes are not making sufficient progress
35 towards moving ninety-six residents from the five lowest resource
36 utilization group categories (PA1 through PC1) into the community,
37 the department is authorized to increase the downward adjustment to
38 no greater than twenty percent for the lowest four resource
39 utilization group categories (PA1 through PB2).

1 (6) \$19,747,000 of the general fund—state appropriation for
2 fiscal year 2016, \$41,807,000 of the general fund—state appropriation
3 for fiscal year 2017, and \$76,770,000 of the general fund—federal
4 appropriation are provided solely for the implementation of the
5 agreement reached between the governor and the service employees
6 international union healthcare 775nw under the provisions of chapters
7 74.39A and 41.56 RCW for the 2015-2017 fiscal biennium.

8 (7) \$1,840,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$1,877,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely for operation of the volunteer
11 services program. Funding shall be prioritized towards serving
12 populations traditionally served by long-term care services to
13 include senior citizens and persons with disabilities.

14 (8) \$2,447,000 of the general fund—state appropriation for fiscal
15 year 2016, \$4,894,000 of the general fund—state appropriation for
16 fiscal year 2017, and \$22,725,000 of the general fund—federal
17 appropriation are provided solely for a payment system that satisfies
18 medicaid requirements regarding time reporting for W-2 providers. The
19 amounts provided in this subsection are conditioned on the department
20 satisfying the requirements of the project management oversight
21 standards and policies established by the office of the chief
22 information officer.

23 (9) The department is authorized to establish limited exemption
24 criteria in rule to address RCW 74.39A.325 when a landline phone is
25 not available to the employee.

26 (10) \$7,552,000 of the general fund—state appropriation for
27 fiscal year 2016, \$15,974,000 of the general fund—state appropriation
28 for fiscal year 2017, and \$29,742,000 of the general fund—federal
29 appropriation are provided solely for the homecare agency parity
30 impacts of the agreement between the governor and the service
31 employees international union healthcare 775nw.

32 (11) Within the amounts appropriated in this section of the
33 general fund—state appropriation for fiscal years 2016 and 2017, the
34 department shall assist the legislature to continue the work of the
35 joint legislative executive committee on planning for aging and
36 disability issues that is established by this subsection.

37 (a) A joint legislative executive committee on aging and
38 disability is continued, with members as provided in this subsection.

1 (i) Four members of the senate, with the leaders of the two
2 largest caucuses each appointing two members. Four members of the
3 house of representatives, with the leaders of the two largest
4 caucuses each appointing two members;

5 (ii) A member from the office of the governor, appointed by the
6 governor;

7 (iii) The secretary of the department of social and health
8 services or his or her designee;

9 (iv) The director of the health care authority or his or her
10 designee;

11 (v) A member from disability rights Washington and a member from
12 the long-term care ombuds;

13 (vi) The insurance commissioner or his or her designee, who shall
14 serve as an ex officio member; and

15 (vii) Other agency directors or designees as necessary.

16 (b) The committee must make recommendations and continue to
17 identify key strategic actions to prepare for the aging of the
18 population in Washington, including state budget and policy options,
19 by conducting at least, but not limited to, the following tasks:

20 (i) Identify strategies to better serve the health care needs of
21 an aging population and people with disabilities to promote healthy
22 living and palliative care planning;

23 (ii) Identify policy options to create financing mechanisms for
24 long-term service and supports that allow individuals and families to
25 meet their needs for service;

26 (iii) Identify policies to promote financial security in
27 retirement, support people who wish to stay in the workplace longer,
28 and expand the availability of workplace retirement savings plans;

29 (iv) Identify implementation strategies for the Bree
30 collaborative palliative care and related guidelines;

31 (v) Review the regulation of continuing care retirement
32 communities and ways to protect those who reside in them, including
33 the consideration of effective disclosures to residents;

34 (vi) Identify the needs of older people and people with
35 disabilities for high quality public and private guardianship
36 services and information about assisted decision-making options;

37 (vii) Identify options for promoting client safety through
38 residential care services and consider methods of protecting older
39 people and people with disabilities from physical abuse and financial
40 exploitation; and

1 (viii) Identify other policy options and recommendations to help
2 communities adapt to the aging demographic in planning for housing,
3 land use, and transportation.

4 (c) Staff support for the committee shall be provided by the
5 office of program research, senate committee services, the office of
6 financial management, and the department of social and health
7 services.

8 (d) Within existing appropriations, the cost of meetings must be
9 paid jointly by the senate, house of representatives, and the office
10 of financial management. Joint committee expenditures are subject to
11 approval by the senate facilities and operations committee and the
12 house of representatives executive rules committee, or their
13 successor committees. The joint committee members may be reimbursed
14 for travel expenses as authorized under RCW 43.03.050 and 43.03.060,
15 and chapter 44.04 RCW as appropriate. Advisory committee members may
16 not receive compensation or reimbursement for travel and expenses.

17 (e) At least one committee meeting must be devoted to a
18 discussion of strategies to improve the quality of care, client
19 safety and well-being, and staff safety within all community and
20 institutional settings. During the meeting, committee members must
21 receive a comprehensive review of findings since fiscal year 2010 by
22 the centers for medicare and medicaid services, and residential care
23 services, in community settings, nursing homes, and each of the
24 residential habilitation centers, with an emphasis on medical errors,
25 inconsistencies between service plans and services provided, the use
26 of restraints, and existence of hazardous environmental conditions.

27 (f) The committee shall issue an addendum report to the
28 legislature by December 10, 2015, and issue final recommendations to
29 the governor and relevant standing committees of the legislature by
30 December 10, 2016. The addendum report to the legislature must
31 include the following:

32 (i) A description of the oversight role for residential care
33 services, the long-term care ombuds, the centers for medicare and
34 medicaid services, and disability rights Washington;

35 (ii) From the provider perspective, and the perspective of a
36 state agency, an overview of the process for reviewing and responding
37 to findings by residential care services and the centers for medicare
38 and medicaid services;

39 (iii) A description of the process for notifying the office of
40 the governor and the legislature when problems with quality of care,

1 client safety and well-being, or staff safety arise within community
2 or institutional settings;

3 (iv) A compilation of findings since fiscal year 2010 by the
4 centers for medicare and medicaid services, and residential care
5 services, at the residential habilitation centers, nursing
6 facilities, supported living, assisted living, group homes, companion
7 homes, adult family homes, and all other community based providers;

8 (v) An annotated and detailed list of all responses to findings
9 by the centers for medicare and medicaid services, and residential
10 care services, specific to audits of the nursing facility at lakeland
11 village since fiscal year 2010;

12 (vi) Review the regulation of continuing care retirement
13 communities and ways to protect those who reside in them, including
14 the consideration of effective disclosures to residents;

15 (vii) Identify the needs of older people and people with
16 disabilities for high quality public and private guardianship
17 services and information about assisted decision-making options;

18 (viii) Identify options for promoting client safety through
19 residential care services and consider methods of protecting older
20 people and people with disabilities from physical abuse and financial
21 exploitation; and

22 (ix) A description of the method in place to ascertain the
23 outcome of responses to findings.

24 (12) \$5,094,000 of the general fund—state appropriation for
25 fiscal year 2016 and \$5,094,000 of the general fund—state
26 appropriation for fiscal year 2017 are provided solely for services
27 and support to individuals who are deaf, hard of hearing, or deaf-
28 blind.

29 (13) The department may authorize a one-time waiver of all or any
30 portion of the licensing and processing fees required under RCW
31 70.128.060 in any case in which the department determines that an
32 adult family home is being relicensed because of exceptional
33 circumstances, such as death or incapacity of a provider, and that to
34 require the full payment of the licensing and processing fees would
35 present a hardship to the applicant. In these situations the
36 department is also granted the authority to waive the required
37 residential administrator training for a period of 120 days if
38 necessary to ensure continuity of care during the relicensing
39 process.

1 (14) The department shall reimburse with the exceptional care
2 rate adult family homes that provided care solely to clients with
3 HIV/AIDS on or before January 1, 2000, and continue to provide care
4 solely to clients with HIV/AIDS. The department shall not reduce the
5 exceptional care rate from the rate paid on October 1, 2013.

6 (15)(a) \$100,000 of the general fund—state appropriation for
7 fiscal year 2016, \$100,000 of the general fund—private/local
8 appropriation, and \$200,000 of the general fund—federal appropriation
9 are provided solely for the department of social and health services
10 to contract for an independent feasibility study and actuarial
11 modeling of public and private options for leveraging private
12 resources to help individuals prepare for long-term services and
13 supports needs. The study must model two options: (i) A public long-
14 term care benefit for workers, funded through a payroll deduction
15 that would provide a time-limited long-term care insurance benefit;
16 and (ii) a public-private reinsurance or risk-sharing model, with the
17 purpose of providing a stable and ongoing source of reimbursement to
18 insurers for a portion of their catastrophic long-term services and
19 supports losses in order to provide additional insurance capacity for
20 the state.

21 (b) The report must include input from the joint committee on
22 aging and disability and other interested stakeholders. The report
23 must also include an analysis of each option based on: (i) The
24 expected costs and benefits for participants; (ii) the total
25 anticipated number of participants; (iii) the projected savings to
26 the state medicaid program, if any; and (iv) legal and financial
27 risks to the state.

28 (c) The department must provide status updates to the joint
29 legislative executive committee on aging and disability. The
30 feasibility study and actuarial analysis shall be completed and
31 submitted to the department of social and health services by December
32 20, 2016. The department shall submit a report, including the
33 director's findings and recommendations based on the feasibility
34 study and actuarial analysis, to the governor and the legislature by
35 January 1, 2017.

36 (16) \$6,195,000 of the general fund—state appropriation for
37 fiscal year 2016, \$13,195,000 of the general fund—state appropriation
38 for fiscal year 2017, and \$20,288,000 of the general fund—federal

1 appropriation are provided solely to implement House Bill No. 1274
2 (nursing home payment rates).

3 (17) Within available funds, the aging and long term support
4 administration must create a unit within adult protective services
5 that specializes in the investigation of financial abuse allegations
6 and self-neglect allegations.

7 (18) \$58,000 of the general fund—state appropriation for fiscal
8 year 2016, \$58,000 of the general fund—state appropriation for fiscal
9 year 2017, and \$114,000 of the general fund—federal appropriation are
10 provided solely to implement Substitute Senate Bill No. 5877 (due
11 process for adult family homes).

12 (19) \$468,000 of the general fund—state appropriation for fiscal
13 year 2017 is provided solely to expand the kinship navigator program
14 to the Colville Indian reservation, Yakama Nation, and other tribal
15 areas currently without kinship navigator services.

16 (20) \$37,000 of the general fund—state appropriation for fiscal
17 year 2017 is provided solely to implement Second Substitute House
18 Bill No. 2726 (retirement communities). (~~If the bill is not enacted
19 by June 30, 2016, the amount provided in this subsection shall
20 lapse.~~)

21 (21) The department shall provide the legislature an analysis of
22 expenditures for medicaid clients served in adult family homes and
23 assisted living facilities by acuity level. The analysis shall
24 include all services provided to medicaid clients in each care
25 setting, including all services covered by the daily rate, and
26 services provided in addition to the daily rate. The department shall
27 submit the report to the legislature by November 15, 2016.

28 (22) \$308,000 of the general fund—state appropriation for fiscal
29 year 2017 and \$77,000 of the general fund—federal appropriation are
30 provided solely for the implementation of Engrossed Second Substitute
31 Senate Bill No. 6564 (providing protections for persons with
32 developmental disabilities). (~~If this bill is not enacted by June
33 30, 2016, the amounts provided in this subsection shall lapse.~~)

34 (23) \$537,000 of the general fund—state appropriation for fiscal
35 year 2017 and \$538,000 of the general fund—federal appropriation are
36 provided solely for implementation of Substitute Senate Bill No. 6656
37 (state hospital practices) (~~or Engrossed Second Substitute House
38 Bill No. 2453 (state hospital oversight)~~). The department shall
39 contract with a nursing home facility with an enhanced staffing model

1 able to care for patients coming out of western state hospital. The
2 department must identify and must discharge at least thirty patients
3 from a geriatric ward at western state hospital to alternative
4 settings by January 1, 2017, by utilizing enhanced services
5 facilities and enhanced community services plus nursing home beds.
6 (~~If neither bill is enacted by June 30, 2016, the amounts provided~~
7 ~~in this subsection shall lapse.~~)

8 (24) No more than \$1,221,000 of the general fund—federal
9 appropriation may be expended for supportive housing and employment
10 services described in initiative 3 of the medicaid transformation
11 demonstration waiver currently being sought under healthier
12 Washington.

13 (25) No more than \$3,680,000 of the general fund—federal
14 appropriation may be expended for tailored support for older adults
15 and medical alternative care described in initiative 2 of the
16 medicaid transformation demonstration waiver currently being sought
17 under healthier Washington.

18 **Sec. 1207.** 2016 sp.s. c 36 s 207 (uncodified) is amended to read
19 as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES**
21 **PROGRAM**

22	General Fund—State Appropriation (FY 2016).	\$396,066,000
23	General Fund—State Appropriation (FY 2017).	((\$418,020,000))
24		<u>\$391,314,000</u>
25	General Fund—Federal Appropriation.	((\$1,301,431,000))
26		<u>\$1,310,773,000</u>
27	General Fund—Private/Local Appropriation.	\$1,950,000
28	Administrative Contingency Account—State Appropriation. .	\$17,000,000
29	TOTAL APPROPRIATION.	((\$2,134,467,000))
30		<u>\$2,117,103,000</u>

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

33 (1)(a) \$152,953,000 of the general fund—state appropriation for
34 fiscal year 2016, ~~((\$171,299,000))~~ \$149,163,000 of the general fund—
35 state appropriation for fiscal year 2017, ~~((\$779,366,000))~~
36 \$781,778,000 of the general fund—federal appropriation, and
37 \$17,000,000 of the administrative contingency account—state
38 appropriation are provided solely for all components of the WorkFirst

1 program. Within the amounts provided for the WorkFirst program, the
2 department may provide assistance using state-only funds for families
3 eligible for temporary assistance for needy families. The department
4 must create a WorkFirst budget structure that allows for transparent
5 tracking of budget units and subunits of expenditures where these
6 units and subunits are mutually exclusive from other department
7 budget units. The budget structure must include budget units for the
8 following: Cash assistance, child care, WorkFirst activities, and
9 administration of the program. Within these budget units, the
10 department must develop program index codes for specific activities
11 and develop allotments and track expenditures using these codes. The
12 department shall report to the office of financial management and the
13 relevant fiscal and policy committees of the legislature prior to
14 adopting the new structure and no later than December 2015.

15 (b) (~~(\$316,460,000)~~) \$302,276,000 of the amounts in (a) of this
16 subsection are provided solely for assistance to clients, including
17 grants, diversion cash assistance, and additional diversion emergency
18 assistance including but not limited to assistance authorized under
19 RCW 74.08A.210. The department may use state funds to provide support
20 to working families that are eligible for temporary assistance for
21 needy families but otherwise not receiving cash assistance.

22 (c) (~~(\$163,200,000)~~) \$162,276,000 of the amounts in (a) of this
23 subsection are provided solely for WorkFirst job search, education
24 and training activities, barrier removal services, limited English
25 proficiency services, and tribal assistance under RCW 74.08A.040. The
26 department must allocate this funding based on client outcomes and
27 cost effectiveness measures.

28 (d) (~~(\$477,029,000)~~) \$462,401,000 of the amounts in (a) of this
29 subsection are provided solely for the working connections child care
30 program under RCW 43.215.135. Of the amounts provided in this
31 subsection (1)(d), \$22,040,000 of the appropriation for fiscal year
32 2017 is provided solely for implementation of chapter 7, Laws of 2015
33 3rd sp. sess. (early care and education system). Of the amounts
34 provided in this subsection (1)(d), \$8,048,000 of the appropriation
35 for fiscal year 2017 is provided solely for a base rate increase.
36 This funding is for the supplemental agreement to the 2015-2017
37 collective bargaining agreement covering family child care providers
38 as set forth in section 905 of this act. The amounts provided in this
39 subsection (d) are provided conditioned on the department of social
40 and health services and the department of early learning taking

1 additional actions to identify and reduce the backlog of overpayment
2 cases related to public assistance programs, including the working
3 connections child care program. The departments shall collaborate and
4 create a plan to triage overpayment cases in a manner that identifies
5 and prioritizes cases with large overpayments and likelihood of
6 fraudulent activity. The departments shall provide a quarterly report
7 to the appropriate policy and fiscal committees of the legislature
8 detailing the specific actions taken as a result of this subsection
9 (d).

10 (e) (~~(\$163,928,000)~~) \$173,940,000 of the amounts in (a) of this
11 subsection are provided solely for WorkFirst and working connections
12 child care administration and overhead. Of amounts provided in this
13 subsection (1)(e), \$41,000 of the appropriation for fiscal year 2016
14 is provided solely for implementation of chapter 7, Laws of 2015 3rd
15 sp. sess. (early care and education system).

16 (f) The amounts in (b) through (~~(d)~~) (e) of this subsection
17 shall be expended for the programs and in the amounts specified.
18 However, the department may transfer up to 10 percent of funding
19 between (b) through (~~(d)~~) (e) of this subsection. The department
20 shall provide notification prior to any transfer to the office of
21 financial management and to the appropriate legislative committees
22 and the legislative-executive WorkFirst oversight task force. The
23 approval of the director of financial management is required prior to
24 any transfer under this subsection.

25 (g) Beginning July 1, 2016, and each calendar quarter thereafter,
26 the department shall provide a maintenance of effort and
27 participation rate tracking report for temporary assistance for needy
28 families to the office of financial management, the appropriate
29 policy and fiscal committees of the legislature, and the legislative-
30 executive WorkFirst oversight task force. The report must detail the
31 following information for temporary assistance for needy families:

32 (i) An overview of federal rules related to maintenance of
33 effort, excess maintenance of effort, participation rates for
34 temporary assistance for needy families, and the child care
35 development fund as it pertains to maintenance of effort and
36 participation rates;

37 (ii) Countable maintenance of effort and excess maintenance of
38 effort, by source, provided for the previous federal fiscal year;

1 (iii) Countable maintenance of effort and excess maintenance of
2 effort, by source, for the current fiscal year, including changes in
3 countable maintenance of effort from the previous year;

4 (iv) The status of reportable federal participation rate
5 requirements, including any impact of excess maintenance of effort on
6 participation targets;

7 (v) Potential new sources of maintenance of effort and progress
8 to obtain additional maintenance of effort; and

9 (vi) A two-year projection for meeting federal block grant and
10 contingency fund maintenance of effort, participation targets, and
11 future reportable federal participation rate requirements.

12 (h) In the 2017-2019 fiscal biennium, it is the intent of the
13 legislature to provide appropriations from the state general fund for
14 the purposes of (b) through (e) of this subsection if the department
15 does not receive additional federal temporary assistance for needy
16 families contingency funds in each fiscal year as assumed in the
17 budget outlook.

18 (2) \$1,657,000 of the general fund—state appropriation for fiscal
19 year 2016 and \$1,657,000 of the general fund—state appropriation for
20 fiscal year 2017 are provided solely for naturalization services.

21 (3) \$2,366,000 of the general fund—state appropriation for fiscal
22 year 2016 is provided solely for employment services for refugees and
23 immigrants, of which \$1,774,000 is provided solely for the department
24 to pass through to statewide refugee and immigrant assistance
25 organizations for limited English proficiency pathway services; and
26 \$2,366,000 of the general fund—state appropriation for fiscal year
27 2017 is provided solely for employment services for refugees and
28 immigrants, of which \$1,774,000 is provided solely for the department
29 to pass through to statewide refugee and immigrant assistance
30 organizations for limited English proficiency pathway services.

31 (4) On December 1, 2015, and annually thereafter, the department
32 must report to the legislature on all sources of funding available
33 for both refugee and immigrant services and naturalization services
34 during the current fiscal year and the amounts expended to date by
35 service type and funding source. The report must also include the
36 number of clients served and outcome data for the clients.

37 (5) To ensure expenditures remain within available funds
38 appropriated in this section, the legislature establishes the benefit
39 under the state food assistance program, pursuant to RCW 74.08A.120,

1 to be one hundred percent of the federal supplemental nutrition
2 assistance program benefit amount.

3 (6) The department shall review clients receiving services
4 through the aged, blind, or disabled assistance program, to determine
5 whether they would benefit from assistance in becoming naturalized
6 citizens, and thus be eligible to receive federal supplemental
7 security income benefits. Those cases shall be given high priority
8 for naturalization funding through the department.

9 (7) The department shall continue the interagency agreement with
10 the department of veterans' affairs to establish a process for
11 referral of veterans who may be eligible for veterans' services. This
12 agreement must include out-stationing department of veterans' affairs
13 staff in selected community service office locations in King and
14 Pierce counties to facilitate applications for veterans' services.

15 (8) \$300,000 of the general fund—federal appropriation is
16 provided solely for implementation of Second Substitute House Bill
17 No. 2877 (SNAP benefit distribution dates), provided that the
18 department confirms receipt of SNAP Bonus payments sufficient for the
19 cost of implementing the bill. ((If the bill is not enacted by June
20 30, 2016, the amount provided in this subsection shall lapse.))

21 **Sec. 1208.** 2016 sp.s. c 36 s 208 (uncodified) is amended to read
22 as follows:

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

25	General Fund—State Appropriation (FY 2016).	\$64,261,000
26	General Fund—State Appropriation (FY 2017).	(\$66,185,000)
27		<u>\$60,811,000</u>
28	General Fund—Federal Appropriation.	(\$519,951,000)
29		<u>\$523,815,000</u>
30	General Fund—Private/Local Appropriation.	\$20,211,000
31	Criminal Justice Treatment Account—State	
32	Appropriation.	\$12,478,000
33	Problem Gambling Account—State Appropriation.	\$1,453,000
34	Dedicated Marijuana Account—State Appropriation	
35	(FY 2016).	\$10,736,000
36	Dedicated Marijuana Account—State Appropriation	
37	(FY 2017).	\$24,802,000
38	TOTAL APPROPRIATION.	(\$720,077,000)

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

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (a) Service and other outcome data must be provided to the department by request; and (b) indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) In accordance with RCW 70.96A.090 and 43.135.055, the department is authorized to adopt fees for the review and approval of treatment programs in fiscal years 2016 and 2017 as necessary to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(3) \$3,500,000 of the general fund—federal appropriation (from the substance abuse prevention and treatment federal block grant) is provided solely for the continued funding of existing county drug and alcohol use prevention programs.

(4) \$421,000 of the general fund—state appropriation for fiscal year 2016, \$873,000 of the general fund—state appropriation for fiscal year 2017, and \$1,787,000 of the general fund—federal appropriation are provided solely for implementation of chapter 50, Laws of 2015 (E2SHB 1450) (involuntary outpatient treatment). The department must use these amounts for increases in alcohol and substance abuse treatment associated with implementation of the bill.

1 (5) \$200,000 of the dedicated marijuana account—state
2 appropriation for fiscal year 2016 and \$200,000 of the dedicated
3 marijuana account—state appropriation for fiscal year 2017 are
4 provided solely for a contract with the Washington state institute
5 for public policy to conduct cost-benefit evaluations of the
6 implementation of chapter 3, Laws of 2013 (Initiative Measure No.
7 502).

8 (6) \$500,000 of the dedicated marijuana account—state
9 appropriation for fiscal year 2016 and \$500,000 of the dedicated
10 marijuana account—state appropriation for fiscal year 2017 are
11 provided solely to design and administer the Washington state healthy
12 youth survey and the Washington state young adult behavioral health
13 survey.

14 (7) \$395,000 of the dedicated marijuana account—state
15 appropriation for fiscal year 2016 and \$396,000 of the dedicated
16 marijuana account—state appropriation for fiscal year 2017 are
17 provided solely for increasing services to pregnant and parenting
18 women provided through the parent child assistance program.

19 (8) \$250,000 of the dedicated marijuana account—state
20 appropriation for fiscal year 2016 and \$250,000 of the dedicated
21 marijuana account—state appropriation for fiscal year 2017 are
22 provided solely for a grant to the office of superintendent of public
23 instruction to provide life skills training to children and youth in
24 schools that are in high needs communities.

25 (9) \$386,000 of the dedicated marijuana account—state
26 appropriation for fiscal year 2016 and \$386,000 of the dedicated
27 marijuana account—state appropriation for fiscal year 2017 are
28 provided solely to increase prevention and treatment services
29 provided by tribes to children and youth.

30 (10) \$683,000 of the dedicated marijuana account—state
31 appropriation for fiscal year 2016, \$2,684,000 of the dedicated
32 marijuana account—state appropriation for fiscal year 2017, and
33 \$1,900,000 of the general fund—federal appropriation are provided
34 solely to increase residential treatment services for children and
35 youth.

36 (11) \$250,000 of the dedicated marijuana account—state
37 appropriation for fiscal year 2016 and \$250,000 of the dedicated
38 marijuana account—state appropriation for fiscal year 2017 are
39 provided solely for training and technical assistance for the

1 implementation of evidence based, research based, and promising
2 programs which prevent or reduce substance use disorders.

3 (12) \$1,000,000 of the dedicated marijuana account—state
4 appropriation for fiscal year 2016 and \$2,434,000 of the dedicated
5 marijuana account—state appropriation for fiscal year 2017 are
6 provided solely for expenditure into the home visiting services
7 account.

8 (13) \$3,278,000 of the dedicated marijuana account—state
9 appropriation for fiscal year 2017 is provided solely for a
10 memorandum of understanding with the department of social and health
11 services juvenile rehabilitation administration to provide substance
12 abuse treatment programs for juvenile offenders. Of the amounts
13 provided in this subsection:

14 (a) \$1,130,000 of the dedicated marijuana account—state
15 appropriation for fiscal year 2017 is provided solely for alcohol and
16 substance abuse treatment programs for locally-committed offenders.
17 The juvenile rehabilitation administration shall award these funds as
18 described in section 203(3) of this act.

19 (b) \$282,000 of the dedicated marijuana account—state
20 appropriation for fiscal year 2017 is provided solely for the
21 expansion of evidence-based treatments and therapies as described in
22 section 203(4) of this act.

23 (14) \$2,500,000 of the dedicated marijuana account—state
24 appropriation for fiscal year 2016 and \$2,500,000 of the dedicated
25 marijuana account—state appropriation for fiscal year 2017 are
26 provided solely for grants to community-based programs that provide
27 prevention services or activities to youth, including programs for
28 school-based resource officers. These funds must be utilized in
29 accordance with RCW 69.50.540.

30 (15) Within the amounts provided in this section, regional
31 support networks must provide outpatient chemical dependency
32 treatment for offenders enrolled in the medicaid program who are
33 supervised by the department of corrections pursuant to a term of
34 community supervision beginning in April 2016. Effective April 1,
35 2016, contracts with regional support networks must require that
36 regional support networks include in their provider network
37 specialized expertise in the provision of manualized, evidence-based
38 chemical dependency treatment services for offenders. The department
39 of corrections and the department of social and health services must

1 develop a memorandum of understanding for department of corrections
2 offenders on active supervision who are medicaid eligible and meet
3 medical necessity for outpatient substance use disorder treatment.
4 The agreement will ensure that treatment services provided are
5 coordinated, do not result in duplication of services, and maintain
6 access and quality of care for the individuals being served. The
7 department of social and health services must provide all necessary
8 data, access, and reports to the department of corrections for all
9 department of corrections offenders that receive medicaid paid
10 services.

11 (16) During the 2015-2017 fiscal biennium, any amounts provided
12 in this section that are used for case management services for
13 pregnant and parenting women must be contracted directly between the
14 department and providers rather than through contracts with
15 behavioral health organizations. By December 1, 2016, the department
16 must provide a report to the office of financial management and the
17 appropriate committees of the legislature on the readiness for
18 behavioral health organizations to assume the contracts for case
19 management services for pregnant and parenting women.

20 (17) \$100,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$100,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for parenting education services
23 focused on pregnant and parenting women.

24 (18) Within existing appropriations, the department shall
25 prioritize the prevention and treatment of intravenous opiate-based
26 drug use.

27 (19) \$250,000 of the general fund—state appropriation for fiscal
28 year 2017 is provided solely for a contract with the Washington State
29 University for the research and development of a marijuana
30 breathalyzer.

31 (20) \$438,000 of the general fund—state appropriation for fiscal
32 year 2017 and \$185,000 of the general fund—federal appropriation are
33 provided solely for implementation of Third Substitute House Bill No.
34 1713 (mental health, chemical dependency). (~~If the bill is not~~
35 ~~enacted by June 30, 2016, the amounts provided in this subsection~~
36 ~~shall lapse.~~)

37 (21) Within the amounts appropriated in this section, the
38 department of social and health services and the health care
39 authority must provide quarterly reports to the chairs of the house

1 of representatives health care and wellness committee, the house of
2 representatives early learning and human services committee, the
3 senate health care committee, and the senate human services, mental
4 health, and housing committee on the integration of mental health and
5 chemical dependency treatment purchasing through behavioral health
6 organizations and the southwest Washington early adopter model. These
7 reports must include, but are not limited to, an update on
8 reimbursement rates and contracts for providing residential chemical
9 dependency treatment; the numbers of referrals and length of stay for
10 patients referred to chemical dependency treatment; the timing of
11 authorization and payment to providers; the compatibility of patient
12 electronic medical record data between behavioral health
13 organizations, managed care organizations in the southwest Washington
14 regional service area, and providers; and the status of contracted
15 providers. Behavioral health organizations and managed care
16 organizations in the southwest Washington regional service area must
17 be required to immediately report when notified that a provider is in
18 jeopardy of closure. The department and the health care authority
19 must immediately assess whether and take actions to ensure that the
20 behavioral health organization or managed care plans impacted by the
21 provider closure have an adequate transition plan to maintain an
22 adequate network and provide access to medically necessary treatment
23 services for enrollees. These reports shall begin April 1, 2016, and
24 end on October 31, 2016.

25 (22) Within existing appropriations for fiscal year 2017, the
26 department shall conduct a two-part study of substance use provider
27 capacity and substance use provider outcomes in the state. The
28 provider capacity report must provide information about publicly
29 funded providers, including their number, geographical location,
30 populations served, and treatment methodologies employed. The
31 provider outcome report must examine variation in client outcome for
32 these providers using statistical models to mitigate the impact of
33 case mix. Where possible, outcomes must be aligned with
34 specifications developed as directed by Second Substitute Senate Bill
35 No. 5732, (chapter 338, Laws of 2013) and Engrossed Substitute House
36 Bill No. 1519 (chapter 320, Laws of 2013). The two reports shall be
37 submitted to the governor and appropriate committees of the
38 legislature by June 1, 2017.

39 (23) \$500,000 of the criminal justice treatment account—state
40 appropriation is provided solely to increase funding for substance

1 abuse treatment and support services for offenders and to support
2 drug courts.

3 **Sec. 1209.** 2016 sp.s. c 36 s 209 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL**
6 **REHABILITATION PROGRAM**

7	General Fund—State Appropriation (FY 2016).	\$12,866,000
8	General Fund—State Appropriation (FY 2017).	(\$13,353,000)
9		<u>\$13,414,000</u>
10	General Fund—Federal Appropriation.	(\$98,491,000)
11		<u>\$109,988,000</u>
12	TOTAL APPROPRIATION.	(\$124,710,000)
13		<u>\$136,268,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations: \$11,510,000 of the general fund—federal
16 appropriation is provided solely for the department to spend existing
17 federal grant dollars to meet new program demands pursuant to the
18 WorkForce innovation and opportunity act.

19 **Sec. 1210.** 2016 sp.s. c 36 s 210 (uncodified) is amended to read
20 as follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT**
22 **PROGRAM**

23	General Fund—State Appropriation (FY 2016).	\$39,490,000
24	General Fund—State Appropriation (FY 2017).	(\$40,823,000)
25		<u>\$42,488,000</u>
26	TOTAL APPROPRIATION.	(\$80,313,000)
27		<u>\$81,978,000</u>

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

30 (1) \$78,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$78,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely to implement House Bill No. 1059
33 (sexually violent predators).

34 (2) The department shall review its current food services for the
35 special commitment center for opportunities to consolidate and
36 centralize, emphasizing opportunities for increased efficiency. The

1 department shall consider consolidating and centralizing the
2 department's institutional food service by examining: (a) Consistent
3 daily meals across institutions; (b) off-site meal preparation and
4 cook-chill meals; and (c) increased use of the department of
5 correction's correctional industries institutional food service. Any
6 food service improvements must account for special diets and
7 consistency with established dietary intakes of the food and
8 nutrition board of the national research council.

9 (3) Within the amounts provided in this section, the special
10 commitment center must explore entering into an interagency agreement
11 with the University of Washington. The interagency agreement would
12 allow the department to receive drug pricing under 340B of the public
13 health services act for drug purchases associated with treating
14 patients with hepatitis C or other diseases, whereby the university
15 is acting as the covered entity or safety-net provider. In
16 cooperation with the University of Washington, the special commitment
17 center must provide an estimate of the fiscal impact of a successful
18 agreement of this nature, to be included in the report provided to
19 the legislature under section 606 of this act.

20 (4) The special commitment center may use funds appropriated in
21 this subsection to purchase goods and supplies through hospital group
22 purchasing organizations when it is cost-effective to do so.

23 (5) \$15,000 of the general fund—state appropriation for fiscal
24 year 2017 is provided solely for the implementation of a memorandum
25 of understanding between the governor and the service employees
26 international union healthcare 1199nw amending the collective
27 bargaining under chapter 41.80 RCW for the 2015-2017 fiscal biennium
28 as set forth in section 902 of this act. The legislature recognizes
29 that the memorandum of understanding was necessitated by an emergency
30 and an imminent jeopardy determination by the center for medicare and
31 medicaid services that relates to the safety and health of clients
32 and employees.

33 **Sec. 1211.** 2016 sp.s. c 36 s 211 (uncodified) is amended to read
34 as follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND**
36 **SUPPORTING SERVICES PROGRAM**

37	General Fund—State Appropriation (FY 2016).	\$34,207,000
38	General Fund—State Appropriation (FY 2017).	((\$34,533,000))

1		<u>\$34,943,000</u>
2	General Fund—Federal Appropriation.	((\$41,153,000))
3		<u>\$41,312,000</u>
4	General Fund—Private/Local Appropriation.	\$654,000
5	TOTAL APPROPRIATION.	((\$110,547,000))
6		<u>\$111,116,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations: \$300,000 of the general fund—state
9 appropriation for fiscal year 2016 and \$300,000 of the general fund—
10 state appropriation for fiscal year 2017 are provided solely for a
11 Washington state mentoring organization to continue its public-
12 private partnerships to provide technical assistance and training to
13 mentoring programs that serve at-risk youth.

14 **Sec. 1212.** 2016 sp.s. c 36 s 212 (uncodified) is amended to read
15 as follows:

16 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER**
17 **AGENCIES PROGRAM**

18	General Fund—State Appropriation (FY 2016).	\$72,717,000
19	General Fund—State Appropriation (FY 2017).	((\$76,957,000))
20		<u>\$77,640,000</u>
21	General Fund—Federal Appropriation.	((\$58,973,000))
22		<u>\$59,216,000</u>
23	TOTAL APPROPRIATION.	((\$208,647,000))
24		<u>\$209,573,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations: \$8,000 of the general fund—state
27 appropriation for fiscal year 2017 is provided solely to implement
28 chapter 240, Laws of 2015 (extended foster care).

29 **Sec. 1213.** 2016 sp.s. c 36 s 213 (uncodified) is amended to read
30 as follows:

31 **FOR THE STATE HEALTH CARE AUTHORITY**

32 During the 2015-2017 fiscal biennium, the health care authority
33 shall provide support and data as required by the office of the state
34 actuary in providing the legislature with health care actuarial
35 analysis, including providing any information in the possession of
36 the health care authority or available to the health care authority

1 through contracts with providers, plans, insurers, consultants, or
2 any other entities contracting with the health care authority.

3 Information technology projects or investments and proposed
4 projects or investments impacting time capture, payroll and payment
5 processes and systems, eligibility, case management, and
6 authorization systems within the health care authority are subject to
7 technical oversight by the office of the chief information officer.

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

25 The appropriations to the health care authority in this act shall
26 be expended for the programs and in the amounts specified in this
27 act. To the extent that appropriations in this section are
28 insufficient to fund actual expenditures in excess of caseload
29 forecasts and utilization assumptions, the authority, after May 1,
30 ~~((2016))~~ 2017, may transfer general fund—state appropriations for
31 fiscal year ~~((2016))~~ 2017 that are provided solely for a specified
32 purpose. The authority shall not transfer funds, and the director of
33 financial management shall not approve the transfer, unless the
34 transfer is consistent with the objective of conserving, to the
35 maximum extent possible, the expenditure of state funds. The director
36 of financial management shall notify the appropriate fiscal
37 committees of the senate and house of representatives in writing
38 seven days prior to approving any allotment modifications or
39 transfers under this subsection. The written notification shall
40 include a narrative explanation and justification of the changes,

1 along with expenditures and allotments by budget unit and
2 appropriation, both before and after any allotment modifications or
3 transfers.

4 (1) MEDICAL ASSISTANCE

5	General Fund—State Appropriation (FY 2016)	\$1,950,827,000
6	General Fund—State Appropriation (FY 2017).	(\$2,054,119,000)
7		<u>\$1,991,767,000</u>
8	General Fund—Federal Appropriation.	(\$11,217,550,000)
9		<u>\$11,148,042,000</u>
10	General Fund—Private/Local Appropriation.	(\$70,787,000)
11		<u>\$82,590,000</u>
12	Emergency Medical Services and Trauma Care Systems	
13	Trust Account—State Appropriation.	\$15,086,000
14	Hospital Safety Net Assessment Account—State	
15	Appropriation.	(\$689,942,000)
16		<u>\$686,952,000</u>
17	Medicaid Fraud Penalty Account—State Appropriation.	\$18,491,000
18	Medical Aid Account—State Appropriation.	\$528,000
19	Dedicated Marijuana Account—State Appropriation	
20	(FY 2016).	\$7,791,000
21	Dedicated Marijuana Account—State Appropriation	
22	(FY 2017).	(\$12,979,000)
23		<u>\$14,572,000</u>
24	State Health Care Authority Administration Account—State	
25	Appropriation.	(\$106,000)
26		<u>\$68,000</u>
27	TOTAL APPROPRIATION.	(\$16,038,206,000)
28		<u>\$15,916,714,000</u>

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

31 (a) \$35,794,000 of the general fund—state appropriation for
32 fiscal year 2016 is provided solely for medicaid services based on
33 the February caseload and medicaid forecasts contingent upon: (i)
34 Transfer of the medicaid forecast function to the office of financial
35 management, by July 1, 2016; (ii) the authority executing necessary,
36 timely data sharing agreements with the office of the state actuary;
37 (iii) the authority providing support and data as required by the
38 office of the state actuary necessary in providing the legislature

1 with health care actuarial analysis, including providing any
2 information in the possession of the health care authority or
3 available to the health care authority through contracts with
4 providers, plans, insurers, consultants, or any other entities
5 contracting with the health care authority; (iv) transfer of the
6 administration of the managed care actuarial rate setting contract
7 from the authority to the office of financial management; and (v) the
8 authority consulting with the medical assistance forecast work group
9 prior to accepting the actuarial contractor's managed care rate
10 recommendations.

11 (b) (~~(\$121,599,000)~~) \$134,286,000 of the general fund—state
12 appropriation for fiscal year 2017 is provided solely for holding
13 medicaid managed care capitation rates flat at calendar year (~~(2016)~~)
14 2017 levels in state fiscal year and calendar year 2017. To achieve
15 this target, the authority shall engage with a group composed of the
16 office of financial management, the medicaid forecast work group, and
17 the managed care plans on a range of strategies developed both by the
18 authority and the group. The authority shall obtain actuarial
19 analysis, support, and recommendations during this process, and the
20 state actuary shall obtain independent actuarial analysis. By August
21 1, 2016, the authority shall present the progress made on the
22 initiative to the joint select committee on health care, identifying
23 any possible changes in statute needed to achieve the goal and the
24 possible impacts on clients. The authority shall complete the plan
25 and report to the appropriate committees of the legislature by
26 October 1, 2016.

27 (c) \$1,894,672,000 of the general fund—state appropriation for
28 fiscal year 2016 and (~~(\$1,915,233,000)~~) \$1,845,026,000 of the general
29 fund—state appropriation for fiscal year 2017 are provided solely for
30 medicaid services and the medicaid program. However, the authority
31 shall not accept or expend any federal funds received under a
32 medicaid transformation demonstration waiver currently being sought
33 under healthier Washington, except as described in (d) through
34 (~~((g))~~) (e) of this subsection, until specifically approved and
35 appropriated by the legislature.

36 (d) No more than (~~(\$127,336,000)~~) \$121,050,000 of the general
37 fund—federal appropriation and \$12,226,000 of the general fund—local
38 appropriation may be expended for transformation through accountable
39 communities of health described in initiative 1 of the medicaid

1 transformation demonstration waiver currently being sought under
2 healthier Washington, including preventing youth drug use. The
3 authority shall not increase general fund—state expenditures on this
4 initiative. The authority shall report to the fiscal committees of
5 the legislature all expenditures under this subsection and shall
6 provide such fiscal data in the manner, form, and time requested by
7 the legislative fiscal committees.

8 ~~(e) ((No more than \$5,223,000 of the general fund—federal~~
9 ~~appropriation may be expended for tailored support for older adults~~
10 ~~and medicaid alternative care described in initiative 2 of the~~
11 ~~medicaid transformation demonstration waiver currently being sought~~
12 ~~under healthier Washington. The authority shall not increase general~~
13 ~~fund—state expenditures on this initiative. The authority shall~~
14 ~~report to the fiscal committees of the legislature all expenditures~~
15 ~~under this subsection and shall provide such fiscal data in the~~
16 ~~manner, form, and time requested by the legislative fiscal~~
17 ~~committees.~~

18 ~~(f))~~ No more than ~~(((\$9,425,000))~~ \$5,392,000 of the general fund—
19 federal appropriation may be expended for supportive housing and
20 supportive employment services described in initiative 3~~((a))~~ of
21 the medicaid transformation demonstration waiver currently being
22 sought under healthier Washington. The authority shall not increase
23 general fund—state expenditures on this initiative. The authority
24 shall report to the fiscal committees of the legislature all
25 expenditures under this subsection and shall provide such fiscal data
26 in the manner, form, and time requested by the legislative fiscal
27 committees.

28 ~~((g) No more than \$5,567,000 of the general fund—federal~~
29 ~~appropriation may be expended for supportive employment services~~
30 ~~described in initiative 3(b) of the medicaid transformation~~
31 ~~demonstration waiver currently being sought under healthier~~
32 ~~Washington. The authority shall not increase general fund—state~~
33 ~~expenditures on this initiative. The authority shall report to the~~
34 ~~fiscal committees of the legislature all expenditures under this~~
35 ~~subsection and shall provide such fiscal data in the manner, form,~~
36 ~~and time requested by the legislative fiscal committees.~~

37 ~~(h))~~ (f) Sufficient amounts are appropriated in this subsection
38 to implement the medicaid expansion as defined in the social security
39 act, section 1902(a)(10)(A)(i)(VIII).

1 ~~((+i))~~ (g) The legislature finds that medicaid payment rates, as
2 calculated by the health care authority pursuant to the
3 appropriations in this act, bear a reasonable relationship to the
4 costs incurred by efficiently and economically operated facilities
5 for providing quality services and will be sufficient to enlist
6 enough providers so that care and services are available to the
7 extent that such care and services are available to the general
8 population in the geographic area. The legislature finds that the
9 cost reports, payment data from the federal government, historical
10 utilization, economic data, and clinical input constitute reliable
11 data upon which to determine the payment rates.

12 ~~((+j))~~ (h) Based on quarterly expenditure reports and caseload
13 forecasts, if the health care authority estimates that expenditures
14 for the medical assistance program will exceed the appropriations,
15 the health care authority shall take steps including but not limited
16 to reduction of rates or elimination of optional services to reduce
17 expenditures so that total program costs do not exceed the annual
18 appropriation authority.

19 ~~((+k))~~ (i) In determining financial eligibility for medicaid-
20 funded services, the health care authority is authorized to disregard
21 recoveries by Holocaust survivors of insurance proceeds or other
22 assets, as defined in RCW 48.104.030.

23 ~~((+l))~~ (j) The legislature affirms that it is in the state's
24 interest for Harborview medical center to remain an economically
25 viable component of the state's health care system.

26 ~~((+m))~~ (k) When a person is ineligible for medicaid solely by
27 reason of residence in an institution for mental diseases, the health
28 care authority shall provide the person with the same benefits as he
29 or she would receive if eligible for medicaid, using state-only funds
30 to the extent necessary.

31 ~~((+n))~~ (l) \$4,261,000 of the general fund—state appropriation
32 for fiscal year 2016, \$4,261,000 of the general fund—state
33 appropriation for fiscal year 2017, and \$8,522,000 of the general
34 fund—federal appropriation are provided solely for low-income
35 disproportionate share hospital payments.

36 ~~((+o))~~ (m) Within the amounts appropriated in this section, the
37 health care authority shall provide disproportionate share hospital
38 payments to hospitals that provide services to children in the
39 children's health program who are not eligible for services under

1 Title XIX or XXI of the federal social security act due to their
2 citizenship status.

3 ~~((p))~~ (n) \$6,000,000 of the general fund—federal appropriation
4 is provided solely for supplemental payments to nursing homes
5 operated by public hospital districts. The public hospital district
6 shall be responsible for providing the required nonfederal match for
7 the supplemental payment, and the payments shall not exceed the
8 maximum allowable under federal rules. It is the legislature's intent
9 that the payments shall be supplemental to and shall not in any way
10 offset or reduce the payments calculated and provided in accordance
11 with part E of chapter 74.46 RCW. It is the legislature's further
12 intent that costs otherwise allowable for rate-setting and settlement
13 against payments under chapter 74.46 RCW shall not be disallowed
14 solely because such costs have been paid by revenues retained by the
15 nursing home from these supplemental payments. The supplemental
16 payments are subject to retrospective interim and final cost
17 settlements based on the nursing homes' as-filed and final medicare
18 cost reports. The timing of the interim and final cost settlements
19 shall be at the health care authority's discretion. During either the
20 interim cost settlement or the final cost settlement, the health care
21 authority shall recoup from the public hospital districts the
22 supplemental payments that exceed the medicaid cost limit and/or the
23 medicare upper payment limit. The health care authority shall apply
24 federal rules for identifying the eligible incurred medicaid costs
25 and the medicare upper payment limit.

26 ~~((q))~~ (o) The health care authority shall continue the
27 inpatient hospital certified public expenditures program for the
28 2015-2017 fiscal biennium. The program shall apply to all public
29 hospitals, including those owned or operated by the state, except
30 those classified as critical access hospitals or state psychiatric
31 institutions. The health care authority shall submit reports to the
32 governor and legislature by November 1, 2015, and by November 1,
33 2016, that evaluate whether savings continue to exceed costs for this
34 program. If the certified public expenditures (CPE) program in its
35 current form is no longer cost-effective to maintain, the health care
36 authority shall submit a report to the governor and legislature
37 detailing cost-effective alternative uses of local, state, and
38 federal resources as a replacement for this program. During fiscal
39 year 2016 and fiscal year 2017, hospitals in the program shall be
40 paid and shall retain one hundred percent of the federal portion of

1 the allowable hospital cost for each medicaid inpatient fee-for-
2 service claim payable by medical assistance and one hundred percent
3 of the federal portion of the maximum disproportionate share hospital
4 payment allowable under federal regulations. Inpatient medicaid
5 payments shall be established using an allowable methodology that
6 approximates the cost of claims submitted by the hospitals. Payments
7 made to each hospital in the program in each fiscal year of the
8 biennium shall be compared to a baseline amount. The baseline amount
9 will be determined by the total of (a) the inpatient claim payment
10 amounts that would have been paid during the fiscal year had the
11 hospital not been in the CPE program based on the reimbursement rates
12 developed, implemented, and consistent with policies approved in the
13 2015-2017 biennial operating appropriations act and in effect on July
14 1, 2015, (b) one-half of the indigent assistance disproportionate
15 share hospital payment amounts paid to and retained by each hospital
16 during fiscal year 2005, and (c) all of the other disproportionate
17 share hospital payment amounts paid to and retained by each hospital
18 during fiscal year 2005 to the extent the same disproportionate share
19 hospital programs exist in the 2015-2017 fiscal biennium. If payments
20 during the fiscal year exceed the hospital's baseline amount, no
21 additional payments will be made to the hospital except the federal
22 portion of allowable disproportionate share hospital payments for
23 which the hospital can certify allowable match. If payments during
24 the fiscal year are less than the baseline amount, the hospital will
25 be paid a state grant equal to the difference between payments during
26 the fiscal year and the applicable baseline amount. Payment of the
27 state grant shall be made in the applicable fiscal year and
28 distributed in monthly payments. The grants will be recalculated and
29 redistributed as the baseline is updated during the fiscal year. The
30 grant payments are subject to an interim settlement within eleven
31 months after the end of the fiscal year. A final settlement shall be
32 performed. To the extent that either settlement determines that a
33 hospital has received funds in excess of what it would have received
34 as described in this subsection, the hospital must repay the excess
35 amounts to the state when requested. \$14,014,000 of the general fund—
36 state appropriation for fiscal year 2016 and (~~(\$9,700,000)~~)
37 \$4,901,000 of the general fund—state appropriation for fiscal year
38 2017 are provided solely for state grants for the participating
39 hospitals.

1 ~~((r))~~ (p) The health care authority shall seek public-private
2 partnerships and federal funds that are or may become available to
3 provide on-going support for outreach and education efforts under the
4 federal children's health insurance program reauthorization act of
5 2009.

6 ~~((s))~~ (q) The health care authority shall target funding for
7 maternity support services towards pregnant women with factors that
8 lead to higher rates of poor birth outcomes, including hypertension,
9 a preterm or low birth weight birth in the most recent previous
10 birth, a cognitive deficit or developmental disability, substance
11 abuse, severe mental illness, unhealthy weight or failure to gain
12 weight, tobacco use, or African American or Native American race. The
13 health care authority shall prioritize evidence-based practices for
14 delivery of maternity support services. To the extent practicable,
15 the health care authority shall develop a mechanism to increase
16 federal funding for maternity support services by leveraging local
17 public funding for those services.

18 ~~((t))~~ (r) Within the amounts appropriated in this section, the
19 authority shall identify strategies to improve patient adherence to
20 treatment plans for diabetes and implement these strategies as a
21 pilot through one health home program to be identified by the
22 authority. The authority shall report to the governor and legislature
23 in December 2015 on patient outcomes and cost savings derived from
24 new adherence strategies in the health home model and make
25 recommendations for improving the strategies.

26 ~~((u))~~ (s) Managed care contracts must incorporate
27 accountability measures that monitor patient health and improved
28 health outcomes, and shall include an expectation that each patient
29 receive a wellness examination that documents the baseline health
30 status and allows for monitoring of health improvements and outcome
31 measures.

32 ~~((v))~~ (t) \$88,000 of the medicaid fraud penalty account—state
33 appropriation and \$567,000 of the general fund—federal appropriation
34 are provided solely to implement the conversion to the tenth version
35 of the world health organization's international classification of
36 diseases.

37 ~~((w))~~ (u) Sufficient amounts are appropriated in this section
38 for the authority to provide an adult dental benefit.

39 ~~((x))~~ (v) The health care authority shall coordinate with the
40 department of social and health services to provide referrals to the

1 Washington health benefit exchange for clients that will be
2 ineligible for medicaid.

3 ~~((y))~~ (w) To facilitate a single point of entry across public
4 and medical assistance programs, and to maximize the use of federal
5 funding, the health care authority, the department of social and
6 health services, and the health benefit exchange will coordinate
7 efforts to expand HealthPlanfinder access to public assistance and
8 medical eligibility staff. No later than October 1, 2015, the health
9 care authority shall complete medicaid applications in the
10 HealthPlanfinder for households receiving or applying for medical
11 assistance benefits.

12 ~~((z))~~ (x) \$90,000 of the general fund—state appropriation for
13 fiscal year 2016, \$90,000 of the general fund—state appropriation for
14 fiscal year 2017, and \$180,000 of the general fund—federal
15 appropriation are provided solely to continue operation by a
16 nonprofit organization of a toll-free hotline that assists families
17 to learn about and enroll in the apple health for kids program.

18 ~~((aa))~~ (y) The appropriations in this section reflect savings
19 and efficiencies by transferring children receiving medical care
20 provided through fee-for-service to medical care provided through
21 managed care.

22 ~~((bb))~~ (z) Within the amounts appropriated in this section, the
23 authority shall reimburse for primary care services provided by
24 naturopathic physicians.

25 ~~((ee))~~ (aa) Within the amounts appropriated in this section,
26 the authority shall continue to provide coverage for pregnant teens
27 that qualify under existing pregnancy medical programs, but whose
28 eligibility for pregnancy related services would otherwise end due to
29 the application of the new modified adjusted gross income eligibility
30 standard.

31 ~~((dd))~~ (bb) Sufficient amounts are appropriated in this section
32 to remove the mental health visit limit and to provide the shingles
33 vaccine and screening, brief intervention, and referral to treatment
34 benefits that are available in the medicaid alternative benefit plan
35 in the classic medicaid benefit plan.

36 ~~((ee))~~ (cc) \$227,000 of the general fund—state appropriation
37 for fiscal year 2016, \$461,000 of the general fund—state
38 appropriation for fiscal year 2017, and \$734,000 of the general fund—

1 federal appropriation are provided solely to implement Substitute
2 Senate Bill No. 5317 (enhanced autism screening - bright futures).

3 ~~((ff))~~ (dd) \$4,278,000 of the general fund—private/local
4 appropriation and \$9,835,000 of the general fund—federal
5 appropriation are provided solely to implement House Bill No. 2007
6 (emergency medical transportation).

7 ~~((gg))~~ (ee) Within amounts appropriated in this section, the
8 health care authority shall conduct a review of its adult dental
9 program in cooperation with and utilizing resources from Washington
10 dental services foundation. The authority shall develop a plan to
11 implement an expanded oral health care program for adults with
12 diabetes and pregnant women. A report summarizing the authority's
13 implementation plan and an estimation of cost savings must be
14 submitted to the governor and the appropriate committees of the
15 legislature by December 1, 2015.

16 ~~((hh))~~ (ff) No more than \$452,000 of the general fund—state
17 appropriation for fiscal year 2016 and no more than \$723,000 of the
18 general fund—state appropriation for fiscal year 2017 may be expended
19 for reimbursement for nonhospital based rural health clinics auditing
20 costs to complete annual payment reconciliations for calendar years
21 2011-2013 as required under 42 U.S.C. Sec. 1396a (bb)(5)(A). The
22 department shall use the agreed-upon procedures to complete the
23 reconciliations. Nonhospital-based clinics shall be reimbursed for
24 the cost of auditing using the agreed-upon procedures for payment
25 reconciliation for this time period only.

26 ~~((ii))~~ (gg) The appropriations in this section represent a
27 transfer of expenditure authority of \$2,333,000 of the general fund—
28 federal appropriation for fiscal year 2016 and \$1,782,000 of the
29 general fund—federal appropriation for fiscal year 2017 to the office
30 of financial management to implement Engrossed Substitute Senate Bill
31 No. 5084 (all payer claims database).

32 ~~((jj))~~ (hh) Pursuant to RCW 41.06.142(3), the authority shall
33 implement a pilot program within existing resources to understand the
34 nature and depth of potential fraud, waste, and abuse and the
35 creation of operational efficiencies within the provider and
36 beneficiary system. The pilot program shall examine streamlining
37 provider enrollment and compliance within the current affordable care
38 act screening requirements and include a post-enrollment review of
39 those currently enrolled in medicaid to determine if there have been

1 changes in demographics, including but not limited to becoming
2 deceased, incarcerated, or residing out of state. The pilot program
3 shall be conducted by the authority in partnership with a third-party
4 vendor that uses national public records data as well as provider-
5 specific data. The authority shall prepare a report to the governor
6 and legislative fiscal committees by December 15, 2015.

7 ~~((kk))~~ (ii) Within amounts appropriated in this section, the
8 health care authority shall conduct a review of its federally
9 qualified health center encounter rates and rural health center
10 encounter rates in comparison to current uniform medical plan rates
11 for the same or similar services. The authority shall consult with
12 the centers for medicare and medicaid services to determine whether
13 federally qualified encounter rates may be adjusted to uniform
14 medical plan rates as a reasonable proxy to cost. The authority must
15 submit a report to the governor and the appropriate committees of the
16 legislature that includes which encounter rates exceed uniform
17 medical rates, the amount by which the rates are exceeded, and the
18 annual cost of paying above uniform medical rates. The report shall
19 also include the steps the authority has taken with the centers for
20 medicare and medicaid services to ensure that rates bear a reasonable
21 relationship to costs incurred by efficiently and economically
22 operated facilities, including whether uniform medical plan or
23 commercial rates may be considered a reasonable proxy to cost. The
24 report must be submitted by January 1, 2016. By September 15, 2016,
25 the authority is directed to directly consult with the centers for
26 medicaid and medicare services to determine whether federally
27 qualified encounter rates may be adjusted to uniform medical plan
28 rates as a reasonable proxy to cost and resubmit the report to
29 include the results of this consultation.

30 ~~((ll))~~ (jj) \$1,035,000 of the general fund—state appropriation
31 for fiscal year 2016, \$965,000 of the general fund—state
32 appropriation for fiscal year 2017, and \$1,846,000 of the general
33 fund—federal appropriation are provided solely for customer service
34 staff to reduce call wait times and improve the number of calls
35 answered by the authority.

36 ~~((mm))~~ (kk) \$386,000 of the general fund—state appropriation
37 for fiscal year 2016, \$361,000 of the general fund—state
38 appropriation for fiscal year 2017, and \$2,018,000 of the general
39 fund—federal appropriation are provided solely for additional staff

1 to support timely resolution of eligibility-related issues for
2 medicaid clients.

3 ~~(((\$118,000))~~ (11)(i) \$123,000 of the general fund—state appropriation
4 for fiscal year 2016, ~~(((\$118,000))~~ \$85,000 of the general fund—state
5 appropriation for fiscal year 2017, ~~(((\$48,000))~~ \$41,000 of the state
6 health care authority administrative account—state appropriation, and
7 ~~(((\$312,000))~~ \$270,000 of the general fund—federal appropriation are
8 provided solely to establish the bleeding disorder collaborative for
9 care.

10 (ii) The collaborative must consist of three representatives from
11 the authority, three representatives from the largest organization in
12 Washington representing patients with bleeding disorders, two
13 representatives from state designated bleeding disorder centers of
14 excellence, and two representatives of federally funded hemophilia
15 treatment centers based in Washington. The collaborative may invite
16 the participation of other persons with expertise that may assist the
17 collaborative in its responsibilities. The collaborative shall adopt
18 a transparent process that allows for public comment prior to the
19 final adoption of any evidence-based practice.

20 (iii) The collaborative shall:

21 (A) Identify and develop evidence-based practices to improve care
22 to patients with bleeding disorders with specific attention to health
23 care cost reduction. To the extent that evidence-based practices are
24 unavailable, the collaborative shall research and create the
25 practices or compile the necessary information. In the event that
26 research on evidence is incomplete, the collaborative may consider
27 research-based practices or emerging best practices;

28 (B) Make recommendations regarding the dissemination of the
29 evidence-based practices to relevant health care professionals and
30 support service providers and propose options for incorporating
31 evidence-based practices into their treatment regimens; and

32 (C) Assist the authority in the development of a cost-benefit
33 analysis regarding the use of evidence-based practices for specific
34 populations in state-purchased health care programs.

35 (iv) The authority shall report to the governor and the
36 legislature by September 1, 2016, regarding the evidence-based
37 practices that have been developed, the clinical and fiscal
38 implications of their implementation, and a strategy for

1 disseminating the practices and incorporating their use among health
2 care professionals in various state-financed health care programs.

3 ~~((+oo+))~~ (mm) The authority shall use revenue appropriated from
4 the dedicated marijuana fund for contracts with community health
5 centers under RCW 69.50.540 in lieu of general fund—state payments to
6 community health centers for services provided to medical assistance
7 clients, and it is the intent of the legislature that this policy
8 will be continued in subsequent fiscal biennia.

9 ~~((+pp+))~~ (nn) In collaboration with the state hospital
10 association, the authority shall develop and implement a process to
11 review hospital cost report information for new, in-state hospital
12 psychiatric inpatient services that have not had provider specific
13 costs and determine the hospital-specific per diem rate as currently
14 defined for existing providers of psychiatric inpatient services. As
15 a result of this action, the authority shall not incur expenditures
16 in the current biennium. The authority shall report to the office of
17 financial management and appropriate committees of the legislature
18 the following information no later than October 1, 2017:

19 (i) The number of potential new psychiatric beds;

20 (ii) The number of potential new psychiatric beds that were
21 previously designated as acute beds;

22 (iii) The total estimated costs for all new potential psychiatric
23 beds;

24 (iv) The potential savings or expenditures derived from change in
25 bed type usage; and

26 (v) The state fiscal years in which potential costs and savings
27 are likely to incur.

28 ~~((+qq+))~~ (oo) To further the goals of better care, better health
29 outcomes, and reduced per capita costs of health care, the authority
30 shall review its reimbursement methods and rates for births performed
31 at birth centers. The authority shall report to the governor and
32 appropriate committees of the legislature by October 15, 2016, with
33 recommendations for adjusting reimbursement methods and levels,
34 improving access to care, improving the cesarean section rate, and
35 savings options for utilizing birth centers as an alternative to
36 hospitals.

37 ~~((+rr+))~~ (pp) The authority shall submit reports to the governor
38 and the legislature by September 15, 2016, and by September 15, 2017,
39 that delineate the number of individuals in medicaid managed care, by
40 carrier, age, gender, and eligibility category, receiving

1 preventative services and vaccinations. The reports should include
2 baseline and benchmark information from the previous two fiscal years
3 and should be inclusive of, but not limited to, services recommended
4 under the United States preventative services task force, advisory
5 committee on immunization practices, early and periodic screening,
6 diagnostic, and treatment (EPSDT) guidelines, and other relevant
7 preventative and vaccination medicaid guidelines and requirements.

8 ~~((ss))~~ (qq) Within amounts appropriated in this section, the
9 authority shall implement Substitute Senate Bill No. 6430 (continuity
10 of care) to update the ProviderOne and HealthPlanFinder systems to
11 allow suspension rather than termination of medical assistance
12 benefits for persons who are incarcerated or committed to a state
13 hospital subject to the same conditions, limitations, and review
14 provided in section 705 (3) through (6), chapter 4, Laws of 2015 3rd
15 sp. sess. (Engrossed Substitute Senate Bill No. 6052).

16 ~~((tt))~~ (rr) Within amounts appropriated within this section,
17 the authority is directed to increase reimbursement rates for
18 licensed practical nurses and registered nurses providing skilled
19 nursing services in a home setting by \$10.00 per hour. This increase
20 shall be offset by decreases in inpatient hospitalization. The
21 authority is directed to work in collaboration with the home health
22 association and the Washington state hospital association to develop
23 a plan to show how improved access to home health nursing reduces
24 potentially preventable readmissions, increases access to care,
25 reduces hospital length of stay, and prevents overall hospital
26 admissions for clients receiving private-duty nursing, medically
27 intensive care, or home health benefits. The authority shall submit a
28 report to the governor and appropriate committees of the legislature
29 by December 15, 2016, with details of this plan.

30 ~~((uu))~~ (ss) The appropriations in this section include specific
31 funds for the purpose of implementing Engrossed Second Substitute
32 House Bill No. 2439 (youth mental health).

33 ~~((vv))~~ (tt) Within the amounts appropriated in this section,
34 the health care authority in cooperation with the Washington dental
35 services foundation, the Washington state dental association, and
36 other interested stakeholders shall develop a plan to increase access
37 to care by expanding the medicaid dental network through contracting
38 out the administration of the medicaid dental program. This plan
39 shall include but not be limited to engaging dental expertise in the
40 administration, improving the provider and patient experience,

1 aligning the benefit package with evidence-based care, and beginning
2 to test innovative models of delivery consistent with the goals of
3 the healthier Washington initiative. The authority shall also review
4 options to include contracting with one or more medicaid managed care
5 plans or a third-party administrator. The report summarizing the
6 authority's implementation plan and an estimate of the cost to
7 execute this plan must be submitted to the governor and the
8 appropriate committees of the legislature by December 1, 2016. The
9 plan shall not be implemented until specifically authorized by the
10 legislature.

11 ~~((+ww+))~~ (uu) \$608,000 of the general fund—state appropriation
12 for fiscal year 2017 is provided solely to implement the provider
13 access line (PAL) plus pilot program. For purposes of the PAL plus
14 pilot program, the authority shall work in collaboration with faculty
15 from the University of Washington working on the integration of
16 mental health and medical care.

17 (i) The PAL plus service is targeted to help children and
18 families with medicaid coverage who have mental health concerns not
19 already being served by the regional support network system or other
20 local specialty care providers, and who instead receive treatment
21 from their primary care providers. Services must be offered by
22 regionally based and multipractice shared mental health service
23 providers who deliver in person and over the telephone the following
24 services upon primary care request:

- 25 (A) Evaluation and diagnostic support;
- 26 (B) Individual patient care progress tracking;
- 27 (C) Behavior management coaching; and
- 28 (D) Other evidence supported psychosocial care supports which are
29 delivered as an early and easily accessed intervention for families.

30 (ii) The PAL team of child psychiatrists and psychologists shall
31 provide mental health service providers with training and support,
32 weekly care plan reviews and support on their caseloads, and direct
33 patient evaluations for selected enhanced assessments, and must
34 utilize a shared electronic reporting and tracking system to ensure
35 that children not improving are identified as such and helped to
36 receive additional services. The PAL team shall promote the
37 appropriate use of cognitive behavioral therapies and other
38 treatments which are empirically supported or evidence-based and
39 encourage providers to use psychotropic medications as a last resort.

1 (iii) The authority shall monitor PAL plus service outcomes,
2 including, but not limited to:

3 (A) Characteristics of the population being served;

4 (B) Process measures of service utilization;

5 (C) Behavioral health symptom rating scale outcomes of
6 individuals and aggregate rating scale outcomes of populations of
7 children served;

8 (D) Claims data comparison of implementation versus non-
9 implementation regions;

10 (E) Service referral patterns to local specialty mental health
11 care providers; and

12 (F) Family and provider feedback.

13 (iv) By December 31, 2017, the authority shall make a preliminary
14 evaluation of the viability of a statewide PAL plus service program
15 and report to the appropriate committees of the legislature, with a
16 final evaluation report due by December 31, 2018. The final report
17 must include recommendations on sustainability and leveraging funds
18 through behavioral health and managed care organizations.

19 (2) PUBLIC EMPLOYEES BENEFITS BOARD AND EMPLOYEE BENEFITS
20 PROGRAMS

21 State Health Care Authority Administration Account—

22 State Appropriation. (~~(\$38,732,000)~~)

23 \$35,671,000

24 The appropriation in this subsection is subject to the following
25 conditions and limitations:

26 (a) \$162,000 of the state health care authority administration
27 account—state appropriation is for the health care authority to work
28 with participating employers to minimize employer penalties that may
29 be incurred by employers not providing health benefit coverage for
30 part-time employees that are defined as full-time employees under the
31 employer shared responsibility provisions of the federal affordable
32 care act.

33 (b)(i) The state employer contribution for state employee
34 insurance benefits is reduced for fiscal year 2017 from \$894 per
35 month to \$888 per month. Reductions are achieved while maintaining
36 fully funded reserves through the use of accumulated surplus funds
37 due to reduced claims costs, and reduced litigation costs due to the
38 settlement of the litigation in the four *Moore, et al. v. Health Care*
39 *Authority* and the state of Washington cases. The authority is

1 required to review the effectiveness of the wellness program known as
 2 smarthealth, and report to the appropriate committees of the
 3 legislature on the effectiveness of the wellness program on a
 4 quarterly basis beginning no later than June 30, 2016. The
 5 effectiveness report shall include information on the contractors'
 6 communication strategies, rates of employee engagement, and the
 7 identification and quarterly measurement of employee wellness outcome
 8 criteria, such as the rates of sick leave use and of improvements in
 9 chronic medical conditions among wellness plan participants. Prior to
 10 procuring contracts for health insurance and services for the 2017
 11 calendar year, the authority shall also present the findings on the
 12 effectiveness of the wellness plan, including per plan member and per
 13 wellness plan-participant costs of the wellness program at a public
 14 meeting of the public employees' benefits board.

15 (ii) The authority and the public employees' benefits board shall
 16 consult with the Washington state institute for public policy on the
 17 cost-effectiveness of the wellness plan and any changes to the plan
 18 that can be made to increase the health care efficiency of the
 19 wellness plan.

20 (iii) The authority and the public employees' benefits board
 21 shall ensure that procurement for employee health benefits during the
 22 2017-2019 fiscal biennium is consistent with the funding limitations
 23 provided in sections 908 through 910 of this act.

24 (3) HEALTH BENEFIT EXCHANGE

25	General Fund—State Appropriation (FY 2016).	\$5,942,000
26	General Fund—State Appropriation (FY 2017).	\$5,184,000
27	General Fund—Federal Appropriation.	(((\$49,410,000))
28		<u>\$47,986,000</u>
29	Health Benefit Exchange Account—State Appropriation. (((\$50,503,000))	
30		<u>\$52,736,000</u>
31	TOTAL APPROPRIATION.	(((\$111,039,000))
32		<u>\$111,848,000</u>

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

35 (a) The receipt and use of medicaid funds provided to the health
 36 benefit exchange from the health care authority are subject to
 37 compliance with state and federal regulations and policies governing
 38 the Washington apple health programs, including timely and proper
 39 application, eligibility, and enrollment procedures.

1 (b) \$4,755,000 of the health benefit exchange account—state
2 appropriation and \$5,069,000 of the general fund—federal
3 appropriation are provided solely for the customer service call
4 center.

5 (c) \$577,000 of the general fund—state appropriation for fiscal
6 year 2016, \$810,000 of the general fund—state appropriation for
7 fiscal year 2017, \$3,606,000 of the health benefit exchange account—
8 state appropriation, and \$1,389,000 of the general fund—federal
9 appropriation are provided solely for in-person assisters and
10 outreach to help individuals and families complete applications for
11 health coverage.

12 (d) \$1,417,000 of the health benefit exchange account—state
13 appropriation and \$8,218,000 of the general fund—federal
14 appropriation are provided solely to fund the design, development,
15 implementation, operation, and maintenance of the health benefit
16 exchange's information technology systems.

17 (e) The authority shall require the exchange to submit to the
18 authority and the appropriate committees of the legislature by
19 September 30, 2015, and September 30, 2016, a detailed report
20 including:

21 (i) Salaries of all current employees of the exchange, including
22 starting salary, any increases received, and the basis for any
23 increases; and

24 (ii) Salary, overtime, and compensation policies for staff of the
25 exchange.

26 (f) The authority shall require the exchange to submit to the
27 authority and the appropriate committees of the legislature on a
28 monthly basis:

29 (i) A report of all expenses; and

30 (ii) Beginning and ending fund balances, by fund source; and

31 (iii) Any contracts or contract amendments signed by the
32 exchange; and

33 (iv) An accounting of staff required to operate the exchange
34 broken out by full time equivalent positions, contracted employees,
35 temporary staff, and any other relevant designation that indicates
36 the staffing level of the exchange.

37 (g)(i) By July 31, 2016, the authority shall make a payment of
38 half the general fund—state appropriation for fiscal year 2017 and
39 half the health benefit exchange account—state appropriation to the

1 health benefit exchange. By January 31, 2017, the authority shall
2 make a payment of the remaining half of the general fund—state
3 appropriation for fiscal year 2017 and the remaining half of the
4 health benefit exchange account—state appropriation to the health
5 benefit exchange.

6 (ii) The exchange shall monitor actual to projected revenues and
7 make necessary adjustments in expenditures or carrier assessments to
8 ensure expenditures do not exceed actual revenues.

9 (iii) Payments made from general fund—state appropriation and
10 health benefit exchange account—state appropriation shall be
11 available for expenditure for no longer than the period of the
12 appropriation from which it was made. When the actual cost of
13 materials and services have been fully determined, and in no event
14 later than the lapsing of the appropriation, any unexpended balance
15 of the payment shall be returned to the authority for credit to the
16 fund or account from which it was made, and under no condition shall
17 expenditures exceed actual revenue.

18 (iv) As the state designated medicaid agency, the authority is
19 responsible for maximizing the recovery of federal medicaid dollars
20 and the timely application and follow-up for obtaining federal
21 approval of advanced planning documents (APD). The authority shall
22 work with the exchange to submit an APD that maximizes the recovery
23 of medicaid costs incurred by the exchange, including indirect
24 administrative and operational costs, no later than sixty days after
25 the enactment of the omnibus appropriations act each year.

26 (h) \$70,000 of the general fund—state appropriation for fiscal
27 year 2016, \$38,000 of the general fund—state appropriation for fiscal
28 year 2017, \$204,000 of the health benefit exchange account—state
29 appropriation, and \$110,000 of the general fund—federal appropriation
30 are provided solely for improvements to the health benefit exchange
31 financial system.

32 **Sec. 1214.** 2016 sp.s. c 36 s 214 (uncodified) is amended to read
33 as follows:

34 **FOR THE HUMAN RIGHTS COMMISSION**

35	General Fund—State Appropriation (FY 2016).	\$2,091,000
36	General Fund—State Appropriation (FY 2017).	(\$2,092,000)
37		<u>\$2,279,000</u>
38	General Fund—Federal Appropriation.	\$2,307,000

1	TOTAL APPROPRIATION.	((\$6,490,000))
2		<u>\$6,677,000</u>
3	Sec. 1215. 2016 sp.s. c 36 s 216 (uncodified) is amended to read	
4	as follows:	
5	FOR THE CRIMINAL JUSTICE TRAINING COMMISSION	
6	General Fund—State Appropriation (FY 2016).	\$18,996,000
7	General Fund—State Appropriation (FY 2017).	((\$17,543,000))
8		<u>\$19,467,000</u>
9	General Fund—Private/Local Appropriation.	((\$4,745,000))
10		<u>\$5,715,000</u>
11	Death Investigations Account—State Appropriation.	\$148,000
12	24/7 Sobriety Account—State Appropriation.	\$30,000
13	Municipal Criminal Justice Assistance Account—	
14	State Appropriation.	\$460,000
15	Washington Auto Theft Prevention Authority Account—	
16	State Appropriation.	((\$7,668,000))
17		<u>\$7,632,000</u>
18	TOTAL APPROPRIATION.	((\$49,590,000))
19		<u>\$52,448,000</u>

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

22 (1) \$5,000,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$5,000,000 of the general fund—state appropriation for
24 fiscal year 2017, are provided to the Washington association of
25 sheriffs and police chiefs solely to verify the address and residency
26 of registered sex offenders and kidnapping offenders under RCW
27 9A.44.130. The association may use no more than \$50,000 per fiscal
28 year of the amounts provided on program management activities.

29 (2) \$605,280 of the general fund—local appropriation is provided
30 solely to purchase ammunition for the basic law enforcement academy.
31 Jurisdictions shall reimburse to the criminal justice training
32 commission the costs of ammunition, based on the average cost of
33 ammunition per cadet, for cadets that they enroll in the basic law
34 enforcement academy.

35 (3) The criminal justice training commission may not run a basic
36 law enforcement academy class of fewer than 30 students.

37 (4) \$100,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$100,000 of the general fund—state appropriation for

1 fiscal year 2017 are provided solely for a school safety program. The
2 commission, in collaboration with the school safety center advisory
3 committee, shall provide the school safety training for all school
4 administrators and school safety personnel hired after the effective
5 date of this section.

6 (5) \$96,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$96,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for the school safety center
9 within the commission. The safety center shall act as an information
10 dissemination and resource center when an incident occurs in a school
11 district in Washington or in another state, coordinate activities
12 relating to school safety, and review and approve manuals and
13 curricula used for school safety models and training. Through an
14 interagency agreement, the commission shall provide funding for the
15 office of the superintendent of public instruction to continue to
16 develop and maintain a school safety information web site. The school
17 safety center advisory committee shall develop and revise the
18 training program, using the best practices in school safety, for all
19 school safety personnel. The commission shall provide research-
20 related programs in school safety and security issues beneficial to
21 both law enforcement and schools.

22 (6) \$123,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$123,000 of the general fund—state appropriation for
24 fiscal year 2017 are provided solely for the costs of providing
25 statewide advanced driving training with the use of a driving
26 simulator.

27 (7) \$644,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$595,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for implementation of Second
30 Substitute Senate Bill No. 5311 (crisis intervention training).

31 (8) \$250,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$250,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for the criminal justice
34 training commission to develop and deliver research-based programs to
35 instruct, guide, and support local law enforcement agencies in
36 fostering the "guardian philosophy" of policing, which emphasizes de-
37 escalating conflicts and reducing the use of force.

38 (9) \$429,000 of the general fund—state appropriation for fiscal
39 year 2016 and \$429,000 of the general fund—state appropriation for

1 fiscal year 2017 are provided solely for deposit into the
2 nonappropriated Washington internet crimes against children account
3 for the implementation of Second Substitute Senate Bill No. 5215
4 (internet crimes against children).

5 (10) \$300,000 of the general fund—state appropriation for fiscal
6 year 2017 is provided solely to the Washington association of
7 sheriffs and police chiefs to fund pilot projects for law enforcement
8 agencies in Spokane, Spokane Valley, and Spokane County to set up
9 auto theft task forces in high risk locations and increase the use of
10 teams devoted to combating residential burglary.

11 (11) \$5,000 of the general fund—state appropriation for fiscal
12 year 2017 is provided solely for the purpose of implementing House
13 Bill No. 1448 (suicide threat response).

14 **Sec. 1216.** 2016 sp.s. c 36 s 217 (uncodified) is amended to read
15 as follows:

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

17	General Fund—State Appropriation (FY 2016).	\$16,307,000
18	General Fund—State Appropriation (FY 2017).	\$17,611,000
19	General Fund—Federal Appropriation.	\$11,876,000
20	Asbestos Account—State Appropriation.	\$1,177,000
21	Electrical License Account—State Appropriation.	\$48,157,000
22	Farm Labor Contractor Account—State Appropriation.	\$28,000
23	Worker and Community Right-to-Know Account—	
24	State Appropriation.	\$972,000
25	Public Works Administration Account—State	
26	Appropriation.	\$7,629,000
27	Manufactured Home Installation Training Account—	
28	State Appropriation.	\$355,000
29	Accident Account—State Appropriation.	((\$281,472,000))
30		<u>\$282,767,000</u>
31	Accident Account—Federal Appropriation.	((\$13,626,000))
32		<u>\$14,501,000</u>
33	Medical Aid Account—State Appropriation.	((\$296,297,000))
34		<u>\$297,066,000</u>
35	Medical Aid Account—Federal Appropriation.	((\$3,186,000))
36		<u>\$3,341,000</u>
37	Plumbing Certificate Account—State Appropriation.	\$1,783,000
38	Pressure Systems Safety Account—State	

1	Appropriation.	\$4,250,000
2	TOTAL APPROPRIATION.	((\$704,726,000))
3		<u>\$707,820,000</u>

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

6 (1) \$250,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$250,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for implementation of chapter
9 100, Laws of 2015 (Substitute Senate Bill No. 5897).

10 (2) \$2,300,000 of the medical aid account—state appropriation is
11 provided solely for implementation of chapter 137, Laws of 2015
12 (Substitute House Bill No. 1496).

13 (3) \$494,000 of the medical aid account—state appropriation and
14 \$1,580,000 of the accident fund—state appropriation are provided
15 solely for continuation of the logger safety initiative.

16 (4) \$4,923,000 of the medical aid account—state appropriation and
17 \$4,924,000 of the accident fund—state appropriation are provided
18 solely for the first phase of the department's plan to replace its
19 labor and industries industrial insurance information technology
20 system subject to the same conditions, limitations, and review
21 provided in section 705 (3) through (6) of this act.

22 (5) \$3,548,000 of the electrical license account—state
23 appropriation is provided solely for the department to develop a
24 modern and mobile information technology system for its electrical
25 inspection program subject to the same conditions, limitations, and
26 review provided in section 705 (3) through (6) of this act.

27 (6) The department is directed under RCW 39.12.070 to adjust its
28 fee schedule for statements of intent to pay prevailing wages and
29 certification of affidavits of wages paid to remove or lower fees for
30 contractors and subcontractors whose contract amounts are less than
31 seven hundred fifty dollars beginning on January 1, 2016.

32 (7) \$140,000 of the public works administration account—state
33 appropriation is provided solely for implementation of chapter 40,
34 Laws of 2015 3rd sp. sess. to create an electronic option for
35 employers to submit prevailing wage surveys.

36 (8) \$640,000 of the medical aid account—state appropriation is
37 provided solely for a pilot program under which the department
38 partners with an experienced firm or firms to manage care involving
39 catastrophically injured workers.

1 (a) For each injured worker referred by the department the firm
2 must propose a contract identifying a case outcome, the treatment
3 needed to achieve it, and a fixed price for doing so.

4 (b) If the department agrees to the contract: (i) The firm must
5 assume responsibility at the fixed price for the medical management
6 and may include all medical costs until the outcome is achieved; (ii)
7 the department retains the authority to approve or deny particular
8 treatments; and (iii) the department retains the responsibility to
9 accept and pay providers' actual bills, and the firm's compensation
10 will be the difference between the fixed price and actual medical
11 costs, if the firm chooses to propose a contract that includes
12 medical costs.

13 (c) The department must contract with the firm or firms to manage
14 at least twelve catastrophic cases each fiscal year, starting in
15 fiscal year 2017, provided there is at least that many cases where:
16 (i) An injured worker elects to be served by the firm; and (ii) the
17 fixed price proposed by the firm is lower than the amount the
18 department would pay to achieve the identified outcome if it did not
19 contract with the firm.

20 (d) The department must provide a written report on the pilot
21 program to the appropriate committees of the legislature in December
22 2016 and annually through December 2019 or the last December
23 following termination of the contacts by the firm or firms or
24 department.

25 (9) \$1,130,000 of the public works administration account—state
26 appropriation is provided solely for the department's prevailing wage
27 technology project subject to the same conditions, limitations, and
28 review provided in section 705 (3) through (6), chapter 4, Laws of
29 2015 3rd sp. sess. (Engrossed Substitute Senate Bill No. 6052).

30 (10) \$738,000 of the medical aid account—state appropriation is
31 provided solely to expand the use of evidence-based best practices to
32 reduce the risk of long-term disabilities among injured workers. By
33 December 1, 2016, the department must report to the appropriate
34 committees of the legislature with performance measures and metrics
35 to be used to evaluate whether the funded activities are improving
36 care and outcomes for injured workers.

37 **Sec. 1217.** 2016 sp.s. c 36 s 218 (uncodified) is amended to read
38 as follows:

39 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

1	(1) HEADQUARTERS	
2	General Fund—State Appropriation (FY 2016).	\$1,810,000
3	General Fund—State Appropriation (FY 2017).	\$2,662,000
4	Charitable, Educational, Penal, and Reformatory	
5	Institutions Account—State Appropriation.	\$10,000
6	TOTAL APPROPRIATION.	\$4,482,000

7	(2) FIELD SERVICES	
8	General Fund—State Appropriation (FY 2016).	\$5,465,000
9	General Fund—State Appropriation (FY 2017).	\$5,526,000
10	General Fund—Federal Appropriation.	\$3,628,000
11	General Fund—Private/Local Appropriation.	\$4,622,000
12	Veteran Estate Management Account—Private/Local	
13	Appropriation.	\$623,000
14	TOTAL APPROPRIATION.	\$19,864,000

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

17 (a) \$300,000 of the general fund—state appropriation for fiscal
18 year 2016 and \$300,000 of the general fund—state appropriation for
19 fiscal year 2017 are provided solely to provide crisis and emergency
20 relief and education, training, and employment assistance to veterans
21 and their families in their communities through the veterans
22 innovation program.

23 (b) The creation of an automated exchange of information between
24 the federal department of defense, federal veterans administration,
25 and the Washington department of veterans affairs is the sole project
26 for the Washington department of veterans affairs in the information
27 technology pool. Ongoing funding may be provided for staffing,
28 training, and subscription costs associated with a web-based software
29 tool that has been configured to meet the business requirements of
30 the Washington department of veterans affairs. Additional information
31 technology projects, such as the complete automation of the
32 Washington department of veterans affairs business processes through
33 an enterprise case management system, are subject to future funding
34 decisions by the legislature. The conditions and limitations in this
35 subsection apply only if the specified project is funded from the
36 information technology pool.

37	(3) INSTITUTIONAL SERVICES	
38	General Fund—State Appropriation (FY 2016).	\$697,000

1	General Fund—State Appropriation (FY 2017).	((\$796,000))
2		<u>\$3,265,000</u>
3	General Fund—Federal Appropriation.	\$80,104,000
4	General Fund—Private/Local Appropriation.	\$29,781,000
5	TOTAL APPROPRIATION.	((\$111,378,000))
6		<u>\$113,847,000</u>

7 The appropriations in this subsection are subject to the
8 following conditions and limitation: ((~~\$924,000~~)) \$1,852,000 of the
9 general fund—state appropriation for fiscal year 2017 is provided
10 solely for the initial months of operation of the Walla Walla
11 veterans home.

12 **Sec. 1218.** 2016 sp.s. c 36 s 219 (uncodified) is amended to read
13 as follows:

14 **FOR THE DEPARTMENT OF HEALTH**

15	General Fund—State Appropriation (FY 2016).	\$57,958,000
16	General Fund—State Appropriation (FY 2017).	\$60,149,000
17	General Fund—Federal Appropriation.	((\$564,025,000))
18		<u>\$540,675,000</u>
19	General Fund—Private/Local Appropriation.	((\$151,242,000))
20		<u>\$179,242,000</u>
21	Hospital Data Collection Account—State Appropriation.	\$331,000
22	Health Professions Account—State Appropriation.	((\$120,788,000))
23		<u>\$124,188,000</u>
24	Aquatic Lands Enhancement Account—State Appropriation.	\$615,000
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account—State Appropriation.	\$9,226,000
27	Safe Drinking Water Account—State Appropriation.	\$6,934,000
28	Drinking Water Assistance Account—Federal	
29	Appropriation.	\$17,364,000
30	Waterworks Operator Certification—State	
31	Appropriation.	\$1,606,000
32	Drinking Water Assistance Administrative Account—	
33	State Appropriation.	((\$357,000))
34		<u>\$610,000</u>
35	Site Closure Account—State Appropriation.	\$162,000
36	Biotoxin Account—State Appropriation.	\$1,894,000
37	State Toxics Control Account—State Appropriation.	\$4,037,000

1	Medical Test Site Licensure Account—State	
2	Appropriation.	\$2,516,000
3	Youth Tobacco Prevention Account—State Appropriation. . .	\$2,962,000
4	Public Health Supplemental Account—Private/Local	
5	Appropriation.	\$3,244,000
6	Accident Account—State Appropriation.	\$324,000
7	Medical Aid Account—State Appropriation.	\$53,000
8	Medicaid Fraud Penalty Account—State	
9	Appropriation.	\$994,000
10	Dedicated Marijuana Account—State	
11	Appropriation (FY 2016).	\$7,500,000
12	Dedicated Marijuana Account—State	
13	Appropriation (FY 2017).	\$7,500,000
14	TOTAL APPROPRIATION.	((\$1,021,781,000))
15		<u>\$1,030,084,000</u>

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

18 (1) The department of health shall not initiate any services that
19 will require expenditure of state general fund moneys unless
20 expressly authorized in this act or other law. The department of
21 health and the state board of health shall not implement any new or
22 amended rules pertaining to primary and secondary school facilities
23 until the rules and a final cost estimate have been presented to the
24 legislature, and the legislature has formally funded implementation
25 of the rules through the omnibus appropriations act or by statute.
26 The department may seek, receive, and spend, under RCW 43.79.260
27 through 43.79.282, federal moneys not anticipated in this act as long
28 as the federal funding does not require expenditure of state moneys
29 for the program in excess of amounts anticipated in this act. If the
30 department receives unanticipated unrestricted federal moneys, those
31 moneys shall be spent for services authorized in this act or in any
32 other legislation that provides appropriation authority, and an equal
33 amount of appropriated state moneys shall lapse. Upon the lapsing of
34 any moneys under this subsection, the office of financial management
35 shall notify the legislative fiscal committees. As used in this
36 subsection, "unrestricted federal moneys" includes block grants and
37 other funds that federal law does not require to be spent on
38 specifically defined projects or matched on a formula basis by state
39 funds.

1 (2) \$130,000 of the health professions state account—state
2 appropriation is provided solely for implementation of chapter 118,
3 Laws of 2015 (applied behavior analysis).

4 (3) \$38,000 of the general fund—state appropriation for fiscal
5 year 2016 and \$38,000 of the general fund—state appropriation for
6 fiscal year 2017 are provided solely for the department of health,
7 the department of social and health services, and the health care
8 authority to continue to collaborate to submit a coordinated report
9 on diabetes to the governor and appropriate committees of the
10 legislature by June 30, 2017. The report on diabetes must include the
11 following:

12 (a) An analysis of the financial impact and reach that diabetes
13 of all types is having on programs administered by each agency and
14 individuals enrolled in those programs, including:

15 (i) The number of individuals with diabetes that are impacted or
16 covered by these programs;

17 (ii) The number of family members of individuals with diabetes
18 that are impacted by these programs;

19 (iii) The financial toll or impact that diabetes and its
20 complications places on these programs, and how the financial toll or
21 impact compares to that of other chronic diseases and conditions;

22 (b) An assessment of the benefits of programs and activities
23 implemented by the agencies to control and prevent diabetes,
24 including documentation of the amount and source of the agencies'
25 funding for these programs and activities;

26 (c) A description of the level of coordination existing between
27 the agencies on activities, programmatic activities, and messaging on
28 managing, treating, or preventing all forms of diabetes and its
29 complications;

30 (d) The development of or revision to each agency's action plan
31 for addressing the impact of diabetes together with a range of
32 actionable items for either each agency or consideration by the
33 legislature, or both. The plans must, at a minimum:

34 (i) Identify proposed action steps to reduce the impact of
35 diabetes, prediabetes, and related diabetes complications, especially
36 for medicaid populations;

37 (ii) Identify expected outcomes in subsequent biennia; and

38 (iii) Establish benchmarks for controlling and preventing
39 relevant forms of diabetes and appropriate measures for success;

1 (e) An estimate of the costs, return on investment, and resources
2 required to implement the plans identified in subsection (d) of this
3 section.

4 (4) \$30,000 of the medicaid fraud penalty account—state
5 appropriation is provided solely for implementation of chapter 259,
6 Laws of 2015 (prescription drug monitoring).

7 (5) \$4,015,000 of the health professions account—state
8 appropriation is provided solely for implementation of chapter 70,
9 Laws of 2015 (cannabis patient protection).

10 (6) \$7,250,000 of the dedicated marijuana account—state
11 appropriation for fiscal year 2016 and \$7,250,000 of the dedicated
12 marijuana account—state appropriation for fiscal year 2017 are
13 provided solely for a marijuana education and public health program
14 and for tobacco prevention activities that target youth and
15 populations with a high incidence of tobacco use.

16 (7) \$250,000 of the dedicated marijuana account—state
17 appropriation for fiscal year 2016 and \$250,000 of the dedicated
18 marijuana account—state appropriation for fiscal year 2017 are
19 provided solely for a contract with the Washington poison center to
20 help maintain national accreditation standards.

21 (8) \$65,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$65,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely for the midwifery licensure and
24 regulatory program to supplement revenue from fees. The department
25 shall charge no more than five hundred twenty-five dollars annually
26 for new or renewed licenses for the midwifery program.

27 (9) During the 2015-2017 fiscal biennium, each person subject to
28 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
29 twenty-five dollars annually for the purposes of RCW 43.70.112,
30 regardless of how many professional licenses the person holds.

31 (10)(a) Within existing resources, the department of health shall
32 compile a report on ambulatory surgical facilities to be submitted to
33 the appropriate committees of the legislature by January 1, 2016. The
34 report shall determine:

35 (i) How many ambulatory centers are currently functioning in the
36 state;

37 (ii) How many cases these centers receive annually;

38 (iii) How many of these centers are medicare certified;

39 (iv) How many of these centers are not medicare certified; and

1 (v) How many are also certified by an accrediting organization.

2 (b) The department shall not increase current annual fees for new
3 or renewed licenses for ambulatory surgical facilities during the
4 2015-2017 fiscal biennium.

5 (11)(a) The pharmacy quality assurance commission shall engage in
6 a stakeholder process to develop statutory standards and protocols
7 specific to long-term care pharmacies and shall submit the proposed
8 statute to the senate health care committee and house health care and
9 wellness committee no later than November 15, 2015.

10 (b) When inspecting and reviewing long-term care pharmacies, the
11 pharmacy quality assurance commission and the department of health
12 shall recognize the applicability of medication orders in long-term
13 care facilities and recognize the essential relationship between the
14 practitioner, the long-term care facility registered nurse, and the
15 pharmacist in conveying chart orders to the long-term care pharmacy.

16 (12) \$52,000 of the health professions account—state
17 appropriation is provided solely for implementation of chapter 159,
18 Laws of 2015 (victim interviews training).

19 (13) Information technology projects or investments and proposed
20 projects or investments impacting time capture, payroll and payment
21 processes and systems, eligibility, case management, and
22 authorization systems within the department of health are subject to
23 technical oversight by the office of the chief information officer.

24 (14) (~~(\$1,923,000 of the state toxics control account—state~~
25 ~~appropriation is provided solely for implementation of Engrossed~~
26 ~~Second Substitute House Bill No. 1472 (chemical action plans), Second~~
27 ~~Substitute Senate Bill No. 5056 (safer chemicals/action plans),~~
28 ~~Substitute Senate Bill No. 6131 (safer chemicals), or any of these.~~
29 ~~Within the amount provided in this subsection, \$1,554,000 is provided~~
30 ~~solely for the department to conduct biomonitoring studies. If none~~
31 ~~of these bills is enacted by July 10, 2015, the amount provided in~~
32 ~~this subsection shall lapse.~~

33 (+15)) \$123,000 of the general fund—state appropriation for
34 fiscal year 2016 and \$123,000 of the general fund—state appropriation
35 for fiscal year 2017 are provided solely for the department of health
36 to support Washington's healthiest next generation efforts by
37 partnering with the office of the superintendent of public
38 instruction, department of early learning, and other public and
39 private partners as appropriate.

1 ~~((16))~~ (15) \$230,000 of the general fund—state appropriation
2 for fiscal year 2017 is provided solely for the implementation of
3 Engrossed Second Substitute Senate Bill No. 6534 (maternal mortality
4 review). ~~((If this bill is not enacted by June 30, 2016, the amount
5 provided in this subsection shall lapse.~~

6 ~~(17))~~ (16) Within the amounts appropriated from the health
7 professions account—state appropriation, the department must manage
8 its pending rule-making process related to the educational and
9 training requirements for chemical dependency professionals to
10 complete the rule-making by June 30, 2016.

11 ~~((18))~~ (17) Within the amounts appropriated in this section,
12 the department must implement the 2014 Washington state hepatitis
13 strategic plan, including but not limited to the implementation of
14 the centers for disease control and prevention hepatitis C screening
15 guidelines for persons born between 1945-1965 and other high risk
16 groups, hepatitis C prevention, and hepatitis C case management.

17 ~~((19))~~ (18) The appropriations in this section include
18 sufficient funding for the implementation of Substitute Senate Bill
19 No. 5778 (ambulatory surgical centers).

20 ~~((20))~~ (19) The appropriations in this section include
21 sufficient funding for the implementation of Senate Bill No. 5689
22 (diabetes epidemic).

23 ~~((21))~~ (20) \$26,000 of the medicaid fraud penalty account—state
24 appropriation is provided solely for the implementation of Substitute
25 House Bill No. 2730 (prescription monitoring program). ~~((If the bill
26 is not enacted by June 30, 2016, the amount provided in this
27 subsection shall lapse.~~

28 ~~(22))~~ (21) \$21,000 of the general fund—state appropriation for
29 fiscal year 2017 is provided solely for the implementation of
30 Substitute Senate Bill No. 6421 (epinephrine autoinjectors). ~~((If the
31 bill is not enacted by June 30, 2016, the amount in this subsection
32 shall lapse.~~

33 ~~(23))~~ (22) \$49,000 of the general fund—state appropriation for
34 fiscal year 2017 is provided solely for the department to convene a
35 task force on patient out-of-pocket costs.

36 (a) By July 1, 2016, the department shall convene the task force,
37 and the department shall coordinate the task force meetings. The task
38 force shall include representatives from all participants with a role
39 in determining prescription drug costs and out-of-pocket costs for

1 patients, such as, but not limited to the following: Patient groups;
2 insurance carriers operating in the state; pharmaceutical companies;
3 prescribers; pharmacists; pharmacy benefit managers; hospitals; the
4 office of the insurance commissioner; the health care authority and
5 other purchasers; the office of financial management; unions; Taft-
6 Hartley trusts; a business association; and biotechnology.

7 (b) Letters of interest from potential participants shall be
8 submitted to the department, and the secretary, or his or her
9 designee, shall invite representatives of interested groups to
10 participate in the task force.

11 (c) The task force shall evaluate factors contributing to the
12 out-of-pocket costs for patients, particularly in the first quarter
13 of each year, including but not limited to prescription drug cost
14 trends and plan benefit design.

15 (d) The task force shall consider patient treatment adherence and
16 the impacts on chronic illness and acute disease, with consideration
17 of the long-term outcomes and costs for the patient. The discussion
18 must also consider the impact when patients cannot maintain access to
19 their prescription drugs and the implications of adverse health
20 impacts including the potential need for more expensive medical
21 interventions or hospitalizations and the impact on the workforce
22 regarding the loss of productivity. The discussion must also consider
23 the impact of the factors on the affordability of health care
24 coverage.

25 (e) The task force recommendations, or a summary of the
26 discussions, must be provided to the appropriate committees of the
27 legislature by December 1, 2016.

28 ~~((+24))~~ (23) Recognizing the financial challenges faced by the
29 public health system, which comprises state and local entities, and
30 the impact that those financial challenges have had on the system's
31 ability to deliver essential public health services throughout the
32 state, the legislature directs the department and local public health
33 jurisdictions, within amounts appropriated in this section, to
34 provide a proposal outlining a plan for implementing foundational
35 public health services statewide to modernize, streamline, and fund a
36 twenty-first century public health system in Washington state.
37 Current fees that support the work of public health should be
38 reviewed, and the proposal should identify those fees that are not
39 currently supplying adequate revenue to maintain compliance or
40 enforcement. The first report regarding the proposal is due to the

1 appropriate committees of the legislature no later than December 1,
2 2016, and subsequent reports shall be submitted biennially,
3 thereafter.

4 ~~((25))~~ (24) \$1,681,000 of the youth tobacco prevention account—
5 state appropriation is provided solely for the implementation of
6 Engrossed Substitute Senate Bill No. 6328 (vapor products). ~~((If the
7 bill is not enacted by June 30, 2016, the amount provided in this
8 subsection shall lapse.~~

9 ~~(26))~~ (25) \$160,000 of the health professions state account—
10 state appropriation is provided solely for the implementation of
11 Substitute Senate Bill No. 6558 (hospital pharmacy license). ~~((If the
12 bill is not enacted by June 30, 2016, the amount provided in this
13 subsection shall lapse.~~

14 ~~(27))~~ (26) \$100,000 of the general fund—state appropriation for
15 fiscal year 2017 is provided solely for the implementation of
16 Engrossed Second Substitute House Bill No. 2793 (suicide education).
17 ~~((If the bill is not enacted by June 30, 2016, the amount provided in
18 this subsection shall lapse.))~~

19 **Sec. 1219.** 2016 sp.s. c 36 s 220 (uncodified) is amended to read
20 as follows:

21 **FOR THE DEPARTMENT OF CORRECTIONS**

22 The appropriations to the department of corrections in this act
23 shall be expended for the programs and in the amounts specified in
24 this act. However, after May 1, ~~((2016))~~ 2017, after approval by the
25 director of financial management and unless specifically prohibited
26 by this act, the department may transfer general fund—state
27 appropriations for fiscal year ~~((2016))~~ 2017 between programs. The
28 department may not transfer funds, and the director of financial
29 management may not approve the transfer, unless the transfer is
30 consistent with the objective of conserving, to the maximum extent
31 possible, the expenditure of state funds. The director of financial
32 management shall notify the appropriate fiscal committees of the
33 senate and house of representatives in writing seven days prior to
34 approving any deviations from appropriation levels. The written
35 notification must include a narrative explanation and justification
36 of the changes, along with expenditures and allotments by budget unit
37 and appropriation, both before and after any allotment modifications
38 or transfers.

1	(1) ADMINISTRATION AND SUPPORT SERVICES	
2	General Fund—State Appropriation (FY 2016).	\$59,179,000
3	General Fund—State Appropriation (FY 2017).	(\$59,907,000)
4		<u>\$59,842,000</u>
5	TOTAL APPROPRIATION.	(\$119,086,000)
6		<u>\$119,021,000</u>

7 The appropriations in this subsection are subject to the
8 following conditions and limitations: \$35,000 of the general fund—
9 state appropriation for fiscal year 2016 and \$35,000 of the general
10 fund—state appropriation for fiscal year 2017 are provided solely for
11 the support of a statewide council on mentally ill offenders that
12 includes as its members representatives of community-based mental
13 health treatment programs, current or former judicial officers, and
14 directors and commanders of city and county jails and state prison
15 facilities. The council will investigate and promote cost-effective
16 approaches to meeting the long-term needs of adults and juveniles
17 with mental disorders who have a history of offending or who are at-
18 risk of offending, including their mental health, physiological,
19 housing, employment, and job training needs.

20	(2) CORRECTIONAL OPERATIONS	
21	General Fund—State Appropriation (FY 2016).	\$607,084,000
22	General Fund—State Appropriation (FY 2017).	(\$630,422,000)
23		<u>\$630,061,000</u>
24	General Fund—Federal Appropriation.	\$1,892,000
25	Washington Auto Theft Prevention Authority Account—	
26	State Appropriation.	(\$6,812,000)
27		<u>\$4,612,000</u>
28	State Toxics Control Account—State Appropriation.	\$400,000
29	TOTAL APPROPRIATION.	(\$1,246,610,000)
30		<u>\$1,244,049,000</u>

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

- 33 (a) During the 2015-2017 fiscal biennium, when contracts are
34 established or renewed for offender pay phone and other telephone
35 services provided to inmates, the department shall select the
36 contractor or contractors primarily based on the following factors:
37 (i) The lowest rate charged to both the inmate and the person paying
38 for the telephone call; and (ii) the lowest commission rates paid to

1 the department, while providing reasonable compensation to cover the
2 costs of the department to provide the telephone services to inmates
3 and provide sufficient revenues for the activities funded from the
4 institutional welfare betterment account.

5 (b) The department may contract for up to 300 beds statewide to
6 the extent that it is at no net cost to the department. The
7 department shall calculate and report the average cost per offender
8 per day, inclusive of all services, on an annual basis for a facility
9 that is representative of average medium or lower offender costs. The
10 duration of the contracts may be for up to four years. The department
11 shall not pay a rate greater than \$65 per day per offender for all
12 costs associated with the offender while in the local correctional
13 facility to include programming and health care costs, or the
14 equivalent of \$65 per day per bed including programming and health
15 care costs for full units. The capacity provided at local
16 correctional facilities must be for offenders whom the department of
17 corrections defines as medium or lower security offenders.
18 Programming provided for inmates held in local jurisdictions is
19 included in the rate, and details regarding the type and amount of
20 programming, and any conditions regarding transferring offenders must
21 be negotiated with the department as part of any contract. Local
22 jurisdictions must provide health care to offenders that meet
23 standards set by the department. The local jail must provide all
24 medical care including unexpected emergent care. The department must
25 utilize a screening process to ensure that offenders with existing
26 extraordinary medical/mental health needs are not transferred to
27 local jail facilities. If extraordinary medical conditions develop
28 for an inmate while at a jail facility, the jail may transfer the
29 offender back to the department, subject to terms of the negotiated
30 agreement. Health care costs incurred prior to transfer are the
31 responsibility of the jail.

32 (c) \$501,000 of the general fund—state appropriation for fiscal
33 year 2016 and \$501,000 of the general fund—state appropriation for
34 fiscal year 2017 are provided solely for the department to maintain
35 the facility, property, and assets at the institution formerly known
36 as the maple lane school in Rochester. (~~The department may not house
37 incarcerated offenders at the maple lane site until specifically
38 directed to do so by the legislature.~~)

1 (d) \$479,000 of the general fund—state appropriation for fiscal
2 year 2016, and (~~(\$1,379,000)~~) \$758,000 of the general fund—state
3 appropriation for fiscal year 2017 are provided solely for the
4 department to contract (~~(with Yakima county)~~) for the use of inmate
5 bed capacity in lieu of prison beds operated by the state to meet
6 prison capacity needs.

7 (e) The department shall review its policies and procedures for
8 overtime usage throughout its prison custody system to identify
9 efficiencies and best practices that will control costs. The
10 department shall provide to the appropriate committees of the
11 legislature by November 15, 2015, a report that makes recommendations
12 to reduce the department's overtime usage and reduces overall costs
13 for prison personnel.

14 (f) In an effort to reduce its need for medium security beds, the
15 department shall review options to meet capacity needs in the most
16 cost-efficient manner without compromising safety. The department
17 shall at a minimum review its policies that determine custody levels,
18 including examining other states' policies and determine costs to
19 convert any empty prison beds to medium security and possibilities to
20 utilize local jail beds for this purpose. The department must
21 evaluate the options on both a short-term and long-term basis against
22 the cost and timing of any proposal to build a new prison facility.
23 The department shall report its findings and recommendations to the
24 appropriate committees of the legislature by December 1, 2015.

25 (g) Within the amounts provided in this section, the department
26 of corrections shall explore entering into an interagency agreement
27 with the University of Washington. The interagency agreement would
28 allow the department to receive drug pricing under 340B of the public
29 health services act for drug purchases associated with treating
30 patients with hepatitis C or other diseases, whereby the university
31 is acting as the covered entity or safety-net provider. In
32 cooperation with the University of Washington, the department must
33 provide an estimate of the fiscal impact of a successful agreement of
34 this nature, to be included in the report provided to the legislature
35 under section 606 of this act.

36 (~~(+i)~~) (h) \$454,000 of the general fund—state appropriation for
37 fiscal year 2017 is provided solely for nonrepresented state
38 employees in targeted state employee job classifications

1 psychiatrist, psychiatric social worker, and psychologist as set
2 forth in section 906 of this act.

3 ~~((+j))~~ (i) \$736,000 of the general fund—state appropriation for
4 fiscal year 2017 is provided solely for the implementation of a
5 memorandum of understanding between the governor and the teamsters
6 union local 117, amending the collective bargaining agreement under
7 chapter 41.80 RCW for the 2015-2017 fiscal biennium as set forth in
8 section 904 of this act, effective July 1, 2017. The legislature
9 recognizes that the memorandum of understanding was necessitated by
10 an emergency and an imminent jeopardy determination by the center for
11 medicare and medicaid services that relates to the safety and health
12 of clients and employees, which impacts the state employee job
13 classifications of psychiatrist, psychiatric social worker, and
14 psychologist at prison facilities.

15 (3) COMMUNITY SUPERVISION

16	General Fund—State Appropriation (FY 2016).	\$157,176,000
17	General Fund—State Appropriation (FY 2017).	(\$155,532,000)
18		<u>\$167,878,000</u>
19	General Fund—Federal Appropriation.	\$995,000
20	TOTAL APPROPRIATION.	(\$313,703,000)
21		<u>\$326,049,000</u>

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

24 (a) The department of corrections shall contract with local and
25 tribal governments for the provision of jail capacity to house
26 offenders who violate the terms of their community supervision. A
27 contract shall not have a cost of incarceration in excess of \$85 per
28 day per offender. A contract shall not have a year-to-year increase
29 in excess of three percent per year. The contracts may include rates
30 for the medical care of offenders which exceed the daily cost of
31 incarceration and the limitation on year-to-year increases, provided
32 that medical payments conform to the department's offender health
33 plan and pharmacy formulary, and all off-site medical expenses are
34 preapproved by department utilization management staff.

35 (b) Within the amounts provided in this subsection, specific
36 funding is provided to implement Senate Bill No. 5070 (supervision of
37 domestic violence offenders).

38 (c) The department shall engage in ongoing mitigation strategies
39 to reduce the costs associated with community supervision violators,

1 including improvements in data collection and reporting and
2 alternatives to short-term confinement for low-level violators.

3 (4) CORRECTIONAL INDUSTRIES

4	General Fund—State Appropriation (FY 2016).	\$6,600,000
5	General Fund—State Appropriation (FY 2017).	(\$6,465,000)
6		<u>\$7,263,000</u>
7	TOTAL APPROPRIATION.	(\$13,065,000)
8		<u>\$13,863,000</u>

9 (5) INTERAGENCY PAYMENTS

10	General Fund—State Appropriation (FY 2016).	\$44,828,000
11	General Fund—State Appropriation (FY 2017).	\$42,246,000
12	TOTAL APPROPRIATION.	\$87,074,000

13 The appropriations in this subsection are subject to the
14 following conditions and limitations: The state prison medical
15 facilities may use funds appropriated in this subsection to purchase
16 goods and supplies through hospital or other group purchasing
17 organizations when it is cost effective to do so.

18 (6) OFFENDER CHANGE

19	General Fund—State Appropriation (FY 2016).	\$54,480,000
20	General Fund—State Appropriation (FY 2017).	(\$53,428,000)
21		<u>\$53,218,000</u>
22	TOTAL APPROPRIATION.	(\$107,908,000)
23		<u>\$107,698,000</u>

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

26 (a) The department of corrections shall use funds appropriated in
27 this subsection (6) for offender programming. The department shall
28 develop and implement a written comprehensive plan for offender
29 programming that prioritizes programs which follow the risk-needs-
30 responsivity model, are evidence-based, and have measurable outcomes.
31 The department is authorized to discontinue ineffective programs and
32 to repurpose underspent funds according to the priorities in the
33 written plan.

34 (b) Effective April 1, 2016, the regional support networks must
35 subcontract with providers that have specialized expertise in the
36 provision of outpatient chemical dependency treatment services to
37 offenders who have been sentenced by a superior court to a term of
38 community supervision by the department of corrections. The

1 department of corrections and the department of social and health
2 services must develop a memorandum of understanding for offenders on
3 active supervision by the department who are eligible for chemical
4 dependency programming and to ensure that manualized evidence-based
5 treatment services funded by these agencies are coordinated, do not
6 result in duplication of services, and maintain access and quality of
7 care for the individuals being served.

8 (c) The department of corrections shall implement and make
9 necessary changes to policies and practices to assist eligible needs-
10 assessed offenders within the community with access to outpatient
11 chemical dependency treatment services through the behavioral health
12 organizations and early adopters.

13 **Sec. 1220.** 2016 sp.s. c 36 s 221 (uncodified) is amended to read
14 as follows:

15 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

16	General Fund—State Appropriation (FY 2016).	\$2,294,000
17	General Fund—State Appropriation (FY 2017).	(\$2,728,000)
18		<u>\$2,739,000</u>
19	General Fund—Federal Appropriation.	(\$23,163,000)
20		<u>\$23,206,000</u>
21	General Fund—Private/Local Appropriation.	\$60,000
22	TOTAL APPROPRIATION.	(\$28,245,000)
23		<u>\$28,299,000</u>

(End of part)

PART XIII
NATURAL RESOURCES

Sec. 1301. 2016 sp.s. c 36 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2016)	\$464,000
General Fund—State Appropriation (FY 2017)	(\$476,000)
	<u>\$479,000</u>
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	(\$906,000)
	<u>\$909,000</u>
TOTAL APPROPRIATION.	(\$1,878,000)
	<u>\$1,884,000</u>

Sec. 1302. 2016 sp.s. c 36 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2016)	\$24,537,000
General Fund—State Appropriation (FY 2017)	(\$24,623,000)
	<u>\$24,552,000</u>
General Fund—Federal Appropriation	\$103,782,000
General Fund—Private/Local Appropriation	\$22,396,000
Reclamation Account—State Appropriation	\$4,703,000
Flood Control Assistance Account—State Appropriation	(\$2,069,000)
	<u>\$1,989,000</u>
State Emergency Water Projects Revolving Account—State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State Appropriation	(\$13,290,000)
	<u>\$13,284,000</u>
State Drought Preparedness Account—State Appropriation	\$872,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	\$150,000
Aquatic Algae Control Account—State Appropriation	\$518,000
Water Rights Tracking System Account—State Appropriation	\$446,000
Site Closure Account—State Appropriation	\$578,000
Wood Stove Education and Enforcement Account—State Appropriation	\$547,000

1	Worker and Community Right-to-Know Account—State	
2	Appropriation	\$1,792,000
3	Water Rights Processing Account—State Appropriation	\$39,000
4	State Toxics Control Account—State Appropriation	(\$123,470,000)
5		<u>\$123,818,000</u>
6	State Toxics Control Account—Private/Local	
7	Appropriation	\$499,000
8	Local Toxics Control Account—State Appropriation	(\$4,527,000)
9		<u>\$4,523,000</u>
10	Water Quality Permit Account—State Appropriation	(\$44,673,000)
11		<u>\$44,614,000</u>
12	Underground Storage Tank Account—State Appropriation	(\$3,546,000)
13		<u>\$3,493,000</u>
14	Biosolids Permit Account—State Appropriation	\$2,108,000
15	Environmental Legacy Stewardship Account—State	
16	Appropriation	(\$36,091,000)
17		<u>\$36,052,000</u>
18	Hazardous Waste Assistance Account—State	
19	Appropriation	(\$6,149,000)
20		<u>\$6,138,000</u>
21	Radioactive Mixed Waste Account—State Appropriation	(\$15,968,000)
22		<u>\$15,944,000</u>
23	Air Pollution Control Account—State Appropriation	(\$3,985,000)
24		<u>\$3,605,000</u>
25	Oil Spill Prevention Account—State Appropriation	(\$8,716,000)
26		<u>\$8,705,000</u>
27	Air Operating Permit Account—State Appropriation	(\$3,233,000)
28		<u>\$3,192,000</u>
29	Freshwater Aquatic Weeds Account—State Appropriation	\$1,439,000
30	Oil Spill Response Account—State Appropriation	\$7,076,000
31	Water Pollution Control Revolving Administration	
32	Account—State Appropriation	\$579,000
33	Water Pollution Control Revolving Account—State	
34	Appropriation	\$493,000
35	Water Pollution Control Revolving Account—Federal	
36	Appropriation	\$2,336,000
37	TOTAL APPROPRIATION.	(\$465,270,000)
38		<u>\$464,839,000</u>

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

3 (1) \$170,000 of the oil spill prevention account—state
4 appropriation is provided solely for a contract with the University
5 of Washington's sea grant program to continue an educational program
6 targeted to small spills from commercial fishing vessels, ferries,
7 cruise ships, ports, and marinas.

8 (2) \$495,000 of the state toxics control account—state
9 appropriation and \$625,000 of the local toxics control account—state
10 appropriation is provided solely for the expansion of the local
11 source control program by adding additional capacity in the Columbia
12 River basin and Clark county.

13 (3) \$310,000 of the state toxics control account—state
14 appropriation is provided solely for the Spokane river regional
15 toxics task force to address elevated levels of polychlorinated
16 biphenyls in the Spokane river.

17 (4) Within the amounts appropriated in this section, the
18 department shall conduct a stakeholder process with the department of
19 fish and wildlife to develop recommendations to restructure the fees
20 under RCW 90.16.050 and report to the appropriate committees of the
21 legislature by December 1, 2015.

22 (5) \$1,044,000 of the oil spill prevention account—state
23 appropriation is provided solely for the implementation of chapter
24 274, Laws of 2015 (ESHB 1449).

25 (6) \$3,883,000 of the state toxics control account—state
26 appropriation is provided solely for the implementation of Engrossed
27 Second Substitute House Bill No. 1472 (chemical action plans), Second
28 Substitute Senate Bill No. 5056 (safer chemicals/action plans),
29 Substitute Senate Bill No. 6131 (safer chemicals), or any of these.
30 If none of these bills are enacted by July 10, 2015, the amount
31 provided in this subsection shall lapse.

32 (7) \$134,000 of the general fund—state appropriation for fiscal
33 year 2016 is provided solely for implementation of chapter 144, Laws
34 of 2015 (SHB 1851).

35 (8) \$135,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$135,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for the Walla Walla watershed
38 management partnership to address water resource and management
39 issues in the Walla Walla watershed.

1 (9)(a) \$14,000,000 of the general fund—state appropriation for
2 fiscal year 2016 and \$14,000,000 of the general fund—state
3 appropriation for fiscal year 2017 are for activities within the
4 water resources program.

5 (b) Of the amounts provided in (a) of this subsection, \$500,000
6 of the general fund—state appropriation for fiscal year 2017 is
7 provided solely for processing water right permit applications only
8 if the department of ecology issues at least five hundred water right
9 decisions in fiscal year 2016. If the department of ecology does not
10 issue at least five hundred water right decisions in fiscal year
11 2016, the amount provided in this subsection shall lapse and remain
12 unexpended. Permit decisions for the Columbia river basin count
13 toward the five hundred water rights decisions under this subsection.
14 The department of ecology shall submit a report to the office of
15 financial management and the state treasurer by June 30, 2016, that
16 documents whether five hundred water right decisions were issued in
17 fiscal year 2016. For the purposes of this subsection, applications
18 that are voluntarily withdrawn by an applicant do not count towards
19 the five hundred water right decision requirement. For the purposes
20 of water budget-neutral requests under chapter 173-539A WAC, multiple
21 domestic connections authorized within a single water budget-neutral
22 decision are considered one decision for the purposes of this
23 subsection.

24 (10) Within the amounts appropriated in this section, the
25 department must evaluate mitigation options for domestic water use in
26 areas of the Yakima basin for which mitigation water is unavailable
27 and access to water from water banks is unsuitable. The department
28 must recommend solutions for providing mitigation water for domestic
29 use in such areas. A report of the department's findings must be
30 provided to the legislature by December 1, 2015.

31 (11) \$319,000 of the general fund—state appropriation for fiscal
32 year 2017, \$56,000 of the waste reduction, recycling, and litter
33 control account—state appropriation, \$806,000 of the state toxics
34 control account—state appropriation, \$281,000 of the water quality
35 permit account—state appropriation, \$188,000 of the environmental
36 legacy stewardship account—state appropriation, \$56,000 of the
37 hazardous waste assistance account—state appropriation, \$113,000 of
38 the radioactive mixed waste account—state appropriation, and \$56,000
39 of the oil spill prevention account—state appropriation are provided

1 solely for the attendance tracking replacement system project, and
2 are subject to the same conditions, limitations and review provided
3 in section 705 (4) through (6), chapter 4, Laws of 2015 3rd sp. sess.
4 (Engrossed Substitute Senate Bill No. 6052).

5 (12) Within the amounts appropriated in this section, the
6 director of the department, working with the commissioner of public
7 lands, shall conduct a management review of the joint federal and
8 state dredged material management program and recommend and, as
9 appropriate, implement actions designed to ensure that the program is
10 functioning to facilitate the disposal of dredged material at open
11 water disposal sites using methods that are protective of human
12 health and in compliance with applicable federal and state
13 environmental laws, regulations, and permit requirements. The
14 director and commissioner shall report findings and proposed actions
15 to the relevant committees of the legislature no later than November
16 1, 2016. The director and commissioner shall consider input and
17 perspectives from tribal governments and agencies that issue permits
18 for open water disposal of dredged material in Puget Sound, including
19 the department of natural resources, the department of ecology, the
20 United States environmental protection agency, and the United States
21 army corps of engineers. This review shall include, but is not
22 limited to: (a) The extent to which current operations, policies, and
23 decisions of the dredged material management program provide for
24 dredging actions necessary to maintain navigation and commerce; (b)
25 determining what regulatory flexibility exists to allow open water
26 disposal of dredged materials in a manner that will protect human
27 health and the environment; and (c) an evaluation of the dredged
28 material management program's decision-making process and policies to
29 ensure that existing regulatory flexibility is appropriately used and
30 that appropriate management and oversight is incorporated.

31 (13) \$25,000 of the reclamation account—state appropriation is
32 provided solely for implementation of Substitute House Bill No. 1130
33 (water power license fees). If the bill is not enacted by June 30,
34 2016, the amount provided in this subsection shall lapse.

35 (~~((15))~~) (14) During the 2015-2017 fiscal biennium, the
36 department shall not retain fees in excess of the estimated amount
37 necessary to cover the agency's administrative costs related to the
38 mercury light stewardship program under chapter 70.275 RCW. The
39 department shall refund any fees collected in excess of those

1 administrative costs to any approved stewardship organization under
2 chapter 70.275 RCW.

3 ~~((16))~~ (15) For the purposes of evaluating the requirements of
4 RCW 70.95.290, the department, in consultation with the Washington
5 materials management and financing authority, shall, within existing
6 resources, report to the appropriate committees of the legislature on
7 whether the department and the Washington materials management and
8 financing authority have utilized existing infrastructure for the
9 collection of electronics. In its report, the department, in
10 consultation with the Washington materials management and financing
11 authority, must report on the location and number of new programs
12 created and depot systems developed since 2006 for the purpose of
13 collecting electronics, how many existing collections sites have been
14 utilized, as well as how many curbside collection companies were
15 contracted with for collection of electronics. The department must
16 submit the report to the appropriate committees of the legislature no
17 later than September 1, 2016.

18 ~~((17))~~ (16) \$22,000 of the general fund—state appropriation for
19 fiscal year 2016 and \$50,000 of the general fund—state appropriation
20 for fiscal year 2017 are provided solely for the implementation of
21 Engrossed Senate Bill No. 6589 (water storage/exempt wells). If the
22 bill is not enacted by June 30, 2016, the amounts provided in this
23 subsection shall lapse.

24 ~~((18))~~ (17) \$300,000 of the state toxics control account—state
25 appropriation is provided solely for the hazardous waste and toxics
26 reduction program and is contingent on the implementation of section
27 3 of Engrossed Substitute House Bill No. 2545 (flame retardant
28 chemicals). If the bill is not enacted by June 30, 2016, the amount
29 provided in this subsection shall lapse.

30 **Sec. 1303.** 2016 sp.s. c 36 s 303 (uncodified) is amended to read
31 as follows:

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

33	General Fund—State Appropriation (FY 2016)	. . . . .	\$10,558,000
34	General Fund—State Appropriation (FY 2017)	. . . . .	\$11,109,000
35	General Fund—Federal Appropriation	. . . . .	\$6,920,000
36	Winter Recreation Program Account—State Appropriation	. . . . .	\$3,309,000
37	ORV and Nonhighway Vehicle Account—State Appropriation	. . . . .	\$231,000
38	Snowmobile Account—State Appropriation	. . . . .	(\$5,824,000)

1		<u>\$5,594,000</u>
2	Aquatic Lands Enhancement Account—State Appropriation . . .	\$369,000
3	Recreation Access Pass Account—State	
4	Appropriation.	((\$250,000))
5		<u>\$200,000</u>
6	Parks Renewal and Stewardship Account—State	
7	Appropriation	((\$131,357,000))
8		<u>\$129,082,000</u>
9	Parks Renewal and Stewardship Account—Private/Local	
10	Appropriation	\$318,000
11	TOTAL APPROPRIATION.	((\$170,245,000))
12		<u>\$167,690,000</u>

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

15 (1) \$79,000 of the general fund—state appropriation for fiscal
16 year 2016, \$79,000 of the general fund—state appropriation for fiscal
17 year 2017, \$25,000 of the snowmobile account—state appropriation, and
18 \$25,000 of the winter recreation program account—state appropriation
19 are provided solely for a grant for the operation of the Northwest
20 weather and avalanche center.

21 (2) \$100,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$100,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely for the commission to pay
24 assessments charged by local improvement districts.

25 (3) ((~~\$250,000~~)) \$200,000 of the recreation access pass account—
26 state appropriation is provided solely for the commission, using its
27 authority under RCW 79A.05.055(3) and in partnership with the
28 department of fish and wildlife and the department of natural
29 resources, to coordinate a process to develop options and
30 recommendations to improve consistency, equity, and simplicity in
31 recreational access fee systems while accounting for the fiscal
32 health and stability of public land management. The process must be
33 collaborative and include other relevant agencies and appropriate
34 stakeholders. The commission must contract with the William D.
35 Ruckelshaus Center or another neutral third party to facilitate
36 meetings and discussions with parties involved in the process and
37 provide a report to the appropriate committees of the legislature by
38 December 1, 2017. The process must analyze and make recommendations
39 on:

1 (a) Opportunities for federal and state recreational permit fee
2 coordination, including the potential for developing a system that
3 allows a single pass to provide access to federal and state lands;

4 (b) Opportunities to enhance consistency in the way state and
5 federal recreational access fees apply to various types of
6 recreational users, including those that travel to public lands by
7 motor vehicle, boat, bicycle, foot, or another method; and

8 (c) Opportunities to develop a comprehensive and consistent
9 statewide approach to recreational fee discounts and exemptions to
10 social and other groups including, but not limited to, disabled
11 persons, seniors, disabled veterans, foster families, low-income
12 residents, and volunteers. This analysis must examine the cost of
13 such a program, and should consider how recreational fee discounts
14 fit into the broader set of benefits provided by the state to these
15 social groups. This includes a review of the efficacy, purpose, and
16 cost of existing recreational fee discounts and exemptions, as well
17 as opportunities for new or modified social group discounts and
18 exemptions. The department of veterans affairs and the department of
19 social and health services must be included in this portion of the
20 process.

21 (4) \$100,000 of the parks renewal and stewardship account—state
22 appropriation is provided solely for conducting noxious weed
23 treatment and vegetation management on the John Wayne pioneer trail
24 to protect adjacent land owners from noxious weeds with priority in
25 areas where there is adjacent agricultural use. Control of noxious
26 weeds must follow an integrated pest management approach including
27 the use of biological, chemical, and mechanical control prescriptions
28 in accordance with chapter 17.15 RCW and consistent with state and
29 county weed board requirements. The commission must report on its
30 progress in meeting this requirement to the appropriate committees of
31 the legislature by September 30, 2016.

32 (5) \$14,185,000 of the parks renewal and stewardship account—
33 state appropriation is provided solely for expenditures related to
34 state parks. Of this amount, \$11,614,000 is provided for maintenance
35 and preservation activities, \$1,971,000 is provided for radio
36 equipment and installation, \$300,000 is provided for firefighting
37 vehicles, equipment, and supplies, and \$300,000 is provided for
38 marketing activities.

1 **Sec. 1304.** 2016 sp.s. c 36 s 304 (uncodified) is amended to read
2 as follows:

3 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

4	General Fund—State Appropriation (FY 2016)	. . . . .	\$842,000
5	General Fund—State Appropriation (FY 2017)	. . . . .	(\$818,000)
6			<u>\$916,000</u>
7	General Fund—Federal Appropriation	. . . . .	\$3,536,000
8	General Fund—Private/Local Appropriation	. . . . .	\$24,000
9	Aquatic Lands Enhancement Account—State Appropriation	. . .	\$488,000
10	Firearms Range Account—State Appropriation	. . . . .	\$37,000
11	Recreation Resources Account—State Appropriation	. . .	(\$3,263,000)
12			<u>\$3,414,000</u>
13	NOVA Program Account—State Appropriation	. . . . .	\$1,014,000
14	TOTAL APPROPRIATION.	. . . . .	(\$10,022,000)
15			<u>\$10,271,000</u>

16 **Sec. 1305.** 2016 sp.s. c 36 s 305 (uncodified) is amended to read
17 as follows:

18 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

19	General Fund—State Appropriation (FY 2016)	. . . . .	\$2,149,000
20	General Fund—State Appropriation (FY 2017)	. . . . .	(\$2,175,000)
21			<u>\$2,186,000</u>
22	TOTAL APPROPRIATION.	. . . . .	(\$4,324,000)
23			<u>\$4,335,000</u>

24 **Sec. 1306.** 2016 sp.s. c 36 s 306 (uncodified) is amended to read
25 as follows:

26 **FOR THE CONSERVATION COMMISSION**

27	General Fund—State Appropriation (FY 2016)	. . . . .	\$6,778,000
28	General Fund—State Appropriation (FY 2017)	. . . . .	(\$6,848,000)
29			<u>\$6,865,000</u>
30	General Fund—Federal Appropriation	. . . . .	\$2,301,000
31	Public Works Assistance Account—State Appropriation.	. . .	\$7,600,000
32	Disaster Response Account—State Appropriation.	. . . . .	\$7,800,000
33	State Toxics Control Account—State Appropriation	. . . . .	\$1,000,000
34	TOTAL APPROPRIATION.	. . . . .	(\$32,327,000)
35			<u>\$32,344,000</u>

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

1 (1) \$7,600,000 of the public works assistance account—state
2 appropriation is provided solely for implementation of the voluntary
3 stewardship program. This amount may not be used to fund agency
4 indirect and administrative expenses.

5 (2) \$6,800,000 of the disaster response account—state
6 appropriation is provided solely to protect water quality, stabilize
7 soil, prevent crop damage, replace fencing and help landowners
8 recover from losses sustained from wildfires. \$300,000 of this amount
9 shall be provided to the Okanogan county noxious weed control board
10 to control weeds and revegetate lands damaged by wildfires.

11 (3) \$1,000,000 of the disaster response account—state
12 appropriation is provided solely for the commission to provide to
13 conservation districts for the firewise program.

14 (4)(a) \$50,000 of the general fund—state appropriation for fiscal
15 year 2017 is provided solely for the commission to convene and
16 facilitate a food policy forum. The director of the commission is
17 responsible for appointing participating members of the food policy
18 forum in consultation with the director of the department of
19 agriculture. In making appointments, the director of the commission
20 must attempt to ensure a diversity of knowledge, experience, and
21 perspectives by building on the representation established by the
22 food system roundtable initiated by executive order No. 10-02.

23 (b) In addition to members appointed by the director of the state
24 conservation commission, four legislators may serve on the food
25 policy forum in an ex officio capacity. Legislative participants must
26 be appointed as follows:

27 (i) The speaker of the house of representatives shall appoint one
28 member from each of the two largest caucuses of the house of
29 representatives; and

30 (ii) The president of the senate shall appoint one member from
31 each of the two largest caucuses of the senate.

32 (c) The commission shall coordinate with the office of farmland
33 preservation and the department of agriculture to avoid duplication
34 of effort. The commission must report to the appropriate committees
35 of the legislature, consistent with RCW 43.01.036, with the forum's
36 recommendations by October 31, 2017.

37 **Sec. 1307.** 2016 sp.s. c 36 s 307 (uncodified) is amended to read
38 as follows:

1	FOR THE DEPARTMENT OF FISH AND WILDLIFE	
2	General Fund—State Appropriation (FY 2016)	\$37,599,000
3	General Fund—State Appropriation (FY 2017)	(\$39,435,000)
4		<u>\$39,598,000</u>
5	General Fund—Federal Appropriation	(\$113,956,000)
6		<u>\$114,877,000</u>
7	General Fund—Private/Local Appropriation	\$61,739,000
8	ORV and Nonhighway Vehicle Account—State Appropriation . . .	\$425,000
9	Aquatic Lands Enhancement Account—State	
10	Appropriation	(\$11,627,000)
11		<u>\$11,327,000</u>
12	Recreational Fisheries Enhancement—State	
13	Appropriation	\$2,997,000
14	Disaster Response Account—State Appropriation.	\$642,000
15	Warm Water Game Fish Account—State Appropriation . . .	(\$2,738,000)
16		<u>\$2,538,000</u>
17	Eastern Washington Pheasant Enhancement Account—State	
18	Appropriation	\$850,000
19	Aquatic Invasive Species Enforcement Account—State	
20	Appropriation	\$219,000
21	Aquatic Invasive Species Prevention Account—State	
22	Appropriation	\$778,000
23	State Wildlife Account—State Appropriation	\$117,456,000
24	Special Wildlife Account—State Appropriation	(\$313,000)
25		<u>\$1,801,000</u>
26	Special Wildlife Account—Federal Appropriation	\$500,000
27	Special Wildlife Account—Private/Local Appropriation . . .	\$3,517,000
28	Wildlife Rehabilitation Account—State Appropriation	\$359,000
29	Hydraulic Project Approval Account—State Appropriation . . .	\$669,000
30	Environmental Legacy Stewardship Account—State	
31	Appropriation	\$2,814,000
32	Regional Fisheries Enhancement Salmonid Recovery Account—	
33	Federal Appropriation	\$5,001,000
34	Oil Spill Prevention Account—State Appropriation	\$1,075,000
35	Oyster Reserve Land Account—State Appropriation	\$779,000
36	TOTAL APPROPRIATION.	(\$405,488,000)
37		<u>\$407,560,000</u>

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

3 (1) \$344,000 of the general fund—state appropriation for fiscal
4 year 2017 is provided solely to pay for emergency fire suppression
5 costs. This amount may not be used to fund agency indirect and
6 administrative expenses.

7 (2) \$596,000 of the general fund—state appropriation for fiscal
8 year 2016 and \$596,000 of the general fund—state appropriation for
9 fiscal year 2017 are provided solely for weed assessments and for
10 payments in lieu of real property taxes to counties that elect to
11 receive the payments for department owned game lands within the
12 county.

13 (3) \$300,000 of the aquatic lands enhancement account—state
14 appropriation is provided solely for the aquatic invasive species and
15 ballast water programs to address voluntary compliance and watercraft
16 check stations and develop recommendations for future funding and the
17 transition to new federal ballast water regulations. These
18 recommendations shall be provided to the governor and legislature by
19 June 1, 2016.

20 (4) Prior to submitting its 2017-2019 biennial operating and
21 capital budget requests related to state fish hatcheries to the
22 office of financial management, the department shall contract with
23 the hatchery scientific review group (HSRG) to review the proposed
24 requests. This review shall: (a) Determine if the proposed requests
25 are consistent with HSRG recommendations; (b) prioritize the
26 components of the requests based on their contributions to protecting
27 wild salmonid stocks and meeting the recommendations of the HSRG; and
28 (c) evaluate whether the proposed requests are being made in the most
29 cost effective manner. The department shall provide a copy of the
30 HSRG review to the office of financial management with its agency
31 budget proposal.

32 (5) \$400,000 of the general fund—state appropriation for fiscal
33 year 2016 and \$400,000 of the general fund—state appropriation for
34 fiscal year 2017 are provided solely for a state match to support the
35 Puget Sound nearshore partnership between the department and the
36 United States army corps of engineers. Prior to implementation of any
37 Puget Sound nearshore ecosystem restoration projects in Whatcom
38 county, the department must consult with and seek, to the maximum
39 extent practicable, consensus on those projects among appropriate

1 landowners, federally recognized Indian tribes, agencies, and
2 community and interest groups.

3 (6) Within the amounts appropriated in this section, the
4 department shall identify additional opportunities for partnerships
5 in order to keep fish hatcheries operational. Such partnerships shall
6 aim to maintain fish production and salmon recovery with less
7 reliance on state operating funds.

8 (7) Within the amounts appropriated in this section, the
9 department shall conduct a stakeholder process with the department of
10 ecology to develop recommendations to restructure the fees under RCW
11 90.16.050 and report to the appropriate committees of the legislature
12 by December 1, 2015.

13 (8) The department shall maintain a working capital reserve in
14 the nonrestricted portion of the state wildlife account of no more
15 than five percent of projected expenses in the nonrestricted portion
16 of the account.

17 (9) \$72,000 of the oil spill prevention account—state
18 appropriation is provided solely for implementation of chapter 274,
19 Laws of 2015 (ESHB 1449).

20 (10) \$352,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$351,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the implementation of
23 chapter 191, Laws of 2015 (SSB 5166).

24 (11) \$642,000 of the disaster response account—state
25 appropriation is provided solely for wildland fire restoration
26 activities on state wildlife areas.

27 (12) \$100,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$375,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for the department to establish
30 a work unit to engage and empower diverse stakeholders in decisions
31 about fish and wildlife.

32 (13) \$300,000 of the general fund—state appropriation for fiscal
33 year 2017 is provided solely to fund cost share partnerships between
34 the department and landowners via livestock damage prevention
35 cooperative agreements. The agreements are part of the department's
36 efforts to help landowners implement measures to reduce the potential
37 for wolf-livestock conflict.

1 (14) \$25,000 of the general fund—state appropriation for fiscal
2 year 2017 is provided solely to pay claims for confirmed cougar
3 depredations on livestock.

4 (15) \$225,000 of the general fund—state appropriation for fiscal
5 year 2017 is provided solely for operations at Naselle Hatchery. Any
6 increase in hatchery fish production is contingent upon hatchery
7 reform broodstock standards being met and state fisheries being
8 managed to conserve wild fish populations.

9 (16) \$25,000 of the general fund—state appropriation for fiscal
10 year 2016 and \$25,000 of the general fund—state appropriation for
11 fiscal year 2017 are provided solely to the Northwest straits
12 commission for assistance in conducting and evaluating the forage
13 fish surveys in Puget Sound.

14 (17) \$100,000 of the state wildlife account—state appropriation
15 is provided solely for ongoing department efforts to address elk hoof
16 disease including monitoring prevalence in affected areas, evaluating
17 survival of affected elk, and assessing management options in
18 affected areas.

19 (18) The governor shall convene a government-to-government
20 meeting between the department and federally recognized Indian tribes
21 to discuss and develop a protocol regarding enforcement actions
22 related to hunting activities by tribal members on lands where the
23 member's tribe has a treaty or other federally recognized right to
24 hunt.

25 **Sec. 1308.** 2016 sp.s. c 36 s 308 (uncodified) is amended to read
26 as follows:

27 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

28	General Fund—State Appropriation (FY 2016)	. . . . .	\$30,402,000
29	General Fund—State Appropriation (FY 2017)	. . . . .	(( \$49,478,000))
30			<u>\$53,699,000</u>
31	General Fund—Federal Appropriation	. . . . .	(( \$30,079,000))
32			<u>\$32,531,000</u>
33	General Fund—Private/Local Appropriation	. . . . .	\$2,372,000
34	Forest Development Account—State Appropriation	. . . . .	\$53,786,000
35	ORV and Nonhighway Vehicle Account—State		
36	Appropriation	. . . . .	\$6,655,000
37	Surveys and Maps Account—State Appropriation	. . . . .	\$4,502,000
38	Aquatic Lands Enhancement Account—State		

1	Appropriation	\$8,743,000
2	Resources Management Cost Account—State	
3	Appropriation	\$119,872,000
4	Surface Mining Reclamation Account—State	
5	Appropriation	\$3,960,000
6	Disaster Response Account—State Appropriation.	\$16,601,000
7	Forest and Fish Support Account—State Appropriation.	\$10,129,000
8	Aquatic Land Dredged Material Disposal Site Account—State	
9	Appropriation.	\$401,000
10	Natural Resources Conservation Areas Stewardship Account—State	
11	Appropriation	\$34,000
12	Marine Resources Stewardship Trust Account—State	
13	Appropriation	\$925,000
14	State Toxics Control Account—State Appropriation.	\$5,438,000
15	Forest Practices Application Account—State	
16	Appropriation	((\$1,971,000))
17		<u>\$1,524,000</u>
18	Environmental Legacy Stewardship Account—State	
19	Appropriation.	\$1,004,000
20	Air Pollution Control Account—State Appropriation	((\$817,000))
21		<u>\$717,000</u>
22	NOVA Program Account—State Appropriation	\$696,000
23	Derelict Vessel Removal Account—State Appropriation	\$1,931,000
24	Community Forest Trust Account—State Appropriation.	\$26,000
25	Agricultural College Trust Management Account—State	
26	Appropriation	\$2,879,000
27	TOTAL APPROPRIATION.	((\$352,701,000))
28		<u>\$358,827,000</u>

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

31 (1) \$1,420,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$1,352,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for deposit into the
34 agricultural college trust management account and are provided solely
35 to manage approximately 70,700 acres of Washington State University's
36 agricultural college trust lands.

37 (2) ((~~\$15,530,000~~)) \$19,751,000 of the general fund—state
38 appropriation for fiscal year 2017 and \$10,525,000 of the disaster

1 response account—state appropriation are provided solely for
2 emergency fire suppression. The general fund—state appropriation and
3 disaster response account—state appropriation provided in this
4 subsection may not be used to fund agency indirect and administrative
5 expenses. Agency indirect and administrative costs shall be allocated
6 among the agency's remaining accounts and appropriations. The
7 department of natural resources shall submit a quarterly report to
8 the office of financial management and the legislative fiscal
9 committees detailing information on current and planned expenditures
10 from the disaster response account. This work shall be done in
11 coordination with the military department.

12 (3) \$5,000,000 of the forest and fish support account—state
13 appropriation is provided solely for outcome-based, performance
14 contracts with tribes to participate in the implementation of the
15 forest practices program. Contracts awarded may only contain indirect
16 costs set at or below the rate in the contracting tribe's indirect
17 cost agreement with the federal government. If federal funding for
18 this purpose is reinstated, the amount provided in this subsection
19 shall lapse.

20 (4) \$925,000 of the marine resources stewardship trust account—
21 state appropriation is provided solely for implementation of priority
22 marine management planning efforts including mapping activities,
23 ecological assessment, data tools, and stakeholder engagement.

24 (5) \$440,000 of the state general fund—state appropriation for
25 fiscal year 2016 and \$440,000 of the state general fund—state
26 appropriation for fiscal year 2017 are provided solely for forest
27 work crews that support correctional camps and are contingent upon
28 continuing operations of the Naselle youth camp.

29 (6) \$2,390,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$2,390,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for the department to carry out
32 the forest practices adaptive management program pursuant to RCW
33 76.09.370 and the May 24, 2012, settlement agreement entered into by
34 the department and the department of ecology. Scientific research
35 must be carried out according to the master project schedule and work
36 plan of cooperative monitoring, evaluation, and research priorities
37 adopted by the forest practices board. The forest practices board
38 shall submit a report to the legislature following review, approval,
39 and solicitation of public comment on the cooperative monitoring,

1 evaluation, and research master project schedule, to include:
2 Cooperative monitoring, evaluation, and research science and related
3 adaptive management expenditure details, accomplishments, the use of
4 cooperative monitoring, evaluation, and research science in decision-
5 making, and funding needs for the coming biennium. The report shall
6 be provided to the appropriate committees of the legislature by
7 October 1, 2016.

8 (7) \$155,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$127,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely for ongoing law enforcement,
11 which the department may contract with local law enforcement
12 agencies, and for noxious weed control, forest fire protection
13 assessment, and other management costs for the Teanaway community
14 forest as provided in the Teanaway community forest management plan.

15 (8) The department shall maintain working capital reserves in the
16 resource management cost account and the forest development account
17 of no more than five percent of the amounts appropriated in each
18 account.

19 (9) \$337,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$311,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for implementation of chapter
22 182, Laws of 2015 (ESHB 2093).

23 (10) \$1,200,000 of the disaster response account—state
24 appropriation is provided solely for joint wildland fire training of
25 department of natural resources, Washington national guard, local
26 fire agency, and tribal firefighters. Of this amount, \$200,000 is
27 provided solely to train local fire agencies on the use of
28 firefighting equipment.

29 (11) \$215,000 of the disaster response account—state
30 appropriation is provided solely for the department to develop a
31 twenty-year strategic plan to treat areas of state forest land that
32 have been identified by the department as being in poor health.

33 (12) \$629,000 of the disaster response account—state
34 appropriation is provided solely for the department to update the
35 smoke management plan in consultation with the department of ecology,
36 other relevant state and federal agencies, and relevant stakeholders.

37 (13) \$696,000 of the disaster response account—state
38 appropriation is provided solely to enhance the department's capacity
39 to respond to large wildfires using in-state resources.

1 (14) \$443,000 of the disaster response account—state
2 appropriation is provided solely to enhance capacity for aerial
3 attack of wildfires. Within this amount, the department must develop
4 a pre-certified list of aerial contractors that may be available for
5 fire suppression in fire-prone areas and report the list to the
6 appropriate committees of the legislature by December 1, 2016.

7 (15) \$1,000,000 of the disaster response account—state
8 appropriation is provided solely to provide firefighting equipment to
9 local fire agencies.

10 (16) \$417,000 of the disaster response account—state
11 appropriation is provided solely for wildfire prevention education,
12 community outreach programs, technical assistance to landowners; and
13 to ensure landowner compliance with grant and contract requirements,
14 burn permit conditions, and industrial fire precaution levels.

15 (17) \$569,000 of the disaster response account—state
16 appropriation is provided solely for portable and mobile radios.

17 (18) \$700,000 of the resources management cost account—state
18 appropriation is provided solely for fuel reduction and forest health
19 activities on state lands.

20 (19) \$800,000 of the disaster response account—state
21 appropriation is provided solely for implementation of Engrossed
22 Substitute House Bill No. 2928 (outdoor burning). Of this amount, two
23 percent is provided solely for the department's administrative costs,
24 five percent is provided solely for the department to provide forest
25 health collaboratives for burn technician costs, and ninety-three
26 percent is provided solely for the department to provide forest
27 health collaboratives for implementation of forest resiliency
28 burning. The department shall direct the forest health collaboratives
29 to complete the forest resiliency burning under this subsection by
30 January 1, 2017. If the bill is not enacted by June 30, 2016, the
31 amount provided in this subsection shall lapse.

32 (20) \$100,000 of the disaster response account—state
33 appropriation is provided solely for fuel reduction and creating
34 firebreaks in and around the city of Walla Walla's mill creek
35 watershed.

36 (21) \$5,057 of the disaster response account—state appropriation
37 is provided solely for the Asotin county sheriff's office for the
38 grizzly bear complex fire.

1 **Sec. 1309.** 2016 sp.s. c 36 s 310 (uncodified) is amended to read
2 as follows:

3 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

4 Pollution Liability Insurance Program Trust Account—State

5 Appropriation	((\$1,421,000))
6	<u>\$1,425,000</u>
7 Underground Storage Tank Revolving Account—State	
8 Appropriation.	\$5,000
9 TOTAL APPROPRIATION.	((\$1,426,000))
10	<u>\$1,430,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: \$5,000 of the underground storage tank
13 revolving account—state appropriation is provided solely for
14 implementation of Substitute House Bill No. 2357 (pollution insurance
15 agency). If the bill is not enacted by June 30, 2016, the amount
16 provided in this subsection shall lapse.

17 **Sec. 1310.** 2016 sp.s. c 36 s 311 (uncodified) is amended to read
18 as follows:

19 **FOR THE PUGET SOUND PARTNERSHIP**

20 General Fund—State Appropriation (FY 2016)	\$2,333,000
21 General Fund—State Appropriation (FY 2017)	((\$2,349,000))
22	<u>\$2,366,000</u>
23 General Fund—Federal Appropriation	((\$9,955,000))
24	<u>\$8,964,000</u>
25 Aquatic Lands Enhancement Account—State	
26 Appropriation.	((\$2,119,000))
27	<u>\$2,122,000</u>
28 State Toxics Control Account—State Appropriation	((\$705,000))
29	<u>\$707,000</u>
30 TOTAL APPROPRIATION.	((\$17,461,000))
31	<u>\$16,492,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations: By October 15, 2016, the Puget Sound
34 partnership shall provide the governor a single, prioritized list of
35 state agency 2017-2019 capital and operating budget requests related
36 to Puget Sound restoration.

(End of part)

PART XIV
TRANSPORTATION

Sec. 1401. 2016 sp.s. c 36 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund—State Appropriation (FY 2016)	\$41,105,000
General Fund—State Appropriation (FY 2017)	(\$39,566,000)
	<u>\$39,586,000</u>
General Fund—Federal Appropriation	\$16,073,000
General Fund—Private/Local Appropriation	\$3,083,000
Death Investigations Account—State Appropriation	\$6,439,000
Enhanced 911 Account—State Appropriation	(\$3,230,000)
	<u>\$3,009,000</u>
County Criminal Justice Assistance Account—State Appropriation	\$3,532,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$1,443,000
Fire Service Trust Account—State Appropriation	\$131,000
Vehicle License Fraud Account—State Appropriation	(\$264,000)
	<u>\$221,000</u>
Disaster Response Account—State Appropriation	\$8,000,000
Fire Service Training Account—State Appropriation	\$9,997,000
Aquatic Invasive Species Enforcement Account—State Appropriation	\$54,000
State Toxics Control Account—State Appropriation	\$532,000
Fingerprint Identification Account—State Appropriation	(\$14,801,000)
	<u>\$11,601,000</u>
TOTAL APPROPRIATION.	(\$148,249,000)
	<u>\$144,806,000</u>

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

(1) \$200,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to

1 provide these services only to those districts that are located in
2 counties without qualified review capabilities.

3 (2) \$8,000,000 of the disaster response account—state
4 appropriation is provided solely for Washington state fire service
5 resource mobilization costs incurred in response to an emergency or
6 disaster authorized under RCW 43.43.960 through 43.43.964. The state
7 patrol shall submit a report quarterly to the office of financial
8 management and the legislative fiscal committees detailing
9 information on current and planned expenditures from this account.
10 This work shall be done in coordination with the military department.

11 (3) \$700,000 of the fire service training account—state
12 appropriation is provided solely for the firefighter apprenticeship
13 training program.

14 (4) (~~(\$3,230,000)~~) \$3,009,000 of the enhanced 911 account—state
15 appropriation is provided solely for the first phase of the state
16 patrol's plan to upgrade the criminal history system, and is subject
17 to the same conditions, limitations and review provided in section
18 705 (4) through (6) of this act.

19 (5) \$1,375,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$1,375,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for implementation of chapter
22 247, Laws of 2015 (Substitute House Bill No. 1068).

23 (6) (~~(\$3,200,000 of the fingerprint investigation account—state~~
24 ~~appropriation is provided solely for the second phase of the state~~
25 ~~patrol's plan to upgrade the criminal history system, and is subject~~
26 ~~to the same conditions, limitations and review provided in section~~
27 ~~705 (4) through (6) of this act.~~

28 (+7)) Within amounts provided in this section, the Washington
29 state patrol shall work with the consolidated technology services
30 agency to explore the feasibility and appropriateness of using vacant
31 data halls in the state data center as storage facilities for
32 evidence collected by law enforcement agencies, including but not
33 limited to the state patrol. The state patrol and the consolidated
34 technology services agency shall develop a cost estimate for
35 modifying the data center halls in order to fit this purpose. The
36 state patrol shall submit a report on its findings to the governor
37 and the appropriate committees of the legislature by December 1,
38 2015.

1 ~~((+8))~~ (7) \$50,000 of the general fund—state appropriation for
2 fiscal year 2016 and \$50,000 of the general fund—state appropriation
3 for fiscal year 2017 are provided solely for the state patrol to pay
4 assessments charged by local improvement districts.

5 ~~((+9))~~ (8) \$388,000 of the general fund—state appropriation for
6 fiscal year 2017, \$9,000 of the vehicle license fraud account—state
7 appropriation, and \$13,000 of the general fund—local appropriation
8 are provided solely for implementation of Engrossed Second Substitute
9 House Bill No. 2872 (WSP recruitment and retention). If the bill is
10 not enacted by June 30, 2016, the amounts provided in this subsection
11 shall lapse.

12 ~~((+10))~~ (9) The appropriations in this section include specific
13 funds for the purpose of implementing Second Substitute House Bill
14 No. 2530 (protecting victims of sex crimes).

(End of part)

PART XV
EDUCATION

Sec. 1501. 2016 sp.s. c 36 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2016)	\$38,284,000
General Fund—State Appropriation (FY 2017)	\$46,199,000
General Fund—Federal Appropriation	(\$67,169,000)
	<u>\$70,169,000</u>
General Fund—Private/Local Appropriation	\$9,623,000
Washington Opportunity Pathways Account—State Appropriation	\$292,000
Dedicated Marijuana Account—State Appropriation (FY 2016)	\$251,000
Dedicated Marijuana Account—State Appropriation (FY 2017)	\$511,000
Performance Audits of Government Account—State Appropriation	\$208,000
TOTAL APPROPRIATION	(\$162,537,000)
	<u>\$165,537,000</u>

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

(1) \$10,152,000 of the general fund—state appropriation for fiscal year 2016 and \$10,410,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(a) The superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(b) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(c) By September of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number

1 of state staff funded by the proviso, number of contractors, status
2 of proviso implementation, number of beneficiaries by year, list of
3 beneficiaries, a comparison of budgeted funding and actual
4 expenditures, other sources and amounts of funding, and proviso
5 outcomes and achievements.

6 (d) The superintendent of public instruction, in consultation
7 with the secretary of state, shall update the program prepared and
8 distributed under RCW 28A.230.150 for the observation of temperance
9 and good citizenship day to include providing an opportunity for
10 eligible students to register to vote at school.

11 (e) Districts shall annually report to the office of the
12 superintendent of public instruction on: (i) The annual number of
13 graduating high school seniors within the district earning the
14 Washington state seal of biliteracy provided in RCW 28A.300.575; and
15 (ii) the number of high school students earning competency-based high
16 school credits for world languages by demonstrating proficiency in a
17 language other than English. The office of the superintendent of
18 public instruction shall provide a summary report to the office of
19 the governor and the appropriate committees of the legislature by
20 December 1st of each year.

21 (2) \$1,017,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$857,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely for activities associated with
24 the implementation of new school finance systems required by chapter
25 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of
26 2009 (state's education system), including technical staff, systems
27 reprogramming, and workgroup deliberations, including the quality
28 education council and the data governance working group.

29 (3) \$1,012,000 of the general fund—state appropriation for fiscal
30 year 2016, \$851,000 of the general fund—state appropriation for
31 fiscal year 2017, and \$161,000 of the Washington opportunity pathways
32 account—state appropriation are provided solely for the operation and
33 expenses of the state board of education, including basic education
34 assistance activities. Of these amounts, \$161,000 of the general fund
35 —state appropriation for fiscal year 2016 and \$161,000 of the
36 Washington opportunity pathways account—state appropriation are
37 provided solely for implementation of RCW 28A.710 as amended by
38 Engrossed Second Substitute Senate Bill No. 6194 (public schools
39 other than common schools).

1 (4) \$3,571,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$3,447,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely to the professional educator
4 standards board for the following:

5 (a) \$1,050,000 in fiscal year 2016 and \$1,050,000 in fiscal year
6 2017 are for the operation and expenses of the Washington
7 professional educator standards board;

8 (b) \$2,372,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$2,372,000 of the general fund—state appropriation for
10 fiscal year 2017 are for grants to improve preservice teacher
11 training and for funding of alternative routes to certification
12 programs administered by the professional educator standards board.
13 Alternative routes programs include the pipeline for paraeducators
14 program, the retooling to teach conditional loan programs, and the
15 recruiting Washington teachers program. Within this subsection
16 (4)(b), up to \$500,000 per fiscal year is available for grants to
17 public or private colleges of education in Washington state to
18 develop models and share best practices for increasing the classroom
19 teaching experience of preservice training programs;

20 (c) \$25,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$25,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the professional educator
23 standards board to develop educator interpreter standards and
24 identify interpreter assessments that are available to school
25 districts. Interpreter assessments should meet the following
26 criteria: (A) Include both written assessment and performance
27 assessment; (B) be offered by a national organization of professional
28 sign language interpreters and transliterators; and (C) be designed
29 to assess performance in more than one sign system or sign language.
30 The board shall establish a performance standard, defining what
31 constitutes a minimum assessment result, for each educational
32 interpreter assessment identified. The board shall publicize the
33 standards and assessments for school district use;

34 (d) \$124,000 of the general fund—state appropriation for fiscal
35 year 2016 is provided solely for implementation of chapter 136, Laws
36 of 2014 (paraeducator development).

37 (5) \$266,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$266,000 of the general fund—state appropriation for
39 fiscal year 2017 are provided solely for the implementation of

1 chapter 240, Laws of 2010, including staffing the office of equity
2 and civil rights.

3 (a) \$5,000 of the amounts provided in this subsection shall be
4 provided to the Washington state school directors association for the
5 creation of a model policy and procedures for language access by
6 limited-English proficient parents. In developing the model policy
7 and procedures, the school directors association shall consider any
8 guidance materials created by the United States department of
9 justice, the United States department of education, and the office of
10 the superintendent of public instruction, regarding how school
11 districts can effectively assess their language access needs and how
12 to develop appropriately tailored language access plans. The model
13 policy and procedures must at a minimum address:

14 (i) Guidance and procedures for timely and accurate
15 identification of limited-English proficient parents and guardians
16 and their language access needs;

17 (ii) A recommended process and procedures for when and how to
18 access an interpreter;

19 (iii) A prohibition on the use of students or children as
20 interpreters for school-related communications;

21 (iv) Procedures to ensure appropriate staff are aware of parents'
22 or guardians' need for language assistance, including guidance for
23 all school administrators, teachers, and other appropriate staff
24 regarding when and how to access an interpreter or translation
25 services in a timely manner; and

26 (v) A process for communicating with parents and guardians about
27 their rights under federal and state law to be provided with
28 accessible information that allows them to make informed choices
29 regarding their child's education and how to access the resources and
30 services available to them.

31 (b) Within the amounts provided in this subsection, the office of
32 the superintendent of public instruction shall:

33 (i) Convene an advisory committee with representatives of
34 parents, school administrators, school principals, classified and
35 certificated staff, and other appropriate parties with interest in
36 language access for limited-English parents to develop sample
37 materials for school districts to disseminate to both school
38 employees and parents regarding parents' rights under the model
39 policy developed by the Washington state school directors'
40 association and the resources available to assist parents and

1 guardians in accessing the services available to them. The sample
2 materials must be developed by July 1, 2016;

3 (ii) Maintain and have available upon request a list of school
4 districts that have and have not adopted the Washington state school
5 directors' association's model policy;

6 (iii) Adopt rules regarding school districts' communication of
7 the language access policy and procedure to parents, students,
8 employees, and volunteers; and

9 (iv) Publish to the agency web site a listing of language access
10 services providers available to school districts, including but not
11 limited to, the telephonic, in-person, or video-remote interpreter
12 services vendors on contract with the state of Washington, including
13 contact information and training programs that are available to
14 support school districts in preparing employees for how to access and
15 effectively use an interpreter.

16 (6) \$50,000 of the general fund—state appropriation for fiscal
17 year 2016 and \$50,000 of the general fund—state appropriation for
18 fiscal year 2017 are provided solely for the ongoing work of the
19 education opportunity gap oversight and accountability committee.

20 (7) \$61,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$61,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the implementation of
23 chapter 380, Laws of 2009 (enacting the interstate compact on
24 educational opportunity for military children).

25 (8) \$131,000 of the general fund—state appropriation for fiscal
26 year 2016 and \$131,000 of the Washington opportunity pathways account
27 —state appropriation are provided solely for the implementation of
28 RCW 28A.710 as amended by Engrossed Second Substitute Senate Bill No.
29 6194 (public schools other than common schools).

30 (9) \$1,802,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$1,802,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for implementing a comprehensive
33 data system to include financial, student, and educator data,
34 including development and maintenance of the comprehensive education
35 data and research system (CEDARS).

36 (10) \$25,000 of the general fund—state appropriation for fiscal
37 year 2016 and \$25,000 of the general fund—state appropriation for
38 fiscal year 2017 are provided solely for project citizen, a program
39 sponsored by the national conference of state legislatures and the

1 center for civic education to promote participation in government by
2 middle school students.

3 (11) \$1,500,000 of the general fund—state appropriation for
4 fiscal year 2016 and \$1,500,000 of the general fund—state
5 appropriation for fiscal year 2017 are provided solely for
6 collaborative schools for innovation and success authorized under
7 chapter 53, Laws of 2012. The office of the superintendent of public
8 instruction shall award \$500,000 per year in funding for each
9 collaborative school for innovation and success selected for
10 participation in the pilot program during 2012.

11 (12) \$123,000 of the general fund—state appropriation for fiscal
12 year 2016 and \$123,000 of the general fund—state appropriation for
13 fiscal year 2017 are provided solely for implementation of chapter
14 163, Laws of 2012 (foster care outcomes). The office of the
15 superintendent of public instruction shall annually report each
16 December on the implementation of the state's plan of cross-system
17 collaboration to promote educational stability and improve education
18 outcomes of foster youth.

19 (13) \$250,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$250,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for implementation of chapter
22 178, Laws of 2012 (open K-12 education resources).

23 (14) \$93,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$93,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely for chapter 185, Laws of 2011
26 (bullying prevention), which requires the office of the
27 superintendent of public instruction to convene an ongoing workgroup
28 on school bullying and harassment prevention. Within the amounts
29 provided, \$140,000 is for youth suicide prevention activities.

30 (15) \$14,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$14,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for implementation of chapter
33 242, Laws of 2013 (state-tribal education compacts).

34 (16) \$62,000 of the general fund—state appropriation for fiscal
35 year 2016 and \$62,000 of the general fund—state appropriation for
36 fiscal year 2017 are provided solely for competitive grants to school
37 districts to increase the capacity of high schools to offer AP
38 computer science courses. In making grant allocations, the office of
39 the superintendent of public instruction must give priority to

1 schools and districts in rural areas, with substantial enrollment of
2 low-income students, and that do not offer AP computer science.
3 School districts may apply to receive either or both of the following
4 grants:

5 (a) A grant to establish partnerships to support computer science
6 professionals from private industry serving on a voluntary basis as
7 coinstructors along with a certificated teacher, including via
8 synchronous video, for AP computer science courses; or

9 (b) A grant to purchase or upgrade technology and curriculum
10 needed for AP computer science, as well as provide opportunities for
11 professional development for classroom teachers to have the requisite
12 knowledge and skills to teach AP computer science.

13 (17) \$10,000 of the general fund—state appropriation for fiscal
14 year 2016 and \$10,000 of the general fund—state appropriation for
15 fiscal year 2017 are provided solely for the superintendent of public
16 instruction to convene a committee for the selection and recognition
17 of Washington innovative schools. The committee shall select and
18 recognize Washington innovative schools based on the selection
19 criteria established by the office of the superintendent of public
20 instruction, in accordance with chapter 202, Laws of 2011 (innovation
21 schools—recognition) and chapter 260, Laws of 2011 (innovation
22 schools and zones).

23 (18) \$100,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$100,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely for the Mobius science center to
26 expand mobile outreach of science, technology, engineering, and
27 mathematics (STEM) education to students in rural, tribal, and low-
28 income communities.

29 (19) \$59,000 of the general fund—state appropriation for fiscal
30 year 2016 is provided solely for the office of the superintendent of
31 public instruction to convene a task force to design a performance-
32 based assistance and accountability system for the transitional
33 bilingual instruction program. The office must submit a report with
34 recommendations from the task force to the education and fiscal
35 committees of the legislature by January 15, 2016.

36 (20) \$131,000 of the general fund—state appropriation for fiscal
37 year 2016 and \$131,000 of general fund—state appropriation for fiscal
38 year 2017 are provided solely for the office of the superintendent of
39 public instruction to perform on-going program reviews of alternative

1 learning experience programs and dropout reengagement programs. The
2 amounts provided in this subsection are sufficient for the office of
3 the superintendent of public instruction to conduct ongoing
4 consolidated program reviews of alternative learning experience
5 programs and dropout reengagement programs established under chapter
6 20, Laws of 2010. The office of the superintendent of public
7 instruction shall include alternative learning education and dropout
8 reengagement programs in its ongoing consolidated program reviews, as
9 well as provide outreach and training to school districts regarding
10 implementation of the programs. Findings from the program reviews
11 will be used to support and prioritize the office of the
12 superintendent of public instruction outreach and education efforts
13 that assist school districts in implementing the programs in
14 accordance with statute and legislative intent, as well as to support
15 financial and performance audit work conducted by the office of the
16 state auditor.

17 (21) \$31,000 of the general fund—state appropriation for fiscal
18 year 2016 and \$55,000 of the general fund—state appropriation for
19 fiscal year 2017 are provided solely for the office of the
20 superintendent of public instruction for statewide implementation of
21 career and technical education course equivalency frameworks
22 authorized under RCW 28A.700.070 for math and science. This may
23 include development of additional equivalency course frameworks,
24 course performance assessments, and professional development for
25 districts implementing the new frameworks. At least two of the
26 science course frameworks must be in environmental science.

27 (22) \$142,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$142,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for implementation of chapter
30 103, Laws of 2014 (Substitute Senate Bill No. 6431) (youth suicide
31 prevention).

32 (23) \$208,000 of the performance audits of government account—
33 state appropriation is provided solely to address additional audit
34 resolutions and appeals in the alternative learning experience
35 programs.

36 (24) \$2,541,000 of the general fund—state appropriation for
37 fiscal year 2016 and \$2,541,000 of the general fund—state
38 appropriation for fiscal year 2017 are provided solely for a corps of
39 nurses located at educational service districts, as determined by the

1 superintendent of public instruction, to be dispatched to the most
2 needy schools to provide direct care to students, health education,
3 and training for school staff.

4 (25) \$210,000 of the general fund—state appropriation for fiscal
5 year 2016 and \$210,000 of the general fund—state appropriation for
6 fiscal year 2017 are provided solely for a nonviolence and leadership
7 training program provided by the institute for community leadership.

8 (26) \$1,221,000 of the general fund—state appropriation for
9 fiscal year 2016 and \$1,221,000 of the general fund—state
10 appropriation for fiscal year 2017 are provided solely for K-20
11 telecommunications network technical support in the K-12 sector to
12 prevent system failures and avoid interruptions in school utilization
13 of the data processing and video-conferencing capabilities of the
14 network. These funds may be used to purchase engineering and advanced
15 technical support for the network.

16 (27) \$2,549,000 of the general fund—state appropriation for
17 fiscal year 2016 and \$3,940,000 of the general fund—state
18 appropriation for fiscal year 2017 are provided solely for the
19 Washington state achievers scholarship and Washington higher
20 education readiness program. The funds shall be used to: Support
21 community involvement officers that recruit, train, and match
22 community volunteer mentors with students selected as achievers
23 scholars; and to identify and reduce barriers to college for low-
24 income and underserved middle and high school students.

25 (28) \$1,354,000 of the general fund—state appropriation for
26 fiscal year 2016 and \$1,354,000 of the general fund—state
27 appropriation for fiscal year 2017 are provided solely for
28 contracting with a college scholarship organization with expertise in
29 conducting outreach to students concerning eligibility for the
30 Washington college bound scholarship consistent with chapter 405,
31 Laws of 2007.

32 (29) \$1,000,000 of the general fund—state appropriation for
33 fiscal year 2016, \$1,000,000 of the general fund—state appropriation
34 for fiscal year 2017, and \$762,000 of the dedicated marijuana account
35 —state appropriation are provided solely for dropout prevention,
36 intervention, and reengagement programs, including the jobs for
37 America's graduates (JAG) program, dropout prevention programs that
38 provide student mentoring, and the building bridges statewide
39 program. Starting in school year 2014-15, students in the foster care

1 system or who are homeless shall be given priority by districts
2 offering the jobs for America's graduates program. The office of the
3 superintendent of public instruction shall convene staff
4 representatives from high schools to meet and share best practices
5 for dropout prevention. Of these amounts, \$251,000 of the dedicated
6 marijuana account—state appropriation for fiscal year 2016, and
7 \$511,000 of the dedicated marijuana account—state appropriation for
8 fiscal year 2017 are provided solely for the building bridges
9 statewide program.

10 (30) \$2,654,000 of the general fund—state appropriation for
11 fiscal year 2016 and \$2,984,000 of the general fund—state
12 appropriation for fiscal year 2017 are provided solely for the
13 Washington kindergarten inventory of developing skills. State funding
14 shall support the statewide administration of the inventory under RCW
15 28A.655.080(1) and the one-time implementation and training grants
16 under RCW 28A.655.080(3) for schools implementing the inventory for
17 the first time in the 2015-2017 fiscal biennium.

18 (31) \$75,000 of the general fund—state appropriation for fiscal
19 year 2016 and \$75,000 of the general fund—state appropriation for
20 fiscal year 2017 are provided solely to subsidize advanced placement
21 exam fees and international baccalaureate class fees and exam fees
22 for low-income students. To be eligible for the subsidy, a student
23 must be either enrolled or eligible to participate in the federal
24 free or reduced-price lunch program, and the student must have
25 maximized the allowable federal contribution. The office of the
26 superintendent of public instruction shall set the subsidy in an
27 amount so that the advanced placement exam fee does not exceed \$15.00
28 and the combined class and exam fee for the international
29 baccalaureate does not exceed \$14.50.

30 (32) \$293,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$293,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for the office of the
33 superintendent of public instruction to support district
34 implementation of comprehensive guidance and planning programs
35 consistent with RCW 28A.600.045.

36 (33) \$2,864,000 of the general fund—state appropriation for
37 fiscal year 2016 and \$3,758,000 of the general fund—state
38 appropriation for fiscal year 2017 are provided solely for

1 implementation of Engrossed Second Substitute House Bill No. 1546
2 (dual credit education opportunities).

3 (34) \$161,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$54,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for the superintendent of public
6 instruction to convene a workgroup to recommend comprehensive
7 benchmarks for developmentally appropriate interpersonal and
8 decision-making knowledge and skills of social and emotional learning
9 for grades kindergarten through high school that build upon what is
10 being done in early learning. The workgroup shall submit
11 recommendations to the education committees of the legislature, and
12 the office of the governor by October 1, 2016.

13 (35) \$122,000 of the general fund—state appropriation for fiscal
14 year 2016 and \$117,000 of the general fund—state appropriation for
15 fiscal year 2017 are provided solely for implementation of chapter 3
16 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

17 (36)(a) \$250,000 of the general fund—state appropriation for
18 fiscal year 2016 and \$250,000 of the general fund—state appropriation
19 for fiscal year 2017 are provided solely for the office of the
20 superintendent of public instruction to implement a K-12 dual
21 language expansion grant program to build and expand well-
22 implemented, sustainable dual language programs and create state-
23 level infrastructure dedicated to dual language instruction.

24 (b) The superintendent shall award grants to pairs of school
25 districts for periods of two years. Each awarded pair must have one
26 district with an established dual language program with a plan for
27 expansion, and another district with the desire to implement a new
28 dual language program.

29 (c) Grant funds may be used for professional development,
30 supplemental materials, training, administrative staffing of the
31 program, site visits, recruiting bilingual teachers and instructional
32 aides, program evaluation, and coaching.

33 (37) \$400,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$200,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for the urban school turnaround
36 initiative as follows:

37 (a) The office of the superintendent of public instruction shall
38 provide grants of equal amounts to two schools that have previously
39 received urban school turnaround initiative grants. The purpose of

1 these grants is to assist the schools in maintaining gains made as a
2 result of work completed under the original program, while also
3 phasing out state funding support of the program.

4 (b) The office shall allocate the funds under this subsection
5 (~~((36))~~) (37) to the school district to be used exclusively in the
6 selected schools. The district may not charge an overhead or indirect
7 fee for the allocated funds or supplant other state, federal, or
8 local funds in the selected schools. The school district shall use
9 the funds for intensive supplemental instruction, services, and
10 materials in the selected schools, including but not limited to
11 professional development for school staff; updated curriculum,
12 materials, and technology; extended learning opportunities for
13 students; reduced class size; summer enrichment activities; school-
14 based health clinics; and other research-based initiatives to
15 dramatically turn around the performance and close the achievement
16 gap in the schools. The office shall enter into an expenditure
17 agreement with the school district under which any funds under this
18 subsection (~~((41))~~) (37) remaining unspent on (~~(August 31)~~) June 30,
19 2017, shall be returned to the state. Priorities for the expenditure
20 of the funds shall be determined by the leadership and staff of each
21 school.

22 (38) \$125,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$125,000 of the general fund—state appropriation for
24 fiscal year 2017 are provided solely for the Kip Tokuda memorial
25 Washington civil liberties public education program. The
26 superintendent of public instruction shall award grants consistent
27 with RCW 28A.300.410.

28 (39) \$652,000 of the general fund—state appropriation for fiscal
29 year 2016 is provided solely for the administration of the
30 preliminary scholastic aptitude test to ninth and tenth grade
31 participants in the college bound program. The superintendent of
32 public instruction shall partner with a national nonprofit
33 organization that offers the aptitude test and that will provide: (i)
34 Early and annual feedback on student progress; (ii) detailed
35 performance feedback connected to Washington's standards,
36 instruction, and assessments; (iii) access to state-of-the-art
37 learning tools including free, personalized practice; (iv) access to
38 college and career planning tools; (v) personalized information
39 packets to high-achieving, low-income students to increase the number

1 of applications from this group of students to public four-year
2 institutions of higher education and independent, nonprofit
3 baccalaureate degree-granting institutions in Washington; and (vi)
4 for income eligible students, the opportunity to take the preliminary
5 scholastic aptitude test in eleventh grade at no cost, to take the
6 scholastic aptitude test twice at no cost, and access to additional
7 tools and score reports at no cost.

8 (40)(a) \$125,000 of the general fund—state appropriation for
9 fiscal year 2016 and \$125,000 of the general fund—state appropriation
10 for fiscal year 2017 is provided solely for a grant to an entity that
11 is exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the
12 federal internal revenue code of 1986, as amended, as of the
13 effective date of this section, that is affiliated and in good
14 standing with a national congressionally chartered organization's
15 standards under 36 U.S.C., subtitle II, part B, and that:

16 (i) Is facility-based and provides proven and tested
17 recreational, educational, and character-building programs for
18 children ages six to eighteen years of age;

19 (ii) Provides after school and summer programs in a minimum of
20 fifty communities statewide, with youth development services
21 available at least twenty hours weekly during the school year and for
22 thirty hours weekly during summer programming;

23 (iii) Has adopted standards for care that at a minimum include
24 staff ratios, staff training, health and safety standards, and
25 mechanisms for assessing and enforcing the program's compliance with
26 the standards;

27 (iv) Provides a process to receive and resolve parental
28 complaints; and

29 (v) Conducts national criminal background checks for all
30 employees and volunteers who work with children.

31 (b) The grant shall be used to pilot a program of academic,
32 innovation, and mentoring. The purpose of the program is to enable
33 eligible neighborhood youth development entities to provide out-of-
34 school time programs for youth six to eighteen years of age that
35 include educational services, mentoring, and linkages to positive,
36 pro-social leisure and recreational activities. The programs must be
37 designed for mentoring and academic enrichment that include at least
38 two of the following three activity areas:

39 (i) Science, technology, engineering, and math (STEM);

40 (ii) Homework support and high-yield learning opportunities; and

1 (iii) Career exploration.

2 (c) The entity receiving the grant shall conduct the pilot in at
3 least five communities statewide. The office of the superintendent of
4 public instruction shall submit a report to the appropriate education
5 and fiscal committees of the legislature by December 31, 2015, and a
6 final report by December 31, 2016. The report shall outline the
7 programs established, target populations, and pre- and post-testing
8 results.

9 (41) \$25,000 of the general fund—state appropriation for fiscal
10 year 2016 and \$25,000 of the general fund—state appropriation for
11 fiscal year 2017 are provided solely for the office of the
12 superintendent of public instruction to partner with a nonprofit
13 organization providing music curriculum for kindergarten and first
14 grade students and establish a grant program that provides start-up
15 costs and materials for integrated music curriculum that links
16 together other core curriculum. Preference shall be given to Title 1
17 schools, head start programs, early childhood education and
18 assistance program sites, high poverty schools, schools with high
19 mobility, and schools with low student achievement.

20 (42) \$1,000,000 of the general fund—state appropriation for
21 fiscal year 2016 and \$1,000,000 of the general fund—state
22 appropriation for fiscal year 2017 are provided solely for the
23 computer science and education grant program to support the following
24 three purposes: Train and credential teachers in computer sciences;
25 provide and upgrade technology needed to learn computer science; and,
26 for computer science frontiers grants to introduce students to and
27 engage them in computer science. The office of the superintendent of
28 public instruction must use the computer science learning standards
29 adopted pursuant to Substitute House Bill No. 1813 (computer science)
30 in implementing the grant, to the extent possible. Additionally,
31 grants provided for the purpose of introducing students to computer
32 science are intended to support innovative ways to introduce and
33 engage students from historically underrepresented groups, including
34 girls, low-income students, and minority students, to computer
35 science and to inspire them to enter computer science careers. Grant
36 funds for the computer science and education grant program may be
37 expended only to the extent that they are equally matched by private
38 sources for the program, including gifts, grants, or endowments.

1 (43) \$1,461,000 of the general fund—state appropriation for
2 fiscal year 2017 is provided solely for a contract with a
3 nongovernmental entity or entities for demonstration sites to improve
4 the educational outcomes of students who are dependent pursuant to
5 chapter 13.34 RCW pursuant to Fourth Substitute House Bill No. 1999
6 (foster youth edu. outcomes).

7 (a) Of the amount provided in this subsection, \$446,000 of the
8 general fund—state appropriation for fiscal year 2017 is provided
9 solely for the demonstration site established pursuant to the
10 2013-2015 omnibus appropriations act, section 202(10), chapter 4,
11 Laws of 2013, 2nd sp. sess.

12 (b) Of the amount provided in this subsection, \$1,015,000 of the
13 general fund—state appropriation for fiscal year 2017 is provided
14 solely for a second demonstration site that includes a school
15 district or school district with a significant number of dependent
16 students. The office of the superintendent of public instruction, in
17 collaboration with the department of social and health services
18 children's administration and the contracted nongovernmental entity
19 or entities, shall select a second demonstration site for
20 implementation after July 1, 2016.

21 (44) \$1,000,000 of the general fund—state appropriation for
22 fiscal year 2017 is provided solely for implementation of Third
23 Substitute House Bill No. 1682 (homeless students). If the bill is
24 not enacted by June 30, 2016, the amount provided in this subsection
25 shall lapse.

26 (45) \$1,242,000 of the general fund—state appropriation for
27 fiscal year 2017 is provided solely for implementation of Fourth
28 Substitute House Bill No. 1541 (educational opportunity gap). If the
29 bill is not enacted by June 30, 2016, the amount provided in this
30 subsection shall lapse.

31 (46) \$350,000 of the general fund—state appropriation for fiscal
32 year 2017 is provided solely for implementation of Second Substitute
33 House Bill No. 2449 (truancy reduction). If the bill is not enacted
34 by June 30, 2016, the amount provided in this subsection shall lapse.

35 (47) \$50,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$50,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for a skilled workforce
38 development high school summer internship pilot project. The office
39 of the superintendent of public instruction shall select two high

1 schools from the largest urban school district in the state who will
2 in turn select 10 students each, who have completed their junior
3 year, to participate in a 5 1/2 week summer internship. The selected
4 high schools must partner with the port of Seattle and manufacturing
5 and maritime employers, who are committed to fostering the
6 development of local youth into a skilled workforce, to provide
7 internships for the selected students. The office of the
8 superintendent of public instruction must submit a report to the
9 legislature by December 1, 2016, summarizing the successes and
10 failures of the pilot project and provide recommendations for any
11 future actions. Expenditure of the amounts in this section is
12 contingent on receipt by the school district of a fifty percent match
13 in funding from nonstate sources.

14 (48) \$1,750,000 of the general fund—state appropriation for
15 fiscal year 2017 is provided solely for professional development for
16 state-funded classroom paraeducators. Training must be provided in
17 the 2016-17 school year.

18 (49) \$41,000 of the general fund—state appropriation for fiscal
19 year 2017 is provided solely for the office of the superintendent of
20 public instruction to implement the since time immemorial program,
21 including web site updates to accommodate video content and online
22 teaching tools, and training for classroom certificated instructional
23 staff.

24 (50) \$11,000 of the general fund—state appropriation for fiscal
25 year 2016 and \$8,000 of the general fund—state appropriation for
26 fiscal year 2017 are provided solely for implementation of chapter 3,
27 Laws of 2016 (basic education obligations).

28 (51) \$276,000 of the general fund—state appropriation for fiscal
29 year 2017 is provided solely for implementation of Engrossed Senate
30 Bill No. 6620 (school safety). If the bill is not enacted by June 30,
31 2016, the amount provided in this subsection shall lapse.

32 (52) \$500,000 of the general fund—state appropriation for fiscal
33 year 2017 is provided solely for implementation of section 1 of
34 Engrossed Second Substitute Senate Bill No. 6455 (professional
35 educator workforce). If section 1 of the bill is not enacted by June
36 30, 2016, the amount provided in this subsection shall lapse.

37 **Sec. 1502.** 2016 sp.s. c 36 s 502 (uncodified) is amended to read
38 as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL**
2 **APPORTIONMENT**

3	General Fund—State Appropriation (FY 2016)	. . . . .	\$6,375,707,000
4	General Fund—State Appropriation (FY 2017)	. . . . .	(\$6,734,241,000)
5			<u>\$6,751,047,000</u>
6	Education Legacy Trust Account—State Appropriation	. . . . .	\$95,730,000
7	TOTAL APPROPRIATION.	. . . . .	(\$13,205,678,000)
8			<u>\$13,222,484,000</u>

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

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

14 (b) For the 2015-16 and 2016-17 school years, the superintendent
15 shall allocate general apportionment funding to school districts as
16 provided in the funding formulas and salary schedules in sections 502
17 and 503 of this act, excluding (c) of this subsection.

18 (c) From July 1, 2015, to August 31, 2015, the superintendent
19 shall allocate general apportionment funding to school districts
20 programs as provided in sections 502 and 503, chapter 4, Laws of 2013
21 2nd sp. sess., as amended.

22 (d) The enrollment of any district shall be the annual average
23 number of full-time equivalent students and part-time students as
24 provided in RCW 28A.150.350, enrolled on the fourth day of school in
25 September and on the first school day of each month October through
26 June, including students who are in attendance pursuant to RCW
27 28A.335.160 and 28A.225.250 who do not reside within the servicing
28 school district. Any school district concluding its basic education
29 program in May must report the enrollment of the last school day held
30 in May in lieu of a June enrollment.

31 (e)(i) Funding provided in this part V of this act is sufficient
32 to provide each full-time equivalent student with the minimum hours
33 of instruction required under RCW 28A.150.220.

34 (ii) The office of the superintendent of public instruction shall
35 align the agency rules defining a full-time equivalent student with
36 the increase in the minimum instructional hours under RCW
37 28A.150.220, as amended by the legislature in 2014.

38 (f) The superintendent shall adopt rules requiring school
39 districts to report full-time equivalent student enrollment as

1 provided in RCW 28A.655.210 and to carry out the requirement
2 specified in subsections 2(c)(i)(B) and 2(c)(ii)(B) of this section.

3 (g) For the 2015-16 and 2016-17 school years, school districts
4 must report to the office of the superintendent of public instruction
5 the monthly actual average district-wide class size across each grade
6 level of kindergarten, first grade, second grade, and third grade
7 classes. The superintendent of public instruction shall report this
8 information to the education and fiscal committees of the house of
9 representatives and the senate by September 30th of each year.

10 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

11 Allocations for certificated instructional staff salaries for the
12 2015-16 and 2016-17 school years are determined using formula-
13 generated staff units calculated pursuant to this subsection.

14 (a) Certificated instructional staff units, as defined in RCW
15 28A.150.410, shall be allocated to reflect the minimum class size
16 allocations, requirements, and school prototypes assumptions as
17 provided in RCW 28A.150.260, except that the allocation for guidance
18 counselors in a middle school shall be 1.216 for the 2015-16 and
19 2016-17 school years, this enhancement is within the program of basic
20 education. The superintendent shall make allocations to school
21 districts based on the district's annual average full-time equivalent
22 student enrollment in each grade.

23 (b) Additional certificated instructional staff units provided in
24 this subsection (2) that exceed the minimum requirements in RCW
25 28A.150.260 are enhancements outside the program of basic education,
26 except as otherwise provided in this section.

27 (c)(i)(A) The superintendent shall base allocations for each
28 level of prototypical school on the following regular education
29 average class size of full-time equivalent students per teacher,
30 except as provided in (c)(ii) of this subsection:

31 General education class size:

32 Grade	RCW 28A.150.260	2015-16 33 School Year	2016-17 34 School Year
35 Grade K		22.00	19.00
36 Grade 1		23.00	21.00
37 Grade 2		24.00	22.00
Grade 3		25.00	22.00

1	Grade 4	27.00	27.00
2	Grades 5-6	27.00	27.00
3	Grades 7-8	28.53	28.53
4	Grades 9-12	28.74	28.74

5 The superintendent shall base allocations for laboratory science,
6 career and technical education (CTE) and skill center programs
7 average class size as provided in RCW 28A.150.260.

8 (B) For grades kindergarten through three, the superintendent
9 shall allocate funding for class size reductions to the extent of,
10 and in proportion to, the school district's demonstrated actual
11 weighted average class size for grades kindergarten through three,
12 down to the weighted average class size specified in subsection
13 2(c)(i)(A) of this section. At a minimum, the superintendent must
14 allocate funding sufficient to fund a weighted average class size not
15 to exceed 25.23 full-time equivalent students per teacher in these
16 grades.

17 (ii)(A) For each level of prototypical school at which more than
18 fifty percent of the students were eligible for free and reduced-
19 price meals in the prior school year, the superintendent shall
20 allocate funding based on the following average class size of full-
21 time equivalent students per teacher:

22 General education class size in high poverty schools:

23	Grade	RCW 28A.150.260	2015-16	2016-17
24			School Year	School Year
25	Grade K		18.00	17.00
26	Grade 1		19.00	17.00
27	Grade 2		22.00	18.00
28	Grade 3		24.00	21.00
29	Grade 4		27.00	27.00
30	Grades 5-6		27.00	27.00
31	Grades 7-8		28.53	28.53
32	Grades 9-12		28.74	28.74

33 (B) For grades kindergarten through three, the superintendent
34 shall allocate funding for class size reductions to the extent of,
35 and in proportion to, the school district's demonstrated actual

1 weighted average class size for grades kindergarten through three,
2 down to the weighted average class size specified in subsection
3 2(c)(ii)(A) of this section. At a minimum, the superintendent must
4 allocate funding sufficient to fund a weighted average class size not
5 to exceed 25.23 full-time equivalent students per teacher in these
6 grades.

7 (iii) The enhancements in this subsection (2)(c) are within the
8 program of basic education.

9 (iv) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
10 planning period, expressed as a percentage of a teacher work day, is
11 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

12 (v) Advanced placement and international baccalaureate courses
13 are funded at the same class size assumptions as general education
14 schools in the same grade; and

15 (d)(i) Funding for teacher librarians, school nurses, social
16 workers, school psychologists, and guidance counselors is allocated
17 based on the school prototypes as provided in RCW 28A.150.260 and (a)
18 of this subsection and is considered certificated instructional
19 staff, except as provided in (d)(ii) of this subsection.

20 (ii) Students in approved career and technical education and
21 skill center programs generate certificated instructional staff units
22 to provide for the services of teacher librarians, school nurses,
23 social workers, school psychologists, and guidance counselors at the
24 following combined rate per 1000 student full-time equivalent
25 enrollment:

	2015-16 School	2016-17 School
	Year	Year
28 Career and	3.07	3.07
29 Technical		
30 Education		
31 Skill Center	3.41	3.41

32 (3) ADMINISTRATIVE STAFF ALLOCATIONS

33 (a) Allocations for school building-level certificated
34 administrative staff salaries for the 2015-16 and 2016-17 school
35 years for general education students are determined using the formula
36 generated staff units calculated pursuant to this subsection. The
37 superintendent shall make allocations to school districts based on
38 the district's annual average full-time equivalent enrollment in each

1 grade. The following prototypical school values shall determine the
2 allocation for principals, assistance principals, and other
3 certificated building level administrators:

4 Prototypical School Building:

5 Elementary School	1.253
6 Middle School	1.353
7 High School	1.880

8 (b) Students in approved career and technical education and skill
9 center programs generate certificated school building-level
10 administrator staff units at per student rates that are a multiple of
11 the general education rate in (a) of this subsection by the following
12 factors: Career and Technical Education students 1.025
13 Skill Center students 1.198

14 (4) CLASSIFIED STAFF ALLOCATIONS

15 Allocations for classified staff units providing school building-
16 level and district-wide support services for the 2015-16 and 2016-17
17 school years are determined using the formula-generated staff units
18 provided in RCW 28A.150.260, and adjusted based on each district's
19 annual average full-time equivalent student enrollment in each grade,
20 except that the allocation for parent involvement coordinators in an
21 elementary school shall be 0.0825 for the 2015-16 and 2016-17 school
22 years, which enhancement is within the program of basic education.

23 (5) CENTRAL OFFICE ALLOCATIONS

24 In addition to classified and administrative staff units
25 allocated in subsections (3) and (4) of this section, classified and
26 administrative staff units are provided for the 2015-16 and 2016-17
27 school year for the central office administrative costs of operating
28 a school district, at the following rates:

29 (a) The total central office staff units provided in this
30 subsection (5) are calculated by first multiplying the total number
31 of eligible certificated instructional, certificated administrative,
32 and classified staff units providing school-based or district-wide
33 support services, as identified in RCW 28A.150.260(6)(b), by 5.3
34 percent.

35 (b) Of the central office staff units calculated in (a) of this
36 subsection, 74.53 percent are allocated as classified staff units, as
37 generated in subsection (4) of this section, and 25.47 percent shall

1 be allocated as administrative staff units, as generated in
2 subsection (3) of this section.

3 (c) Staff units generated as enhancements outside the program of
4 basic education to the minimum requirements of RCW 28A.150.260, and
5 staff units generated by skill center and career-technical students,
6 are excluded from the total central office staff units calculation in
7 (a) of this subsection.

8 (d) For students in approved career-technical and skill center
9 programs, central office classified units are allocated at the same
10 staff unit per student rate as those generated for general education
11 students of the same grade in this subsection (5), and central office
12 administrative staff units are allocated at staff unit per student
13 rates that exceed the general education rate established for students
14 in the same grade in this subsection (5) by 1.46 percent in the
15 2015-16 school year and 1.45 percent in the 2016-17 school year for
16 career and technical education students, and 17.33 percent in the
17 2015-16 school year and 17.31 percent in the 2016-17 school year for
18 skill center students.

19 (6) FRINGE BENEFIT ALLOCATIONS

20 Fringe benefit allocations shall be calculated at a rate of 21.42
21 percent in the 2015-16 school year and 21.42 percent in the 2016-17
22 school year for certificated salary allocations provided under
23 subsections (2), (3), and (5) of this section, and a rate of 22.72
24 percent in the 2015-16 school year and 22.72 percent in the 2016-17
25 school year for classified salary allocations provided under
26 subsections (4) and (5) of this section.

27 (7) INSURANCE BENEFIT ALLOCATIONS

28 Insurance benefit allocations shall be calculated at the
29 maintenance rate specified in section 504 of this act, based on the
30 number of benefit units determined as follows:

31 (a) The number of certificated staff units determined in
32 subsections (2), (3), and (5) of this section; and

33 (b) The number of classified staff units determined in
34 subsections (4) and (5) of this section multiplied by 1.152. This
35 factor is intended to adjust allocations so that, for the purpose of
36 distributing insurance benefits, full-time equivalent classified
37 employees may be calculated on the basis of 1,440 hours of work per
38 year, with no individual employee counted as more than one full-time
39 equivalent.

1 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

2 Funding is allocated per annual average full-time equivalent
3 student for the materials, supplies, and operating costs (MSOC)
4 incurred by school districts, consistent with the requirements of RCW
5 28A.150.260.

6 (a)(i) MSOC funding for general education students are allocated
7 at the following per student rates:

8 MSOC RATES/STUDENT FTE

9

10 MSOC Component	2015-16	2016-17
	SCHOOL YEAR	SCHOOL YEAR
13 Technology	\$127.17	\$128.58
14 Utilities and Insurance	\$345.55	\$349.35
15 Curriculum and Textbooks	\$136.54	\$138.04
16 Other Supplies and Library Materials	\$289.88	\$293.07
17 Instructional Professional Development for Certificated 18 and Classified Staff	\$21.12	\$21.35
19 Facilities Maintenance	\$171.19	\$173.07
20 Security and Central Office	\$118.60	\$119.90
21 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,210.05	\$1,223.36

22 (ii) For the 2016-17 school year, as part of the budget
23 development, hearing, and review process required by chapter 28A.505
24 RCW, each school district must disclose: (A) The amount of state
25 funding to be received by the district under (a) and (d) of this
26 subsection (8); (B) the amount the district proposes to spend for
27 materials, supplies, and operating costs; (C) the difference between
28 these two amounts; and (D) if (A) of this subsection (8)(a)(ii)
29 exceeds (B) of this subsection (8)(a)(ii), any proposed use of this
30 difference and how this use will improve student achievement.

31 (b) Students in approved skill center programs generate per
32 student FTE MSOC allocations of \$1,272.99 for the 2015-16 school year
33 and \$1,286.99 for the 2016-17 school year.

34 (c) Students in approved exploratory and preparatory career and
35 technical education programs generate a per student MSOC allocation

1 of \$1,431.65 for the 2015-16 school year and \$1,447.40 for the
2 2016-17 school year.

3 (d) Students in grades 9-12 generate per student FTE MSOC
4 allocations in addition to the allocation provided in (a) through (c)
5 of this subsection at the following rate:

6 MSOC Component	2015-16	2016-17
7	SCHOOL YEAR	SCHOOL YEAR
8 Technology	\$36.57	\$36.98
9 Curriculum and Textbooks	\$39.89	\$40.33
10 Other Supplies and Library Materials	\$83.11	\$84.02
11 Instructional Professional Development for Certified 12 and Classified Staff	\$6.65	\$6.72
13 TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$166.22	\$168.05

14 (9) SUBSTITUTE TEACHER ALLOCATIONS

15 For the 2015-16 and 2016-17 school years, funding for substitute
16 costs for classroom teachers is based on four (4) funded substitute
17 days per classroom teacher unit generated under subsection (2) of
18 this section, at a daily substitute rate of \$151.86.

19 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

20 (a) Amounts provided in this section from July 1, 2015, to August
21 31, 2015, are adjusted to reflect provisions of chapter 4, Laws of
22 2013 2nd sp. sess., as amended (allocation of funding for students
23 enrolled in alternative learning experiences).

24 (b) The superintendent of public instruction shall require all
25 districts receiving general apportionment funding for alternative
26 learning experience (ALE) programs as defined in WAC 392-121-182 to
27 provide separate financial accounting of expenditures for the ALE
28 programs offered in district or with a provider, including but not
29 limited to private companies and multidistrict cooperatives, as well
30 as accurate, monthly headcount and FTE enrollment claimed for basic
31 education, including separate counts of resident and nonresident
32 students.

33 (11) DROPOUT REENGAGEMENT PROGRAM

34 The superintendent shall adopt rules to require students claimed
35 for general apportionment funding based on enrollment in dropout
36 reengagement programs authorized under RCW 28A.175.100 through
37 28A.175.115 to meet requirements for at least weekly minimum

1 instructional contact, academic counseling, career counseling, or
2 case management contact. Districts must also provide separate
3 financial accounting of expenditures for the programs offered by the
4 district or under contract with a provider, as well as accurate
5 monthly headcount and full-time equivalent enrollment claimed for
6 basic education, including separate enrollment counts of resident and
7 nonresident students.

8 (12) VOLUNTARY ALL DAY KINDERGARTEN PROGRAMS

9 Funding in this section is sufficient to fund voluntary all day
10 kindergarten programs in qualifying schools in the 2015-16 school
11 year and all schools in the 2016-17 school year, pursuant to RCW
12 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
13 for the voluntary all-day program in a qualifying school shall count
14 as one-half of one full-time equivalent student for purpose of making
15 allocations under this section. Funding in this section provides all-
16 day kindergarten programs for 71.88 percent of kindergarten
17 enrollment in the 2015-16 school year and full funding in the 2016-17
18 school year, which enhancement is within the program of basic
19 education.

20 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
21 NECESSARY PLANTS

22 For small school districts and remote and necessary school plants
23 within any district which have been judged to be remote and necessary
24 by the superintendent of public instruction, additional staff units
25 are provided to ensure a minimum level of staffing support.
26 Additional administrative and certificated instructional staff units
27 provided to districts in this subsection shall be reduced by the
28 general education staff units, excluding career and technical
29 education and skills center enhancement units, otherwise provided in
30 subsections (2) through (5) of this section on a per district basis.

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

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

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

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

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

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

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

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

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

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

38 (iii) Districts receiving staff units under this subsection shall
39 add students enrolled in a district alternative high school and any
40 grades nine through twelve alternative learning experience programs

1 with the small high school enrollment for calculations under this
2 subsection;

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

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

13 (f)(i) For enrollments generating certificated staff unit
14 allocations under (a) through (e) of this subsection, one classified
15 staff unit for each 2.94 certificated staff units allocated under
16 such subsections;

17 (ii) For each nonhigh school district with an enrollment of more
18 than fifty annual average full-time equivalent students and less than
19 one hundred eighty students, an additional one-half of a classified
20 staff unit; and

21 (g) School districts receiving additional staff units to support
22 small student enrollments and remote and necessary plants under this
23 subsection (12) shall generate additional MSOC allocations consistent
24 with the nonemployee related costs (NERC) allocation formula in place
25 for the 2010-11 school year as provided section 502, chapter 37, Laws
26 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually
27 for inflation.

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

37 (15) The superintendent may distribute funding for the following
38 programs outside the basic education formula during fiscal years 2016
39 and 2017 as follows:

1 (a) \$620,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$627,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for fire protection for school
4 districts located in a fire protection district as now or hereafter
5 established pursuant to chapter 52.04 RCW.

6 (b) \$436,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$436,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for programs providing skills
9 training for secondary students who are enrolled in extended day
10 school-to-work programs, as approved by the superintendent of public
11 instruction. The funds shall be allocated at a rate not to exceed
12 \$500 per full-time equivalent student enrolled in those programs.

13 (16) \$219,000 of the general fund—state appropriation for fiscal
14 year 2016 and \$221,000 of the general fund—state appropriation for
15 fiscal year 2017 are provided solely for school district emergencies
16 as certified by the superintendent of public instruction. Funding
17 provided must be conditioned upon the written commitment and plan of
18 the school district board of directors to repay the grant with any
19 insurance payments or other judgments that may be awarded, if
20 applicable. At the close of the fiscal year the superintendent of
21 public instruction shall report to the office of financial management
22 and the appropriate fiscal committees of the legislature on the
23 allocations provided to districts and the nature of the emergency.

24 (17) Funding in this section is sufficient to fund a maximum of
25 1.6 FTE enrollment for skills center students pursuant to chapter
26 463, Laws of 2007.

27 (18) Students participating in running start programs may be
28 funded up to a combined maximum enrollment of 1.2 FTE including
29 school district and institution of higher education enrollment
30 consistent with the running start course requirements provided in
31 Engrossed Second Substitute House Bill No. 1546 (dual credit
32 education opportunities). In calculating the combined 1.2 FTE, the
33 office of the superintendent of public instruction may average the
34 participating student's September through June enrollment to account
35 for differences in the start and end dates for courses provided by
36 the high school and higher education institution. Additionally, the
37 office of the superintendent of public instruction, in consultation
38 with the state board for community and technical colleges, the
39 student achievement council, and the education data center, shall

1 annually track and report to the fiscal committees of the legislature
2 on the combined FTE experience of students participating in the
3 running start program, including course load analyses at both the
4 high school and community and technical college system.

5 (19) If two or more school districts consolidate and each
6 district was receiving additional basic education formula staff units
7 pursuant to subsection (12) of this section, the following apply:

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

12 (b) For the fourth through eighth school years following
13 consolidation, the difference between the basic education formula
14 staff units received by the districts for the school year prior to
15 consolidation and the basic education formula staff units after
16 consolidation pursuant to subsection (12) of this section shall be
17 reduced in increments of twenty percent per year.

18 (20)(a) Indirect cost charges by a school district to approved
19 career and technical education middle and secondary programs shall
20 not exceed 15 percent of the combined basic education and career and
21 technical education program enhancement allocations of state funds.
22 Middle and secondary career and technical education programs are
23 considered separate programs for funding and financial reporting
24 purposes under this section.

25 (b) Career and technical education program full-time equivalent
26 enrollment shall be reported on the same monthly basis as the
27 enrollment for students eligible for basic support, and payments
28 shall be adjusted for reported career and technical education program
29 enrollments on the same monthly basis as those adjustments for
30 enrollment for students eligible for basic support.

31 (21) Funding in this section is sufficient to provide full
32 general apportionment payments to school districts eligible for
33 federal forest revenues as provided in RCW 28A.520.020. School
34 districts receiving federal forest revenues shall not have their
35 general apportionment reduced during the 2015-2017 biennium only.

36 **Sec. 1503.** 2016 sp.s. c 36 s 503 (uncodified) is amended to read
37 as follows:

38 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE**
39 **COMPENSATION ADJUSTMENTS**

1	General Fund—State Appropriation (FY 2016)	. . . . .	\$137,930,000
2	General Fund—State Appropriation (FY 2017)	. . . . .	(\$265,361,000)
3			<u>\$262,174,000</u>
4	TOTAL APPROPRIATION.	. . . . .	(\$403,291,000)
5			<u>\$400,104,000</u>

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

8 (1) Funding in this section is sufficient to provide a salary
9 increase of 3.0 percent effective September 1, 2015, and 1.8 percent
10 effective September 1, 2016. Of the salary increases provided in this
11 section, the increases of 1.8 percent effective September 1, 2015,
12 and of 1.2 percent effective September 1, 2016, are provided as
13 annual cost-of-living adjustments pursuant to Initiative Measure No.
14 732. The remaining portions of the salary increases are provided as a
15 one-biennium salary increase for the 2015-16 and 2016-17 school years
16 as the state continues to review and revise state-funded salary
17 allocations, and the increase expires August 31, 2017.

18 (2)(a) Additional salary adjustments as necessary to fund the
19 base salaries for certificated instructional staff as listed for each
20 district in LEAP Document 2, defined in section 503(2)(b) of this
21 act.

22 (b) Additional salary adjustments to certain districts as
23 necessary to fund the per full-time-equivalent salary allocations for
24 certificated administrative staff as listed for each district in LEAP
25 Document 2, defined in section 503(2)(b) of this act.

26 (c) Additional salary adjustments to certain districts as
27 necessary to fund the per full-time-equivalent salary allocations for
28 classified staff as listed for each district in LEAP Document 2,
29 defined in section 503(2)(b) of this act.

30 (d) The appropriations in this subsection (1) include associated
31 incremental fringe benefit allocations at 20.78 percent for the
32 2015-16 school year and 20.78 percent for the 2016-17 school year for
33 certificated instructional and certificated administrative staff and
34 19.22 percent for the 2015-16 school year and 19.22 percent for the
35 2016-17 school year for classified staff.

36 (e) The appropriations in this section include the increased or
37 decreased portion of salaries and incremental fringe benefits for all
38 relevant state-funded school programs in part V of this act. Changes
39 for general apportionment (basic education) are based on the salary

1 allocation schedules and methodology in sections 502 and 503 of this
2 act. Changes for special education result from changes in each
3 district's basic education allocation per student. Changes for
4 educational service districts and institutional education programs
5 are determined by the superintendent of public instruction using the
6 methodology for general apportionment salaries and benefits in
7 sections 502 and 503 of this act.

8 (f) The appropriations in this section include no salary
9 adjustments for substitute teachers.

10 (3) The maintenance rate for insurance benefit allocations is
11 \$768.00 per month for the 2015-16 and 2016-17 school years. The
12 appropriations in this section reflect the incremental change in cost
13 of allocating rates of \$780.00 per month for the 2015-16 school year
14 and \$780.00 per month for the 2016-17 school year.

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

17 **Sec. 1504.** 2016 sp.s. c 36 s 504 (uncodified) is amended to read
18 as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**

20 General Fund—State Appropriation (FY 2016)	\$496,456,000
21 General Fund—State Appropriation (FY 2017)	(\$488,624,000)
22	<u>\$492,503,000</u>
23 TOTAL APPROPRIATION.	(\$985,080,000)
24	<u>\$988,959,000</u>

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

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

30 (2)(a) For the 2015-16 and 2016-17 school years, the
31 superintendent shall allocate funding to school district programs for
32 the transportation of eligible students as provided in RCW
33 28A.160.192. Funding in this section constitutes full implementation
34 of RCW 28A.160.192, which enhancement is within the program of basic
35 education. Students are considered eligible only if meeting the
36 definitions provided in RCW 28A.160.160.

37 (b) For the 2015-16 school year, the superintendent shall
38 allocate funding for approved and operating charter schools as

1 provided in RCW 28A.710.220(3) for September through November 2015.
2 Per-student allocations for pupil transportation must be calculated
3 using the allocation for the previous school year to the school
4 district in which the charter school is located and the number of
5 eligible students in the district, and must be distributed to the
6 charter school based on the number of eligible students.

7 (c) From July 1, 2015 to August 31, 2015, the superintendent
8 shall allocate funding to school districts programs for the
9 transportation of students as provided in section 505, chapter 4,
10 Laws of 2013 2nd sp. sess., as amended.

11 (3) A maximum of \$892,000 of this fiscal year 2016 appropriation
12 and a maximum of \$892,000 of the fiscal year 2017 appropriation may
13 be expended for regional transportation coordinators and related
14 activities. The transportation coordinators shall ensure that data
15 submitted by school districts for state transportation funding shall,
16 to the greatest extent practical, reflect the actual transportation
17 activity of each district.

18 (4) The office of the superintendent of public instruction shall
19 provide reimbursement funding to a school district for school bus
20 purchases only after the superintendent of public instruction
21 determines that the school bus was purchased from the list
22 established pursuant to RCW 28A.160.195(2) or a comparable
23 competitive bid process based on the lowest price quote based on
24 similar bus categories to those used to establish the list pursuant
25 to RCW 28A.160.195.

26 (5) The superintendent of public instruction shall base
27 depreciation payments for school district buses on the presales tax
28 five-year average of lowest bids in the appropriate category of bus.
29 In the final year on the depreciation schedule, the depreciation
30 payment shall be based on the lowest bid in the appropriate bus
31 category for that school year.

32 (6) Funding levels in this section reflect waivers granted by the
33 state board of education for four-day school weeks as allowed under
34 RCW 28A.305.141.

35 (7) The office of the superintendent of public instruction shall
36 annually disburse payments for bus depreciation in August.

37 **Sec. 1505.** 2015 3rd sp.s. c 4 s 506 (uncodified) is amended to
38 read as follows:

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

3	General Fund—State Appropriation (FY 2016)	\$7,111,000
4	General Fund—State Appropriation (FY 2017)	\$7,111,000
5	General Fund—Federal Appropriation	((\$526,332,000))
6		<u>\$536,332,000</u>
7	TOTAL APPROPRIATION.	((\$540,554,000))
8		<u>\$550,554,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations: \$7,111,000 of the general fund—state
11 appropriation for fiscal year 2016 and \$7,111,000 of the general fund
12 —state appropriation for fiscal year 2017 are provided solely for
13 state matching money for federal child nutrition programs, and may
14 support the meals for kids program through the following allowable
15 uses:

- 16 (1) Elimination of breakfast copays for eligible public school
17 students and lunch copays for eligible public school students in
18 grades kindergarten through third grade who are eligible for reduced-
19 price lunch;
- 20 (2) Assistance to school districts and authorized public and
21 private nonprofit organizations for supporting summer food service
22 programs, and initiating new summer food service programs in low-
23 income areas;
- 24 (3) Reimbursements to school districts for school breakfasts
25 served to students eligible for free and reduced-price lunch,
26 pursuant to chapter 287, Laws of 2005; and
- 27 (4) Assistance to school districts in initiating and expanding
28 school breakfast programs.

29 The office of the superintendent of public instruction shall
30 report annually to the fiscal committees of the legislature on annual
31 expenditures in subsections (1), (2), and (3) of this section.

32 **Sec. 1506.** 2016 sp.s. c 36 s 505 (uncodified) is amended to read
33 as follows:

34 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION**
35 **PROGRAMS**

36	General Fund—State Appropriation (FY 2016)	\$805,866,000
37	General Fund—State Appropriation (FY 2017)	((\$853,389,000))
38		<u>\$871,708,000</u>

1	General Fund—Federal Appropriation	((\$483,538,000))
2		<u>\$487,338,000</u>
3	Education Legacy Trust Account—State Appropriation . . .	\$54,694,000
4	TOTAL APPROPRIATION.	((\$2,197,487,000))
5		<u>\$2,219,606,000</u>

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

8 (1)(a) Funding for special education programs is provided on an
9 excess cost basis, pursuant to RCW 28A.150.390. School districts
10 shall ensure that special education students as a class receive their
11 full share of the general apportionment allocation accruing through
12 sections 502 and 504 of this act. To the extent a school district
13 cannot provide an appropriate education for special education
14 students under chapter 28A.155 RCW through the general apportionment
15 allocation, it shall provide services through the special education
16 excess cost allocation funded in this section.

17 (b) Funding provided within this section is sufficient for
18 districts to provide school principals and lead special education
19 teachers annual professional development on the best-practices for
20 special education instruction and strategies for implementation.
21 Districts shall annually provide a summary of professional
22 development activities to the office of the superintendent of public
23 instruction.

24 (2)(a) The superintendent of public instruction shall ensure
25 that:

26 (i) Special education students are basic education students
27 first;

28 (ii) As a class, special education students are entitled to the
29 full basic education allocation; and

30 (iii) Special education students are basic education students for
31 the entire school day.

32 (b) The superintendent of public instruction shall continue to
33 implement the full cost method of excess cost accounting, as designed
34 by the committee and recommended by the superintendent, pursuant to
35 section 501(1)(k), chapter 372, Laws of 2006.

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

1 (4)(a) For the 2015-16 and 2016-17 school years, the
2 superintendent shall allocate funding to school district programs for
3 special education students as provided in RCW 28A.150.390, except
4 that the calculation of the base allocation also includes allocations
5 provided under section 502(4) for parent involvement coordinators in
6 prototypical elementary schools and guidance counselors in
7 prototypical middle schools as provided under section 502(2), which
8 enhancement is within the program of basic education.

9 (b) From July 1, 2015 to August 31, 2015, the superintendent
10 shall allocate funding to school district programs for special
11 education students as provided in section 507, chapter 4, Laws of
12 2013 2nd sp. sess., as amended.

13 (5) The following applies throughout this section: The
14 definitions for enrollment and enrollment percent are as specified in
15 RCW 28A.150.390(3). Each district's general fund—state funded special
16 education enrollment shall be the lesser of the district's actual
17 enrollment percent or 12.7 percent.

18 (6) At the request of any interdistrict cooperative of at least
19 15 districts in which all excess cost services for special education
20 students of the districts are provided by the cooperative, the
21 maximum enrollment percent shall be calculated in accordance with RCW
22 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
23 rather than individual district units. For purposes of this
24 subsection, the average basic education allocation per full-time
25 equivalent student shall be calculated in the aggregate rather than
26 individual district units.

27 (7) \$20,691,000 of the general fund—state appropriation for
28 fiscal year 2016, (~~(\$24,473,000)~~) \$30,999,000 of the general fund—
29 state appropriation for fiscal year 2017, and (~~(\$27,350,000)~~)
30 \$31,350,000 of the general fund—federal appropriation are provided
31 solely for safety net awards for districts with demonstrated needs
32 for special education funding beyond the amounts provided in
33 subsection (4) of this section. If the federal safety net awards
34 based on the federal eligibility threshold exceed the federal
35 appropriation in this subsection (7) in any fiscal year, the
36 superintendent shall expend all available federal discretionary funds
37 necessary to meet this need. At the conclusion of each school year,
38 the superintendent shall recover safety net funds that were

1 distributed prospectively but for which districts were not
2 subsequently eligible.

3 (a) For the 2015-16 and 2016-17 school years, safety net funds
4 shall be awarded by the state safety net oversight committee as
5 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

6 (b) The office of the superintendent of public instruction shall
7 make award determinations for state safety net funding in August of
8 each school year, except that the superintendent of public
9 instruction shall make award determinations for state safety net
10 funding in July of each school year for the Washington state school
11 for the blind and for the center for childhood deafness and hearing
12 loss. Determinations on school district eligibility for state safety
13 net awards shall be based on analysis of actual expenditure data from
14 the current school year.

15 (8) A maximum of \$931,000 may be expended from the general fund—
16 state appropriations to fund 5.43 full-time equivalent teachers and
17 2.1 full-time equivalent aides at children's orthopedic hospital and
18 medical center. This amount is in lieu of money provided through the
19 home and hospital allocation and the special education program.

20 (9) The superintendent shall maintain the percentage of federal
21 flow-through to school districts at 85 percent. In addition to other
22 purposes, school districts may use increased federal funds for high-
23 cost students, for purchasing regional special education services
24 from educational service districts, and for staff development
25 activities particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next
27 year up to 10 percent of the general fund—state funds allocated under
28 this program; however, carryover funds shall be expended in the
29 special education program.

30 (11) \$255,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$256,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for two additional full-time
33 equivalent staff to support the work of the safety net committee and
34 to provide training and support to districts applying for safety net
35 awards.

36 (12) \$50,000 of the general fund—state appropriation for fiscal
37 year 2016, \$50,000 of the general fund—state appropriation for fiscal
38 year 2017, and \$100,000 of the general fund—federal appropriation are

1 provided solely for a special education family liaison position
2 within the office of the superintendent of public instruction.

3 **Sec. 1507.** 2016 sp.s. c 36 s 506 (uncodified) is amended to read
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE**
6 **DISTRICTS**

7	General Fund—State Appropriation (FY 2016)	. . . . .	\$8,208,000
8	General Fund—State Appropriation (FY 2017)	. . . . .	(\$8,200,000)
9			<u>\$8,197,000</u>
10	TOTAL APPROPRIATION.	. . . . .	(\$16,408,000)
11			<u>\$16,405,000</u>

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

14 (1) The educational service districts shall continue to furnish
15 financial services required by the superintendent of public
16 instruction and RCW 28A.310.190 (3) and (4).

17 (2) Funding within this section is provided for regional
18 professional development related to mathematics and science
19 curriculum and instructional strategies aligned with common core
20 state standards and next generation science standards. Funding shall
21 be distributed among the educational service districts in the same
22 proportion as distributions in the 2007-2009 biennium. Each
23 educational service district shall use this funding solely for salary
24 and benefits for a certificated instructional staff with expertise in
25 the appropriate subject matter and in professional development
26 delivery, and for travel, materials, and other expenditures related
27 to providing regional professional development support.

28 (3) The educational service districts, at the request of the
29 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,
30 may receive and screen applications for school accreditation, conduct
31 school accreditation site visits pursuant to state board of education
32 rules, and submit to the state board of education post-site visit
33 recommendations for school accreditation. The educational service
34 districts may assess a cooperative service fee to recover actual plus
35 reasonable indirect costs for the purposes of this subsection.

36 **Sec. 1508.** 2016 sp.s. c 36 s 507 (uncodified) is amended to read
37 as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT**
2 **ASSISTANCE**

3	General Fund—State Appropriation (FY 2016)	. . . . .	\$375,622,000
4	General Fund—State Appropriation (FY 2017)	. . . . .	(\$390,801,000)
5			<u>\$404,742,000</u>
6	TOTAL APPROPRIATION.	. . . . .	(\$766,423,000)
7			<u>\$780,364,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations: For purposes of RCW 84.52.0531, the
10 increase per full-time equivalent student is 4.27 percent from the
11 2014-15 school year to the 2015-16 school year and 1.09 percent from
12 the 2015-16 school year to the 2016-17 school year.

13 **Sec. 1509.** 2016 sp.s. c 36 s 508 (uncodified) is amended to read
14 as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL**
16 **EDUCATION PROGRAMS**

17	General Fund—State Appropriation (FY 2016)	. . . . .	\$13,239,000
18	General Fund—State Appropriation (FY 2017)	. . . . .	(\$13,271,000)
19			<u>\$13,341,000</u>
20	TOTAL APPROPRIATION.	. . . . .	(\$26,510,000)
21			<u>\$26,580,000</u>

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

24 (1) Each general fund—state fiscal year appropriation includes
25 such funds as are necessary to complete the school year ending in the
26 fiscal year and for prior fiscal year adjustments.

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

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

36 (4) The funded staffing ratios for education programs for
37 juveniles age 18 or less in department of corrections facilities
38 shall be the same as those provided in the 1997-99 biennium.

1 (5) \$757,000 of the general fund—state appropriation for fiscal
 2 year 2016 and (~~(\$757,000)~~) \$701,000 of the general fund—state
 3 appropriation for fiscal year 2017 are provided solely to maintain at
 4 least one certificated instructional staff and related support
 5 services at an institution whenever the K-12 enrollment is not
 6 sufficient to support one full-time equivalent certificated
 7 instructional staff to furnish the educational program. The following
 8 types of institutions are included: Residential programs under the
 9 department of social and health services for developmentally disabled
 10 juveniles, programs for juveniles under the department of
 11 corrections, programs for juveniles under the juvenile rehabilitation
 12 administration, and programs for juveniles operated by city and
 13 county jails.

14 (6) Ten percent of the funds allocated for each institution may
 15 be carried over from one year to the next.

16 **Sec. 1510.** 2016 sp.s. c 36 s 509 (uncodified) is amended to read
 17 as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY**
 19 **CAPABLE STUDENTS**

20	General Fund—State Appropriation (FY 2016)	. . . . .	\$10,012,000
21	General Fund—State Appropriation (FY 2017)	. . . . .	((\$10,162,000))
22			<u>\$10,185,000</u>
23	TOTAL APPROPRIATION.	. . . . .	((\$20,174,000))
24			<u>\$20,197,000</u>

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

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

30 (2)(a) For the 2015-16 and 2016-17 school years, the
 31 superintendent shall allocate funding to school district programs for
 32 highly capable students as provided in RCW 28A.150.260(10)(c). In
 33 calculating the allocations, the superintendent shall assume the
 34 following: (i) Additional instruction of 2.1590 hours per week per
 35 funded highly capable program student; (ii) fifteen highly capable
 36 program students per teacher; (iii) 36 instructional weeks per year;
 37 (iv) 900 instructional hours per teacher; and (v) the district's

1 average staff mix and compensation rates as provided in sections 503
2 and 504 of this act.

3 (b) From July 1, 2015, to August 31, 2015, the superintendent
4 shall allocate funding to school districts programs for highly
5 capable students as provided in section 511, chapter 4, Laws of 2013
6 2nd sp. sess., as amended.

7 (3) \$85,000 of the general fund—state appropriation for fiscal
8 year 2016 and \$85,000 of the general fund—state appropriation for
9 fiscal year 2017 are provided solely for the centrum program at Fort
10 Worden state park.

11 **Sec. 1511.** 2016 sp.s. c 36 s 511 (uncodified) is amended to read
12 as follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM**
14 **PROGRAMS**

15	General Fund—State Appropriation (FY 2016)	\$116,893,000
16	General Fund—State Appropriation (FY 2017)	(\$134,641,000)
17		<u>\$136,063,000</u>
18	General Fund—Federal Appropriation	\$99,278,000
19	General Fund—Private/Local Appropriation	\$2,721,000
20	Education Legacy Trust Account—State Appropriation	\$1,613,000
21	TOTAL APPROPRIATION.	(\$355,146,000)
22		<u>\$356,568,000</u>

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

25 (1) \$29,137,000 of the general fund—state appropriation for
26 fiscal year 2016, \$36,648,000 of the general fund—state appropriation
27 for fiscal year 2017, \$1,350,000 of the education legacy trust
28 account—state appropriation, and \$16,268,000 of the general fund—
29 federal appropriation are provided solely for development and
30 implementation of the Washington state assessment system, including:

- 31 (a) Development and implementation of retake assessments for high
32 school students who are not successful in one or more content areas;
33 and (b) development and implementation of alternative assessments or
34 appeals procedures to implement the certificate of academic
35 achievement. The superintendent of public instruction shall report
36 quarterly on the progress on development and implementation of
37 alternative assessments or appeals procedures. Within these amounts,
38 the superintendent of public instruction shall contract for the early

1 return of 10th grade student assessment results, on or around June
2 10th of each year. State funding to districts shall be limited to one
3 collection of evidence payment per student, per content-area
4 assessment. Within the amounts provided in this section, the
5 superintendent of public instruction shall administer the biology
6 collection of evidence. The alternative assessment method that
7 consists of an evaluation of a collection of student work samples
8 under RCW 28A.655.065 (5) and (6) is intended to provide an
9 alternative way for students to meet the state standards for high
10 school graduation purposes. To ensure that students are learning the
11 state standards, prior to the collection of work samples being
12 submitted to the state for evaluation, a classroom teacher or other
13 educator must review the collection of work to determine whether the
14 sample is likely to meet the minimum required score to meet the state
15 standard.

16 (2) \$356,000 of the general fund—state appropriation for fiscal
17 year 2016 and \$356,000 of the general fund—state appropriation for
18 fiscal year 2017 are provided solely for the Washington state
19 leadership and assistance for science education reform (LASER)
20 regional partnership activities coordinated at the Pacific science
21 center, including instructional material purchases, teacher and
22 principal professional development, and school and community
23 engagement events.

24 (3) \$3,935,000 of the general fund—state appropriation for fiscal
25 year 2016 and \$3,935,000 of the general fund—state appropriation for
26 fiscal year 2017 are provided solely for implementation of a new
27 performance-based evaluation for certificated educators and other
28 activities as provided in chapter 235, Laws of 2010 (education
29 reform) and chapter 35, Laws of 2012 (certificated employee
30 evaluations).

31 (4) \$51,337,000 of the general fund—state appropriation for
32 fiscal year 2016 and (~~(\$56,939,000)~~) \$58,361,000 of the general fund—
33 state appropriation for fiscal year 2017 are provided solely for the
34 following bonuses for teachers who hold valid, unexpired
35 certification from the national board for professional teaching
36 standards and who are teaching in a Washington public school, subject
37 to the following conditions and limitations:

1 (a) For national board certified teachers, a bonus of \$5,151 per
2 teacher in the 2015-16 school year and a bonus of \$5,208 per teacher
3 in the 2016-17 school year;

4 (b) An additional \$5,000 annual bonus shall be paid to national
5 board certified teachers who teach in either: (A) High schools where
6 at least 50 percent of student headcount enrollment is eligible for
7 federal free or reduced-price lunch, (B) middle schools where at
8 least 60 percent of student headcount enrollment is eligible for
9 federal free or reduced-price lunch, or (C) elementary schools where
10 at least 70 percent of student headcount enrollment is eligible for
11 federal free or reduced-price lunch;

12 (c) The superintendent of public instruction shall adopt rules to
13 ensure that national board certified teachers meet the qualifications
14 for bonuses under (b) of this subsection for less than one full
15 school year receive bonuses in a prorated manner. All bonuses in this
16 subsection will be paid in July of each school year. Bonuses in this
17 subsection shall be reduced by a factor of 40 percent for first year
18 NBPTS certified teachers, to reflect the portion of the instructional
19 school year they are certified; and

20 (d) During the 2015-16 and 2016-17 school years, and within
21 available funds, certificated instructional staff who have met the
22 eligibility requirements and have applied for certification from the
23 national board for professional teaching standards may receive a
24 conditional loan of two thousand dollars or the amount set by the
25 office of the superintendent of public instruction to contribute
26 toward the current assessment fee, not including the initial up-front
27 candidacy payment. The fee shall be an advance on the first annual
28 bonus under RCW 28A.405.415. The conditional loan is provided in
29 addition to compensation received under a district's salary schedule
30 and shall not be included in calculations of a district's average
31 salary and associated salary limitation under RCW 28A.400.200.
32 Recipients who fail to receive certification after three years are
33 required to repay the conditional loan. The office of the
34 superintendent of public instruction shall adopt rules to define the
35 terms for initial grant of the assessment fee and repayment,
36 including applicable fees. To the extent necessary, the
37 superintendent may use revenues from the repayment of conditional
38 loan scholarships to ensure payment of all national board bonus
39 payments required by this section in each school year.

1 (5) \$477,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$477,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for the leadership internship
4 program for superintendents, principals, and program administrators.

5 (6) \$950,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$950,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for the Washington reading
8 corps. The superintendent shall allocate reading corps members to
9 low-performing schools and school districts that are implementing
10 comprehensive, proven, research-based reading programs. Two or more
11 schools may combine their Washington reading corps programs.

12 (7) \$810,000 of the general fund—state appropriation for fiscal
13 year 2016 and \$810,000 of the general fund—state appropriation for
14 fiscal year 2017 are provided solely for the development of a
15 leadership academy for school principals and administrators. The
16 superintendent of public instruction shall contract with an
17 independent organization to operate a state-of-the-art education
18 leadership academy that will be accessible throughout the state.
19 Semiannually the independent organization shall report on amounts
20 committed by foundations and others to support the development and
21 implementation of this program. Leadership academy partners shall
22 include the state level organizations for school administrators and
23 principals, the superintendent of public instruction, the
24 professional educator standards board, and others as the independent
25 organization shall identify.

26 (8) \$3,000,000 of the general fund—state appropriation for fiscal
27 year 2016 and \$3,000,000 of the general fund—state appropriation for
28 fiscal year 2017 are provided solely for a statewide information
29 technology (IT) academy program. This public-private partnership will
30 provide educational software, as well as IT certification and
31 software training opportunities for students and staff in public
32 schools.

33 (9) \$1,677,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$1,677,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for secondary career and
36 technical education grants pursuant to chapter 170, Laws of 2008. If
37 equally matched by private donations, \$700,000 of the 2016
38 appropriation and \$700,000 of the 2017 appropriation shall be used to
39 support FIRST robotics programs. Of the amounts in this subsection,

1 \$100,000 of the fiscal year 2016 appropriation and \$100,000 of the
2 fiscal year 2017 appropriation are provided solely for the purpose of
3 statewide supervision activities for career and technical education
4 student leadership organizations.

5 (10) \$125,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$125,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for (a) staff at the office of
8 the superintendent of public instruction to coordinate and promote
9 efforts to develop integrated math, science, technology, and
10 engineering programs in schools and districts across the state; and
11 (b) grants of \$2,500 to provide twenty middle and high school
12 teachers each year with professional development training for
13 implementing integrated math, science, technology, and engineering
14 programs in their schools.

15 (11) \$135,000 of the general fund—state appropriation for fiscal
16 year 2016 and \$135,000 of the general fund—state appropriation for
17 fiscal year 2017 are provided solely for science, technology,
18 engineering and mathematics lighthouse projects, consistent with
19 chapter 238, Laws of 2010.

20 (12) \$5,500,000 of the general fund—state appropriation for
21 fiscal year 2016 and \$9,000,000 of the general fund—state
22 appropriation for fiscal year 2017 are provided solely for a
23 beginning educator support program. The program shall prioritize
24 first year teachers in the mentoring program. School districts and/or
25 regional consortia may apply for grant funding. The program provided
26 by a district and/or regional consortia shall include: A paid
27 orientation; assignment of a qualified mentor; development of a
28 professional growth plan for each beginning teacher aligned with
29 professional certification; release time for mentors and new teachers
30 to work together; and teacher observation time with accomplished
31 peers. Funding may be used to provide statewide professional
32 development opportunities for mentors and beginning educators.

33 (13) \$250,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$250,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for advanced project lead the
36 way courses at ten high schools. To be eligible for funding in 2016,
37 a high school must have offered a foundational project lead the way
38 course during the 2014-15 school year. The 2016 funding must be used
39 for one-time start-up course costs for an advanced project lead the

1 way course, to be offered to students beginning in the 2015-16 school
2 year. To be eligible for funding in 2016, a high school must have
3 offered a foundational project lead the way course during the 2015-16
4 school year. The 2017 funding must be used for one-time start-up
5 course costs for an advanced project lead the way course, to be
6 offered to students beginning in the 2016-17 school year. The office
7 of the superintendent of public instruction and the education
8 research and data center at the office of financial management shall
9 track student participation and long-term outcome data.

10 (14) \$300,000 of the general fund—state appropriation for fiscal
11 year 2016 and \$300,000 of the general fund—state appropriation for
12 fiscal year 2017 are provided solely for annual start-up or expansion
13 grants for aerospace and manufacturing technical programs housed at
14 skill centers. The grants are provided for equipment, professional
15 development, and curriculum purchases. To be eligible for funding,
16 the skill center must agree to provide regional high schools with
17 access to a technology laboratory, expand manufacturing certificate
18 and course offerings at the skill center, and provide a laboratory
19 space for local high school teachers to engage in professional
20 development in the instruction of courses leading to student
21 employment certification in the aerospace, manufacturing industries,
22 or other high-skill programs as determined by the superintendent of
23 public instruction or for professional development of such programs.
24 The office of the superintendent of public instruction shall
25 administer the grants in consultation with the center for excellence
26 for aerospace and advanced materials manufacturing.

27 (15) \$150,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$150,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for annual start-up or expansion
30 grants to high schools to implement or expand aerospace manufacturing
31 programs, or other high-skill programs as determined by the
32 superintendent of public instruction or for professional development
33 of such programs. The office of the superintendent of public
34 instruction and the education research and data center at the office
35 of financial management shall track student participation and long-
36 term outcome data.

37 (16) \$5,000,000 of the general fund—state appropriation for
38 fiscal year 2016 and \$5,000,000 of the general fund—state
39 appropriation for fiscal year 2017 are provided solely for the

1 provision of training for teachers in the performance-based teacher
2 principal evaluation program.

3 (17) \$7,235,000 of the general fund—state appropriation for
4 fiscal year 2016 and \$9,352,000 of the general fund—state
5 appropriation for fiscal year 2017 are provided solely for the
6 implementation of chapter 159, Laws of 2013 (Engrossed Second
7 Substitute Senate Bill No. 5329) (persistently failing schools).

8 (18) \$100,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$100,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely to promote the financial
11 literacy of students. The effort will be coordinated through the
12 financial literacy public-private partnership.

13 (19) \$99,000 of the general fund—state appropriation for fiscal
14 year 2016 is provided solely for the office of the superintendent of
15 public instruction to implement a youth dropout prevention program
16 that incorporates partnerships between community-based organizations,
17 schools, food banks and farms or gardens. The office of the
18 superintendent of public instruction shall select one school district
19 that must partner with an organization that is operating an existing
20 similar program and that also has the ability to serve at least 40
21 students. Of the amount appropriated in this subsection, up to
22 \$10,000 may be used by the office of the superintendent of public
23 instruction for administration of the program.

24 (20) \$2,194,000 of the general fund—state appropriation for
25 fiscal year 2016 and \$2,194,000 of the general fund—state
26 appropriation for fiscal year 2017 are provided solely to implement
27 chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate
28 Bill No. 5946) (strengthening student educational outcomes).

29 (21) \$856,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$1,061,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for chapter 184, Laws of 2013
32 (Second Substitute House Bill No. 1642) (academic acceleration) and
33 other activities proven to increase K-12 student enrollment in
34 rigorous courses.

35 (22) \$36,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$36,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for chapter 212, Laws of 2014
38 (Substitute Senate Bill No. 6074) (homeless student educational
39 outcomes).

1 (23) \$80,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$80,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for chapter 219, Laws of 2014
4 (Second Substitute Senate Bill No. 6163) (expanded learning).

5 (24) \$15,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$10,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for chapter 102, Laws of 2014
8 (Senate Bill No. 6424) (biliteracy seal).

9 (25) \$500,000 of the general fund—state appropriation for fiscal
10 year 2016 and \$500,000 of the general fund—state appropriation for
11 fiscal year 2017 are provided solely for the office of the
12 superintendent of public instruction to contract with a nonprofit
13 organization to integrate the state learning standards in English
14 language arts, mathematics, and science with outdoor field studies
15 and project-based and work-based learning opportunities aligned with
16 the environmental, natural resource, and agricultural sectors.

17 (26) \$1,392,000 of general fund—state appropriation for fiscal
18 year 2016 is provided solely for professional development and
19 coaching for state-funded high school mathematics and science
20 teachers. Training shall be provided in the 2015-16 school year by
21 the science and mathematics coordinators at each educational service
22 district. The professional development shall include instructional
23 strategies and curriculum-specific training to improve outcomes for
24 the statewide high school mathematics assessment or the high school
25 biology assessment. The professional development provided may be
26 broken up into shorter timeframes over the course of more than one
27 day, but the aggregate amount of professional development provided
28 shall be one full work day.

29 (27) \$205,000 of the general fund—state appropriation for fiscal
30 year 2017 is provided solely for grants to high schools that have an
31 existing international baccalaureate program and enrollments of
32 seventy percent or more students eligible for free or reduced-price
33 meals in the prior school year to implement and sustain an
34 international baccalaureate program.

35 (28) Within the amounts provided in this section, the
36 superintendent of public instruction shall obtain an existing student
37 assessment inventory tool that is free and openly licensed and
38 distribute the tool to every school district. Each school district
39 shall use the student assessment inventory tool to identify all

1 state-level and district-level assessments that are required of
 2 students. The state-required assessments should include: Reading
 3 proficiency assessments used for compliance with RCW 28A.320.202; the
 4 required statewide assessments under chapter 28A.655 RCW in grades
 5 three through eight and at the high school level in English language
 6 arts, mathematics, and science, as well as the practice and training
 7 tests used to prepare for them; and the high school end-of-course
 8 exams in mathematics under RCW 28A.655.066. District-required
 9 assessments should include: The second grade reading assessment used
 10 to comply with RCW 28A.300.320; interim smarter balanced assessments,
 11 if required; the measures of academic progress assessment, if
 12 required; and other required interim, benchmark, or summative
 13 standardized assessments, including assessments used in social
 14 studies, the arts, health, and physical education in accordance with
 15 RCW 28A.230.095, and for educational technology in accordance with
 16 RCW 28A.655.075. The assessments identified should not include
 17 assessments used to determine eligibility for any categorical program
 18 including the transitional bilingual instruction program, learning
 19 assistance program, highly capable program, special education
 20 program, or any formative or diagnostic assessments used solely to
 21 inform teacher instructional practices, other than those already
 22 identified. By October 15, 2016, each district shall report to the
 23 superintendent the amount of student time that is spent taking each
 24 assessment identified. By December 15, 2016, the superintendent shall
 25 summarize the information reported by the school districts and report
 26 to the education committees of the house of representatives and the
 27 senate.

28 **Sec. 1512.** 2016 sp.s. c 36 s 512 (uncodified) is amended to read
 29 as follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL**
 31 **BILINGUAL PROGRAMS**

32	General Fund—State Appropriation (FY 2016)	. . . . .	\$118,648,000
33	General Fund—State Appropriation (FY 2017)	. . . . .	(\$124,751,000)
34			<u>\$129,666,000</u>
35	General Fund—Federal Appropriation	. . . . .	\$72,207,000
36	TOTAL APPROPRIATION.	. . . . .	(\$315,606,000)
37			<u>\$320,521,000</u>

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

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

6 (2)(a) For the 2015-16 and 2016-17 school years, the
7 superintendent shall allocate funding to school districts for
8 transitional bilingual programs under RCW 28A.180.010 through
9 28A.180.080, including programs for exited students, as provided in
10 RCW 28A.150.260(10)(b) and the provisions of this section. In
11 calculating the allocations, the superintendent shall assume the
12 following averages: (i) Additional instruction of 4.7780 hours per
13 week per transitional bilingual program student in grades
14 kindergarten through twelve in school years 2015-16 and 2016-17; (ii)
15 additional instruction of 3.0000 hours per week in school years
16 2015-16 and 2016-17 for the head count number of students who have
17 exited the transitional bilingual instruction program within the
18 previous two years based on their performance on the English
19 proficiency assessment; (iii) fifteen transitional bilingual program
20 students per teacher; (iv) 36 instructional weeks per year; (v) 900
21 instructional hours per teacher; and (vi) the district's average
22 staff mix and compensation rates as provided in sections 503 and 504
23 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional
24 hours specified in (a)(ii) of this subsection (2) are within the
25 program of basic education.

26 (b) From July 1, 2015, to August 31, 2015, the superintendent
27 shall allocate funding to school districts for transitional bilingual
28 instruction programs as provided in section 514, chapter 4, Laws of
29 2013, 2nd sp. sess., as amended.

30 (3) The superintendent may withhold allocations to school
31 districts in subsection (2) of this section solely for the central
32 provision of assessments as provided in RCW 28A.180.090 (1) and (2)
33 up to the following amounts: 2.40 percent for school year 2015-16 and
34 1.97 percent for school year 2016-17.

35 (4) The general fund—federal appropriation in this section is for
36 migrant education under Title I Part C and English language
37 acquisition, and language enhancement grants under Title III of the
38 elementary and secondary education act.

1 (5) \$35,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$35,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely to track current and former
4 transitional bilingual program students.

5 (6) \$1,456,000 of the general fund—state appropriation for fiscal
6 year 2017 is provided solely for the central provision of assessments
7 pursuant to RCW 28A.180.090.

8 **Sec. 1513.** 2016 sp.s. c 36 s 513 (uncodified) is amended to read
9 as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING**
11 **ASSISTANCE PROGRAM**

12	General Fund—State Appropriation (FY 2016)	. . . . .	\$224,311,000
13	General Fund—State Appropriation (FY 2017)	. . . . .	(\$228,865,000)
14			<u>\$225,808,000</u>
15	General Fund—Federal Appropriation	. . . . .	\$494,468,000
16	TOTAL APPROPRIATION.	. . . . .	(\$947,644,000)
17			<u>\$944,587,000</u>

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

20 (1) The general fund—state appropriations in this section are
21 subject to the following conditions and limitations:

22 (a) The appropriations include such funds as are necessary to
23 complete the school year ending in the fiscal year and for prior
24 fiscal year adjustments.

25 (b)(i) For the 2015-16 and 2016-17 school years, the
26 superintendent shall allocate funding to school districts for
27 learning assistance programs as provided in RCW 28A.150.260(10)(a),
28 except that the allocation for the additional instructional hours
29 shall be enhanced as provided in this section, which enhancements are
30 within the program of the basic education. In calculating the
31 allocations, the superintendent shall assume the following averages:

32 (A) Additional instruction of 2.3975 hours per week per funded
33 learning assistance program student for the 2015-16 school year and
34 the 2016-17 school year; (B) fifteen learning assistance program
35 students per teacher; (C) 36 instructional weeks per year; (D) 900
36 instructional hours per teacher; and (E) the district's average staff
37 mix and compensation rates as provided in sections 503 and 504 of
38 this act.

1 (ii) From July 1, 2015, to August 31, 2015, the superintendent
2 shall allocate funding to school districts for learning assistance
3 programs as provided in section 515, chapter 4, Laws of 2013, 2nd sp.
4 sess., as amended.

5 (c) A school district's funded students for the learning
6 assistance program shall be the sum of the district's full-time
7 equivalent enrollment in grades K-12 for the prior school year
8 multiplied by the district's percentage of October headcount
9 enrollment in grades K-12 eligible for free or reduced-price lunch in
10 the prior school year. The prior school year's October headcount
11 enrollment for free and reduced-price lunch shall be as reported in
12 the comprehensive education data and research system.

13 (2) Allocations made pursuant to subsection (1) of this section
14 shall be adjusted to reflect ineligible applications identified
15 through the annual income verification process required by the
16 national school lunch program, as recommended in the report of the
17 state auditor on the learning assistance program dated February,
18 2010.

19 (3) The general fund—federal appropriation in this section is
20 provided for Title I Part A allocations of the no child left behind
21 act of 2001.

22 (4) A school district may carry over from one year to the next up
23 to 10 percent of the general fund—state funds allocated under this
24 program; however, carryover funds shall be expended for the learning
25 assistance program.

26 (5) Within existing resources, during the 2015-16 and 2016-17
27 school years, school districts are authorized to use funds allocated
28 for the learning assistance program to also provide assistance to
29 high school students who have not passed the state assessment in
30 science.

31 **Sec. 1514.** 2016 sp.s. c 36 s 514 (uncodified) is amended to read
32 as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

34 (1) Amounts distributed to districts by the superintendent
35 through part V of this act are for allocations purposes only, unless
36 specified by part V of this act, and do not entitle a particular
37 district, district employee, or student to a specific service, beyond
38 what has been expressly provided in statute. Part V of this act
39 restates the requirements of various sections of Title 28A RCW. If

1 any conflict exists, the provisions of Title 28A RCW control unless
2 this act explicitly states that it is providing an enhancement. Any
3 amounts provided in part V of this act in excess of the amounts
4 required by Title 28A RCW provided in statute, are not within the
5 program of basic education unless clearly stated by this act.

6 (2) To the maximum extent practicable, when adopting new or
7 revised rules or policies relating to the administration of
8 allocations in part V of this act that result in fiscal impact, the
9 office of the superintendent of public instruction shall attempt to
10 seek legislative approval through the budget request process.

11 (3) Appropriations made in this act to the office of the
12 superintendent of public instruction shall initially be allotted as
13 required by this act. Subsequent allotment modifications shall not
14 include transfers of moneys between sections of this act, except as
15 expressly provided in subsection (4) of this section.

16 (4) The appropriations to the office of the superintendent of
17 public instruction in this act shall be expended for the programs and
18 amounts specified in this act. However, after May 1, (~~2016~~) 2017,
19 unless specifically prohibited by this act and after approval by the
20 director of financial management, the superintendent of public
21 instruction may transfer state general fund appropriations for fiscal
22 year (~~2016~~) 2017 among the following programs to meet the
23 apportionment schedule for a specified formula in another of these
24 programs: General apportionment; employee compensation adjustments;
25 pupil transportation; special education programs; institutional
26 education programs; transitional bilingual programs; highly capable;
27 and learning assistance programs.

28 (5) The director of financial management shall notify the
29 appropriate legislative fiscal committees in writing prior to
30 approving any allotment modifications or transfers under this
31 section.

32 (6) As required by RCW 28A.710.110 as amended by Engrossed Second
33 Substitute Senate Bill No. 6194 (public schools other than common
34 schools), the office of the superintendent of public instruction
35 shall transmit the charter school authorizer oversight fee for the
36 charter school commission to the charter school oversight account.

37 (7) State general fund appropriations distributed through Part V
38 of this act for the operation and administration of charter schools
39 as provided in chapter 28A.710 RCW shall not include state common
40 school levy revenues collected under RCW 84.52.065.

PART XVI
HIGHER EDUCATION

Sec. 1601. 2016 sp.s. c 36 s 602 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2016)	\$625,251,000
General Fund—State Appropriation (FY 2017)	((\$666,835,000))
	<u>\$667,884,000</u>
Community/Technical College Capital Projects	
Account—State Appropriation	\$17,548,000
Education Construction Account—State Appropriation	\$7,109,000
Education Legacy Trust Account—State	
Appropriation	\$96,422,000
TOTAL APPROPRIATION	((\$1,413,165,000))
	<u>\$1,414,214,000</u>

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

(1) \$33,261,000 of the general fund—state appropriation for fiscal year 2016 and \$33,261,000 of the general fund—state appropriation for fiscal year 2017 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2016 and at least 7,170 full-time equivalent students in fiscal year 2017.

(2) \$5,450,000 of the education legacy trust account—state appropriation is provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$425,000 of the general fund—state appropriation for fiscal year 2016 and \$425,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for Seattle central college's expansion of allied health programs.

1 (4)(a) \$17,058,000 of the general fund—state appropriation for
2 fiscal year 2016 and (~~(\$17,506,000)~~) \$18,135,000 of the general fund—
3 state appropriation for fiscal year 2017 are provided solely for the
4 implementation of Second Engrossed Substitute Senate Bill No. 5954
5 (college affordability program). If the bill is not enacted by July
6 10, 2015, the amounts provided in this subsection shall lapse. For
7 the 2016-17 academic year, if the total full-time equivalent annual
8 average resident undergraduate enrollment for all community and
9 technical colleges, excluding applied baccalaureate degrees as
10 defined in RCW 28B.50.030, increases by more than one percent from
11 the 2015-16 academic year, for purposes of calculating state funding
12 for the tuition reduction backfill, only a one percent growth rate or
13 all community and technical colleges' total preceding five-year
14 average percentage full-time equivalent enrollment change, excluding
15 applied baccalaureate degrees as defined in RCW 28B.50.030, whichever
16 is greater, may be used in calculating the backfill.

17 (b) For the 2016-17 academic year, if the total full-time
18 equivalent annual average resident undergraduate enrollment for
19 applied baccalaureate degrees as defined in RCW 28B.50.030 for all
20 community and technical colleges increases by more than one percent
21 from the 2015-16 academic year, for purposes of calculating state
22 funding for the tuition reduction backfill, only a one percent growth
23 rate or all community and technical colleges' total preceding five-
24 year average percentage full-time equivalent enrollment change for
25 applied baccalaureate degrees as defined in RCW 28B.50.030, whichever
26 is greater, may be used in calculating the backfill.

27 (5) \$5,250,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$5,250,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for the student achievement
30 initiative.

31 (6) \$410,000 of the general fund—state appropriation for fiscal
32 year 2016, and \$860,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for the expansion of the
34 mathematics, engineering, and science achievement program. The state
35 board shall report back to the appropriate committees of the
36 legislature on the number of campuses and students served by December
37 31, 2018.

38 (7) \$750,000 of the general fund—state appropriation for fiscal
39 year 2016 is provided solely for Bellevue college to develop a

1 baccalaureate of science degree in computer science. Subject to
2 approval by the state board for community and technical colleges, in
3 fiscal year 2016 Bellevue college shall develop a baccalaureate of
4 science degree in computer science. This degree must be directed at
5 high school graduates who may enroll directly as freshmen and
6 transfer-oriented degree and professional and technical degree
7 holders. Bellevue college will develop a plan for offering this new
8 degree by no later than fall quarter 2016. With the exception of the
9 amounts provided in this subsection, the plan must assume funding for
10 this new degree will come through redistribution of the college's
11 current per full-time enrollment funding. The plan shall be delivered
12 to the state board by June 30, 2016.

13 (8) Pursuant to aerospace industry appropriations (chapter 1,
14 Laws of 2013 3rd sp. sess.), \$1,080,000 of the general fund—state
15 appropriation for fiscal year 2016 and \$1,500,000 of the general fund
16 —state appropriation for fiscal year 2017 are provided solely for
17 operating a fabrication composite wing incumbent worker training
18 program to be housed at the Washington aerospace training and
19 research center.

20 (9) \$150,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$150,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the state board to conduct a
23 feasibility study for a potential new community and technical college
24 in and for program delivery through Pierce college in conjunction
25 with the Bethel school district for the Graham, Washington area.

26 (10) \$100,000 of the general fund—state appropriation for fiscal
27 year 2016 and \$100,000 of the general fund—state appropriation for
28 fiscal year 2017 are provided solely for the aerospace center of
29 excellence currently hosted by Everett community college to:

30 (a) Increase statewide communications and outreach between
31 industry sectors, industry organizations, businesses, K-12 schools,
32 colleges, and universities;

33 (b) Enhance information technology to increase business and
34 student accessibility and use of the center's web site; and

35 (c) Act as the information entry point for prospective students
36 and job seekers regarding education, training, and employment in the
37 industry.

38 (11) Community and technical colleges are not required to send
39 mass mailings of course catalogs to residents of their districts.

1 Community and technical colleges shall consider lower cost
2 alternatives, such as mailing postcards or brochures that direct
3 individuals to online information and other ways of acquiring print
4 catalogs.

5 (12) The state board for community and technical colleges shall
6 not use funds appropriated in this section to support intercollegiate
7 athletics programs.

8 (13)(a) The state board must provide quality assurance reports on
9 the ctcLink project at the frequency directed by the office of chief
10 information officer for review and for posting on its information
11 technology project dashboard.

12 (b) The state board must develop a technology budget using a
13 method similar to the state capital budget, identifying project
14 costs, funding sources, and anticipated deliverables through each
15 stage of the investment and across fiscal periods and biennia from
16 project initiation to implementation. The budget must be updated at
17 the frequency directed by the office of chief information officer for
18 review and for posting on its information technology project
19 dashboard.

20 (c) The state board must contract with an independent
21 verification and validation consultant to review the software that
22 currently exists to determine if configuration and integrations are
23 complete and to evaluate readiness to move forward with the ctcLink
24 project. The state board must define the consultant's scope of work
25 in conjunction with the office of chief information officer and allow
26 for independent reporting by the consultant to the office of chief
27 information officer.

28 (d) The office of the chief information officer may suspend the
29 ctcLink project at any time if the office of the chief information
30 officer determines that the project is not meeting or is not expected
31 to meet anticipated performance measures, implementation timelines,
32 or budget estimates. Once suspension or termination occurs, the state
33 board shall not make additional expenditures on the ctcLink project
34 without approval of the chief information officer.

35 (14) \$750,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$2,250,000 of the general fund—state appropriation for
37 fiscal year 2017 is provided solely for Bellingham Technical College
38 to administer on-site worker training and skill enhancement training
39 for employees of trade-impacted industrial facilities pursuant to
40 trade adjustment assistance decision 64764.

1 (15) \$157,000 of the general fund—state appropriation for fiscal
2 year 2017 is provided solely for Wenatchee Valley college to develop
3 a wildfire prevention program.

4 **Sec. 1602.** 2016 sp.s. c 36 s 603 (uncodified) is amended to read
5 as follows:

6 **FOR THE UNIVERSITY OF WASHINGTON**

7	General Fund—State Appropriation (FY 2016).	\$279,934,000
8	General Fund—State Appropriation (FY 2017).	((317,254,000))
9		<u>\$317,739,000</u>
10	Education Legacy Trust Account—State Appropriation. . . .	\$28,088,000
11	Economic Development Strategic Reserve Account—	
12	State Appropriation.	\$3,011,000
13	Biotoxin Account—State Appropriation.	\$492,000
14	Accident Account—State Appropriation.	\$7,129,000
15	Medical Aid Account—State Appropriation.	\$6,749,000
16	Aquatic Land Enhancement Account—State Appropriation. . .	\$1,550,000
17	Dedicated Marijuana Account—State Appropriation	
18	(FY 2016).	\$227,000
19	Dedicated Marijuana Account—State Appropriation	
20	(FY 2017).	\$227,000
21	TOTAL APPROPRIATION.	((644,661,000))
22		<u>\$645,146,000</u>

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

25 (1) \$52,000 of the general fund—state appropriation for fiscal
26 year 2016 and \$52,000 of the general fund—state appropriation for
27 fiscal year 2017 are provided solely for the center for international
28 trade in forest products in the college of forest resources.

29 (2) \$200,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$200,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for labor archives of
32 Washington. The university shall work in collaboration with the state
33 board for community and technical colleges.

34 (3) \$8,000,000 of the education legacy trust account—state
35 appropriation is provided solely for the family medicine residency
36 network at the university to expand the number of residency slots
37 available in Washington.

1 (4) The university must continue work with the education research
2 and data center to demonstrate progress in computer science and
3 engineering enrollments. By September 1st of each year, the
4 university shall provide a report including but not limited to the
5 cost per student, student completion rates, and the number of low-
6 income students enrolled in each program, any process changes or
7 best-practices implemented by the university, and how many students
8 are enrolled in computer science and engineering programs above the
9 prior academic year.

10 (5) \$1,550,000 of the aquatic lands enhancement account—state is
11 provided solely for ocean acidification monitoring, forecasting, and
12 research and for operation of the Washington ocean acidification
13 center. By September 1, 2015, the center must provide a biennial work
14 plan and begin quarterly progress reports to the Washington marine
15 resources advisory council created under RCW 43.06.338.

16 (6) \$6,000,000 of the education legacy trust account—state
17 appropriation is provided solely for the expansion of degrees in the
18 department of computer science and engineering at the Seattle campus.

19 (7) \$10,429,000 of the general fund—state appropriation for
20 fiscal year 2016 and (~~(\$37,155,000)~~) \$37,640,000 of the general fund—
21 state appropriation for fiscal year 2017 are provided solely for the
22 implementation of Second Engrossed Substitute Senate Bill No. 5954
23 (college affordability program). If the bill is not enacted by July
24 10, 2015, the amounts provided in this subsection shall lapse. For
25 the 2016-17 academic year, if the university's full-time equivalent
26 annual average resident undergraduate enrollment increases by more
27 than one percent from the 2015-16 academic year, for purposes of
28 calculating state funding for the tuition reduction backfill, only a
29 one percent growth rate or the university's preceding five-year
30 average percentage full-time equivalent enrollment change, whichever
31 is greater, may be used in calculating the backfill.

32 (8) \$3,000,000 of the economic development strategic reserve
33 account appropriation is provided solely to support the joint center
34 for aerospace innovation technology.

35 (9) The University of Washington shall not use funds appropriated
36 in this section to support intercollegiate athletics programs.

37 (10) \$250,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$250,000 of the general fund—state appropriation for
39 fiscal year 2017 are provided solely for the latino health center.

1 (11) \$200,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$200,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for the climate impacts group in
4 the college of the environment.

5 (12) To the extent federal or private funding is available for
6 this purpose, the center for education data and research at the
7 University of Washington shall examine the relationship between
8 participation in pension systems and teacher quality and mobility
9 patterns in the state, including changes in the patterns that have
10 occurred since the 2009-2011 fiscal biennium. The department of
11 retirement systems shall facilitate University of Washington
12 researchers' access to necessary individual-level data necessary to
13 effectively conduct the study. The University of Washington shall
14 ensure that no individually identifiable information will be
15 disclosed at any time. An interim report on project findings must be
16 completed by November 15, 2015, and a final report must be submitted
17 to the governor and to the relevant committees of the legislature by
18 October 15, 2016.

19 (13) \$3,600,000 of the general fund—state appropriation for
20 fiscal year 2016 and \$5,400,000 of the general fund—state
21 appropriation for fiscal year 2017 are provided solely for the
22 continued operations of the Washington, Wyoming, Alaska, Montana,
23 Idaho medical school program.

24 (14) Within the amounts provided in this section, the university
25 must determine the feasibility of establishing inter-agency
26 agreements with the department of corrections and the special
27 commitment center within the department of social and health services
28 to provide each entity with discount pricing on prescription
29 hepatitis C medications or other prescription medications as allowed
30 under section 340B of the public health services act. By January 1,
31 2016, the university must submit a report to the relevant policy and
32 fiscal committees of the legislature that includes the following:

33 (a) Description of the steps required to achieve institutional
34 cooperation on 340B pricing;

35 (b) Identification of barriers to achieving such an agreement;

36 (c) Where possible, possible solutions to overcoming these
37 barriers;

38 (d) Estimates of the fiscal impact of this agreement in the
39 2015-2017 and 2017-2019 fiscal biennia; and

1 (e) Timeline for implementation of such an agreement.

2 The inter-agency agreements must be in place prior to July 1,
3 2016, and the agreements must not jeopardize the University of
4 Washington's current compliance status with 340B program rules and
5 regulations.

6 (15) Within the funds appropriated in this section, the
7 University of Washington shall:

8 (a) Review the scholarly literature on the short-term and long-
9 term effects of marijuana use to assess if other states or private
10 entities are conducting marijuana research in areas that may be
11 useful to the state.

12 (b) Provide as part of its budget request for the 2017-2019
13 biennium:

14 (i) A list of intended state, federal, and privately funded
15 marijuana research, including cost, duration, and scope;

16 (ii) Plans for partnerships with other universities, state
17 agencies, or private entities, including entities outside the state,
18 for purposes related to researching short-term and long-term effects
19 of marijuana use.

20 (16) \$18,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$18,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely to implement Substitute Senate
23 Bill No. 6519 (telemedicine). If the bill is not enacted by June 30,
24 2016, the amounts provided in this subsection shall lapse.

25 (17) \$25,000 of the general fund—state appropriation for fiscal
26 year 2016 and \$25,000 of the general fund—state appropriation for
27 fiscal year 2017 are provided solely for the implementation of House
28 Bill No. 1138 (higher education mental health).

29 **Sec. 1603.** 2016 sp.s. c 36 s 604 (uncodified) is amended to read
30 as follows:

31 **FOR WASHINGTON STATE UNIVERSITY**

32	General Fund—State Appropriation (FY 2016).	\$181,494,000
33	General Fund—State Appropriation (FY 2017).	((\$207,738,000))
34		<u>\$207,514,000</u>
35	Education Legacy Trust Account—State Appropriation.	\$33,995,000
36	Dedicated Marijuana Account—State Appropriation (FY 2016).	\$138,000
37	Dedicated Marijuana Account—State Appropriation (FY 2017).	\$138,000
38	TOTAL APPROPRIATION.	((\$423,503,000))

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

(1) \$90,000 of the general fund—state appropriation for fiscal year 2016 and \$90,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a rural economic development and outreach coordinator.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) \$1,000,000 of the general fund—state appropriation for fiscal 2016 and \$630,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the creation of an electrical engineering program located in Bremerton. At full implementation, the university is expected to increase degree production by 25 new bachelor's degrees per year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(4) \$1,000,000 of the general fund—state appropriation for fiscal year 2016 and \$1,370,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the creation of software engineering and data analytic programs at the university center in Everett. At full implementation, the university is expected to enroll 50 students per academic year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(5) \$500,000 of the general fund—state appropriation for fiscal year 2016 and \$500,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for state match requirements related to the federal aviation administration grant.

(6) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

1 (7) \$8,980,000 of the general fund—state appropriation for fiscal
2 year 2016 and (~~(\$27,068,000)~~) \$26,756,000 of the general fund—state
3 appropriation for fiscal year 2017 are provided solely for the
4 implementation of Second Engrossed Substitute Senate Bill No. 5954
5 (college affordability program). If the bill is not enacted by July
6 10, 2015, the amounts provided in this subsection shall lapse. For
7 the 2016-17 academic year, if the university's full-time equivalent
8 annual average resident undergraduate enrollment increases by more
9 than one percent from the 2015-16 academic year, for purposes of
10 calculating state funding for the tuition reduction backfill, only a
11 one percent growth rate or the university's preceding five-year
12 average percentage full-time equivalent enrollment change, whichever
13 is greater, may be used in calculating the backfill.

14 (8) \$1,098,000 of the general fund—state appropriation for fiscal
15 year 2016 and \$1,402,000 of the general fund—state appropriation for
16 fiscal year 2017 are provided solely for development of a medical
17 school in Spokane. Funding must support the development of the
18 curriculum, the courses, the faculty, and the administrative
19 structure required by the liaison committee on medical education.

20 (9) Within the funds appropriated in this section, Washington
21 State University is required to provide administrative support to the
22 sustainable aviation biofuels work group authorized under RCW
23 28B.30.904.

24 (10) Within the funds appropriated in this section, Washington
25 State University shall:

26 (a) Review the scholarly literature on the short-term and long-
27 term effects of marijuana use to assess if other states or private
28 entities are conducting marijuana research in areas that may be
29 useful to the state.

30 (b) Provide as part of its budget request for the 2017-2019
31 biennium:

32 (i) A list of intended state, federal, and privately funded
33 marijuana research, including cost, duration, and scope;

34 (ii) Plans for partnerships with other universities, state
35 agencies, or private entities, including entities outside the state,
36 for purposes related to researching short-term and long-term effects
37 of marijuana use.

1 (11) \$135,000 of the general fund—state appropriation for fiscal
2 year 2017 is provided solely for a honey bee biology research
3 position.

4 (12) \$580,000 of the general fund—state appropriation for fiscal
5 year 2017 is provided solely for the development of an organic
6 agriculture systems degree program located at the university center
7 in Everett.

8 **Sec. 1604.** 2016 sp.s. c 36 s 605 (uncodified) is amended to read
9 as follows:

10 **FOR EASTERN WASHINGTON UNIVERSITY**

11	General Fund—State Appropriation (FY 2016).	\$38,689,000
12	General Fund—State Appropriation (FY 2017).	(\$48,098,000)
13		<u>\$48,158,000</u>
14	Education Legacy Trust Account—State	
15	Appropriation.	\$16,718,000
16	TOTAL APPROPRIATION.	(\$103,505,000)
17		<u>\$103,565,000</u>

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

20 (1) At least \$200,000 of the general fund—state appropriation for
21 fiscal year 2016 and at least \$200,000 of the general fund—state
22 appropriation for fiscal year 2017 must be expended on the Northwest
23 autism center.

24 (2) The university must continue work with the education research
25 and data center to demonstrate progress in computer science and
26 engineering enrollments. By September 1st of each year, the
27 university shall provide a report including but not limited to the
28 cost per student, student completion rates, and the number of low-
29 income students enrolled in each program, any process changes or
30 best-practices implemented by the university, and how many students
31 are enrolled in computer science and engineering programs above the
32 prior academic year.

33 (3) Eastern Washington University shall not use funds
34 appropriated in this section to support intercollegiate athletics
35 programs.

36 (4) \$750,000 of the general fund—state appropriation for fiscal
37 year 2016 and \$750,000 of the general fund—state appropriation are

1 provided solely for student success and advising programs that lead
2 to increased degree completion.

3 (5) \$2,425,000 of the general fund—state appropriation for fiscal
4 year 2016 and (~~(\$9,698,000)~~) \$9,611,000 of the general fund—state
5 appropriation for fiscal year 2017 are provided solely for the
6 implementation of Second Engrossed Substitute Senate Bill No. 5954
7 (college affordability program). If the bill is not enacted by July
8 10, 2015, the amounts provided in this subsection shall lapse. For
9 the 2016-17 academic year, if the university's full-time equivalent
10 annual average resident undergraduate enrollment increases by more
11 than one percent from the 2015-16 academic year, for purposes of
12 calculating state funding for the tuition reduction backfill, only a
13 one percent growth rate or the university's preceding five-year
14 average percentage full-time equivalent enrollment change, whichever
15 is greater, may be used in calculating the backfill.

16 **Sec. 1605.** 2016 sp.s. c 36 s 606 (uncodified) is amended to read
17 as follows:

18 **FOR CENTRAL WASHINGTON UNIVERSITY**

19	General Fund—State Appropriation (FY 2016).	\$36,958,000
20	General Fund—State Appropriation (FY 2017).	((\$47,578,000))
21		<u>\$47,778,000</u>
22	Education Legacy Trust Account—State Appropriation.	\$19,140,000
23	TOTAL APPROPRIATION.	((\$103,676,000))
24		<u>\$103,876,000</u>

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

27 (1) The university must continue work with the education research
28 and data center to demonstrate progress in engineering enrollments.
29 By September 1st of each year, the university shall provide a report
30 including but not limited to the cost per student, student completion
31 rates, and the number of low-income students enrolled in each
32 program, any process changes or best-practices implemented by the
33 university, and how many students are enrolled in engineering
34 programs above the prior academic year.

35 (2) Central Washington University shall not use funds
36 appropriated in this section to support intercollegiate athletics
37 programs.

1 (3) \$750,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$750,000 of the general fund—state appropriation are
3 provided solely for student success and advising programs that lead
4 to increased degree completion.

5 (4) \$2,739,000 of the general fund—state appropriation for fiscal
6 year 2016 and (~~(\$10,826,000)~~) \$10,833,000 of the general fund—state
7 appropriation for fiscal year 2017 are provided solely for the
8 implementation of Second Engrossed Substitute Senate Bill No. 5954
9 (college affordability program). If the bill is not enacted by July
10 10, 2015, the amounts provided in this subsection shall lapse. For
11 the 2016-17 academic year, if the university's full-time equivalent
12 annual average resident undergraduate enrollment increases by more
13 than one percent from the 2015-16 academic year, for purposes of
14 calculating state funding for the tuition reduction backfill, only a
15 one percent growth rate or the university's preceding five-year
16 average percentage full-time equivalent enrollment change, whichever
17 is greater, may be used in calculating the backfill.

18 **Sec. 1606.** 2016 sp.s. c 36 s 607 (uncodified) is amended to read
19 as follows:

20 **FOR THE EVERGREEN STATE COLLEGE**

21	General Fund—State Appropriation (FY 2016).	\$22,068,000
22	General Fund—State Appropriation (FY 2017).	((\$25,441,000))
23		<u>\$25,494,000</u>
24	Education Legacy Trust Account—State Appropriation.	\$5,493,000
25	TOTAL APPROPRIATION.	((\$53,002,000))
26		<u>\$53,055,000</u>

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

29 (1) \$39,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$55,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for the implementation of
32 chapter 244, Laws of 2015 (college bound).

33 (2) \$39,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$32,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for implementation of Engrossed
36 Second Substitute House Bill No. 1491 (early care & education
37 system). If the bill is not enacted by July 10, 2015, the amounts
38 provided in this subsection shall lapse.

1 (3) \$837,000 of the general fund—state appropriation for fiscal
2 year 2016 and (~~(\$3,327,000)~~) \$3,295,000 of the general fund—state
3 appropriation for fiscal year 2017 are provided solely for the
4 implementation of Second Engrossed Substitute Senate Bill No. 5954
5 (college affordability program). If the bill is not enacted by July
6 10, 2015, the amounts provided in this subsection shall lapse. For
7 the 2016-17 academic year, if the college's full-time equivalent
8 annual average resident undergraduate enrollment increases by more
9 than one percent from the 2015-16 academic year, for purposes of
10 calculating state funding for the tuition reduction backfill, only a
11 one percent growth rate or the college's preceding five-year average
12 percentage full-time equivalent enrollment change, whichever is
13 greater, may be used in calculating the backfill.

14 (4) \$40,000 of the general fund—state appropriation for fiscal
15 year 2016 is provided solely for the tuition metric study in Second
16 Engrossed Substitute Senate Bill No. 5954 (college affordability
17 program). If the bill is not enacted by July 10, 2015, the amounts
18 provided in this subsection shall lapse.

19 (5) \$121,000 of the general fund—state appropriation for fiscal
20 year 2016 is provided solely for implementation of section 15 of
21 chapter 269, Laws of 2015 (mental health/involuntary outpatient). If
22 the bill is not enacted by July 10, 2015, the amount provided in this
23 subsection shall lapse.

24 (6) \$295,000 of the general fund—state appropriation for fiscal
25 year 2016 and \$295,000 of the general fund—state appropriation for
26 fiscal year 2017 are provided solely for the Washington state
27 institute of public policy to contract with an objective, non-
28 partisan, nationally known organization to examine policy options for
29 increasing the availability of primary care services in rural
30 Washington.

31 (7) \$750,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$750,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for student success and advising
34 programs that lead to increased degree completion.

35 (8) Funding provided in this section is sufficient for The
36 Evergreen State College to continue operations of the Longhouse
37 Center and the Northwest Indian applied research institute.

38 (9) \$50,000 of the general fund—state appropriation for fiscal
39 year 2016 and \$50,000 of the general fund—state appropriation for

1 fiscal year 2017 are provided solely for the Washington state
2 institute for public policy to review existing research literature
3 and begin a four-year study to evaluate outcomes regarding the cost
4 effectiveness of FDA approved long-acting injectable medications that
5 are indicated for the treatment of alcohol and opiate dependence. Any
6 outcome evaluation will be focused on potential benefits to prison
7 offenders being released into the community and the effects on
8 recidivism. The institute shall submit a report summarizing cost-
9 effectiveness findings from the existing research literature to the
10 appropriate committees of the legislature by December 31, 2016.

11 (10) Notwithstanding other provisions in this section, the board
12 of directors for the Washington state institute for public policy may
13 adjust due dates for projects included on the institute's 2015-2017
14 work plan as necessary to efficiently manage workload.

15 (11) The Evergreen State College shall not use funds appropriated
16 in this section to support intercollegiate athletics programs.

17 (12) \$48,000 of the general fund—state appropriation for fiscal
18 year 2017 is provided solely for the implementation of Second
19 Substitute House Bill No. 2449 (truancy reduction). If the bill is
20 not enacted by June 30, 2016, the amount provided in this subsection
21 shall lapse.

22 (13) \$32,000 of the general fund—state appropriation for fiscal
23 year 2017 is provided solely for the implementation of Second
24 Substitute House Bill No. 2791 (Washington statewide reentry
25 council). If the bill is not enacted by June 30, 2016, the amount
26 provided in this subsection shall lapse.

27 (14) \$16,000 of the general fund—state appropriation for fiscal
28 year 2017 is provided solely for the implementation of Engrossed
29 Second Substitute Senate Bill No. 6455 (professional educator
30 workforce). If the bill is not enacted by June 30, 2016, the amount
31 provided in this subsection shall lapse.

32 (15) \$26,000 of the general fund—state appropriation for fiscal
33 year 2017 is provided solely for the implementation of Engrossed
34 Senate Bill No. 6620 (school safety). If the bill is not enacted by
35 June 30, 2016, the amount provided in this subsection shall lapse.

36 (16) \$30,000 of the general fund—state appropriation for fiscal
37 year 2016 and \$120,000 of the general fund—state appropriation for
38 fiscal year 2017 are provided solely for the Washington state
39 institute for public policy to evaluate and report to the appropriate

1 legislative committees on the impact and cost effectiveness of the
 2 hub home model, a model for foster care delivery. The institute shall
 3 use the most appropriate available methods to evaluate the model's
 4 impact on child safety, permanency, placement stability and, if
 5 possible, sibling connections, culturally relevant care, and
 6 caregiver retention. The report shall include an analysis of whether
 7 the model yields long-term cost savings in comparison with
 8 traditional foster care. The department of social and health services
 9 children's administration shall facilitate provision of the data
 10 necessary to conduct the evaluation. The institute shall submit an
 11 interim report by January 15, 2017, and a final report by June 30,
 12 2017. The institute may receive additional funds from a private
 13 organization for the purpose of the evaluation.

14 (17) \$16,000 of the general fund—state appropriation for fiscal
 15 year 2017 is provided solely for the Washington institute for public
 16 policy to conduct a study regarding the implementation of certain
 17 aspects of the involuntary treatment act, pursuant to chapter 29,
 18 Laws of 2016 sp. sess. (E3SHB 1713).

19 **Sec. 1607.** 2016 sp.s. c 36 s 608 (uncodified) is amended to read
 20 as follows:

21 **FOR WESTERN WASHINGTON UNIVERSITY**

22	General Fund—State Appropriation (FY 2016).	\$53,447,000
23	General Fund—State Appropriation (FY 2017).	(((\$67,091,000))
24		<u>\$67,234,000</u>
25	Education Legacy Trust Account—State	
26	Appropriation.	\$13,737,000
27	TOTAL APPROPRIATION.	(((\$134,275,000))
28		<u>\$134,418,000</u>

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

31 (1) The university must continue work with the education research
 32 and data center to demonstrate progress in computer science and
 33 engineering enrollments. By September 1st of each year, the
 34 university shall provide a report including but not limited to the
 35 cost per student, student completion rates, and the number of low-
 36 income students enrolled in each program, any process changes or
 37 best-practices implemented by the university, and how many students

1 are enrolled in computer science and engineering programs above the
2 prior academic year.

3 (2) \$910,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$630,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for the creation of a computer
6 and information systems security program located at Olympic college -
7 Poulsbo. The university is expected to enroll 30 students each
8 academic year beginning in fiscal year 2017. The university must
9 identify these students separately when providing data to the
10 educational data centers as required in (1) of this section.

11 (3) Western Washington University shall not use funds
12 appropriated in this section to support intercollegiate athletics
13 programs.

14 (4) \$3,726,000 of the general fund—state appropriation for fiscal
15 year 2016 and (~~(\$14,819,000)~~) \$14,952,000 of the general fund—state
16 appropriation for fiscal year 2017 are provided solely for the
17 implementation of Second Engrossed Substitute Senate Bill No. 5954
18 (college affordability program). If the bill is not enacted by July
19 10, 2015, the amounts provided in this subsection shall lapse. For
20 the 2016-17 academic year, if the university's full-time equivalent
21 annual average resident undergraduate enrollment increases by more
22 than one percent from the 2015-16 academic year, for purposes of
23 calculating state funding for the tuition reduction backfill, only a
24 one percent growth rate or the university's preceding five-year
25 average percentage full-time equivalent enrollment change, whichever
26 is greater, may be used in calculating the backfill.

27 (5) \$250,000 of the general fund—state appropriation for fiscal
28 year 2017 is provided solely for the endowment of the Jaffee
29 professorship in Jewish history and holocaust studies.

30 **Sec. 1608.** 2016 sp.s. c 36 s 609 (uncodified) is amended to read
31 as follows:

32 **FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND**
33 **ADMINISTRATION**

34	General Fund—State Appropriation (FY 2016).	\$5,515,000
35	General Fund—State Appropriation (FY 2017).	((\$6,217,000))
36		<u>\$6,289,000</u>
37	General Fund—Federal Appropriation.	\$4,859,000
38	TOTAL APPROPRIATION.	((\$16,591,000))

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

(1) \$182,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the student achievement council, the workforce training and education coordinating board, and the department of licensing to work together to design and oversee a study, to be administered by the council, that objectively analyzes and makes recommendations about systemic overlaps and gaps in jurisdiction regarding for-profit degree-granting institutions and private vocational schools in the state. The council may contract with a neutral third-party research organization to conduct the study. The study must be conducted in two phases, starting with an assessment of perspectives and relevant studies. A second phase, if deemed appropriate by the council, the workforce training and education coordinating board, and other stakeholders, may consist of facilitated discussions amongst agencies, regulated entities, and stakeholders to reach agreed-upon recommendations.

(a) The study must include recommendations to improve oversight and accountability of these institutions and schools and a review of whether, and how, different standards are applied to the institutions and schools by different agencies. Specifically, the study must:

(i) Examine the data collection and reporting practices of for-profit degree-granting institutions and private vocational schools compared to the data collection and reporting of the community and technical colleges. The study must determine if there are inconsistencies and discrepancies in the practices of the for-profit degree-granting institutions and private vocational schools. The study must also make recommendations on the methods of collecting, analyzing, and reporting data, including what measurements to use, to ensure that data from for-profit degree-granting institutions and private vocational schools can be accurately compared to data from the community and technical colleges;

(ii) Study the current regulations governing these institutions and schools and recommend necessary changes to achieve consistent regulatory oversight of the entire system;

(iii) Recommend ways to implement a cohesive method for guiding and assisting current and prospective students who have questions and concerns; and

1 (iv) Review whether an ombuds position serving students of for-
2 profit degree-granting institutions and private vocational schools
3 should be created. If the recommendation is to create an ombuds
4 position, the study must make a recommendation on which state entity
5 should house the position.

6 (b) The assessment phase of the study may begin July 1, 2016. The
7 council must issue a final report, including the result of any
8 facilitated agreed-upon recommendations, to the appropriate
9 committees of the legislature by January 1, 2017.

10 (2) \$25,000 of the general fund—state appropriation for fiscal
11 year 2017 is provided solely to implement Second Engrossed Substitute
12 Senate Bill No. 6601 (Washington college savings program). If the
13 bill is not enacted by June 30, 2016, the amount provided in this
14 subsection shall lapse.

15 (3) \$250,000 of the general fund—state appropriation for fiscal
16 year 2017 is provided solely for the council to complete a higher
17 education needs assessment for southeast King county, and to prepare
18 a program and operating plan to meet the higher education needs
19 identified in the assessment. The needs assessment shall consider
20 population changes, higher education participation rates, economic
21 demand and work force needs, commute times for study area residents
22 to existing higher education institutions, and any other items
23 identified by the council. In completing the needs assessment and
24 plan, the council shall consider the factors outlined in RCW
25 28B.77.080, enrollment trends in the study area, employer needs,
26 existing and needed postsecondary programs, recommended strategies
27 for promoting program participation, an estimated cost to meet the
28 assessed need, and potential location sites. In preparing a program
29 and operating plan, the council shall consider a variety of higher
30 education options including, but not limited to, a branch campus, a
31 university center, a private university, and an online learning
32 center. The needs assessment and plan must be developed in
33 consultation with an advisory committee of civic, business, and
34 education leaders from southeast King county. The council shall
35 provide a preliminary report to the appropriate committees of the
36 legislature and the governor by November 1, 2016, and a final report
37 by January 1, 2017. The council may contract with a consultant to
38 complete this study.

1 **Sec. 1609.** 2016 sp.s. c 36 s 610 (uncodified) is amended to read
2 as follows:

3 **FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL**
4 **ASSISTANCE**

5	General Fund—State Appropriation (FY 2016).	\$265,978,000
6	General Fund—State Appropriation (FY 2017).	\$234,444,000
7	General Fund—Federal Appropriation.	\$11,801,000
8	General Fund—Private/Local Appropriation.	\$300,000
9	Aerospace Training Student Loan Account—State	
10	Appropriation (FY 2017).	\$104,000
11	Washington Opportunity Expansion Account—State	
12	Appropriation.	\$6,000,000
13	Education Legacy Trust Account—State Appropriation.	\$40,671,000
14	Health Professional Loan Repayment Scholarship	
15	Program Account—State Appropriation.	\$1,720,000
16	Washington Opportunity Pathways Account—State	
17	Appropriation (FY 2016).	\$95,061,000
18	Washington Opportunity Pathways Account—State	
19	Appropriation (FY 2017).	(\$78,469,000)
20		<u>\$77,260,000</u>
21	TOTAL APPROPRIATION.	(\$734,548,000)
22		<u>\$733,339,000</u>

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

25 (1) \$235,217,000 of the general fund—state appropriation for
26 fiscal year 2016, \$201,760,000 of the general fund—state
27 appropriation for fiscal year 2017, \$26,000,000 of the education
28 legacy trust account—state appropriation, \$77,500,000 of the
29 Washington opportunity pathways account—state appropriation for
30 fiscal year 2016, and \$67,500,000 of the Washington opportunity
31 pathways account—state appropriation for fiscal year 2017 are
32 provided solely for student financial aid payments under the state
33 need grant, implementation of Second Engrossed Substitute Senate Bill
34 No. 5954 (college affordability program), and state work study
35 programs including up to four percent administrative allowance for
36 the state work study program.

37 (2) Changes made to the state need grant program in the 2011-2013
38 fiscal biennium are continued in the 2015-2017 fiscal biennium. For

1 the 2015-2017 fiscal biennium, awards given to private institutions
2 shall be the same amount as the prior year.

3 (3) Changes made to the state work study program in the 2009-2011
4 and 2011-2013 fiscal biennia are continued in the 2015-2017 fiscal
5 biennium including maintaining the increased required employer share
6 of wages; adjusted employer match rates; discontinuation of
7 nonresident student eligibility for the program; and revising
8 distribution methods to institutions by taking into consideration
9 other factors such as off-campus job development, historical
10 utilization trends, and student need.

11 (4) Within the funds appropriated in this section, eligibility
12 for the state need grant includes students with family incomes at or
13 below 70 percent of the state median family income (MFI), adjusted
14 for family size, and shall include students enrolled in three to five
15 credit-bearing quarter credits, or the equivalent semester credits.
16 Awards for students with incomes between 51 and 70 percent of the
17 state median shall be prorated at the following percentages of the
18 award amount granted to those with incomes below 51 percent of the
19 MFI: 70 percent for students with family incomes between 51 and 55
20 percent MFI; 65 percent for students with family incomes between 56
21 and 60 percent MFI; 60 percent for students with family incomes
22 between 61 and 65 percent MFI; and 50 percent for students with
23 family incomes between 66 and 70 percent MFI.

24 (5) Of the amounts provided in subsection (1) of this section,
25 \$100,000 of the general fund—state appropriation for fiscal year 2016
26 and \$100,000 of the general fund—state appropriation for fiscal year
27 2017 are provided for the council to process an alternative financial
28 aid application system pursuant to RCW 28B.92.010.

29 (6)(a) Students who are eligible for the college bound
30 scholarship shall be given priority for the state need grant program.
31 These eligible college bound students whose family incomes are in the
32 0-65 percent median family income ranges must be awarded the maximum
33 state need grant for which they are eligible under state policies and
34 may not be denied maximum state need grant funding due to
35 institutional policies or delayed awarding of college bound
36 scholarship students. The council shall provide directions to
37 institutions to maximize the number of college bound scholarship
38 students receiving the maximum state need grant for which they are
39 eligible with a goal of 100 percent coordination. Institutions shall
40 identify all college bound scholarship students to receive state need

1 grant priority. If an institution is unable to identify all college
2 bound scholarship students at the time of initial state aid
3 packaging, the institution should reserve state need grant funding
4 sufficient to cover the projected enrollments of college bound
5 scholarship students.

6 (b) In calculating the college bound award, public institutions
7 of higher education are subject to the conditions and limitations in
8 RCW 28B.15.102 and shall not utilize college bound funds to offset
9 tuition costs from rate increases in excess of levels authorized in
10 section 603, chapter 50, Laws of 2011.

11 (7) \$14,670,000 of the education legacy trust account—state
12 appropriation, \$17,561,000 of the Washington opportunity pathways
13 account—state appropriation for fiscal year 2016, and (~~(\$10,969,000)~~)
14 \$9,760,000 of the Washington opportunity pathways account—state
15 appropriation for fiscal year 2017 are provided solely for the
16 college bound scholarship program, implementation of Second Engrossed
17 Substitute Senate Bill No. 5954 (college affordability program), and
18 may support scholarships for summer session.

19 (8) \$2,236,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$2,236,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for the passport to college
22 program. The maximum scholarship award is up to \$5,000. The board
23 shall contract with a nonprofit organization to provide support
24 services to increase student completion in their postsecondary
25 program and shall, under this contract, provide a minimum of \$500,000
26 in fiscal years 2016 and 2017 for this purpose.

27 (9) \$20,000,000 of the general fund—state appropriation for
28 fiscal year 2016 and \$21,000,000 of the general fund—state
29 appropriation for fiscal year 2017 are provided solely to meet state
30 match requirements associated with the opportunity scholarship
31 program. The legislature will evaluate subsequent appropriations to
32 the opportunity scholarship program based on the extent that
33 additional private contributions are made, program spending patterns,
34 and fund balance.

35 (10) \$3,825,000 of the general fund—state appropriation for
36 fiscal year 2016 and \$3,825,000 of the general fund—state
37 appropriation for fiscal year 2017 are provided solely for
38 expenditure into the health professionals loan repayment and
39 scholarship program account. These amounts and \$1,720,000

1 appropriated from the health professionals loan repayment and
2 scholarship program account must be used to increase the number of
3 licensed primary care health professionals to serve in licensed
4 primary care health professional critical shortage areas. The office
5 of student financial assistance and the department of health shall
6 prioritize a portion of any nonfederal balances in the health
7 professional loan repayment and scholarship fund for conditional loan
8 repayment contracts with psychiatrists and with advanced registered
9 nurse practitioners for work at one of the state-operated psychiatric
10 hospitals. The office and department shall designate the state
11 hospitals as health professional shortage areas if necessary for this
12 purpose. The office shall coordinate with the department of social
13 and health services to effectively incorporate three conditional loan
14 repayments into the department's advanced psychiatric professional
15 recruitment and retention strategies. The office may use these
16 targeted amounts for other program participants should there be any
17 remaining amounts after eligible psychiatrists and advanced
18 registered nurse practitioners have been served. The office shall
19 also work to prioritize loan repayments to professionals working at
20 health care delivery sites that demonstrate a commitment to serving
21 uninsured clients.

22 (11) \$56,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$42,000 of the general fund—state appropriation for
24 fiscal year 2017 are provided solely for the council to design and
25 implement a program that provides customized information to high-
26 achieving (as determined by local school districts), low-income, high
27 school students. "Low-income" means students who are from low-income
28 families as defined by the education data center in RCW 43.41.400.
29 For the purposes of designing, developing, and implementing the
30 program, the council shall partner with a national entity that offers
31 aptitude tests and shall consult with institutions of higher
32 education with a physical location in Washington. The council shall
33 implement the program no later than fall 2016, giving consideration
34 to spring mailings in order to capture early action decisions offered
35 by institutions of higher education and nonprofit baccalaureate
36 degree-granting institutions. The information packet for students
37 must include at a minimum:

- 38 (a) Materials that help students to choose colleges;
39 (b) An application guidance booklet;

1 (c) Application fee waivers, if available, for four-year
2 institutions of higher education and independent nonprofit
3 baccalaureate degree-granting institutions in the state that enable
4 students receiving a packet to apply without paying application fees;

5 (d) Information on college affordability and financial aid that
6 includes information on the net cost of attendance for each four-year
7 institution of higher education and each nonprofit baccalaureate
8 degree-granting institution, and information on merit and need-based
9 aid from federal, state, and institutional sources; and

10 (e) A personally addressed cover letter signed by the governor
11 and the president of each four-year institution of higher education
12 and nonprofit baccalaureate degree-granting institution in the state.

13 (12) \$6,000,000 of the opportunity expansion account—state
14 appropriation is provided solely for the opportunity expansion
15 program in RCW 28B.145.060. At the direction of the opportunity
16 scholarship board, the council must distribute the funding provided
17 in this subsection to institutions of higher education to increase
18 the number of baccalaureate degrees produced in high employer demand
19 and other programs of study.

20 (13) \$1,144,000 of the general fund—state appropriation for
21 fiscal year 2017 is provided solely for the implementation of
22 Engrossed Second Substitute Senate Bill No. 6455 (professional
23 educator workforce). If the bill is not enacted by June 30, 2016, the
24 amount provided in this subsection shall lapse. Of the amount
25 provided in this subsection:

26 (a) \$468,000 is for the teacher shortage conditional grant
27 program;

28 (b) \$468,000 is for the student teaching residency grant program;
29 and

30 (c) \$208,000 is for the development and implementation of the
31 teacher shortage conditional grant program and the student teaching
32 residency grant program.

33 (14) The council shall examine issues related to college bound
34 scholarship students who become income ineligible for the college
35 bound scholarship program but maintain eligibility for the state need
36 grant and shall report to the governor and appropriate committees of
37 the legislature by December 1, 2016, with any recommendations.

38 **Sec. 1610.** 2016 sp.s. c 36 s 611 (uncodified) is amended to read
39 as follows:

1 **FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD**

2	General Fund—State Appropriation (FY 2016).	\$1,648,000
3	General Fund—State Appropriation (FY 2017).	(((\$1,744,000))
4		<u>\$1,752,000</u>
5	General Fund—Federal Appropriation.	\$55,143,000
6	General Fund—Private/Local Appropriation.	\$72,000
7	TOTAL APPROPRIATION.	(((\$58,607,000))
8		<u>\$58,615,000</u>

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

11 (1) For the 2015-2017 fiscal biennium the board shall not
12 designate recipients of the Washington award for vocational
13 excellence or recognize them at award ceremonies as provided in RCW
14 28C.04.535.

15 (2) The health workforce council of the state workforce training
16 and education coordinating board, in partnership with work underway
17 with the office of the governor, shall, within resources available
18 for such purpose, but not to exceed \$250,000, assess workforce
19 shortages across behavioral health disciplines. The board shall
20 create a recommended action plan to address behavioral health
21 workforce shortages and to meet the increased demand for services
22 now, and with the integration of behavioral health and primary care
23 in 2020. The analysis and recommended action plan shall align with
24 the recommendations of the adult behavioral health system task force
25 and related work of the healthier Washington initiative. The board
26 shall consider workforce data, gaps, distribution, pipeline,
27 development, and infrastructure, including innovative high school,
28 postsecondary, and postgraduate programs to evolve, align, and
29 respond accordingly to our state's behavioral health and related and
30 integrated primary care workforce needs. The board will submit
31 preliminary recommendations to the governor and appropriate
32 committees of the legislature by October 15, 2016. The board will
33 continue its work and submit final recommendations in 2017.

34 (3) \$75,000 of the general fund—state appropriation for fiscal
35 year 2017 is provided solely for the workforce training and education
36 coordinating board to develop a plan for a career and college ready
37 lighthouse program that is representative of the different
38 geographies and industries throughout the state. The plan must
39 provide students the opportunity to: Explore and understand career

1 opportunities through applied learning; engage with industry mentors;
2 and, plan for career and college success. Additionally, the plan must
3 include: Work-integrated and career-related strategies that increase
4 college and career readiness of the students statewide; specify where
5 and how the board will utilize mentor school districts; and identify
6 the needs of districts to provide career and college ready
7 opportunities. The board must convene an advisory committee to
8 provide assistance with the development of the plan. The advisory
9 committee must comprise: Individuals from the public and private
10 sector with expertise in career and technical education and work-
11 integrated training; school counselors; representatives of labor
12 unions; representatives from professional technical organizations;
13 representatives from career and technical colleges; and individuals
14 from business and industry. The board shall submit its plan to the
15 education committees of the legislature by January 1, 2017.

16 **Sec. 1611.** 2016 sp.s. c 36 s 612 (uncodified) is amended to read
17 as follows:

18 **FOR THE DEPARTMENT OF EARLY LEARNING**

19	General Fund—State Appropriation (FY 2016).	\$89,572,000
20	General Fund—State Appropriation (FY 2017).	(\$103,823,000)
21		<u>\$101,494,000</u>
22	General Fund—Federal Appropriation.	\$299,956,000
23	Opportunity Pathways Account—State Appropriation.	\$80,000,000
24	Education Legacy Trust Account—State Appropriation.	\$28,250,000
25	Home Visiting Services Account—State Appropriation.	\$4,868,000
26	Home Visiting Services Account—Federal Appropriation.	\$25,250,000
27	TOTAL APPROPRIATION.	(\$624,725,000)
28		<u>\$629,390,000</u>

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

31 (1) \$44,800,000 of the general fund—state appropriation for
32 fiscal year 2016, \$44,800,000 of the general fund—state appropriation
33 for fiscal year 2017, \$24,250,000 of the education legacy trust
34 account—state appropriation, and \$80,000,000 of the opportunity
35 pathways account appropriation are provided solely for the early
36 childhood education and assistance program. These amounts shall
37 support at least 11,691 slots in fiscal year 2016 and 11,691 slots in
38 fiscal year 2017. Of these amounts, \$10,284,000 is a portion of the

1 biennial amount of state maintenance of effort dollars required to
2 receive federal child care and development fund grant dollars.

3 (2) \$200,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$200,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely to develop and provide
6 culturally relevant supports for parents, family, and other
7 caregivers.

8 (3) The department is the lead agency for and recipient of the
9 federal child care and development fund grant. Amounts within this
10 grant shall be used to fund child care licensing, quality
11 initiatives, agency administration, and other costs associated with
12 child care subsidies. The department shall transfer a portion of this
13 grant to the department of social and health services to fund the
14 child care subsidies paid by the department of social and health
15 services on behalf of the department of early learning.

16 (4) \$1,434,000 of the general fund—state appropriation for fiscal
17 year 2016 is provided solely for expenditure into the home visiting
18 services account. This funding is intended to meet federal
19 maintenance of effort requirements and to secure private matching
20 funds. Additional amounts are provided separately in part II of this
21 act. The division of behavioral health and recovery must transfer
22 these amounts into the home visiting services account.

23 (5)(a) \$153,244,000 of the general fund—federal appropriation is
24 provided solely for the working connections child care program under
25 RCW 43.215.135.

26 (b) In addition to groups that were given prioritized access to
27 the working connections child care program effective March 1, 2011,
28 the department shall also give prioritized access into the program to
29 families in which a parent of a child in care is a minor who is not
30 living with a parent or guardian and who is a full-time student in a
31 high school that has a school-sponsored on-site child care center.

32 (6) Within available amounts, the department in consultation with
33 the office of financial management and the department of social and
34 health services shall report enrollments and active caseload for the
35 working connections child care program to the legislative fiscal
36 committees and the legislative-executive WorkFirst oversight task
37 force on an agreed upon schedule. The report shall also identify the
38 number of cases participating in both temporary assistance for needy

1 families and working connections child care. The department must also
2 report on the number of children served through contracted slots.

3 (7) \$1,194,000 of the general fund—state appropriation for fiscal
4 year 2016, \$1,926,000 of the general fund—state appropriation for
5 fiscal year 2017, and \$13,424,000 of the general fund—federal
6 appropriation are provided solely for the seasonal child care
7 program. If federal sequestration cuts are realized, cuts to the
8 seasonal child care program must be proportional to other federal
9 reductions made within the department.

10 (8) \$4,674,000 of the general fund—state appropriation for fiscal
11 year 2016 and \$4,674,000 of the general fund—state appropriation for
12 fiscal year 2017 are provided solely for the early childhood
13 intervention prevention services (ECLIPSE) program. The department
14 shall contract for ECLIPSE services to provide therapeutic child care
15 and other specialized treatment services to abused, neglected, at-
16 risk, and/or drug-affected children. Priority for services shall be
17 given to children referred from the department of social and health
18 services children's administration. Of the amounts appropriated in
19 this subsection, \$60,000 per fiscal year may be used by the
20 department for administering the ECLIPSE program, if needed.

21 (9) \$47,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$46,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely for implementation of Engrossed
24 Substitute House Bill No. 1126 (fatality review).

25 (10) \$23,529,000 of the general fund—state appropriation for
26 fiscal year 2016, (~~(\$41,087,000)~~) \$39,294,000 of the general fund—
27 state appropriation for fiscal year 2017, and \$36,006,000 of the
28 general fund—federal appropriation are provided solely for the
29 implementation of Engrossed Second Substitute House Bill No. 1491
30 (early care and education system). Of the amounts provided in this
31 subsection:

32 (a) \$60,817,000 is for quality rating and improvement system
33 activities, including but not limited to: Level two activities,
34 technical assistance, coaching, rating, and quality improvement
35 awards. The department shall place a 10 percent administrative
36 overhead cap on any contract entered into with the University of
37 Washington.

38 (b) \$10,895,000 is for degree and retention incentives and
39 scholarship and tuition reimbursements.

1 (c) (~~(\$12,828,000)~~) \$11,035,000 is for level 2 payments and tiers
2 3, 4, and 5 payments for child care licensed family home and center
3 providers. Additional amounts for licensed family home providers are
4 provided separately in fiscal year 2016 as part of a collective
5 bargaining agreement part IX of this act.

6 (11) \$1,808,000 of the general fund—state appropriation for
7 fiscal year 2016 and \$1,728,000 of the general fund—state
8 appropriation for fiscal year 2017 are provided solely for reducing
9 barriers for low-income providers to participate in the early
10 achievers program consistent with Engrossed Second Substitute House
11 Bill No. 1491 (early care and education system). Of the amounts
12 provided in this subsection:

13 (a) \$2,000,000 is for need-based grants. Additional amounts for
14 child care licensed family home providers are provided separately as
15 part of a collective bargaining agreement part IX of this act.

16 (b) \$1,336,000 is for the creation of a substitute pool.

17 (c) \$200,000 is for the development of materials and assessments
18 in provider and family home languages.

19 (12) \$300,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$300,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for a contract with a nonprofit
22 entity experienced in the provision of promoting early literacy for
23 children through pediatric office visits.

24 (13) \$4,000,000 of the education legacy trust account—state
25 appropriation is provided solely for early intervention assessment
26 and services.

27 (14) Information technology projects or investments and proposed
28 projects or investments impacting time capture, payroll and payment
29 processes and systems, eligibility, case management and authorization
30 systems within the department of early learning are subject to
31 technical oversight by the office of the chief information officer.
32 The department must collaborate with the office of the chief
33 information officer to develop a strategic business and technology
34 architecture plan for a child care attendance and billing system that
35 supports a statewide architecture.

36 (15)(a)(i) The department of early learning is required to
37 provide to the education research and data center, housed at the
38 office of financial management, data on all state-funded early
39 childhood programs. These programs include the early support for

1 infants and toddlers, early childhood education and assistance
2 program (ECEAP), and the working connections and seasonal subsidized
3 childcare programs including license exempt facilities or family,
4 friend, and neighbor care. The data provided by the department to the
5 education research data center must include information on children
6 who participate in these programs, including their name and date of
7 birth, and dates the child received services at a particular
8 facility.

9 (ii) ECEAP early learning professionals must enter any new
10 qualifications into the department's professional development
11 registry during the 2015-16 school year. By October 2017, the
12 department must provide updated ECEAP early learning professional
13 data to the education research data center.

14 (iii) The department must request federally funded head start
15 programs to voluntarily provide data to the department and the
16 education research data center that is equivalent to what is being
17 provided for state-funded programs.

18 (iv) The education research and data center must provide an
19 updated report on early childhood program participation and K-12
20 outcomes to the house of representatives appropriations committee and
21 the senate ways and means committee using available data by November
22 2015 for the school year ending in 2014 and again in March 2016 for
23 the school year ending in 2015.

24 (b) The department, in consultation with the department of social
25 and health services, must withhold payment for services to early
26 childhood programs that do not report on the name, date of birth, and
27 the dates a child received services at a particular facility.

28 (16) The department shall work with state and local law
29 enforcement, federally recognized tribal governments, and tribal law
30 enforcement to develop a process for expediting fingerprinting and
31 data collection necessary to conduct background checks for tribal
32 early learning and child care providers.

33 (17) \$3,777,000 of the general fund—state appropriation for
34 fiscal year 2017 is provided solely for the supplemental agreement to
35 the 2015-2017 collective bargaining agreement covering family child
36 care providers as set forth in section 905 of this act. Of the
37 amounts provided in this subsection:

38 (a) \$638,000 is for a base rate increase;

39 (b) \$956,000 is for an increase in tiered reimbursement rates for
40 levels three through five;

- 1 (c) \$1,315,000 is for an increase in quality improvement awards;
- 2 (d) \$478,000 is provided for training and quality improvement
- 3 support services to family child care providers provided by the
- 4 501(c)(3) organization created for this purpose;
- 5 (e) \$190,000 is provided for the administration of the family
- 6 child care training and quality improvement fund and participation in
- 7 the joint committee on family child care providers training and
- 8 quality improvement; and
- 9 (f) \$200,000 is provided for a slot-based pilot.

10 **Sec. 1612.** 2016 sp.s. c 36 s 613 (uncodified) is amended to read
 11 as follows:

12 **FOR THE STATE SCHOOL FOR THE BLIND**

13	General Fund—State Appropriation (FY 2016).	\$6,419,000
14	General Fund—State Appropriation (FY 2017).	(\$6,579,000)
15		<u>\$6,812,000</u>
16	General Fund—Private/Local Appropriation.	\$34,000
17	TOTAL APPROPRIATION.	(\$13,032,000)
18		<u>\$13,265,000</u>

19 The appropriations in this section are subject to the following
 20 conditions and limitations: Funding provided in this section is
 21 sufficient for the school to offer to students enrolled in grades
 22 nine through twelve for full-time instructional services at the
 23 Vancouver campus with the opportunity to participate in a minimum of
 24 one thousand eighty hours of instruction and the opportunity to earn
 25 twenty-four high school credits.

26 **Sec. 1613.** 2016 sp.s. c 36 s 615 (uncodified) is amended to read
 27 as follows:

28 **FOR THE WASHINGTON STATE ARTS COMMISSION**

29	General Fund—State Appropriation (FY 2016).	\$1,143,000
30	General Fund—State Appropriation (FY 2017).	(\$1,166,000)
31		<u>\$1,204,000</u>
32	General Fund—Federal Appropriation.	\$2,100,000
33	General Fund—Private/Local Appropriation.	\$18,000
34	TOTAL APPROPRIATION.	(\$4,427,000)
35		<u>\$4,465,000</u>

1 **Sec. 1614.** 2016 sp.s. c 36 s 617 (uncodified) is amended to read
2 as follows:

3 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

4	General Fund—State Appropriation (FY 2016).	\$1,789,000
5	General Fund—State Appropriation (FY 2017).	(\$1,833,000)
6		<u>\$1,923,000</u>
7	TOTAL APPROPRIATION.	(\$3,622,000)
8		<u>\$3,712,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations: The eastern Washington state historical
11 society shall develop a plan for creating a performance-based
12 partnership agreement between the state of Washington and the not-
13 for-profit Northwest museum of arts and culture for implementation in
14 the 2017-2019 fiscal biennium. The plan at minimum shall include
15 strategies to increase nonstate revenues for the operation of the
16 museum and estimate the minimum amount of state funding necessary to
17 preserve, maintain, and protect state-owned facilities and assets.
18 The plan shall be submitted to the office of financial management and
19 the fiscal committees of the legislature by October 1, 2016.

(End of part)

PART XVII

SPECIAL APPROPRIATIONS

Sec. 1701. 2016 sp.s. c 36 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

Table with 2 columns: Description and Amount. Rows include General Fund—State Appropriation (FY 2016), General Fund—State Appropriation (FY 2017), State Building Construction Account—State Appropriation, Debt-Limit Reimbursable Bond Retirement Account—State Appropriation, Columbia River Basin Water Supply Development Account—State Appropriation, Columbia River Basin Taxable Bond Water Supply Development Account—State Appropriation, State Taxable Building Construction Account—State Appropriation, and TOTAL APPROPRIATION.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

Sec. 1702. 2015 3rd sp.s. c 4 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

Table with 2 columns: Description and Amount. Rows include General Fund—State Appropriation (FY 2016), General Fund—State Appropriation (FY 2017), Nondebt-Limit Reimbursable Bond Retirement Account—State Appropriation, and TOTAL APPROPRIATION.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the nondebt-limit general fund bond retirement account.

Sec. 1703. 2016 sp.s. c 36 s 706 (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 for fiscal year 2016 or fiscal year 2017, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims.

(1) These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

- (a) David Wozny, claim number 99970105. \$9,832
(b) Hugo Garibay, claim number 99970106. \$10,246
(c) Emery Christianson, claim number 99970107. \$7,445
(d) Anton Ehinger, claim number 99970108. \$6,726
(e) Alan Graham, claim number 99970109. \$5,495
(f) Joseph Compher, claim number 99970110. \$32,235
(g) Alex Hallowell, claim number 99970111. \$22,403
(h) James Clark, claim number 99970112. \$8,250
(i) David Hill, claim number 99970114. \$3,056
(j) David Maulen, claim number 99970113. \$19,726
(k) Stephen White, claim number 99970115. \$25,097
(l) Richard Brunhaver, claim number 99970116. \$14,079
(m) James Barnett, claim number 99970117. \$39,608
(n) Justin Carter, claim number 99970118. \$35,179
(o) Derrick Moore, claim number 99970119. \$23,474
(p) Joshua Bessey, claim number 99970120. \$66,600
(q) Jason Swanberg, claim number 99970121. \$7,905
(r) Max Willis, claim number 99970123. \$26,205
(s) Jesica Bush, claim number 99970124. \$22,990
(t) Rolondo Cavazos, claim number 99970125. \$32,438
(u) Jared Ha, claim number 99970127. \$45,104

1	(v) Eric Thompson, claim number 99970128.	\$15,127
2	(w) Meghan Altringer, claim number 99970129.	\$5,484
3	(x) James Wenzel, claim number 99970130.	\$5,240
4	(y) Arturo Rodriguez Ramos, claim number 99970131.	\$12,000
5	(z) Joel Gentleman, claim number 99970132.	\$16,173
6	(aa) Richard Cooper, claim number 99970133.	\$17,810
7	(bb) Michelle Trafford, claim number 99970136.	\$10,582
8	(cc) Linda Gipson, claim number 99970137.	\$316,531
9	(dd) Patrick Kelly, claim number 99970126.	\$8,483
10	(ee) Joseph Miller, claim number 99970137.	\$9,818
11	(ff) Brian Ashley, claim number 99970140.	\$10,586
12	(gg) Crispin Ramirez, claim number 99970141.	\$6,000
13	(hh) Billy Falla, claim number 99970143.	\$3,678

14 (2) These appropriations are to be disbursed on vouchers approved
15 by the director of the department of enterprise services, except as
16 otherwise provided, for payment of compensation for wrongful
17 convictions pursuant to RCW 4.100.060, as follows:

18	Michael Wheeler, claim number 99970122.	\$466,711
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19 NEW SECTION. **Sec. 1704.** A new section is added to 2015 3rd
20 sp.s. c 4 (uncodified) to read as follows:

21 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—REPAYMENT TO FEDERAL**
22 **GOVERNMENT**

23	General Fund—State Appropriation (FY 2017)	\$425,000
----	--	-----------

24 The appropriation in this section is subject to the following
25 conditions and limitations: The appropriation is provided solely to
26 repay the federal government a percentage of the federal funds paid
27 into certain revolving accounts that were transferred to the general
28 fund in fiscal years 2016 and 2017 as required by Appendix V of 2
29 C.F.R. Part 200(G)(4)(2013).

30 NEW SECTION. **Sec. 1705.** A new section is added to 2015 3rd
31 sp.s. c 4 (uncodified) to read as follows:

32 **FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY**

33	Forest Development Account—State Appropriation	\$64,000
34	Aquatic Lands Enhancement Account—State Appropriation	\$8,000
35	Resources Management Cost Account—State Appropriation	\$136,000
36	Surface Mining Reclamation Account—State Appropriation	\$3,000
37	Forest Fire Protection Assessment Account—State	

1	Appropriation	\$39,000
2	State Forest Nursery Revolving Account—State Appropriation . .	\$6,000
3	Access Road Revolving Account—State Appropriation	\$32,000
4	Park Land Trust Revolving Account—State Appropriation	\$4,000
5	Contract Harvesting Revolving Account—State Appropriation . .	\$4,000
6	Forest Practices Application Account—State	
7	Appropriation	\$2,000
8	Agricultural College Trust Management Account—State	
9	Appropriation.	\$4,000
10	TOTAL APPROPRIATION.	\$302,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: The appropriations in this section are
13 provided solely for expenditure into the consolidated technology
14 services revolving account for payment of the department of natural
15 resources' share of the debt service allocation for the state data
16 center for the programs funded by the accounts in this section.

17 NEW SECTION. **Sec. 1706.** A new section is added to 2015 3rd
18 sp.s. c 4 (uncodified) to read as follows:

19 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—JUDICIAL STABILIZATION TRUST**
20 **ACCOUNT**

21 General Fund—State Appropriation (FY 2017) \$1,029,000

22 The appropriation in this section is subject to the following
23 conditions and limitations: The appropriation is provided solely for
24 expenditure into the judicial stabilization trust account in RCW
25 43.79.505 in an amount not to exceed the amount necessary to prevent
26 a deficit in the account.

27 NEW SECTION. **Sec. 1707.** A new section is added to 2015 3rd
28 sp.s. c 4 (uncodified) to read as follows:

29 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—SKELETAL HUMAN REMAINS**
30 **ASSISTANCE ACCOUNT**

31 General Fund—State Appropriation (FY 2017). \$140,000

32 The appropriation in this section is subject to the following
33 conditions and limitations: The appropriation is provided solely for
34 expenditure into the skeletal human remains assistance account.

(End of part)

PART XVIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1801. 2016 sp.s. c 36 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions. ((~~\$9,286,000~~))
\$9,176,000

General Fund Appropriation for public utility district excise tax distributions. ((~~\$57,861,000~~))
\$57,833,000

General Fund Appropriation for prosecuting attorney distributions. ((~~\$6,375,000~~))
\$6,396,000

General Fund Appropriation for boating safety and education distributions. ((~~\$4,000,000~~))
\$3,682,000

General Fund Appropriation for other tax distributions. ((~~\$86,000~~))
\$82,000

General Fund Appropriation for habitat conservation program distributions. \$3,848,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies. \$3,135,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution. \$140,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties. ((~~\$76,600,000~~))
\$68,914,000

County Criminal Justice Assistance Appropriation
When making the fiscal year 2016 and 2017 distributions to Grant county, the state treasurer shall reduce the amount by \$140,000 each year and distribute the remainder to the county. This is the second and third of three reductions that have been made to reimburse the state for a nonqualifying extraordinary criminal justice act payment made to Grant county in

1	fiscal year 2013.	((\$86,178,000))
2		<u>\$87,877,000</u>
3	Municipal Criminal Justice Assistance	
4	Appropriation.	((\$33,493,000))
5		<u>\$34,476,000</u>
6	City-County Assistance Account Appropriation for	
7	local government financial assistance	
8	distribution.	((\$24,899,000))
9		<u>\$24,499,000</u>
10	Liquor Excise Tax Account Appropriation for liquor	
11	excise tax distribution.	((\$50,680,000))
12		<u>\$48,785,000</u>
13	Streamlined Sales and Use Tax Mitigation Account	
14	Appropriation for distribution to local taxing	
15	jurisdictions to mitigate the unintended revenue	
16	redistribution effect of the sourcing law	
17	changes.	((\$46,762,000))
18		<u>\$45,816,000</u>
19	Columbia River Water Delivery Account Appropriation	
20	for the Confederated Tribes of the Colville	
21	Reservation.	\$7,907,000
22	Columbia River Water Delivery Account Appropriation	
23	for the Spokane Tribe of Indians.	\$5,167,000
24	Liquor Revolving Account Appropriation for liquor	
25	profits distribution.	\$98,876,000
26	TOTAL APPROPRIATION.	((\$515,293,000))
27		<u>\$503,828,000</u>

28 The total expenditures from the state treasury under the
29 appropriations in this section shall not exceed the funds available
30 under statutory distributions for the stated purposes.

31 **Sec. 1802.** 2016 sp.s. c 36 s 804 (uncodified) is amended to read
32 as follows:

33 **FOR THE STATE TREASURER—TRANSFERS**

34 State Treasurer's Service Account: For transfer to
35 the state general fund, \$10,000,000 for fiscal
36 year 2016 and \$10,000,000 for fiscal year 2017. . . . \$20,000,000
37 General Fund: For transfer to the streamlined sales
38 and use tax account, ((~~\$23,398,000~~)) \$23,478,000

1 for fiscal year 2016 and (~~(\$23,364,000)~~)
 2 \$22,338,000 for fiscal year 2017. (~~(\$46,762,000)~~)
 3 \$45,816,000
 4 Dedicated Marijuana Account: For transfer to the
 5 state general fund in an amount not to exceed
 6 the amount determined pursuant to RCW 69.50.540,
 7 \$70,000,000 for fiscal year 2016. \$70,000,000
 8 Dedicated Marijuana Account: For transfer to the
 9 state general fund (~~(in an amount not to exceed)~~),
 10 the lesser of the amount determined pursuant
 11 to RCW 69.50.540(~~(, \$100,000,000)~~) or this amount
 12 for fiscal year 2017. \$100,000,000
 13 Dedicated Marijuana Fund Account for distribution to
 14 the basic health plan trust account in an amount
 15 not to exceed the amount determined pursuant to
 16 RCW 69.50.540 plus \$14,000,000, \$125,000,000 for
 17 fiscal year 2016 \$125,000,000
 18 Dedicated Marijuana Account: For transfer to the
 19 basic health plan trust account (~~(in an amount not~~
 20 ~~to exceed)~~), the lesser of the amount determined
 21 pursuant to RCW 69.50.540(~~(, \$150,000,000)~~)
 22 or this amount for fiscal year 2017. \$150,000,000
 23 Tobacco Settlement Account: For transfer to the state
 24 general fund, in an amount not to exceed the
 25 actual amount of the annual base payment to the
 26 tobacco settlement account for fiscal year
 27 2016. \$90,000,000
 28 Tobacco Settlement Account: For transfer to the
 29 state general fund, in an amount not to exceed
 30 the actual amount of the 2017 annual base payment
 31 to the tobacco settlement account. \$90,000,000
 32 Tobacco Settlement Account: For transfer to the state
 33 general fund, in an amount not to exceed the
 34 annual strategic contribution payment to the
 35 tobacco settlement account for fiscal year 2016. (~~(\$26,000,000)~~)
 36 \$26,950,000
 37 Tobacco Settlement Account: For transfer to the
 38 state general fund, in an amount not to exceed
 39 the annual strategic contribution payment to
 40 the tobacco settlement account for fiscal year

1	2017.	((\$25,400,000))
2		<u>\$26,822,000</u>
3	Life Sciences Discovery Fund: For transfer to the	
4	state general fund for fiscal year 2016.	\$11,000,000
5	Energy Freedom Account: For transfer to the state	
6	general fund for fiscal year 2016, an amount	
7	not to exceed the actual ending cash balance	
8	of the fund.	\$3,300,000
9	State Toxics Control Account: For transfer to the	
10	clean up settlement account as repayment of the	
11	loan provided in section 3022(2) chapter 2,	
12	Laws of 2012, 2nd sp. sess. (ESB 6074 2012	
13	supplemental capital budget), \$643,000 for	
14	fiscal year 2016 and \$643,000 for fiscal	
15	year 2017.	\$1,286,000
16	Aquatic Lands Enhancement Account: For transfer	
17	to the clean up settlement account as repayment	
18	of the loan provided in section 3022(2) chapter	
19	2, Laws of 2012, 2nd sp. sess. (ESB 6074 2012	
20	supplemental capital budget), \$643,000 for	
21	fiscal year 2016 and \$643,000 for fiscal	
22	year 2017.	\$1,286,000
23	Home Security Fund Account: For transfer to the	
24	transitional housing operating and rent account,	
25	\$7,500,000 for fiscal year 2016.	\$7,500,000
26	Public Works Assistance Account: For transfer to the	
27	state general fund, \$36,500,000 for fiscal	
28	year 2016 and \$52,500,000 for fiscal	
29	year 2017.	\$89,000,000
30	Criminal Justice Treatment Account: For transfer to	
31	the state general fund \$5,652,000 for fiscal	
32	year 2016 and \$5,651,000 for fiscal year 2017.	\$11,303,000
33	Liquor Revolving Account: For transfer to the state	
34	general fund, \$3,000,000 for fiscal year 2016	
35	and \$3,000,000 for fiscal year 2017.	\$6,000,000
36	Flood Control Assistance Account: For transfer	
37	to the state general fund, \$1,350,000	
38	for fiscal year 2016 and \$1,000,000 for fiscal year	
39	2017.	\$2,350,000
40	Law Enforcement Officers' and Firefighters' Plan 2	

1 Retirement Fund: For transfer to the local law
2 enforcement officers' and firefighters'
3 retirement system benefits improvement account
4 for fiscal year 2016. \$15,779,000
5 Aerospace Training Student Loan Account: For
6 transfer to the state general fund, \$1,000,000
7 for FY 2016 and \$1,000,000 for FY 2017. \$2,000,000
8 Water Rights Processing Account: For transfer
9 to the state drought preparedness account,
10 \$332,000 for fiscal year 2016. \$332,000
11 (~~Death Investigations Account: For transfer to~~
12 ~~the sexual assault kit account,~~
13 ~~\$1,732,000 for fiscal year 2017. \$1,732,000~~)
14 Fingerprint Identification Account: For
15 transfer to the sexual assault kit account,
16 ((~~\$1,179,000~~)) \$2,911,000 for fiscal year 2017. ((~~\$1,179,000~~))
17 \$2,911,000
18 Charitable, Educational, Penal, and Reformatory
19 Institutions Account: For transfer to the state
20 general fund, \$1,000,000 for fiscal year 2016. \$1,000,000
21 Marine Resources Stewardship Trust Account: For
22 transfer to the aquatic lands enhancement account,
23 \$975,000 for fiscal year 2016. \$975,000
24 Vessel Response Account: For transfer to the
25 environmental legacy stewardship account,
26 \$250,000 for fiscal year 2016. \$250,000
27 Savings Incentive Account: For transfer to the state
28 general fund for fiscal year 2016, an amount attributable
29 to unspent agency credits excluding those
30 associated with legislative and judicial agencies. . . . \$1,071,000
31 Employment Services Administrative Account: For transfer
32 to the state general fund, \$750,000 for fiscal year 2016
33 and \$2,250,000 for fiscal year 2017. \$3,000,000
34 Washington Housing Trust Account: For transfer
35 to the home security fund account. \$7,000,000
36 Washington Housing Trust Account: For transfer to
37 the state general fund for fiscal year 2017. \$3,000,000
38 Employment Services Administrative Account: For
39 transfer to the administrative contingency
40 fund account for fiscal year 2017. \$8,500,000

1 OFM Labor Relations Service Account: For transfer
 2 to the state general fund for fiscal year 2017. . . . \$1,000,000
 3 Personnel Service Fund: For transfer to the state
 4 general fund for fiscal year 2017. \$500,000
 5 Washington Real Estate Research Account: For
 6 transfer to the state general fund for
 7 fiscal year 2017. \$500,000
 8 Professional Engineers' Account: For transfer
 9 to the state general fund for fiscal year 2017. \$500,000
 10 Real Estate Commission Account: For transfer
 11 to the state general fund for fiscal year 2017. \$500,000
 12 General Fund: For transfer to the disaster
 13 response account for fiscal year 2017. \$42,000,000

14 It is the intent of the legislature to continue to transfer the
 15 excess balance from the criminal justice treatment account to the
 16 state general fund in the 2017-2019 fiscal biennium, consistent with
 17 policy in this omnibus appropriations act and in an amount not to
 18 exceed the projected fund balance.

19 It is the intent of the legislature to continue to transfer the
 20 excess balance from the state treasurer's service account to the
 21 state general fund in the 2017-2019 fiscal biennium, consistent with
 22 policy in this omnibus appropriations act and in an amount not to
 23 exceed the projected fund balance.

(End of part)

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