

**PROPOSED SENATE
2005-07
OPERATING BUDGET
BUDGET BILL (PSSB 6090)**

SENATE CHAIR

**SENATE WAYS & MEANS COMMITTEE
MARCH 28, 2005**

1 AN ACT Relating to fiscal matters; amending RCW 28A.160.195,
2 28A.305.210, 28A.500.030, 41.05.120, 41.50.110, 41.50.110, 43.07.130,
3 43.08.190, 43.08.250, 43.10.180, 43.43.944, 43.70.320, 43.72.900,
4 66.16.010, 67.40.040, 69.50.520, 70.93.180, 70.105D.070, 70.146.030,
5 70.146.080, 70.148.020, 72.11.040, 74.09.5225, 74.46.431, 79.64.040,
6 79.90.245, and 86.26.007; reenacting and amending RCW 43.320.110;
7 creating new sections; making appropriations; providing an effective
8 date; providing expiration dates; and declaring an emergency.

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

10 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
11 to the provisions set forth in the following sections, the several
12 amounts specified in parts I through VIII of this act, or so much
13 thereof as shall be sufficient to accomplish the purposes designated,
14 are hereby appropriated and authorized to be incurred for salaries,
15 wages, and other expenses of the agencies and offices of the state and
16 for other specified purposes for the fiscal biennium beginning July 1,
17 2005, and ending June 30, 2007, except as otherwise provided, out of
18 the several funds of the state hereinafter named.

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

(a) "Fiscal year 2006" or "FY 2006" means the fiscal year ending June 30, 2006.

(b) "Fiscal year 2007" or "FY 2007" means the fiscal year ending June 30, 2007.

(c) "FTE" means full time equivalent.

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

(e) "Provided solely" means the specified amount may be spent only for the specified purpose.

Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is unnecessary to fulfill the specified purpose shall lapse.

PART I

GENERAL GOVERNMENT

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

General Fund--State Appropriation (FY 2006)	. . . . .	\$29,150,000
General Fund--State Appropriation (FY 2007)	. . . . .	\$29,372,000
TOTAL APPROPRIATION	. . . . .	\$58,522,000

NEW SECTION. Sec. 102. FOR THE SENATE

General Fund--State Appropriation (FY 2006)	. . . . .	\$22,473,000
General Fund--State Appropriation (FY 2007)	. . . . .	\$24,301,000
TOTAL APPROPRIATION	. . . . .	\$46,774,000

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

General Fund--State Appropriation (FY 2006)	. . . . .	\$1,874,000
General Fund--State Appropriation (FY 2007)	. . . . .	\$1,870,000
TOTAL APPROPRIATION	. . . . .	\$3,744,000

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

General Fund--State Appropriation (FY 2006)	. . . . .	\$1,677,000
General Fund--State Appropriation (FY 2007)	. . . . .	\$1,829,000

1 TOTAL APPROPRIATION \$3,506,000

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

3 Department of Retirement Systems Expense Account--
4 State Appropriation \$2,902,000

5 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
6 **COMMITTEE**

7 General Fund--State Appropriation (FY 2006) \$7,089,000
8 General Fund--State Appropriation (FY 2007) \$7,107,000
9 TOTAL APPROPRIATION \$14,196,000

10 The appropriations in this section are subject to the following
11 condition and limitation: \$100,000 of the general fund--state
12 appropriation for fiscal year 2007 is provided solely for consultant
13 costs related to the study of regional jail facilities required by
14 Senate Bill No. 5763 (mental disorders treatment). If Senate Bill No.
15 5763 is not enacted by June 30, 2005, the amount provided in this
16 subsection shall lapse.

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

18 General Fund--State Appropriation (FY 2006) \$3,975,000
19 General Fund--State Appropriation (FY 2007) \$4,209,000
20 TOTAL APPROPRIATION \$8,184,000

21 NEW SECTION. **Sec. 108. LEGISLATIVE AGENCIES.** In order to achieve
22 operating efficiencies within the financial resources available to the
23 legislative branch, the executive rules committee of the house of
24 representatives and the facilities and operations committee of the
25 senate by joint action may transfer funds among the house of
26 representatives, senate, joint legislative audit and review committee,
27 legislative evaluation and accountability program committee,
28 legislative transportation committee, office of the state actuary,
29 joint legislative systems committee, and statute law committee.

30 NEW SECTION. **Sec. 109. FOR THE SUPREME COURT**

31 General Fund--State Appropriation (FY 2006) \$5,836,000
32 General Fund--State Appropriation (FY 2007) \$5,991,000
33 TOTAL APPROPRIATION \$11,827,000

1 NEW SECTION. **Sec. 110. FOR THE LAW LIBRARY**

2	General Fund--State Appropriation (FY 2006)	\$1,972,000
3	General Fund--State Appropriation (FY 2007)	\$1,971,000
4	TOTAL APPROPRIATION	\$3,943,000

5 NEW SECTION. **Sec. 111. FOR THE COURT OF APPEALS**

6	General Fund--State Appropriation (FY 2006)	\$13,332,000
7	General Fund--State Appropriation (FY 2007)	\$13,590,000
8	TOTAL APPROPRIATION	\$26,922,000

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

10	General Fund--State Appropriation (FY 2006)	\$1,025,000
11	General Fund--State Appropriation (FY 2007)	\$1,063,000
12	TOTAL APPROPRIATION	\$2,088,000

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

14	General Fund--State Appropriation (FY 2006)	\$18,894,000
15	General Fund--State Appropriation (FY 2007)	\$19,048,000
16	Public Safety and Education Account--State	
17	Appropriation	\$55,879,000
18	Judicial Information Systems Account--State	
19	Appropriation	\$25,199,000
20	TOTAL APPROPRIATION	\$119,020,000

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

23 (1) \$900,000 of the general fund--state appropriation for fiscal
24 year 2006 and \$900,000 of the general fund--state appropriation for
25 fiscal year 2007 are provided solely for court-appointed special
26 advocates in dependency matters. The administrator for the courts,
27 after consulting with the association of juvenile court administrators
28 and the association of court-appointed special advocate/guardian ad
29 litem programs, shall distribute the funds to volunteer court-appointed
30 special advocate/guardian ad litem programs. The distribution of
31 funding shall be based on the number of children who need volunteer
32 court-appointed special advocate representation and shall be equally
33 accessible to all volunteer court-appointed special advocate/guardian
34 ad litem programs. The administrator for the courts shall not retain

1 more than six percent of total funding to cover administrative or any
2 other agency costs.

3 (2) \$3,000,000 of the public safety and education account
4 appropriation is provided solely for school district petitions to
5 juvenile court for truant students as provided in RCW 28A.225.030 and
6 28A.225.035. The office of the administrator for the courts shall
7 develop an interagency agreement with the office of the superintendent
8 of public instruction to allocate the funding provided in this
9 subsection. Allocation of this money to school districts shall be
10 based on the number of petitions filed.

11 (3) \$13,224,000 of the public safety and education account
12 appropriation is provided solely for distribution to county juvenile
13 court administrators to fund the costs of processing truancy, children
14 in need of services, and at-risk youth petitions. The office of the
15 administrator for the courts shall not retain any portion of these
16 funds to cover administrative costs. The office of the administrator
17 for the courts, in conjunction with the juvenile court administrators,
18 shall develop an equitable funding distribution formula. The formula
19 shall neither reward counties with higher than average per-petition
20 processing costs nor shall it penalize counties with lower than average
21 per-petition processing costs.

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

27 (5) Each fiscal year during the 2005-07 fiscal biennium, each
28 county shall report the number of petitions processed and the total
29 actual costs of processing truancy, children in need of services, and
30 at-risk youth petitions. Counties shall submit the reports to the
31 administrator for the courts no later than 45 days after the end of the
32 fiscal year. The administrator for the courts shall electronically
33 transmit this information to the chairs and ranking minority members of
34 the house of representatives appropriations committee and the senate
35 ways and means committee no later than 60 days after a fiscal year
36 ends. These reports are deemed informational in nature and are not for
37 the purpose of distributing funds.

1 (6) \$7,231,000 of the public safety and education account--state
2 appropriation is provided solely for distribution to local governments
3 to pay for district and certain municipal court judges' salaries
4 pursuant to Senate Bill No. 5454 (court operations). If Senate Bill
5 No. 5454 is not enacted by June 30, 2005, the amount provided in this
6 subsection shall lapse.

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

8	General Fund--State Appropriation (FY 2006)	\$3,985,000
9	General Fund--State Appropriation (FY 2007)	\$7,368,000
10	Public Safety and Education Account--State	
11	Appropriation	\$13,734,000
12	Public Benefit Account--State Appropriation	\$4,740,000
13	TOTAL APPROPRIATION	\$29,827,000

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

16 (1) \$51,000 of the public safety and education account
17 appropriation is provided solely for the office of public defense's
18 costs in implementing chapter 303, Laws of 1999 (court funding).

19 (2) Amounts provided from the public safety and education account
20 appropriation in this section include funding for investigative
21 services in death penalty personal restraint petitions.

22 (3) \$300,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$300,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely to contract with the Washington
25 defender association to continue services previously funded from the
26 federal drug control and system improvement formula grant through the
27 department of community, trade, and economic development.

28 (4) \$740,000 of the public benefit account--state appropriation is
29 provided solely for training and technical assistance for trial-level
30 criminal indigent defense. If Senate Bill No. 5287 (social card games)
31 is not enacted by June 30, 2005, the amount provided in this subsection
32 shall lapse.

33 (5) \$4,000,000 of the public benefit account--state appropriation
34 is provided solely for a criminal indigent defense pilot program. If
35 Senate Bill No. 5287 (social card games) is not enacted by June 30,
36 2005, the amount provided in this subsection shall lapse.

1 (a) The goal of the pilot program shall be to enhance the quality
2 of legal representation of indigent criminal defendants charged with
3 felony or misdemeanor offenses. To meet this goal, the pilot program
4 shall include the following components:

5 (i) Effective implementation of indigency screening of all
6 defendants represented by appointed counsel;

7 (ii) Implementation of enhanced defense attorney practice standards
8 consistent with the Washington state bar association standards as
9 currently written or revised, including but not limited to those
10 related to reasonable case preparation and the delivery of adequate
11 client advice; and

12 (iii) Use of investigative and expert services in appropriate
13 cases.

14 (b) The director shall contract for an independent evaluation of
15 the pilot program benefits and costs. An interim evaluation shall be
16 submitted to the chief justice of the supreme court, the governor, and
17 the fiscal committees of the legislature no later than January 1, 2006.
18 A final evaluation shall be submitted to the chief justice of the
19 supreme court, the governor, and the fiscal committees of the
20 legislature no later than December 1, 2007.

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

22	General Fund--State Appropriation (FY 2006)	\$5,474,000
23	General Fund--State Appropriation (FY 2007)	\$4,928,000
24	General Fund--Federal Appropriation	\$1,350,000
25	Water Quality Account--State Appropriation	\$4,112,000
26	Oil Spill Prevention Account--State Appropriation	\$508,000
27	TOTAL APPROPRIATION	\$16,372,000

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

30 (1) \$4,112,000 of the water quality account appropriation and
31 \$1,150,000 of the general fund--federal appropriation are provided
32 solely for the Puget Sound water quality action team to implement the
33 Puget Sound conservation and recovery plan action items PSAT-01 through
34 PSAT-06.

35 (2) \$200,000 of the general fund--state appropriation for fiscal
36 year 2006, \$200,000 of the general fund--state appropriation for fiscal
37 year 2007, and \$200,000 of the general fund--federal appropriation are

1 provided solely for one-time corrective actions to address Hood canal's
2 dissolved oxygen problems, the Puget Sound conservation and recovery
3 plan action item PSAT-07.

4 (3) The Puget Sound water quality action team shall make
5 recommendations to improve, change, or eliminate monitoring activities
6 that impact performance measures related to salmon recovery and
7 watershed health. The Puget Sound water quality action team shall
8 coordinate with the governor's forum on monitoring and watershed health
9 and consult with the office of financial management in determining the
10 scope and contents of this report.

11 In preparing these recommendations, the Puget Sound water quality
12 action team shall prepare a report detailing all new activity and
13 updating all previously identified activity within the comprehensive
14 monitoring strategy with a focus on salmon recovery and watershed
15 health related monitoring activity within the agency. At a minimum,
16 the report shall include sufficient detail identifying the specific
17 salmon recovery and watershed health monitoring activity being
18 performed and include: Precise costs by fund source, a narrative
19 stating why it is required, when the activity started, the frequency of
20 data collection, and geographic location of data being collected.
21 Furthermore, the agency shall also provide sufficient detail that
22 describes the purpose of each monitoring activity, who uses the
23 information, how often it is accessed, where the information is stored,
24 and the current status and cost, by fund source, of the data storage
25 systems housing each monitoring activity identified within the agency.

26 The Puget Sound water quality action team shall provide a status
27 report summarizing progress to the governor's forum on monitoring and
28 watershed health and the office of financial management by March 1,
29 2006. A final report to the governor's forum on monitoring and
30 watershed health, the office of financial management, and legislative
31 fiscal committees is due no later than September 1, 2006.

32 (4) \$100,000 of the general fund--state appropriation for fiscal
33 year 2006 and \$100,000 of the general fund--state appropriation for
34 fiscal year 2007 are provided solely for the implementation of Senate
35 Bill No. 5385 (invasive species council). If the bill is not enacted
36 by June 30, 2005, the amounts provided in this subsection shall lapse.

37 (5) \$115,000 of the general fund--state appropriation for fiscal
38 year 2006 and \$115,000 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely for the implementation of Senate
2 Bill No. 5278 (ocean policy review commission). If the bill is not
3 enacted by June 30, 2005, the amounts provided in this subsection shall
4 lapse.

5 (6) \$508,000 of the oil spill prevention account appropriation is
6 provided solely for the implementation of Senate Bill No. 5432 (oil
7 spill advisory council). If the bill is not enacted by June 30, 2005,
8 the amount provided in this subsection shall lapse.

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

10	General Fund--State Appropriation (FY 2006)	\$715,000
11	General Fund--State Appropriation (FY 2007)	\$726,000
12	TOTAL APPROPRIATION	\$1,441,000

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

14	General Fund--State Appropriation (FY 2006)	\$1,947,000
15	General Fund--State Appropriation (FY 2007)	\$1,942,000
16	TOTAL APPROPRIATION	\$3,889,000

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

18	General Fund--State Appropriation (FY 2006)	\$18,749,000
19	General Fund--State Appropriation (FY 2007)	\$16,807,000
20	General Fund--Federal Appropriation	\$7,025,000
21	Archives and Records Management Account--State	
22	Appropriation	\$8,023,000
23	Local Government Archives Account--State	
24	Appropriation	\$11,773,000
25	Election Account--Federal Appropriation	\$46,993,000
26	TOTAL APPROPRIATION	\$109,370,000

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

29 (1) \$2,296,000 of the general fund--state appropriation for fiscal
30 year 2006 is provided solely to reimburse counties for the state's
31 share of primary and general election costs and the costs of conducting
32 mandatory recounts on state measures. Counties shall be reimbursed
33 only for those odd-year election costs that the secretary of state
34 validates as eligible for reimbursement.

1 (2) \$1,999,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$2,403,000 of the general fund--state appropriation for
3 fiscal year 2007 are provided solely for the verification of initiative
4 and referendum petitions, maintenance of related voter registration
5 records, and the publication and distribution of the voters and
6 candidates pamphlet.

7 (3) \$125,000 of the general fund--state appropriation for fiscal
8 year 2006 and \$118,000 of the general fund--state appropriation for
9 fiscal year 2007 are provided solely for legal advertising of state
10 measures under RCW 29.27.072.

11 (4)(a) \$1,944,004 of the general fund--state appropriation for
12 fiscal year 2006 and \$1,986,772 of the general fund--state
13 appropriation for fiscal year 2007 are provided solely for contracting
14 with a nonprofit organization to produce gavel-to-gavel television
15 coverage of state government deliberations and other events of
16 statewide significance during the 2005-07 biennium. The funding level
17 for each year of the contract shall be based on the amount provided in
18 this subsection. The nonprofit organization shall be required to raise
19 contributions or commitments to make contributions, in cash or in kind,
20 in an amount equal to forty percent of the state contribution. The
21 office of the secretary of state may make full or partial payment once
22 all criteria in (a) and (b) of this subsection have been satisfactorily
23 documented.

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

29 (c) The nonprofit organization shall prepare an annual independent
30 audit, an annual financial statement, and an annual report, including
31 benchmarks that measure the success of the nonprofit organization in
32 meeting the intent of the program.

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

35 (i) Attempting to influence the passage or defeat of any
36 legislation by the legislature of the state of Washington, by any
37 county, city, town, or other political subdivision of the state of

1 Washington, or by the congress, or the adoption or rejection of any
2 rule, standard, rate, or other legislative enactment of any state
3 agency;

- 4 (ii) Making contributions reportable under chapter 42.17 RCW; or
- 5 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
6 lodging, meals, or entertainment to a public officer or employee.

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

9	General Fund--State Appropriation (FY 2006)	\$273,000
10	General Fund--State Appropriation (FY 2007)	\$284,000
11	TOTAL APPROPRIATION	\$557,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The office shall assist the department of
14 personnel on providing the government-to-government training sessions
15 for federal, state, local, and tribal government employees. The
16 training sessions shall cover tribal historical perspectives, legal
17 issues, tribal sovereignty, and tribal governments. Costs of the
18 training sessions shall be recouped through a fee charged to the
19 participants of each session. The department of personnel shall be
20 responsible for all of the administrative aspects of the training,
21 including the billing and collection of the fees for the training.

22 NEW SECTION. **Sec. 120. FOR THE COMMISSION ON ASIAN-PACIFIC-**
23 **AMERICAN AFFAIRS**

24	General Fund--State Appropriation (FY 2006)	\$233,000
25	General Fund--State Appropriation (FY 2007)	\$234,000
26	TOTAL APPROPRIATION	\$467,000

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

28	State Treasurer's Service Account--State	
29	Appropriation	\$13,666,000

30 NEW SECTION. **Sec. 122. FOR THE STATE AUDITOR**

31	General Fund--State Appropriation (FY 2006)	\$731,000
32	General Fund--State Appropriation (FY 2007)	\$727,000
33	State Auditing Services Revolving Account--State	
34	Appropriation	\$13,168,000

1 TOTAL APPROPRIATION \$14,626,000

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

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

9 (2) \$731,000 of the general fund--state appropriation for fiscal
10 year 2006 and \$727,000 of the general fund--state appropriation for
11 fiscal year 2007 are provided solely for staff and related costs to
12 verify the accuracy of reported school district data submitted for
13 state funding purposes; conduct school district program audits of state
14 funded public school programs; establish the specific amount of state
15 funding adjustments whenever audit exceptions occur and the amount is
16 not firmly established in the course of regular public school audits;
17 and to assist the state special education safety net committee when
18 requested.

19 (3) The office shall report to the office of financial management
20 and the appropriate fiscal committees of the legislature detailed
21 information on risk-based auditing, its theory, and its application for
22 the audits performed on Washington state government. The report shall
23 include an explanation of how the office identifies, measures, and
24 prioritizes risk, the manner in which the office uses these factors in
25 the planning and execution of the audits of Washington state
26 government, and the methods and procedures used in the conduct of the
27 risk-based audits themselves. The report is due no later than December
28 1, 2005.

29 **NEW SECTION. Sec. 123. FOR THE CITIZENS' COMMISSION ON SALARIES**
30 **FOR ELECTED OFFICIALS**

31 General Fund--State Appropriation (FY 2006) \$133,000
32 General Fund--State Appropriation (FY 2007) \$202,000
33 TOTAL APPROPRIATION \$335,000

34 **NEW SECTION. Sec. 124. FOR THE ATTORNEY GENERAL**

35 General Fund--State Appropriation (FY 2006) \$5,172,000
36 General Fund--State Appropriation (FY 2007) \$5,052,000

1	General Fund--Federal Appropriation	\$2,927,000
2	Public Safety and Education Account--State	
3	Appropriation	\$2,239,000
4	New Motor Vehicle Arbitration Account--State	
5	Appropriation	\$1,298,000
6	Legal Services Revolving Account--State Appropriation . .	\$182,267,000
7	Tobacco Prevention and Control Account--State	
8	Appropriation	\$270,000
9	TOTAL APPROPRIATION	\$199,225,000

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

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

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

23 NEW SECTION. **Sec. 125. FOR THE CASELOAD FORECAST COUNCIL**

24	General Fund--State Appropriation (FY 2006)	\$712,000
25	General Fund--State Appropriation (FY 2007)	\$695,000
26	TOTAL APPROPRIATION	\$1,407,000

27 NEW SECTION. **Sec. 126. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
28 **AND ECONOMIC DEVELOPMENT**

29	General Fund--State Appropriation (FY 2006)	\$66,836,000
30	General Fund--State Appropriation (FY 2007)	\$69,469,000
31	General Fund--Federal Appropriation	\$246,457,000
32	General Fund--Private/Local Appropriation	\$12,161,000
33	Public Safety and Education Account--State	
34	Appropriation	\$10,113,000
35	Public Works Assistance Account--State Appropriation . . .	\$2,814,000
36	Drinking Water Assistance Administrative Account--	

1	State Appropriation	\$213,000
2	Lead Paint Account--State Appropriation	\$6,000
3	Building Code Council Account--State Appropriation	\$1,108,000
4	Administrative Contingency Account--State	
5	Appropriation	\$1,808,000
6	Low-Income Weatherization Assistance Account--State	
7	Appropriation	\$8,359,000
8	Violence Reduction and Drug Enforcement Account--State	
9	Appropriation	\$10,198,000
10	Manufactured Home Installation Training Account--State	
11	Appropriation	\$236,000
12	Community and Economic Development Fee Account--State	
13	Appropriation	\$1,567,000
14	Washington Housing Trust Account--State	
15	Appropriation	\$17,981,000
16	Homeless Families Service Account--State Appropriation	\$300,000
17	Public Facility Construction Loan Revolving	
18	Account--State Appropriation	\$601,000
19	Public Benefit Account--State Appropriation	\$4,000,000
20	TOTAL APPROPRIATION	\$454,227,000

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

23 (1) \$2,838,000 of the general fund--state appropriation for fiscal
24 year 2006 and \$2,838,000 of the general fund--state appropriation for
25 fiscal year 2007 are provided solely for a contract with the Washington
26 technology center for work essential to the mission of the Washington
27 technology center and conducted in partnership with universities. The
28 center shall not pay any increased indirect rate nor increases in other
29 indirect charges above the absolute amount paid during the 1995-97
30 fiscal biennium.

31 (2) \$61,000 of the general fund--state appropriation for fiscal
32 year 2006 and \$62,000 of the general fund--state appropriation for
33 fiscal year 2007 are provided solely for the implementation of the
34 Puget Sound work plan and agency action item CTED-01.

35 (3) \$5,902,000 of the general fund--federal appropriation is
36 provided solely for the justice assistance grant program, to be
37 distributed in state fiscal year 2006 as follows:

1 (a) \$2,064,000 to local units of government to continue
2 multijurisdictional narcotics task forces;

3 (b) \$330,000 to the department to continue the drug prosecution
4 assistance program in support of multijurisdictional narcotics task
5 forces;

6 (c) \$675,000 to the Washington state patrol for coordination,
7 investigative, and supervisory support to the multijurisdictional
8 narcotics task forces and for methamphetamine education and response;

9 (d) \$20,000 to the department for tribal law enforcement;

10 (e) \$345,000 to the department to continue domestic violence legal
11 advocacy;

12 (f) \$60,000 to the department for community-based advocacy services
13 to victims of violent crime, other than sexual assault and domestic
14 violence;

15 (g) \$351,000 to the department of social and health services,
16 division of alcohol and substance abuse, for juvenile drug courts in
17 eastern and western Washington;

18 (h) \$626,000 to the department of social and health services,
19 juvenile rehabilitation administration, to continue youth violence
20 prevention and intervention projects;

21 (i) \$97,000 to the department to continue evaluation of this grant
22 program;

23 (j) \$290,000 to the office of financial management for criminal
24 history records improvement;

25 (k) \$580,000 to the department for required grant administration,
26 monitoring, and reporting on justice assistance grant programs; and

27 (l) \$464,000 to the department for distribution to small
28 municipalities.

29 These amounts represent the maximum justice assistance grant
30 expenditure authority for each program. No program may expend justice
31 assistance grant funds in excess of the amounts provided in this
32 subsection. If moneys in excess of those appropriated in this
33 subsection become available, whether from prior or current fiscal year
34 distributions, the department shall hold these moneys in reserve and
35 may not expend them without specific appropriation. These moneys shall
36 be carried forward and applied to the pool of moneys available for
37 appropriation for programs and projects in the succeeding fiscal year.

1 As part of its budget request for the succeeding year, the department
2 shall estimate and request authority to spend any justice assistance
3 grant funds.

4 (4) \$170,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$170,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely to fund domestic violence legal
7 advocacy, in recognition of reduced federal grant funding.

8 (5) \$205,000 of the general fund--state appropriation for fiscal
9 year 2006 and \$205,000 of the general fund--state appropriation for
10 fiscal year 2007 are provided solely for grants to Washington Columbia
11 River Gorge counties to implement their responsibilities under the
12 national scenic area management plan. Of this amount, \$390,000 is
13 provided for Skamania county and \$20,000 is provided for Clark county.

14 (6) \$29,178,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$29,606,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for providing early childhood
17 education assistance. Of these amounts, \$2,616,000 in each fiscal year
18 may be used solely to increase the number of children receiving
19 education, and \$263,000 in fiscal year 2006 and \$692,000 in fiscal year
20 2007 are provided solely for a targeted vendor rate increase.

21 (7) Repayments of outstanding loans granted under RCW 43.63A.600,
22 the mortgage and rental assistance program, shall be remitted to the
23 department, including any current revolving account balances. The
24 department shall contract with a lender or contract collection agent to
25 act as a collection agent of the state. The lender or contract
26 collection agent shall collect payments on outstanding loans, and
27 deposit them into an interest-bearing account. The funds collected
28 shall be remitted to the department quarterly. Interest earned in the
29 account may be retained by the lender or contract collection agent, and
30 shall be considered a fee for processing payments on behalf of the
31 state. Repayments of loans granted under this chapter shall be made to
32 the lender or contract collection agent as long as the loan is
33 outstanding, notwithstanding the repeal of the chapter.

34 (8) \$1,288,000 of the Washington housing trust account--state
35 appropriation shall lapse if neither House Bill No. 1074 nor Senate
36 Bill No. 5108 are enacted by June 30, 2005.

37 (9) \$236,000 of the public works assistance account--state

1 appropriation is provided solely for technical assistance to
2 municipalities through the small communities initiative.

3 (10) \$625,000 of the general fund--state appropriation for fiscal
4 year 2006 and \$625,000 of the general fund--state appropriation for
5 fiscal year 2007 are provided solely for food banks to obtain and
6 distribute additional nutritious food; purchase equipment to transport
7 and store perishable products; provide training and written information
8 on obesity to tribal and food bank workers and food bank clients; and
9 collaborate with other agencies and experts on nutrition and obesity
10 for services at food banks and tribal voucher programs.

11 (11) \$1,154,000 of the violence reduction and drug enforcement
12 account appropriation is provided solely for the community mobilization
13 program to provide grants and training to community organizations.

14 (12) \$2,000,000 of the general fund--state appropriation for fiscal
15 year 2007 is provided solely for the community services block grant
16 program to replace federal funding in order to prevent the closure of
17 community action agencies as a result of loss of federal funding. To
18 the extent that federal funding is provided for this purpose, the
19 amount provided in this subsection shall lapse.

20 (13) \$75,000 of the general fund--state appropriation for fiscal
21 year 2006 and \$75,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided solely to HistoryLink for producing
23 noncommercial, public information on state and local history.

24 (14) \$25,000 of the general fund--state appropriation for fiscal
25 year 2006 and \$25,000 of the general fund--state appropriation for
26 fiscal year 2007 are provided solely to Women's Hearth.

27 (15) \$65,000 of the general fund--state appropriation for fiscal
28 year 2006 and \$65,000 of the general fund--state appropriation for
29 fiscal year 2007 are provided solely for a contract with a food
30 distribution program for communities in the southwestern portion of the
31 state and for workers impacted by timber and salmon fishing closures
32 and reductions. The department may not charge administrative overhead
33 of expenses to the funds provided in this subsection.

34 (16) \$125,000 of the general fund--state appropriation for fiscal
35 year 2006 and \$125,000 of the general fund--state appropriation for
36 fiscal year 2007 are provided solely for the center for advanced
37 manufacturing to assist and serve incubating manufacturing companies.

1 (17) \$3,000,000 of the public benefit account--state appropriation
 2 is provided solely to increase grant funding for civil legal
 3 representation of indigent persons under RCW 43.08.260. If Senate Bill
 4 No. 5287 (social card games) is not enacted by June 30, 2005, the
 5 amount provided in this subsection shall lapse.

6 (18) \$1,000,000 of the public benefit account--state appropriation
 7 is provided solely to fund the Pierce county alliance's methamphetamine
 8 family services treatment program and safe streets of Tacoma's
 9 methamphetamine prevention service. If Senate Bill No. 5287 (social
 10 card games) is not enacted by June 30, 2005, the amount provided in
 11 this subsection shall lapse.

12 NEW SECTION. **Sec. 127. FOR THE ECONOMIC AND REVENUE FORECAST**
 13 **COUNCIL**

14	General Fund--State Appropriation (FY 2006)	\$568,000
15	General Fund--State Appropriation (FY 2007)	\$503,000
16	TOTAL APPROPRIATION	\$1,071,000

17 NEW SECTION. **Sec. 128. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

18	General Fund--State Appropriation (FY 2006)	\$15,956,000
19	General Fund--State Appropriation (FY 2007)	\$15,284,000
20	General Fund--Federal Appropriation	\$23,510,000
21	Public Works Assistance Account--State Appropriation	\$200,000
22	Violence Reduction and Drug Enforcement Account--State	
23	Appropriation	\$246,000
24	State Auditing Services Revolving Account--State	
25	Appropriation	\$25,000
26	TOTAL APPROPRIATION	\$55,221,000

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

29 (1) \$200,000 of the public works assistance account appropriation
 30 is provided solely for an inventory and evaluation of the most
 31 effective way to organize the state public infrastructure programs and
 32 funds. The inventory shall identify: The public infrastructure state
 33 programs and funds and the purposes each serve; how the program or fund
 34 is implemented; the types of public infrastructure projects supported
 35 by the program or fund; the dollar amount of the projects funded,
 36 annual loan amounts, outstanding loans, and repayments by each program

1 or fund; and the geographic distribution of projects supported by a
2 program or fund. Where applicable, the inventory shall identify
3 overlaps or gaps in types of public infrastructure projects supported
4 through state programs or funds. The evaluation shall develop
5 recommendations to have the most efficient and effective programs that
6 fund: Economic development and job growth; repairing failing systems;
7 expanding systems to handle growth; geographic diversity; the type of
8 systems; and environmental improvements. The inventory and evaluation
9 shall be delivered to the governor and the appropriate committees of
10 the legislature by September 1, 2005.

11 (2)(a) \$182,000 of the general fund--state appropriation for fiscal
12 year 2006 is provided solely for a study of residential services for
13 persons with developmental disabilities to identify a preferred
14 continuum of developmental disabilities residential services and
15 develop recommendations regarding steps to be undertaken to transition
16 to the preferred system within four years. The study shall make
17 recommendations by October 1, 2005, regarding the number and
18 proportions of different types of residential services that should be
19 available or developed in different regions of the state and how
20 current resources for residential services may be best allocated to
21 meet the needs of as many clients as possible, taking client acuity and
22 geography into consideration. By January 1, 2006, recommendations
23 shall be complete regarding suggested steps and timeline for
24 transitioning, within maintenance level funding, the current
25 residential service system to the preferred residential service system
26 within four years.

27 (b) The study shall be overseen by an advisory group consisting of
28 thirteen members including one representative each of the governor's
29 office, the office of financial management, the department of social
30 and health services, and the Washington state developmental
31 disabilities council, appointed by the governor; one representative of
32 labor, appointed by the governor; one representative of community
33 residential care providers, appointed by the governor; one
34 representative of residents of residential habilitation centers and
35 their families; one representative of individuals served in community
36 residential programs and their families, appointed by the governor; one
37 individual with a developmental disability who is or has been a
38 resident in a residential habilitation center and who is being or has

1 been served in a community residential program, appointed by the
2 governor; and two members of the house of representatives appointed by
3 the speaker of the house of representatives, one of whom shall be a
4 member of the majority caucus and one of whom shall be a member of the
5 minority caucus, and two members of the senate appointed by the
6 president of the senate, one of whom shall be a member of the majority
7 caucus and one of whom shall be a member of the minority caucus. The
8 governor shall appoint the chairperson. Legislative members of the
9 advisory group shall be reimbursed for travel expenses in accordance
10 with RCW 44.04.120. Nonlegislative members are entitled to be
11 reimbursed for travel expenses in accordance with RCW 43.03.050 and
12 43.03.060. The department of social and health services, the
13 developmental disabilities council, the office of financial management,
14 the house of representatives office of program research, and senate
15 committee services shall provide staff support.

16 (c) The advisory group may contract for specialized outside
17 professional services to assist in completing the survey, analysis, and
18 plan development work described in subsection (2)(a) of this section.

19 (3) \$163,000 of the general fund--state appropriation for fiscal
20 year 2006 and \$127,000 of the general fund--state appropriation for
21 fiscal year 2007 are provided solely for implementation of Substitute
22 Senate Bill No. 5442 or Second Substitute House Bill No. 1220 (long-
23 term care financing task force). If neither bill is enacted by June
24 30, 2005, the amounts provided in this subsection shall lapse.

25 (4) \$870,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$871,000 of the general fund--state appropriation for
27 fiscal year 2007 are provided solely for the implementation of Senate
28 Bill No. 5441 (education finance study). If the bill is not enacted by
29 June 30, 2005, the amounts provided in this subsection shall lapse.

30 (5) The office of financial management shall work with the
31 department of social and health services and legislative fiscal
32 committee staff, with data provided by the caseload forecast council
33 and the updated juvenile rehabilitation master plan, to determine at
34 what point closure or consolidation of Green Hill training school or
35 Maple Lane training school will be necessary based on declining
36 population, and to develop a plan for potential closure or
37 consolidation with other department of social and health services
38 facilities. The plan shall include, but not be limited to,

1 recommendations for operating and capital budget decisions, including
2 capital investments needed to facilitate closure or consolidation and
3 provide the necessary range of services in the juvenile rehabilitation
4 system if a facility is closed. The office of financial management
5 shall report to the fiscal committees of the legislature not later than
6 October 1, 2006.

7 NEW SECTION. **Sec. 129. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**
8 Administrative Hearings Revolving Account--State
9 Appropriation \$28,417,000

10 NEW SECTION. **Sec. 130. FOR THE DEPARTMENT OF PERSONNEL**
11 Department of Personnel Service Account--State
12 Appropriation \$19,082,000
13 Higher Education Personnel Services Account--State
14 Appropriation \$1,610,000
15 TOTAL APPROPRIATION \$20,692,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: The department shall coordinate with the
18 governor's office of Indian affairs on providing the government-to-
19 government training sessions for federal, state, local, and tribal
20 government employees. The training sessions shall cover tribal
21 historical perspectives, legal issues, tribal sovereignty, and tribal
22 governments. Costs of the training sessions shall be recouped through
23 a fee charged to the participants of each session. The department
24 shall be responsible for all of the administrative aspects of the
25 training, including the billing and collection of the fees for the
26 training.

27 NEW SECTION. **Sec. 131. FOR THE WASHINGTON STATE LOTTERY**
28 Lottery Administrative Account--State Appropriation . . . \$23,343,000

29 NEW SECTION. **Sec. 132. FOR THE COMMISSION ON HISPANIC AFFAIRS**
30 General Fund--State Appropriation (FY 2006) \$236,000
31 General Fund--State Appropriation (FY 2007) \$243,000
32 TOTAL APPROPRIATION \$479,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: By December 15, 2005, the department of
3 revenue shall report to the health care and fiscal committees of the
4 legislature on options for providing financial incentives for private
5 practice physicians to serve uninsured patients, and those subsidized
6 by state-sponsored low-income health care programs. The report shall
7 be developed in consultation with the department of health, the
8 department of social and health services, and the health care
9 authority, and shall include an assessment of the relative costs and
10 effectiveness of strategies including, but not limited to, tax credits
11 and payment rate increases.

12 NEW SECTION. **Sec. 138. FOR THE BOARD OF TAX APPEALS**

13	General Fund--State Appropriation (FY 2006)	\$1,350,000
14	General Fund--State Appropriation (FY 2007)	\$1,182,000
15	TOTAL APPROPRIATION	\$2,532,000

16 NEW SECTION. **Sec. 139. FOR THE MUNICIPAL RESEARCH COUNCIL**

17	County Research Services Account--State Appropriation	\$787,000
18	City and Town Research Services Account--State	
19	Appropriation	\$4,134,000
20	TOTAL APPROPRIATION	\$4,921,000

21 NEW SECTION. **Sec. 140. FOR THE OFFICE OF MINORITY AND WOMEN'S**
22 **BUSINESS ENTERPRISES**

23	OMWBE Enterprises Account--State Appropriation	\$3,094,000
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24 The appropriation in this section is subject to the following
25 conditions and limitations: \$180,000 of the OMWBE enterprises account
26 appropriation is provided for management of private sector grants and
27 coordination of support services to small businesses in the state. It
28 is the intent of the legislature that this amount be funded from new
29 grant revenues and business fees.

30 NEW SECTION. **Sec. 141. FOR THE DEPARTMENT OF GENERAL**
31 **ADMINISTRATION**

32	General Fund--State Appropriation (FY 2006)	\$243,000
33	General Fund--State Appropriation (FY 2007)	\$228,000
34	General Fund--Federal Appropriation	\$3,634,000

1 NEW SECTION. **Sec. 147. FOR THE LIQUOR CONTROL BOARD**

2	General Fund--State Appropriation (FY 2006)	\$1,528,000
3	General Fund--State Appropriation (FY 2007)	\$1,521,000
4	Liquor Control Board Construction and Maintenance	
5	Account--State Appropriation	\$12,832,000
6	Liquor Revolving Account--State Appropriation	\$149,810,000
7	TOTAL APPROPRIATION	\$165,691,000

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

10 (1) As authorized under RCW 66.16.010, the liquor control board
11 shall add an equivalent surcharge of \$0.42 per liter on all retail
12 sales of spirits, excluding licensee, military and tribal sales,
13 effective no later than July 1, 2005. The intent of this surcharge is
14 to generate additional revenues for the state general fund in the
15 2005-07 biennium.

16 (2) \$154,000 of the liquor revolving account--state appropriation
17 is provided solely for the lease of state vehicles from the department
18 of general administration's motor pool.

19 (3) \$2,228,000 of the liquor revolving account--state appropriation
20 is provided solely for costs associated with the installation of a wide
21 area network that connects all of the state liquor stores and the
22 liquor control board headquarters.

23 (4) \$186,000 of the liquor revolving account--state appropriation
24 is provided solely for an alcohol education staff coordinator and
25 associated alcohol educational resources targeted toward middle school
26 and high school students.

27 (5) \$2,261,000 of the liquor revolving account--state appropriation
28 is provided solely for replacement of essential computer equipment,
29 improvement of security measures, and improvement to the core
30 information technology infrastructure.

31 (6) \$2,800,000 of the liquor control board construction and
32 maintenance account--state appropriation is provided solely for the
33 certificate of participation to fund the expansion of the liquor
34 distribution center.

35 (7) \$3,233,000 of the liquor revolving account--state appropriation
36 is provided solely for upgrades to material handling system and
37 warehouse management system software and equipment, and associated
38 staff to increase the liquor distribution center's shipping capacity.

1 (8) \$2,746,000 of the liquor revolving account--state appropriation
 2 is provided solely for additional state liquor store and retail
 3 business analysis staff. The additional liquor store staff will be
 4 deployed to those stores with the greatest potential for increased
 5 customer satisfaction and revenue growth. The liquor control board,
 6 using the new retail business analysis staff and, if needed, an
 7 independent consultant, will analyze the impact of additional staff on
 8 customer satisfaction and revenue growth and make recommendations that
 9 will increase the effectiveness and efficiency of all the liquor
 10 control board's retail-related activities. Using best practices and
 11 benchmarks from comparable retail organizations, the analysis will
 12 evaluate and make recommendations, at a minimum, on the following
 13 issues: Optimal staffing levels and store locations and numbers of
 14 stores (both state liquor stores and contract liquor stores); options
 15 for an improved retail organizational structure; strategies to increase
 16 the retail decision-making capacity; and resources required for
 17 enhanced internal organizational support of the retail activities. In
 18 support of this evaluation, a survey shall be employed to gauge
 19 customer satisfaction with state and contract liquor store services.
 20 A written evaluation with recommendations shall be submitted to the
 21 governor and the legislative fiscal committees by October 1, 2006.

22 NEW SECTION. **Sec. 148. FOR THE UTILITIES AND TRANSPORTATION**
 23 **COMMISSION**

24	Public Service Revolving Account--State Appropriation . . .	\$27,787,000
25	Pipeline Safety Account--State Appropriation	\$2,827,000
26	Pipeline Safety Account--Federal Appropriation	\$1,476,000
27	TOTAL APPROPRIATION	\$32,090,000

28 NEW SECTION. **Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

29 Volunteer Firefighters' and Reserve Officers'

30	Administrative Account--State Appropriation	\$750,000
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31 NEW SECTION. **Sec. 150. FOR THE MILITARY DEPARTMENT**

32	General Fund--State Appropriation (FY 2006)	\$9,017,000
33	General Fund--State Appropriation (FY 2007)	\$8,970,000
34	General Fund--Federal Appropriation	\$165,137,000
35	Enhanced 911 Account--State Appropriation	\$34,705,000

1	Disaster Response Account--State Appropriation	\$3,144,000
2	Disaster Response Account--Federal Appropriation	\$11,008,000
3	Worker and Community Right-to-Know Account--State	
4	Appropriation	\$302,000
5	Nisqually Earthquake Account--State Appropriation	\$6,687,000
6	Nisqually Earthquake Account--Federal Appropriation	\$29,052,000
7	Military Department Rental and Lease Account--State	
8	Appropriation	\$378,000
9	TOTAL APPROPRIATION	\$268,400,000

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

12 (1) \$2,277,000 of the disaster response account--state
13 appropriation and \$11,008,000 of the disaster response account--federal
14 appropriation may be spent only on disasters declared by the governor
15 and with the approval of the office of financial management. The
16 military department shall submit a report quarterly to the office of
17 financial management and the legislative fiscal committees detailing
18 information on the disaster response account, including: (a) The
19 amount and type of deposits into the account; (b) the current available
20 fund balance as of the reporting date; and (c) the projected fund
21 balance at the end of the 2005-07 biennium based on current revenue and
22 expenditure patterns.

23 (2) \$6,687,000 of the Nisqually earthquake account--state
24 appropriation and \$29,052,000 of the Nisqually earthquake account--
25 federal appropriation are provided solely for response and recovery
26 costs associated with the February 28, 2001, earthquake. The military
27 department shall submit a report quarterly to the office of financial
28 management and the legislative fiscal committees detailing earthquake
29 recovery costs, including: (a) Estimates of total costs; (b)
30 incremental changes from the previous estimate; (c) actual
31 expenditures; (d) estimates of total remaining costs to be paid; and
32 (e) estimates of future payments by biennium. This information shall
33 be displayed by fund, by type of assistance, and by amount paid on
34 behalf of state agencies or local organizations. The military
35 department shall also submit a report quarterly to the office of
36 financial management and the legislative fiscal committees detailing
37 information on the Nisqually earthquake account, including: (a) The
38 amount and type of deposits into the account; (b) the current available

1 fund balance as of the reporting date; and (c) the projected fund
2 balance at the end of the 2005-07 biennium based on current revenue and
3 expenditure patterns.

4 (3) \$127,586,000 of the general fund--federal appropriation is
5 provided solely for homeland security, subject to the following
6 conditions:

7 (a) Any communications equipment purchased by local jurisdictions
8 or state agencies shall be consistent with standards set by the
9 Washington state interoperability executive committee;

10 (b) This amount shall not be allotted until a spending plan is
11 reviewed by the governor's domestic security advisory group and
12 approved by the office of financial management;

13 (c) The department shall submit a quarterly report to the office of
14 financial management and the legislative fiscal committees detailing
15 the governor's domestic security advisory group recommendations;
16 homeland security revenues and expenditures, including estimates of
17 total federal funding for the state; incremental changes from the
18 previous estimate, planned and actual homeland security expenditures by
19 the state and local governments with this federal funding; and matching
20 or accompanying state or local expenditures; and

21 (d) The department shall submit a report by December 1st of each
22 year to the office of financial management and the legislative fiscal
23 committees detailing homeland security revenues and expenditures for
24 the previous fiscal year by county and legislative district.

25 (4) \$867,000 of the disaster response account--state appropriation
26 is provided solely for the Cowlitz county 911 communications center for
27 the purpose of purchasing or reimbursing the purchase of interoperable
28 radio communication technology to improve disaster response in the
29 Mount St. Helens area.

30 NEW SECTION. **Sec. 151. FOR THE PUBLIC EMPLOYMENT RELATIONS**
31 **COMMISSION**

32	General Fund--State Appropriation (FY 2006)	\$2,572,000
33	General Fund--State Appropriation (FY 2007)	\$2,574,000
34	Department of Personnel Service Account--State	
35	Appropriation	\$2,704,000
36	TOTAL APPROPRIATION	\$7,850,000

1 NEW SECTION. **Sec. 152. FOR THE GROWTH PLANNING HEARINGS BOARD**

2 General Fund--State Appropriation (FY 2006) \$1,558,000
3 General Fund--State Appropriation (FY 2007) \$1,550,000
4 TOTAL APPROPRIATION \$3,108,000

5 The appropriations in this section are subject to the following
6 conditions and limitations: \$9,000 of the general fund--state
7 appropriation for fiscal year 2006 and \$9,000 of the general fund--
8 state appropriation for fiscal year 2007 are provided solely for the
9 Western Board to relocate. If the Western Board does not relocate by
10 June 30, 2006, the amounts provided in this subsection shall lapse.

11 NEW SECTION. **Sec. 153. FOR THE STATE CONVENTION AND TRADE CENTER**

12 State Convention and Trade Center Account--State
13 Appropriation \$30,512,000
14 State Convention and Trade Center Operating
15 Account--State Appropriation \$45,983,000
16 TOTAL APPROPRIATION \$76,495,000

17 NEW SECTION. **Sec. 154. FOR THE DEPARTMENT OF ARCHAEOLOGY &**
18 **HISTORIC PRESERVATION**

19 General Fund--State Appropriation (FY 2006) \$550,000
20 General Fund--State Appropriation (FY 2007) \$549,000
21 General Fund--Federal Appropriation \$1,446,000
22 General Fund--Private/Local Appropriation \$14,000
23 TOTAL APPROPRIATION \$2,559,000

(End of part)

PART II
HUMAN SERVICES

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

(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 department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage Medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP) the department may combine and transfer such Medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons during the 2005-2007 biennium. The amount of funding assigned to the pilot projects from each program may not

1 exceed the average per capita cost assumed in this act for individuals
 2 covered by that program, actuarially adjusted for the health condition
 3 of persons enrolled in the pilot, times the number of clients enrolled
 4 in the pilot. In implementing the WMIP pilot projects, the department
 5 may: (a) Withhold from calculations of "available resources" as set
 6 forth in RCW 71.24.025 a sum equal to the capitated rate for
 7 individuals enrolled in the pilots; and (b) employ capitation financing
 8 and risk-sharing arrangements in collaboration with health care service
 9 contractors licensed by the office of the insurance commissioner and
 10 qualified to participate in both the medicaid and medicare programs.
 11 The department shall conduct an evaluation of the WMIP, measuring
 12 changes in participant health outcomes, changes in patterns of service
 13 utilization, participant satisfaction, participant access to services,
 14 and the state fiscal impact.

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

17	General Fund--State Appropriation (FY 2006)	\$241,346,000
18	General Fund--State Appropriation (FY 2007)	\$248,038,000
19	General Fund--Federal Appropriation	\$413,111,000
20	General Fund--Private/Local Appropriation	\$400,000
21	Public Safety and Education Account--State	
22	Appropriation	\$21,871,000
23	Violence Reduction and Drug Enforcement Account--State	
24	Appropriation	\$1,515,000
25	TOTAL APPROPRIATION	\$926,281,000

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

28 (1) \$2,271,000 of the fiscal year 2006 general fund--state
 29 appropriation, \$2,271,000 of the fiscal year 2007 general fund--state
 30 appropriation, and \$1,584,000 of the general fund--federal
 31 appropriation are provided solely for the category of services titled
 32 "intensive family preservation services."

33 (2) \$701,000 of the general fund--state fiscal year 2006
 34 appropriation and \$701,000 of the general fund--state fiscal year 2007
 35 appropriation are provided to contract for the operation of one
 36 pediatric interim care facility. The facility shall provide
 37 residential care for up to thirteen children through two years of age.

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

10 (3) \$375,000 of the general fund--state fiscal year 2006
11 appropriation, \$375,000 of the general fund--state fiscal year 2007
12 appropriation, and \$322,000 of the general fund--federal appropriation
13 are provided for up to three nonfacility-based programs for the
14 training, consultation, support, and recruitment of biological, foster,
15 and adoptive parents of children through age three in need of special
16 care as a result of substance abuse by their mothers, except that each
17 program may serve up to three medically fragile nonsubstance-abuse-
18 affected children. In selecting nonfacility-based programs, preference
19 shall be given to programs whose federal or private funding sources
20 have expired or that have successfully performed under the existing
21 pediatric interim care program.

22 (4) \$325,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$325,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely for the state association of
25 children's advocacy centers. Funds will be distributed annually as
26 follows: (a) Children's advocacy centers that meet the national
27 children's alliance accreditation standards for full membership, and
28 are members in good standing, will be eligible to receive up to \$30,000
29 per center for operations, or for expansion of services; (b)
30 communities in the process of establishing a center will be eligible to
31 receive up to \$10,000 per county or multi-county services area. A 50
32 percent match will be required of each center receiving state funding.
33 In addition, the state association of children's advocacy centers will
34 receive up to \$50,000 to provide training and technical assistance.

35 (5) \$50,000 of the fiscal year 2006 general fund--state
36 appropriation and \$50,000 of the fiscal year 2007 general fund--state
37 appropriation are provided solely for a street youth program in
38 Spokane.

1 (6) \$1,382,000 of the fiscal year 2006 general fund--state
 2 appropriation, \$2,502,000 of the fiscal year 2007 general fund--state
 3 appropriation, and \$1,664,000 of the general fund--federal
 4 appropriation are provided for reforms to the child protective services
 5 and child welfare services programs, including 30-day face-to-face
 6 contact for children in out-of-home care, improved timeliness of child
 7 protective services investigations, and an enhanced in-home child
 8 welfare services program. The department shall report December 1st of
 9 each year on the status of the hiring of new staff, implementation
 10 status, and outcomes of the reform.

11 (7) \$572,000 of the fiscal year 2006 general fund--state
 12 appropriation, \$572,000 of the fiscal year 2007 general fund--state
 13 appropriation, and \$1,144,000 of the general fund--federal
 14 appropriation are provided solely to implement Senate Bill No. 5763
 15 (mental disorders treatment). If the bill is not enacted by June 30,
 16 2005, the amounts provided in this subsection shall lapse.

17 (8) The providers for the 31 HOPE beds shall be paid a \$1,000 base
 18 payment per bed per month, and reimbursed for the remainder of the bed
 19 cost only when the beds are occupied.

20 (9) Within funding provided for the foster care and adoption
 21 support programs, the department shall control reimbursement decisions
 22 for foster care and adoption support cases such that the aggregate
 23 average cost per case for foster care and for adoption support does not
 24 exceed the amounts assumed in the projected caseload expenditures. The
 25 department shall adjust adoption support benefits to account for the
 26 availability of the new federal adoption support tax credit for special
 27 needs children. The department shall report annually by October 1st to
 28 the appropriate committees of the legislature on the specific efforts
 29 taken to contain costs.

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

32	General Fund--State Appropriation (FY 2006)	\$78,078,000
33	General Fund--State Appropriation (FY 2007)	\$78,693,000
34	General Fund--Federal Appropriation	\$6,122,000
35	General Fund--Private/Local Appropriation	\$1,098,000
36	Violence Reduction and Drug Enforcement Account--State	
37	Appropriation	\$38,453,000

1 alternative to the Pierce county juvenile court. To evaluate the
2 effect of decategorizing funding for youth services, the juvenile court
3 shall do the following:

4 (a) Develop intermediate client outcomes according to the risk
5 assessment tool (RAT) currently used by juvenile courts and in
6 coordination with the juvenile rehabilitation administration;

7 (b) Track the number of youth participating in each type of
8 service, intermediate outcomes, and the incidence of recidivism within
9 twenty-four months of completion of services;

10 (c) Track similar data as in (b) of this subsection with an
11 appropriate comparison group, selected in coordination with the
12 juvenile rehabilitation administration and the family policy council;

13 (d) Document the process for managing block grant funds on a
14 quarterly basis, and provide this report to the juvenile rehabilitation
15 administration and the family policy council; and

16 (e) Provide a process evaluation to the juvenile rehabilitation
17 administration and the family policy council by June 20, 2006, and a
18 concluding report by June 30, 2007. The court shall develop this
19 evaluation in consultation with the juvenile rehabilitation
20 administration, the family policy council, and the Washington state
21 institute for public policy.

22 (6) \$245,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$491,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely to reimburse counties for local
25 juvenile disposition alternatives implemented pursuant to Senate Bill
26 No. 5502 (juvenile sentencing) and Senate Bill No. 5719 (community
27 commitment). The juvenile rehabilitation administration, in
28 consultation with the juvenile court administrators, shall develop an
29 equitable distribution formula for the funding provided in this
30 subsection, and negotiate contracts that would avoid the cost of a
31 youth kept in the community costing more than serving the youth in a
32 juvenile rehabilitation institution and parole program on an average
33 daily population basis. The juvenile rehabilitation administration may
34 adjust the funding level provided in this subsection in the event that
35 utilization rates of the disposition alternatives are lower than the
36 level anticipated by the total appropriation to the juvenile
37 rehabilitation administration in this section. The juvenile
38 rehabilitation administration shall report to the appropriate policy

1 and fiscal committees of the legislature on the use of the disposition
2 alternatives and revocations by December 1, 2006. If either bill is
3 not enacted by June 30, 2005, the amounts provided in this subsection
4 shall lapse.

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

7 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

8	General Fund--State Appropriation (FY 2006)	\$262,045,000
9	General Fund--State Appropriation (FY 2007)	\$271,844,000
10	General Fund--Federal Appropriation	\$336,606,000
11	General Fund--Private/Local Appropriation	\$1,970,000
12	TOTAL APPROPRIATION	\$872,465,000

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

15 (a) \$77,600,000 of the general fund--state appropriation for fiscal
16 year 2006 and \$77,600,000 of the general fund--state appropriation for
17 fiscal year 2007 are provided solely for persons and services not
18 covered by the medicaid program. The department shall distribute these
19 funds among the regional support networks according to a formula that,
20 consistent with RCW 74.24.035(13), assures continuation of previous
21 levels of service in each regional support network area for persons in
22 the following priority order: (i) Acutely mentally ill children and
23 adults, including crisis and commitment services and inpatient
24 treatment; (ii) chronically mentally ill adults and severely
25 emotionally disturbed children, including personal and residential
26 care; and (iii) seriously disturbed children and adults.

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

33 (c) Within funds appropriated in this subsection, the department
34 shall contract with the Clark county regional support network for
35 development and operation of a project demonstrating collaborative
36 methods for providing intensive mental health services in the school
37 setting for severely emotionally disturbed children who are medicaid

1 eligible. Project services are to be delivered by teachers and
2 teaching assistants who qualify as, or who are under the supervision
3 of, mental health professionals meeting the requirements of chapter
4 275-57 WAC. The department shall increase medicaid payments to the
5 regional support network by the amount necessary to cover the necessary
6 and allowable costs of the demonstration, not to exceed the upper
7 payment limit specified for the regional support network in the
8 department's medicaid waiver agreement with the federal government
9 after meeting all other medicaid spending requirements assumed in this
10 subsection. The regional support network shall provide the required
11 nonfederal share of the increased medicaid payment provided for
12 operation of this project.

13 (d) \$3,100,000 of the general fund--state appropriation for fiscal
14 year 2006 and \$3,375,000 of the general fund--state appropriation for
15 fiscal year 2007 are provided solely to establish a base community
16 psychiatric hospitalization payment rate of \$400 per indigent patient
17 day and \$550 per medicaid patient day at hospitals that accept
18 commitments under the involuntary treatment act. The department shall
19 allocate these funds among the regional support networks to reflect
20 projected expenditures at the enhanced payment level by hospital and
21 region.

22 (2) INSTITUTIONAL SERVICES

23	General Fund--State Appropriation (FY 2006)	\$101,637,000
24	General Fund--State Appropriation (FY 2007)	\$102,212,000
25	General Fund--Federal Appropriation	\$148,610,000
26	General Fund--Private/Local Appropriation	\$30,165,000
27	TOTAL APPROPRIATION	\$382,624,000

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

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

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

36 (c) \$3,950,000 of the general fund--state appropriation for fiscal
37 year 2006 and \$3,900,000 of the general fund--state appropriation for
38 fiscal year 2007 are provided solely to operate at least one more

1 forensic ward at western state hospital than was operational in
2 December 2005, and to employ professional staff in addition to those
3 assigned in December 2005 to conduct outpatient evaluations of
4 competency to stand trial.

5 (d) \$45,000 of the general fund--state appropriation for fiscal
6 year 2006 and \$45,000 of the general fund--state appropriation for
7 fiscal year 2007 are provided solely for payment to the city of
8 Lakewood on September 1 of each year for police services provided by
9 the city at western state hospital and adjacent areas.

10 (3) CIVIL COMMITMENT

11	General Fund--State Appropriation (FY 2006)	\$42,837,000
12	General Fund--State Appropriation (FY 2007)	\$45,383,000
13	TOTAL APPROPRIATION	\$88,220,000

14 (4) SPECIAL PROJECTS

15	General Fund--State Appropriation (FY 2006)	\$567,000
16	General Fund--State Appropriation (FY 2007)	\$915,000
17	General Fund--Federal Appropriation	\$3,167,000
18	TOTAL APPROPRIATION	\$4,649,000

19 The appropriations in this subsection are subject to the following
20 conditions and limitations: \$178,000 of the general fund--state
21 appropriation for fiscal year 2006 and \$221,000 of the general fund--
22 state appropriation for fiscal year 2007 are provided solely to develop
23 and to train community mental health staff in the use of the integrated
24 chemical dependency/mental health screening and assessment system and
25 tool required by Senate Bill No. 5763 (mental disorders treatment). If
26 Senate Bill No. 5763 is not enacted by June 30, 2005, these amounts
27 shall lapse.

28 (5) PROGRAM SUPPORT

29	General Fund--State Appropriation (FY 2006)	\$3,553,000
30	General Fund--State Appropriation (FY 2007)	\$3,431,000
31	General Fund--Federal Appropriation	\$6,529,000
32	TOTAL APPROPRIATION	\$13,513,000

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

35 (1) COMMUNITY SERVICES

36	General Fund--State Appropriation (FY 2006)	\$298,572,000
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1	General Fund--State Appropriation (FY 2007)	\$310,832,000
2	General Fund--Federal Appropriation	\$503,268,000
3	Health Services Account--State Appropriation	\$904,000
4	TOTAL APPROPRIATION	\$1,113,576,000

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

7 (a) \$213,000 of the general fund--state appropriation for fiscal
8 year 2006, \$422,000 of the general fund--state appropriation for fiscal
9 year 2007, and \$600,000 of the general fund--federal appropriation are
10 provided solely to increase wages for workers employed by agency home
11 care providers. The amounts in this subsection also include the funds
12 needed for the employer share of unemployment and social security taxes
13 on the amount of the increase.

14 (b) The entire health services account appropriation and \$904,000
15 of the general fund--federal appropriation are provided solely for
16 health care benefits for agency home care workers who are employed
17 through state contracts for at least twenty hours a week. Home care
18 agencies may obtain coverage either through the basic health plan or
19 through an alternative plan that provides substantially equivalent
20 benefits.

21 (c) Any new funding for family support and high school transition
22 along with a portion of existing funding for these programs shall be
23 provided as supplemental security income (SSI) state supplemental
24 payments for persons with developmental disabilities in families with
25 taxable incomes at or below 150 percent of median family income.
26 Individuals receiving family support or high school transition payments
27 shall not become eligible for medical assistance under RCW 74.09.510
28 due solely to the receipt of SSI state supplemental payments.

29 (d) The department may transfer funding provided in this subsection
30 to meet the purposes of subsection (2) of this section to the extent
31 that fewer residents of residential habilitation centers choose to move
32 to community placements than was assumed in this appropriation.

33 (e) \$822,000 of the general fund--state appropriation for fiscal
34 year 2006, \$719,000 of the general fund--state appropriation for fiscal
35 year 2007, and \$1,540,000 of the general fund--federal appropriation
36 are provided solely for the purposes of settling all claims and meeting
37 the terms of the settlement agreement in the consolidated lawsuits,
38 *Boyle v. Braddock*, United States District Court Western District of

1 Washington at Tacoma, Cause No. C01-5687 FDB and *The Arc of Washington*
2 *v. Quasim, et al.*, United States District Court Western District of
3 Washington at Tacoma, Cause No. C-99-5577 FDB, covering waiver
4 services. The expenditure of these amounts is contingent on the
5 approval of the parties' settlement agreement by the federal district
6 court and the issuance of a court order staying all waiver claims in
7 both cases until at least April 1, 2008.

8 (f) \$549,000 of the general fund--state appropriation for fiscal
9 year 2006, \$1,593,000 of the general fund--state appropriation for
10 fiscal year 2007, and \$2,142,000 of the general fund--federal
11 appropriation are provided solely for community residential and support
12 services. Funding in this subsection shall be prioritized for (i)
13 residents of residential habilitation centers who are able to be
14 adequately cared for in community settings and who choose to live in
15 those community settings; (ii) clients without residential services who
16 are at immediate risk of institutionalization or in crisis; (iii)
17 children who are aging out of other state services; and (iv) current
18 home and community-based waiver program clients who have been assessed
19 as having an immediate need for increased services. The department
20 shall ensure that the average cost per day for all program services
21 other than start-up costs shall not exceed \$300. In order to maximize
22 the number of clients served and ensure the cost-effectiveness of the
23 waiver programs, the department will strive to limit new client
24 placement expenditures to 90 percent of the budgeted daily rate. If
25 this can be accomplished, additional clients may be served with excess
26 funds provided the total projected carry-forward expenditures do not
27 exceed the amounts estimated. The department shall electronically
28 report to the appropriate committees of the legislature, within 45 days
29 following each fiscal year quarter, the number of persons served with
30 these additional community services, where they were residing, what
31 kinds of services they were receiving prior to placement, and the
32 actual expenditures for all community services to support these
33 clients.

34 (g) \$356,000 of the general fund--state appropriation for fiscal
35 year 2006, \$1,012,000 of the general fund--state appropriation for
36 fiscal year 2007, and \$1,368,000 of the general fund--federal
37 appropriation are provided solely for expanded community services for
38 persons with developmental disabilities who also have community

1 protection issues. Funding in this subsection shall be prioritized for
2 (i) clients being diverted or discharged from the state psychiatric
3 hospitals; (ii) clients participating in the dangerous mentally ill
4 offender program; (iii) clients participating in the community
5 protection program; and (iv) mental health crisis diversion
6 outplacements. The department shall ensure that the average cost per
7 day for all program services other than start-up costs shall not exceed
8 \$300. In order to maximize the number of clients served and ensure the
9 cost-effectiveness of the waiver programs, the department will strive
10 to limit new client placement expenditures to 90 percent of the
11 budgeted daily rate. If this can be accomplished, additional clients
12 may be served with excess funds if the total projected carry-forward
13 expenditures do not exceed the amounts estimated. The department shall
14 implement the four new waiver programs such that decisions about
15 enrollment levels and the amount, duration, and scope of services
16 maintain expenditures within appropriations. The department shall
17 electronically report to the appropriate committees of the legislature,
18 within 45 days following each fiscal year quarter, the number of
19 persons served with these additional community services, where they
20 were residing, what kinds of services they were receiving prior to
21 placement, and the actual expenditures for all community services to
22 support these clients.

23 (h) \$698,000 of the general fund--state appropriation for fiscal
24 year 2006, \$1,537,000 of the general fund--state appropriation for
25 fiscal year 2007, and \$745,000 of the general fund--federal
26 appropriation are to be provided solely for employment and day
27 services. Priority consideration for this new funding shall be young
28 adults with developmental disabilities living with their family who
29 need employment opportunities and assistance after high school
30 graduation. Services shall be provided proportionately between waiver
31 and nonwaiver clients.

32 (i) The department shall provide a status report on the
33 implementation and operation of the four home and community-based
34 waivers. The department shall electronically report to the appropriate
35 committees of the legislature, within 45 days following each fiscal
36 year quarter through June 30, 2007, the following information for each
37 home and community-based waiver: Total projected state and federal
38 fiscal year expenditures, year-to-date actual expenditures compared to

1 projected expenditures, year-to-date unduplicated clients compared to
 2 projected clients, actual average per capita costs compared to
 3 projected per capita costs, number of transfers between waivers, amount
 4 of emergency funds spent to date compared to projected emergency costs,
 5 state and federal funds transferred from the medicaid personal care
 6 program to the four home and community-based waiver programs, and the
 7 year-to-date number of new clients added to a waiver program.

8 (j) \$1,000,000 of the general fund--state appropriation for fiscal
 9 year 2006, \$1,000,000 of the general fund--state appropriation for
 10 fiscal year 2007, and \$2,000,000 of the general fund--federal
 11 appropriation are provided for implementation of the administrative
 12 rate standardization. These amounts are in addition to any vendor rate
 13 increase adopted by the legislature.

14 (2) INSTITUTIONAL SERVICES

15	General Fund--State Appropriation (FY 2006)	\$73,974,000
16	General Fund--State Appropriation (FY 2007)	\$73,569,000
17	General Fund--Federal Appropriation	\$145,996,000
18	General Fund--Private/Local Appropriation	\$11,992,000
19	TOTAL APPROPRIATION	\$305,531,000

20 (3) PROGRAM SUPPORT

21	General Fund--State Appropriation (FY 2006)	\$2,236,000
22	General Fund--State Appropriation (FY 2007)	\$1,556,000
23	General Fund--Federal Appropriation	\$2,062,000
24	TOTAL APPROPRIATION	\$5,854,000

25 The appropriations in this subsection are subject to the following
 26 conditions and limitations: \$300,000 of the general fund--state
 27 appropriation fiscal year 2006 is provided solely for the purposes of
 28 meeting the terms of the settlement agreement in regards to the award
 29 of attorneys fees in the consolidated lawsuits, *Boyle v. Braddock*,
 30 United States District Court Western District of Washington at Tacoma,
 31 Cause No. C01-5687 FDB and *The Arc of Washington v. Quasim, et al.*,
 32 United States District Court Western District of Washington at Tacoma,
 33 Cause No. C-99-5577 FDB, covering waiver services. The expenditure of
 34 these amounts is contingent on the approval of the parties' settlement
 35 agreement by the federal district court and the issuance of a court
 36 order staying all waiver claims in both cases until at least April 1,

1 2008. The total settlement costs shall not exceed the amount provided
2 in this subsection.

3 (4) SPECIAL PROJECTS

4	General Fund--State Appropriation (FY 2006)	\$6,000
5	General Fund--State Appropriation (FY 2007)	\$2,000
6	General Fund--Federal Appropriation	\$16,597,000
7	TOTAL APPROPRIATION	\$16,605,000

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

10	General Fund--State Appropriation (FY 2006)	\$601,999,000
11	General Fund--State Appropriation (FY 2007)	\$618,861,000
12	General Fund--Federal Appropriation	\$1,258,011,000
13	General Fund--Private/Local Appropriation	\$18,788,000
14	Health Services Account--State Appropriation	\$4,888,000
15	TOTAL APPROPRIATION	\$2,502,547,000

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

18 (1) The entire health services account appropriation, \$610,000 of
19 the general fund--state appropriation for fiscal year 2006, \$610,000 of
20 the general fund--state appropriation for fiscal year 2007, and
21 \$5,552,000 of the general fund--federal appropriation are provided
22 solely for health care benefits for agency home care workers who are
23 employed through state contracts for at least twenty hours a week.
24 Home care agencies may obtain coverage either through the basic health
25 plan or through an alternative plan that provides substantially
26 equivalent benefits.

27 (2) For purposes of implementing chapter 74.46 RCW, the weighted
28 average nursing facility payment rate shall not exceed \$149.03 for
29 fiscal year 2006 and shall not exceed \$153.83 for fiscal year 2007.

30 (3) In accordance with chapter 74.46 RCW, the department shall
31 issue certificates of capital authorization that result in up to \$16
32 million of increased asset value completed and ready for occupancy in
33 fiscal year 2006; up to \$16 million of increased asset value completed
34 and ready for occupancy in fiscal year 2007; and up to \$16 million of
35 increased asset value completed and ready for occupancy in fiscal year
36 2008.

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

4 (5) In accordance with chapter 74.39 RCW, the department may
5 implement two medicaid waiver programs for persons who do not qualify
6 for such services as categorically needy, subject to federal approval
7 and the following conditions and limitations:

8 (a) One waiver program shall include coverage of care in community
9 residential facilities. Enrollment in the waiver shall not exceed 600
10 persons at any time.

11 (b) The second waiver program shall include coverage of in-home
12 care. Enrollment in this second waiver shall not exceed 200 persons at
13 any time.

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

17 (d) If it is necessary to establish a waiting list for either
18 waiver because the budgeted number of enrollment opportunities has been
19 reached, the department shall track how the long-term care needs of
20 applicants assigned to the waiting list are met.

21 (6) \$1,413,000 of the general fund--state appropriation for fiscal
22 year 2006, \$2,887,000 of the general fund--state appropriation for
23 fiscal year 2007, and \$4,305,000 of the general fund--federal
24 appropriation are provided solely to increase compensation for workers
25 employed by agency home care providers. The amounts in this subsection
26 also include the funds needed for the employer share of unemployment
27 and social security taxes on the amount of the increase.

28 (7) \$1,786,000 of the general fund--state appropriation for fiscal
29 year 2006 and \$1,814,000 of the general fund--state appropriation for
30 fiscal year 2007 are provided solely for operation of the volunteer
31 chore services program.

32 (8) The department shall establish waiting lists to the extent
33 necessary to assure that annual expenditures on the community options
34 program entry systems (COPES) program do not exceed appropriated
35 levels. In establishing and managing any such waiting list, the
36 department shall assure priority access to persons with the greatest
37 unmet needs, as determined by department assessment processes.

1 (9) \$550,000 of the general fund--state appropriation for fiscal
2 year 2006, \$150,000 of the general fund--state appropriation for fiscal
3 year 2007, and \$125,000 of the general fund--federal appropriation are
4 provided solely for a pilot project under which the long-term care
5 program will partner with a mental health regional support network to
6 provide integrated care through a nursing home-licensed facility that
7 specializes in caring for people with chronic mental illness. Under
8 the partnership, the regional support network shall provide funding for
9 basic residential care and supervision, and pilot project funds shall
10 pay for nursing and other specialized services.

11 (10) \$250,000 of the general fund--state appropriation for fiscal
12 year 2006 and \$250,000 of the general fund--state appropriation for
13 fiscal year 2007 are provided solely for the senior farmer's market
14 nutrition program.

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

17	General Fund--State Appropriation (FY 2006)	\$476,660,000
18	General Fund--State Appropriation (FY 2007)	\$486,401,000
19	General Fund--Federal Appropriation	\$1,238,360,000
20	General Fund--Private/Local Appropriation	\$31,466,000
21	TOTAL APPROPRIATION	\$2,232,887,000

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

24 (1) \$273,333,000 of the general fund--state appropriation for
25 fiscal year 2006, \$273,333,000 of the general fund--state appropriation
26 for fiscal year 2007, and \$1,020,292,000 of the general fund--federal
27 appropriation are provided solely for all components of the WorkFirst
28 program. Within the amounts provided for the WorkFirst program, the
29 department shall:

30 (a) Continue to implement WorkFirst program improvements that are
31 designed to achieve progress against outcome measures specified in RCW
32 74.08A.410. Valid outcome measures of job retention and wage
33 progression shall be developed and reported quarterly to appropriate
34 fiscal and policy committees of the legislature for families who leave
35 assistance, measured after 12 months, 24 months, and 36 months. The
36 department shall also report the percentage of families who have

1 returned to temporary assistance for needy families after 12 months, 24
2 months, and 36 months; and

3 (b) Submit a report by October 1, 2005, to the fiscal committees of
4 the legislature containing a spending plan for the WorkFirst program.
5 The plan shall identify how spending levels in the 2005-2007 biennium
6 will be adjusted to stay within available federal grant levels and the
7 appropriated state-fund levels.

8 (2) \$75,833,000 of the general fund--state appropriation for fiscal
9 year 2006 and \$74,358,000 of the general fund--state appropriation for
10 fiscal year 2007 are provided solely for cash assistance and other
11 services to recipients in the general assistance--unemployable program.
12 Within these amounts, the department may expend funds for services that
13 assist recipients to reduce their dependence on public assistance,
14 provided that expenditures for these services and cash assistance do
15 not exceed the funds provided.

16 (3) \$5,000,000 of the general fund--state appropriation for fiscal
17 year 2006 and \$10,000,000 of the general fund--state appropriation for
18 fiscal year 2007 are provided solely for a subsidy rate increase for
19 child care providers. Of this amount, \$500,000 shall be targeted for
20 child care providers in urban areas of region 1.

21 (4) \$277,000 of the general fund--state appropriation for fiscal
22 year 2006 and \$250,000 of the general fund--state appropriation for
23 fiscal year 2007 are provided solely for school readiness assistance
24 activities.

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

27	General Fund--State Appropriation (FY 2006)	\$54,546,000
28	General Fund--State Appropriation (FY 2007)	\$69,114,000
29	General Fund--Federal Appropriation	\$111,385,000
30	General Fund--Private/Local Appropriation	\$626,000
31	Criminal Justice Treatment Account--State Appropriation .	\$16,500,000
32	Violence Reduction and Drug Enforcement Account--State	
33	Appropriation	\$48,988,000
34	Problem Gambling Treatment Account--State Appropriation . .	\$1,500,000
35	Public Safety and Education Account--State	
36	Appropriation	\$2,080,000
37	TOTAL APPROPRIATION	\$304,739,000

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

3 (1) \$966,000 of the general fund--state appropriation for fiscal
4 year 2006 and \$966,000 of the general fund--state appropriation for
5 fiscal year 2007 are provided solely for the parent child assistance
6 program. The department shall contract with the University of
7 Washington and community-based providers in Spokane and Yakima for the
8 provision of this program. For all contractors, indirect charges for
9 administering the program shall not exceed ten percent of the total
10 contract amount.

11 (2) The department shall expand services in southwestern Washington
12 to pregnant and parenting women, including additional residential
13 capacity and expanding the parent-child assistance program.

14 (3) \$10,391,000 of the general fund--state appropriation for fiscal
15 year 2006, \$19,991,000 of the general fund--state appropriation for
16 fiscal year 2007, and \$16,017,000 of the general fund--federal
17 appropriation are provided solely for expansion of chemical dependency
18 treatment to medicaid-eligible adults and youth under 200 percent of
19 federal poverty level, as required by Senate Bill No. 5763 (mental
20 disorders treatment). If Senate Bill No. 5763 is not enacted by June
21 30, 2005, the amounts provided in this subsection shall lapse.

22 (4) \$2,160,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$4,522,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely for pilot programs as required by
25 Senate Bill No. 5763 (mental disorders treatment). If Senate Bill No.
26 5763 is not enacted by June 30, 2005, the amounts provided in this
27 subsection shall lapse.

28 (5) \$159,000 of the general fund--state appropriation for fiscal
29 year 2006, \$140,000 of the general fund--state appropriation for fiscal
30 year 2007, and \$161,000 of the general fund--federal appropriation are
31 provided solely for development of the integrated chemical
32 dependency/mental health screening and assessment tool required by
33 Senate Bill No. 5763 (mental disorders treatment), and associated
34 training and quality assurance. If Senate Bill No. 5763 is not enacted
35 by June 30, 2005, the amounts provided in this subsection shall lapse.

36 (6) \$465,000 of the general fund--state appropriation for fiscal
37 year 2006, \$1,224,000 of the general fund--state appropriation for
38 fiscal year 2007, \$1,592,000 of the general fund--federal

1 appropriation, and \$846,000 of the violence reduction and drug
 2 enforcement account appropriation are provided solely for vendor rate
 3 adjustments for residential treatment providers. To the extent that a
 4 portion of this funding is sufficient to maintain sufficient
 5 residential treatment capacity, remaining amounts may then be used to
 6 provide vendor rate adjustments to other types of providers as
 7 prioritized by the department in order to maintain or increase
 8 treatment capacity.

9 (7) \$2,000,000 of the general fund--state appropriation for fiscal
 10 year 2007 is provided solely for vendor rate adjustments for
 11 residential treatment providers to expand capacity for chemical
 12 dependency services as required under Senate Bill No. 5763 (mental
 13 disorders treatment). If Senate Bill No. 5763 is not enacted by June
 14 30, 2005, the amount provided in this subsection shall lapse.

15 (8) \$1,500,000 of the problem gambling treatment account
 16 appropriation is provided solely for the program established in RCW
 17 43.20A.890. If legislation creating the account is not enacted by June
 18 30, 2005, the amount provided in this subsection shall lapse.

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

21	General Fund--State Appropriation (FY 2006)	\$1,473,634,000
22	General Fund--State Appropriation (FY 2007)	\$1,584,336,000
23	General Fund--Federal Appropriation	\$4,021,666,000
24	General Fund--Private/Local Appropriation	\$2,000,000
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account--State Appropriation	\$15,000,000
27	Health Services Account--State Appropriation	\$639,715,000
28	TOTAL APPROPRIATION	\$7,736,351,000

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

31 (1) In accordance with RCW 74.46.625, \$6,000,000 of the general
 32 fund--federal appropriation is provided solely for supplemental
 33 payments to nursing homes operated by public hospital districts. The
 34 public hospital district shall be responsible for providing the
 35 required nonfederal match for the supplemental payment, and the
 36 payments shall not exceed the maximum allowable under federal rules.
 37 It is the legislature's intent that the payments shall be supplemental

1 to and shall not in any way offset or reduce the payments calculated
2 and provided in accordance with part E of chapter 74.46 RCW. It is the
3 legislature's further intent that costs otherwise allowable for rate-
4 setting and settlement against payments under chapter 74.46 RCW shall
5 not be disallowed solely because such costs have been paid by revenues
6 retained by the nursing home from these supplemental payments.

7 (2) \$1,660,000 of the health services account appropriation,
8 \$4,361,000 of the general fund--federal appropriation, \$1,350,000 of
9 the general fund--state appropriation for fiscal year 2006, and
10 \$1,351,000 of the general fund--state appropriation for fiscal year
11 2007 are provided solely for grants to rural hospitals. The department
12 shall distribute the funds under a formula that provides a relatively
13 larger share of the available funding to hospitals that (a) serve a
14 disproportionate share of low-income and medically indigent patients
15 and (b) have relatively smaller net financial margins, to the extent
16 allowed by the federal medicaid program.

17 (3) \$22,081,000 of the health services account appropriation and
18 \$20,714,000 of the general fund--federal appropriation are provided
19 solely for grants to nonrural hospitals. The department shall
20 distribute the funds under a formula that provides a relatively larger
21 share of the available funding to hospitals that (a) serve a
22 disproportionate share of low-income and medically indigent patients
23 and (b) have relatively smaller net financial margins, to the extent
24 allowed by the federal medicaid program.

25 (4) In response to the federal directive to eliminate
26 intergovernmental transfer transactions effective June 30, 2005, the
27 department is directed to implement the inpatient hospital certified
28 public expenditures program for the 2005-07 biennium. The program
29 shall apply to all public hospitals, including those owned or operated
30 by the state, except those classified as critical access hospitals.
31 Hospitals in the program shall be paid and shall retain (a) one hundred
32 percent of the federal portion of each medicaid inpatient fee-for-
33 service claim payable by the medical assistance administration; and (b)
34 one hundred percent of the federal portion of the maximum
35 disproportionate share hospital payment allowable under federal
36 regulations. Medicaid fee-for-service claim amounts shall be
37 established by applying the department's ratio of costs to charges
38 payment methodology. The department shall provide participating

1 hospitals with the information needed by the hospital to certify the
2 public expenditures required to qualify for the federal portions of
3 both the medicaid inpatient fee-for-service payments and the
4 disproportionate share hospital payments. The legislature intends that
5 hospitals in the program receive no less in combined state and federal
6 payments than they would have received under the methodology that was
7 in place during fiscal year 2005. The department shall therefore make
8 additional grant payments, not to exceed the amounts provided in this
9 subsection, to hospitals whose total payments under the program would
10 otherwise be less than the total state and federal payments they would
11 have received under the methodology in effect during fiscal year 2005.
12 \$37,034,000 of the general fund--state appropriation for fiscal year
13 2006, \$37,552,000 of the general fund--state appropriation for fiscal
14 year 2007, \$8,300,000 of the emergency medical services and trauma care
15 systems trust account--state appropriation, and \$45,450,000 of the
16 general fund--federal appropriation are provided solely for new state
17 grant and upper payment limit programs for the participating hospitals.

18 (5) \$3,972,000 of the general fund--state appropriation for fiscal
19 year 2006, \$3,990,000 of the general fund--state appropriation for
20 fiscal year 2007, and \$63,279,000 of the general fund--federal
21 appropriation are provided solely for development and implementation of
22 a replacement system for the existing medicaid management information
23 system.

24 (6) \$150,000 of the general fund--state appropriation for fiscal
25 year 2006, \$75,000 of the general fund--state appropriation for fiscal
26 year 2007, and \$225,000 of the general fund--federal appropriation are
27 provided solely for the department to contract for an independent
28 analysis of the medical assistance administration's current system for
29 establishing hospital inpatient payment rates, and for recommendations
30 on a new or updated system. The department shall submit an interim
31 report of study findings by December 1, 2005, and a final report by
32 November 15, 2006. The interim report shall include a comparison of
33 the strengths and weaknesses of the current rate-setting system
34 relative to those used by other state, federal, and private payers.
35 The final report shall include recommendations on the design and
36 implementation of a new or updated system that will promote equity
37 among hospitals, access to quality care for patients, and cost-control
38 and efficiency for taxpayers. The study should make use of complete

1 and current cost data from a wide variety of hospitals, recognize
2 unique aspects of hospital service delivery structures and medicaid
3 payment systems in Washington, and provide opportunities for comment
4 and participation by key interest groups in the identification and
5 assessment of alternatives.

6 (7) Payment rates for hospital inpatient and outpatient services
7 shall be increased by an average of 1.2 percent effective September 1,
8 2005, and by an average of an additional 1.7 percent effective
9 September 1, 2006. The increases shall be provided only on the portion
10 of a hospital's rate that excludes medical education and outlier costs,
11 and shall be allocated so that hospitals with lower costs of care
12 (excluding medical education and outlier costs) receive larger
13 percentage increases than those with higher costs of care. The
14 increases shall be allocated in three percentage increments, with the
15 lowest-cost hospitals receiving the largest percentage rate increase,
16 highest-cost hospitals receiving the smallest percentage increase, and
17 medium-cost hospitals receiving the average of the highest and the
18 lowest percentage rate increase. Increases shall not be provided to
19 those hospitals that are certified as critical access. Sufficient
20 funds are appropriated in this section for Healthy Options contractors
21 to increase hospital payment rates commensurate with the increases in
22 fee-for-service payment rates.

23 (8) When a person is ineligible for medicaid solely by reason of
24 residence in an institution for mental diseases, the department shall
25 provide the person with the same benefits as he or she would receive if
26 eligible for medicaid, using state-only funds to the extent necessary.

27 (9) The medical assistance program may use funds appropriated in
28 this section to purchase medical equipment and supplies through third-
29 party purchasing groups when it is cost-effective to do so.

30 (10) The legislature affirms that it is in the state's interest for
31 Harborview medical center to remain an economically viable component of
32 the state's health care system.

33 (11) By October 1, 2005, the department shall recommend to the
34 governor and legislature at least two pilot project designs which seem
35 likely to reduce avoidable emergency room utilization at no net cost to
36 the state within the projects' first eighteen months of operation.

1 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

3	General Fund--State Appropriation (FY 2006)	\$11,110,000
4	General Fund--State Appropriation (FY 2007)	\$11,432,000
5	General Fund--Federal Appropriation	\$87,051,000
6	General Fund--Private/Local Appropriation	\$440,000
7	Telecommunications Devices for the Hearing and	
8	Speech Impaired--State Appropriation	\$1,786,000
9	TOTAL APPROPRIATION	\$111,819,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: The division of vocational rehabilitation
12 shall maintain support for existing clubhouse programs at the 2003-2005
13 level.

14 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

15 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

16	General Fund--State Appropriation (FY 2006)	\$31,356,000
17	General Fund--State Appropriation (FY 2007)	\$27,922,000
18	General Fund--Federal Appropriation	\$50,785,000
19	General Fund--Private/Local Appropriation	\$810,000
20	Public Safety and Education Account--State	
21	Appropriation	\$2,452,000
22	Violence Reduction and Drug Enforcement Account--State	
23	Appropriation	\$2,358,000
24	TOTAL APPROPRIATION	\$115,683,000

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

27 (1) \$300,000 of the general fund--state appropriation for fiscal
28 year 2006 and \$300,000 of the general fund--state appropriation for
29 fiscal year 2007 are provided solely for funding of the teamchild
30 project through the governor's juvenile justice advisory committee.

31 (2) \$2,452,000 of the public safety and education account--state
32 appropriation and \$2,358,000 of the violence reduction and drug
33 enforcement account--state appropriation are provided solely for the
34 family policy council.

35 (3) \$3,195,000 of the general fund--state appropriation for fiscal
36 year 2006, \$639,000 of the general fund--state appropriation for fiscal

1 year 2007, and \$3,833,000 of the general--fund federal appropriation
2 are provided solely to implement the 2005-07 homecare worker collective
3 bargaining agreement.

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

6	General Fund--State Appropriation (FY 2006)	\$46,381,000
7	General Fund--State Appropriation (FY 2007)	\$46,380,000
8	General Fund--Federal Appropriation	\$45,103,000
9	TOTAL APPROPRIATION	\$137,864,000

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

11	General Fund--Federal Appropriation	\$2,723,000
12	State Health Care Authority Administrative Account--	
13	State Appropriation	\$21,756,000
14	Medical Aid Account--State Appropriation	\$171,000
15	Health Services Account--State Appropriation	\$459,376,000
16	TOTAL APPROPRIATION	\$484,026,000

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

19 (1) Within funds appropriated in this section and sections 205 and
20 206 of this act, the health care authority shall continue to provide an
21 enhanced basic health plan subsidy for foster parents licensed under
22 chapter 74.15 RCW and workers in state-funded home care programs.
23 Under this enhanced subsidy option, foster parents and home care
24 workers with family incomes below 200 percent of the federal poverty
25 level shall be allowed to enroll in the basic health plan at the
26 minimum premium amount charged to enrollees with incomes below sixty-
27 five percent of the federal poverty level.

28 (2) The health care authority shall require organizations and
29 individuals which are paid to deliver basic health plan services and
30 which choose to sponsor enrollment in the subsidized basic health plan
31 to pay 133 percent of the premium amount which would otherwise be due
32 from the sponsored enrollees.

33 (3) The administrator shall take at least the following actions to
34 assure that persons participating in the basic health plan are eligible
35 for the level of assistance they receive: (a) Require submission of
36 (i) income tax returns, and recent pay history, from all applicants, or

1 (ii) other verifiable evidence of earned and unearned income from those
 2 persons not required to file income tax returns; (b) check employment
 3 security payroll records at least once every twelve months on all
 4 enrollees; (c) require enrollees whose income as indicated by payroll
 5 records exceeds that upon which their subsidy is based to document
 6 their current income as a condition of continued eligibility; (d)
 7 require enrollees for whom employment security payroll records cannot
 8 be obtained to document their current income at least once every six
 9 months; (e) not reduce gross family income for self-employed persons by
 10 noncash-flow expenses such as, but not limited to, depreciation,
 11 amortization, and home office deductions, as defined by the United
 12 States internal revenue service; and (f) pursue repayment and civil
 13 penalties from persons who have received excessive subsidies, as
 14 provided in RCW 70.47.060(9).

15 (4) \$24,108,000 of the health services account--state appropriation
 16 is provided solely for funding for health care services provided
 17 through local community clinics.

18 (5) \$316,000 of the health services account appropriation is
 19 provided solely for implementation of Senate Bill No. 5064 (electronic
 20 medical records). If Senate Bill No. 5064 is not enacted by June 30,
 21 2005, the amount provided in this subsection shall lapse.

22 (6) \$391,000 of the health services account appropriation is
 23 provided solely for implementation of Senate Bill No. 5471 (drug
 24 purchasing consortium). If Senate Bill No. 5471 is not enacted by June
 25 30, 2005, the amount provided in this subsection shall lapse.

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

27	General Fund--State Appropriation (FY 2006)	\$2,484,000
28	General Fund--State Appropriation (FY 2007)	\$2,457,000
29	General Fund--Federal Appropriation	\$1,872,000
30	TOTAL APPROPRIATION	\$6,813,000

31 The appropriations in this section are subject to the following
 32 conditions and limitations: The commission shall submit a report by
 33 December 1st of each year to the office of financial management and the
 34 legislative fiscal committees detailing any changes in existing federal
 35 revenues for the remainder of the current fiscal year and changes in
 36 projections of federal revenue for the upcoming fiscal year.

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

2 **APPEALS**

3 Worker and Community Right-to-Know Account--State

4 Appropriation \$20,000

5 Accident Account--State Appropriation \$17,135,000

6 Medical Aid Account--State Appropriation \$17,134,000

7 TOTAL APPROPRIATION \$34,289,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: \$1,240,000 of accident account--state
10 appropriation and \$1,240,000 of medical aid account--state
11 appropriation are provided solely to implement Substitute Senate Bill
12 No. 5789 (expanding the role of self-insurers in the workers'
13 compensation system). If the bill is not enacted by June 30, 2005, the
14 amounts provided shall lapse.

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

16 **COMMISSION**

17 Public Safety and Education Account--State

18 Appropriation \$18,183,000

19 Death Investigations Account--State Appropriation \$148,000

20 Municipal Criminal Justice Assistance Account--

21 Private/Local Appropriation \$460,000

22 TOTAL APPROPRIATION \$18,791,000

23 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**

24 **INDUSTRIES**

25 General Fund--State Appropriation (FY 2006) \$8,890,000

26 General Fund--State Appropriation (FY 2007) \$8,806,000

27 Public Safety and Education Account--State

28 Appropriation \$23,503,000

29 Public Safety and Education Account--Federal

30 Appropriation \$10,000,000

31 Asbestos Account--State Appropriation \$782,000

32 Electrical License Account--State Appropriation \$31,985,000

33 Farm Labor Revolving Account--Private/Local

34 Appropriation \$28,000

35 Worker and Community Right-to-Know Account--State

36 Appropriation \$1,732,000

1 implement Substitute Senate Bill No. 5614 (annual audits of the state
2 industrial insurance fund). If the bill is not enacted by June 30,
3 2005, the amounts provided in this subsection shall lapse.

4 (7) \$12,000 of accident account--state appropriation and \$12,000 of
5 medical aid account--state appropriation are provided solely to
6 implement Substitute Senate Bill No. 5992 (modifying self-insurer
7 assessments under the second injury fund). If the bill is not enacted
8 by June 30, 2005, the amounts provided in this subsection shall lapse.

9 (8) \$1,664,000 of the general fund--state appropriation for fiscal
10 year 2006, \$1,665,000 of the general fund--state appropriation for
11 fiscal year 2007, \$23,502,000 of the public safety and education
12 account--state appropriation, and \$10,000,000 of the public safety and
13 education account--federal appropriation are provided solely for the
14 crime victims' compensation program, subject to the following
15 conditions:

16 (a) Reimbursement shall be provided throughout the 2005-2007
17 biennium for full reimbursement of sexual assault forensic exams at
18 workers' compensation rates; and

19 (b) In accordance with RCW 7.68.015, it is the policy of the state
20 that the department of labor and industries operate the crime victims'
21 compensation program within the amounts provided for this program in
22 this subsection.

23 NEW SECTION. **Sec. 218. FOR THE INDETERMINATE SENTENCE REVIEW**
24 **BOARD**

25	General Fund--State Appropriation (FY 2006)	\$1,060,000
26	General Fund--State Appropriation (FY 2007)	\$1,055,000
27	TOTAL APPROPRIATION	\$2,115,000

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

29 (1) HEADQUARTERS

30	General Fund--State Appropriation (FY 2006)	\$1,873,000
31	General Fund--State Appropriation (FY 2007)	\$1,807,000
32	Charitable, Educational, Penal, and Reformatory	
33	Institutions Account--State Appropriation	\$10,000
34	TOTAL APPROPRIATION	\$3,690,000

35 The appropriations in this subsection are subject to the following
36 conditions and limitations: \$70,000 of the general fund--state

1 appropriation for fiscal year 2006 and \$70,000 of the general fund--
 2 state appropriation for fiscal year 2007 are provided solely for
 3 implementation of Senate Bill No. 5539 (veterans conservation corps).
 4 If Senate Bill No. 5539 is not enacted by June 30, 2005, these amounts
 5 shall lapse.

6 (2) FIELD SERVICES

7	General Fund--State Appropriation (FY 2006)	\$2,750,000
8	General Fund--State Appropriation (FY 2007)	\$2,730,000
9	General Fund--Federal Appropriation	\$318,000
10	General Fund--Private/Local Appropriation	\$1,943,000
11	TOTAL APPROPRIATION	\$7,741,000

12 (3) INSTITUTIONAL SERVICES

13	General Fund--State Appropriation (FY 2006)	\$7,210,000
14	General Fund--State Appropriation (FY 2007)	\$6,435,000
15	General Fund--Federal Appropriation	\$31,799,000
16	General Fund--Private/Local Appropriation	\$26,454,000
17	TOTAL APPROPRIATION	\$71,898,000

18 NEW SECTION. **Sec. 220. FOR THE HOME CARE QUALITY AUTHORITY**

19	General Fund--State Appropriation (FY 2006)	\$1,408,000
20	General Fund--State Appropriation (FY 2007)	\$1,576,000
21	General Fund--Federal Appropriation	\$1,034,000
22	TOTAL APPROPRIATION	\$4,018,000

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

24	General Fund--State Appropriation (FY 2006)	\$63,142,000
25	General Fund--State Appropriation (FY 2007)	\$62,741,000
26	General Fund--Federal Appropriation	\$452,484,000
27	General Fund--Private/Local Appropriation	\$98,661,000
28	Hospital Commission Account--State Appropriation	\$2,553,000
29	Health Professions Account--State Appropriation	\$46,644,000
30	Aquatic Lands Enhancement Account--State	
31	Appropriation	\$600,000
32	Emergency Medical Services and Trauma Care Systems	
33	Trust Account--State Appropriation	\$12,567,000
34	Safe Drinking Water Account--State Appropriation	\$2,838,000
35	Drinking Water Assistance Account--Federal	
36	Appropriation	\$15,969,000

1	Waterworks Operator Certification--State Appropriation . . .	\$1,083,000
2	Drinking Water Assistance Administrative Account--	
3	State Appropriation	\$326,000
4	Water Quality Account--State Appropriation	\$3,502,000
5	State Toxics Control Account--State Appropriation	\$2,756,000
6	Medical Test Site Licensure Account--State	
7	Appropriation	\$1,752,000
8	Youth Tobacco Prevention Account--State Appropriation . . .	\$1,806,000
9	Public Health Supplemental Account--Private/Local	
10	Appropriation	\$3,306,000
11	Accident Account--State Appropriation	\$266,000
12	Medical Aid Account--State Appropriation	\$46,000
13	Health Services Account--State Appropriation	\$37,915,000
14	Tobacco Prevention and Control Account--State	
15	Appropriation	\$52,621,000
16	Public Benefit Account--State Appropriation	\$1,000,000
17	TOTAL APPROPRIATION	\$864,578,000

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

20 (1) The department or any successor agency is authorized to raise
21 existing fees charged for the clandestine drug lab program, the
22 drinking water program, radioactive materials license fees, X-ray
23 facility registration fees, shellfish commercial paralytic shellfish
24 poisoning fees, the water recreation program, the wastewater management
25 program, and the midwifery program, in excess of the fiscal growth
26 factor established by Initiative Measure No. 601, if necessary, to meet
27 the actual costs of conducting business and the appropriation levels in
28 this section.

29 (2) \$1,713,000 of the general fund--state fiscal year 2006
30 appropriation, \$1,713,000 of the general fund--state fiscal year 2007
31 appropriation, and \$676,000 of the general fund--local appropriation
32 are provided solely for the implementation of the Puget Sound
33 conservation and recovery plan and agency action items, DOH-01, DOH-02,
34 DOH-03, and DOH-04.

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

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

13 (4) \$383,000 of the general fund--state appropriation for fiscal
14 year 2006, \$317,000 of the general fund--state appropriation for fiscal
15 year 2007, and \$676,000 of the general fund--private/local
16 appropriation are provided solely to assist counties in marine areas
17 complete on-site sewage system management plans and electronic data
18 bases to inventory on-site sewage systems.

19 (5) \$200,000 of the health professions account appropriation is
20 provided solely for a grant to the central nursing resource center
21 established pursuant to Senate Bill No. 5599 (nursing resource center),
22 including reasonable department costs for administration of the grant.
23 The amount provided in this subsection shall be from that portion of
24 the health professions account attributable to the nursing licensing
25 program under chapter 18.79 RCW. The grant shall be awarded by
26 September 1, 2005, to a not-for-profit central nursing resource center.
27 The center awarded the grant must meet the criteria specified in Senate
28 Bill No. 5599, and the grant must be used for the purposes specified
29 therein. If Senate Bill No. 5599 is not enacted by June 30, 2005, the
30 amount provided in this subsection shall lapse.

31 (6) \$79,000 of the general fund--state appropriation for fiscal
32 year 2006 and \$79,000 of the general fund--state appropriation for
33 fiscal year 2007 are provided solely to enhance the department's
34 capacity to identify and track the incidence and costs of hepatitis C
35 infection.

36 (7) \$25,000 of the general fund--state appropriation for fiscal
37 year 2006 is provided solely to develop and implement best practices in
38 preventative health care for children. The department and the kids get

1 care program of public health - Seattle and King county will work in
2 collaboration with local health care agencies to disseminate strategic
3 interventions that are focused on evidence-based best practices for
4 improving health outcomes in children and saving health-care costs.

5 (8) \$1,000,000 of the public benefit account appropriation is
6 provided solely to expand the breast and cervical cancer screening
7 program. If Senate Bill No. 5287 (taxation of social card rooms) is
8 not enacted by June 30, 2005, the amount provided in this subsection
9 shall lapse.

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

11 (1) ADMINISTRATION AND SUPPORT SERVICES

12	General Fund--State Appropriation (FY 2006)	\$38,271,000
13	General Fund--State Appropriation (FY 2007)	\$38,077,000
14	Violence Reduction and Drug Enforcement Account--	
15	State Appropriation	\$26,000
16	Public Safety and Education Account--State	
17	Appropriation	\$2,656,000
18	TOTAL APPROPRIATION	\$79,030,000

19 (2) CORRECTIONAL OPERATIONS

20	General Fund--State Appropriation (FY 2006)	\$509,512,000
21	General Fund--State Appropriation (FY 2007)	\$525,934,000
22	General Fund--Federal Appropriation	\$4,422,000
23	Violence Reduction and Drug Enforcement Account--	
24	State Appropriation	\$2,984,000
25	TOTAL APPROPRIATION	\$1,042,852,000

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

28 (a) For the acquisition of properties and facilities, the
29 department of corrections is authorized to enter into financial
30 contracts, paid for from operating resources, for the purposes
31 indicated and in not more than the principal amounts indicated, plus
32 financing expenses and required reserves pursuant to chapter 39.94 RCW.
33 This authority applies to the following: Lease-develop with the option
34 to purchase or lease-purchase work release beds in facilities
35 throughout the state for \$8,561,000.

1 (b) The department may expend funds generated by contractual
2 agreements entered into for mitigation of severe overcrowding in local
3 jails. Any funds generated in excess of actual costs shall be
4 deposited in the state general fund. Expenditures shall not exceed
5 revenue generated by such agreements and shall be treated as recovery
6 of costs.

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

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

15 (e) During the 2005-07 biennium, when contracts are established or
16 renewed for offender pay phone and other telephone services provided to
17 inmates, the department shall select the contractor or contractors
18 primarily based on the following factors: (i) The lowest rate charged
19 to both the inmate and the person paying for the telephone call; and
20 (ii) the lowest commission rates paid to the department, while
21 providing reasonable compensation to cover the costs of the department
22 to provide the telephone services to inmates and provide sufficient
23 revenues for the activities funded from the institutional welfare
24 betterment account.

25 (3) COMMUNITY SUPERVISION

26 General Fund--State Appropriation (FY 2006)	\$81,398,000
27 General Fund--State Appropriation (FY 2007)	\$78,632,000
28 Public Safety and Education Account--State	
29 Appropriation	\$15,989,000
30 TOTAL APPROPRIATION	\$176,019,000

31 The appropriations in this subsection are subject to the following
32 conditions and limitations: The department shall accomplish personnel
33 reductions with the least possible impact on correctional custody
34 staff, community custody staff, and correctional industries. For the
35 purposes of this subsection, correctional custody staff means employees
36 responsible for the direct supervision of offenders.

37 (4) CORRECTIONAL INDUSTRIES

1	General Fund--State Appropriation (FY 2006)	\$1,298,000
2	General Fund--State Appropriation (FY 2007)	\$728,000
3	TOTAL APPROPRIATION	\$2,026,000

4 The appropriations in this subsection are subject to the following
5 conditions and limitations: \$110,000 of the general fund--state
6 appropriation for fiscal year 2006 and \$110,000 of the general fund--
7 state appropriation for fiscal year 2007 are provided solely for
8 transfer to the jail industries board. The board shall use the amounts
9 provided only for administrative expenses, equipment purchases, and
10 technical assistance associated with advising cities and counties in
11 developing, promoting, and implementing consistent, safe, and efficient
12 offender work programs.

13 (5) INTERAGENCY PAYMENTS

14	General Fund--State Appropriation (FY 2006)	\$33,565,000
15	General Fund--State Appropriation (FY 2007)	\$33,564,000
16	TOTAL APPROPRIATION	\$67,129,000

17 **NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF SERVICES FOR THE**
18 **BLIND**

19	General Fund--State Appropriation (FY 2006)	\$1,872,000
20	General Fund--State Appropriation (FY 2007)	\$1,897,000
21	General Fund--Federal Appropriation	\$15,080,000
22	General Fund--Private/Local Appropriation	\$80,000
23	TOTAL APPROPRIATION	\$18,929,000

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

25	General Fund--State Appropriation (FY 2006)	\$846,000
26	General Fund--State Appropriation (FY 2007)	\$835,000
27	TOTAL APPROPRIATION	\$1,681,000

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

29	General Fund--State Appropriation (FY 2006)	\$37,000
30	General Fund--Federal Appropriation	\$257,246,000
31	General Fund--Private/Local Appropriation	\$30,964,000
32	Unemployment Compensation Administration Account--	
33	Federal Appropriation	\$193,801,000
34	Administrative Contingency Account--State	
35	Appropriation	\$14,629,000

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2006)	\$466,000
General Fund--State Appropriation (FY 2007)	\$469,000
General Fund--Private/Local Appropriation	\$845,000
TOTAL APPROPRIATION	\$1,780,000

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

General Fund--State Appropriation (FY 2006)	\$39,964,000
General Fund--State Appropriation (FY 2007)	\$38,756,000
General Fund--Federal Appropriation	\$72,286,000
General Fund--Private/Local Appropriation	\$13,225,000
Special Grass Seed Burning Research	
Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	\$2,531,000
Flood Control Assistance Account--State	
Appropriation	\$3,042,000
State Emergency Water Projects Revolving	
Account--State Appropriation	\$2,531,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation	\$14,789,000
State Drought Preparedness Account--State	
Appropriation	\$157,000
State and Local Improvements Revolving	
Account (Water Supply Facilities)--State	
Appropriation	\$342,000
Vessel Response Account--State Appropriation	\$2,876,000
Site Closure Account--State Appropriation	\$637,000
Water Quality Account--State Appropriation	\$28,400,000
Wood Stove Education and Enforcement	
Account--State Appropriation	\$357,000
Worker and Community Right-to-Know	
Account--State Appropriation	\$2,053,000
State Toxics Control Account--State Appropriation	\$76,244,000
State Toxics Control Account--Private/Local	

1	Appropriation	\$363,000
2	Local Toxics Control Account--State Appropriation	\$5,089,000
3	Water Quality Permit Account--State Appropriation	\$30,969,000
4	Underground Storage Tank Account--State Appropriation	\$2,794,000
5	Environmental Excellence Account--State Appropriation	\$504,000
6	Biosolids Permit Account--State Appropriation	\$815,000
7	Hazardous Waste Assistance Account--State	
8	Appropriation	\$4,963,000
9	Air Pollution Control Account--State Appropriation	\$11,103,000
10	Oil Spill Prevention Account--State Appropriation	\$10,255,000
11	Air Operating Permit Account--State Appropriation	\$2,507,000
12	Freshwater Aquatic Weeds Account--State	
13	Appropriation	\$2,519,000
14	Oil Spill Response Account--State Appropriation	\$7,078,000
15	Metals Mining Account--State Appropriation	\$14,000
16	Water Pollution Control Revolving Account--State	
17	Appropriation	\$393,000
18	Water Pollution Control Revolving Account--Federal	
19	Appropriation	\$1,913,000
20	Freshwater Aquatic Algae Control Account--State	
21	Appropriation	\$509,000
22	TOTAL APPROPRIATION	\$379,992,000

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

25 (1) \$2,526,196 of the general fund--state appropriation for fiscal
26 year 2006, \$2,526,195 of the general fund--state appropriation for
27 fiscal year 2007, \$366,000 of the general fund--federal appropriation,
28 \$2,581,000 of the state toxics account--state appropriation, \$540,806
29 of the water quality account--state appropriation, \$3,748,220 of the
30 water quality permit account--state appropriation, and \$705,000 of the
31 oil spill prevention account are provided solely for the implementation
32 of the Puget Sound conservation and recovery plan and agency action
33 items DOE-01, DOE-02, DOE-04, DOE-06, DOE-07, DOE-08, and DOE-09.

34 (2) \$4,054,000 of the state toxics control account appropriation is
35 provided solely for methamphetamine lab clean-up activities.

36 (3) \$170,000 of the oil spill prevention account appropriation is
37 provided solely for implementation of the Puget Sound conservation and
38 recovery plan action item UW-02 through a contract with the University

1 of Washington's sea grant program to continue an educational program
2 targeted to small spills from commercial fishing vessels, ferries,
3 cruise ships, ports, and marinas.

4 (4) \$2,500,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$2,000,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for shoreline grants to local
7 governments to implement Substitute Senate Bill No. 6012 (shoreline
8 management), chapter 262, Laws of 2003.

9 (5) Fees approved by the department of ecology in the 2005-07
10 biennium are authorized to exceed the fiscal growth factor under RCW
11 43.135.055.

12 (6) \$100,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$100,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided solely to support water measurement and
15 water storage components of the Columbia River Initiative Program.

16 (7) \$661,000 of the state and local improvements revolving
17 account--state appropriation is provided solely to implement House Bill
18 No. 1939 or Senate Bill No. 5831 (well construction fees). If neither
19 bill is enacted by June 30, 2005, the amount provided in this
20 subsection shall lapse.

21 (8) The department shall make recommendations to improve, change,
22 or eliminate monitoring activities that impact performance measures
23 related to salmon recovery and watershed health. The department shall
24 coordinate with the governor's forum on monitoring and watershed health
25 and consult with the office of financial management in determining the
26 scope and contents of this report.

27 In preparing these recommendations, the department shall prepare a
28 report detailing all new activity and updating all previously
29 identified activity within the comprehensive monitoring strategy with
30 a focus on salmon recovery and watershed health related monitoring
31 activity within the agency. At minimum, the report shall include
32 sufficient detail identifying the specific salmon recovery and
33 watershed health monitoring activity being performed and include:
34 Precise costs by fund source, a narrative stating why it is required,
35 when the activity started, the frequency of data collection, and
36 geographic location of data being collected. Furthermore, the agency
37 shall also provide sufficient detail that describes the purpose of each
38 monitoring activity, who uses the information, how often it is

1 accessed, where the information is stored, and the current status and
2 cost, by fund source, of the data storage systems housing each
3 monitoring activity identified within the agency.

4 The department shall provide a status report summarizing progress
5 to the governor's forum on monitoring and watershed health and the
6 office of financial management by March 1, 2006. A final report to the
7 governor's forum on monitoring and watershed health, the office of
8 financial management, and legislative fiscal committees is due no later
9 than September 1, 2006.

10 (9) \$462,000 of the general fund--state appropriation for fiscal
11 year 2006, and \$462,000 of the general fund--state appropriation for
12 fiscal year 2007 are provided solely for implementation of Second
13 Substitute Senate Bill No. 5431 (on-site sewage/marine areas). If the
14 bill is not enacted by June 30, 2005, the amounts provided in this
15 subsection shall lapse.

16 (10) \$509,000 of the freshwater aquatic algae control account--
17 state is provided solely for implementation of Senate Bill No. 5699
18 (aquatic invasive species). If the bill is not enacted by June 30,
19 2005, the amount provided in this subsection shall lapse.

20 (11) \$153,000 of the general fund--state appropriation for fiscal
21 year 2006, and \$144,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided solely for implementation of Substitute
23 Senate Bill No. 5278 (ocean policy review commission). If the bill is
24 not enacted by June 30, 2005, the amounts provided in this subsection
25 shall lapse.

26 (12) \$261,000 of the state toxic control account--state
27 appropriation is provided solely for implementation of Substitute
28 Senate Bill No. 5515 (brominated flame retardants). From within these
29 funds, the department shall determine expenditures related to
30 persistent bioaccumulative toxins (PBTs) by fund source and fiscal year
31 over the past six fiscal years and report these findings to the
32 appropriate fiscal committees of the legislature. The report shall
33 also estimate the need for future funding related to PBTs and recommend
34 possible reductions in lower priority agency programs sufficient to pay
35 for the needed funding for PBTs. If the bill is not enacted by June
36 30, 2005, the amount provided in this subsection shall lapse.

37 (13) \$200,000 of the water quality account--state appropriation is

1 provided solely for the department to contract with the state
2 conservation commission to provide statewide coordination and support
3 for coordinated resource management.

4 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
5 **COMMISSION**

6	General Fund--State Appropriation (FY 2006)	\$32,389,000
7	General Fund--State Appropriation (FY 2007)	\$31,212,000
8	General Fund--Federal Appropriation	\$2,697,000
9	General Fund--Private/Local Appropriation	\$66,000
10	Winter Recreation Program Account--State	
11	Appropriation	\$1,092,000
12	Off Road Vehicle Account--State Appropriation	\$189,000
13	Snowmobile Account--State Appropriation	\$4,797,000
14	Aquatic Lands Enhancement Account--State	
15	Appropriation	\$340,000
16	Parks Renewal and Stewardship Account--State	
17	Appropriation	\$37,811,000
18	Parks Renewal and Stewardship Account--Private/Local	
19	Appropriation	\$300,000
20	TOTAL APPROPRIATION	\$110,893,000

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

23 (1) Fees approved by the state parks and recreation commission in
24 the 2005-07 biennium are authorized to exceed the fiscal growth factor
25 under RCW 43.135.055.

26 (2) \$79,000 of the general fund--state appropriation for fiscal
27 year 2006 and \$79,000 of the general fund--state appropriation for
28 fiscal year 2007 are provided solely for a grant for the operation of
29 the Northwest avalanche center.

30 (3) \$191,000 of the aquatic lands enhancement account appropriation
31 is provided solely for the implementation of the Puget Sound
32 conservation and recovery plan and agency action item PRC-02.

33 (4) \$59,000 of the parks renewal and stewardship account--state
34 appropriation for fiscal year 2006 and \$26,000 of the parks renewal and
35 stewardship account--state appropriation for fiscal year 2007 are
36 provided solely to develop a plan for public education and tourist

1 orientation and interpretation at selected state park sites along the
2 route of the ice age floods from Spokane to the Pacific ocean.

3 NEW SECTION. **Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR**
4 **RECREATION**

5	General Fund--State Appropriation (FY 2006)	\$1,400,000
6	General Fund--State Appropriation (FY 2007)	\$1,410,000
7	General Fund--Federal Appropriation	\$18,341,000
8	General Fund--Private/Local Appropriation	\$250,000
9	Aquatic Lands Enhancement Account--State Appropriation	\$254,000
10	Water Quality Account--State Appropriation	\$200,000
11	Firearms Range Account--State Appropriation	\$24,000
12	Recreation Resources Account--State Appropriation	\$3,006,000
13	NOVA Program Account--State Appropriation	\$809,000
14	TOTAL APPROPRIATION	\$25,694,000

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

17 (1) \$16,025,000 of the general fund--federal appropriation is
18 provided solely for implementation of the forest and fish agreement
19 rules. These funds will be passed through to the department of natural
20 resources and the department of fish and wildlife.

21 (2) The committee shall make recommendations to improve, change, or
22 eliminate monitoring activities that impact performance measures
23 related to salmon recovery and watershed health. The committee shall
24 coordinate with the governor's forum on monitoring and watershed health
25 and consult with the office of financial management in determining the
26 scope and contents of this report.

27 In preparing these recommendations, the committee shall prepare a
28 report detailing all new activity and updating all previously
29 identified activity within the comprehensive monitoring strategy with
30 a focus on salmon recovery and watershed health related monitoring
31 activity within the agency. At minimum, the report shall include
32 sufficient detail identifying the specific salmon recovery and
33 watershed health monitoring activity being performed and include:
34 Precise costs by fund source, a narrative stating why it is required,
35 when the activity started, the frequency of data collection, and
36 geographic location of data being collected. Furthermore, the agency
37 shall also provide sufficient detail that describes the purpose of each

1 monitoring activity, who uses the information, how often it is
2 accessed, where the information is stored, and the current status and
3 cost, by fund source, of the data storage systems housing each
4 monitoring activity identified within the agency.

5 The committee shall provide a status report summarizing progress to
6 the governor's forum on monitoring and watershed health and the office
7 of financial management by March 1, 2006. A final report to the
8 governor's forum on monitoring and watershed health, the office of
9 financial management, and legislative fiscal committees is due no later
10 than September 1, 2006.

11 (3) During the 2005-07 fiscal biennium, any county that purchased
12 land before 1978 for off-road vehicle sports park recreation pursuant
13 to 1972 ex.s. c 153 and 1975 1st ex.s. c 34 may discharge its
14 contractual obligations for state-funded capital improvements on those
15 lands if it sells on the open market not later than December 31, 2005,
16 at the highest price achievable, all such lands and related facilities
17 and equipment. After deducting reasonable expenses for the cost of
18 sale, all remaining funds will be deposited within thirty days of
19 closing to the nonhighway and off-road vehicle activities program
20 account in the office of the state treasurer. Any funds derived from
21 such sale shall be used solely for the benefit of motorized off-road
22 vehicle recreation programs and facilities in areas west of the crest
23 of the Cascade Mountains with preference for developing a new off-road
24 vehicle sports park, and with the review and advice of the nonhighway
25 and off-road vehicle activities advisory committee.

26 (4) \$125,000 of the general fund--state appropriation for fiscal
27 year 2006 and \$125,000 of the general fund--state appropriation for
28 fiscal year 2007 are provided solely for the biodiversity strategy.

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

30	General Fund--State Appropriation (FY 2006)	\$1,040,000
31	General Fund--State Appropriation (FY 2007)	\$1,033,000
32	TOTAL APPROPRIATION	\$2,073,000

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

34	General Fund--State Appropriation (FY 2006)	\$2,379,000
35	General Fund--State Appropriation (FY 2007)	\$2,387,000
36	Water Quality Account--State Appropriation	\$4,019,000

1 TOTAL APPROPRIATION \$8,785,000

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

4 (1) \$197,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$197,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for the implementation of the
7 Puget Sound conservation and recovery plan and agency action item CC-
8 01.

9 (2) \$250,000 of the general fund--state appropriation for fiscal
10 year 2006 and \$250,000 of the general fund--state appropriation for
11 fiscal year 2007 are provided solely to implement House Bill No. 1462
12 or Senate Bill No. 5010, relating to funding for conservation
13 districts. If neither bill is enacted by June 30, 2005, the amounts
14 provided in this subsection shall lapse.

15 (3) The commission shall make recommendations to improve, change,
16 or eliminate monitoring activities that impact performance measures
17 related to salmon recovery and watershed health. The commission shall
18 coordinate with the governor's forum on monitoring and watershed health
19 and consult with the office of financial management in determining the
20 scope and contents of this report.

21 In preparing these recommendations, the commission shall prepare a
22 report detailing all new activity and updating all previously
23 identified activity within the comprehensive monitoring strategy with
24 a focus on salmon recovery and watershed health related monitoring
25 activity within the agency. At minimum, the report shall include
26 sufficient detail identifying the specific salmon recovery and
27 watershed health monitoring activity being performed and include:
28 Precise costs by fund source, a narrative stating why it is required,
29 when the activity started, the frequency of data collection, and
30 geographic location of data being collected. Furthermore, the agency
31 shall also provide sufficient detail that describes the purpose of each
32 monitoring activity, who uses the information, how often it is
33 accessed, where the information is stored, and the current status and
34 cost, by fund source, of the data storage systems housing each
35 monitoring activity identified within the agency.

36 The commission shall provide a status report summarizing progress
37 to the governor's forum on monitoring and watershed health and the
38 office of financial management by March 1, 2006. A final report to the

1 governor's forum on monitoring and watershed health, the office of
2 financial management, and legislative fiscal committees is due no later
3 than September 1, 2006.

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

5	General Fund--State Appropriation (FY 2006)	\$45,030,000
6	General Fund--State Appropriation (FY 2007)	\$43,012,000
7	General Fund--Federal Appropriation	\$41,359,000
8	General Fund--Private/Local Appropriation	\$35,329,000
9	Off Road Vehicle Account--State Appropriation	\$387,000
10	Aquatic Lands Enhancement Account--State	
11	Appropriation	\$5,710,000
12	Recreational Fisheries Enhancement--State	
13	Appropriation	\$3,481,000
14	Warm Water Game Fish Account--State Appropriation	\$2,839,000
15	Eastern Washington Pheasant Enhancement	
16	Account--State Appropriation	\$750,000
17	Wildlife Account--State Appropriation	\$60,371,000
18	Wildlife Account--Federal Appropriation	\$30,250,000
19	Wildlife Account--Private/Local Appropriation	\$10,296,000
20	Game Special Wildlife Account--State Appropriation	\$2,119,000
21	Game Special Wildlife Account--Federal Appropriation	\$8,799,000
22	Game Special Wildlife Account--Private/Local	
23	Appropriation	\$458,000
24	Environmental Excellence Account--State Appropriation	\$15,000
25	Regional Fisheries Salmonid Recovery	
26	Account--Federal Appropriation	\$1,754,000
27	Oil Spill Prevention Account--State Appropriation	\$1,010,000
28	Recreation Resources Account--State Appropriation	\$36,000
29	Oyster Reserve Land Account--State Appropriation	\$411,000
30	Freshwater Aquatic Algae Control Account--State	
31	Appropriation	\$750,000
32	TOTAL APPROPRIATION	\$294,166,000

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

35 (1) \$1,556,714 of the general fund--state appropriation for fiscal
36 year 2006 and \$1,556,713 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely for the implementation of the
2 Puget Sound conservation and recovery plan and agency action items DFW-
3 01 through DFW-06, DFW-08 through DFW-12, and DFW-16.

4 (2) \$225,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$225,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for the implementation of hatchery
7 reform recommendations defined by the hatchery scientific review group.

8 (3) The department shall support the activities of the aquatic
9 nuisance species coordination committee to foster state, federal,
10 tribal, and private cooperation on aquatic nuisance species issues.
11 The committee shall strive to prevent the introduction of nonnative
12 aquatic species and to minimize the spread of species that are
13 introduced.

14 (4) The department shall emphasize enforcement of laws related to
15 protection of fish habitat and the illegal harvest of salmon and
16 steelhead. Within the amount provided for the agency, the department
17 shall provide support to the department of health to enforce state
18 shellfish harvest laws.

19 (5) \$180,000 of the wildlife account--state appropriation is
20 provided solely to test deer and elk for chronic wasting disease and to
21 document the extent of swan lead poisoning. Of this amount, \$65,000 is
22 provided solely to document the extent of swan lead poisoning and to
23 begin environmental cleanup.

24 (6) The department shall provide quarterly status reports to the
25 office of financial management regarding the replacement of the
26 Washington interactive licensing system and the implementation of the
27 hydraulic permit management system.

28 (7) Prior to the department entering into any agreement relating to
29 the disposal, sale, lease, or transfer of property identified within
30 the 2003 legislatively authorized report "Thurston county property
31 functions, operations & valuations analysis," the department shall
32 notify the director of financial management and the chairs of the
33 senate committee on ways and means, the house of representatives
34 committee on appropriations, and the house of representatives capital
35 budget committee.

36 (8) The department shall prepare a report detailing the hydraulic
37 permit approval program applications and project types. The department
38 shall coordinate with the office of financial management in determining

1 the contents of the report. At minimum, the report shall include
2 permits by applicant (name, state, local, federal, tribal entity,
3 etc.), project type (pamphlet, minor, medium, major, extension,
4 revision, etc.) and project location (county and water resource
5 inventory area). The department shall submit the report to the office
6 of financial management and legislative fiscal committees no later than
7 September 1, 2006.

8 (9) \$1,900,000 of the state wildlife account--state is provided
9 solely to implement Senate Bill No. 5234 (expanding hunter access to
10 private lands). If the bill is not enacted by June 30, 2005, the
11 amount provided in this subsection shall lapse.

12 (10) The department shall make recommendations to improve, change,
13 or eliminate monitoring activities that impact performance measures
14 related to salmon recovery and watershed health. The department shall
15 coordinate with the governor's forum on monitoring and watershed health
16 and consult with the office of financial management in determining the
17 scope and contents of this report.

18 In preparing these recommendations, the department shall prepare a
19 report detailing all new activity and updating all previously
20 identified activity within the comprehensive monitoring strategy with
21 a focus on salmon recovery and watershed health related monitoring
22 activity within the agency. At minimum, the report shall include
23 sufficient detail identifying the specific salmon recovery and
24 watershed health monitoring activity being performed and include:
25 Precise costs by fund source, a narrative stating why it is required,
26 when the activity started, the frequency of data collection, and
27 geographic location of data being collected. Furthermore, the agency
28 shall also provide sufficient detail that describes the purpose of each
29 monitoring activity, who uses the information, how often it is
30 accessed, where the information is stored, and the current status and
31 cost, by fund source, of the data storage systems housing each
32 monitoring activity identified within the agency.

33 The department shall provide a status report summarizing progress
34 to the governor's forum on monitoring and watershed health and the
35 office of financial management by March 1, 2006. A final report to the
36 governor's forum on monitoring and watershed health, the office of
37 financial management, and legislative fiscal committees is due no later
38 than September 1, 2006.

1 (11) \$75,000 of the general fund--state appropriation for fiscal
2 year 2006 is provided solely for a grant to the grizzly bear outreach
3 project to disseminate accurate information about grizzly bears and the
4 grizzly bear recovery process in the north Cascades mountains.

5 (12) \$375,000 of the freshwater aquatic algae control account--
6 state appropriation for fiscal year 2006 and \$375,000 of the freshwater
7 aquatic algae control account--state appropriation for fiscal year 2007
8 are provided solely to implement Senate Bill No. 5699 (preventing and
9 controlling aquatic invasive species and algae). If the bill is not
10 enacted by June 30, 2005, the amounts provided in this subsection shall
11 lapse.

12 (13) \$703,000 of the general fund--state appropriation for fiscal
13 year 2006 is provided solely to purchase six purse seine and three gill
14 net licenses to meet the provisions of the United States/Canada salmon
15 treaty.

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

17	General Fund--State Appropriation (FY 2006)	\$50,643,000
18	General Fund--State Appropriation (FY 2007)	\$47,135,000
19	General Fund--Federal Appropriation	\$15,073,000
20	General Fund--Private/Local Appropriation	\$1,257,000
21	Forest Development Account--State Appropriation	\$52,909,000
22	Off-Road Vehicle Account--State Appropriation	\$3,796,000
23	Surveys and Maps Account--State Appropriation	\$2,301,000
24	Aquatic Lands Enhancement Account--State	
25	Appropriation	\$8,226,000
26	Resources Management Cost Account--State	
27	Appropriation	\$72,542,000
28	Surface Mining Reclamation Account--State	
29	Appropriation	\$1,791,000
30	Disaster Response Account--State	
31	Appropriation	\$4,000,000
32	Water Quality Account--State Appropriation	\$2,554,000
33	Aquatic Land Dredged Material Disposal Site	
34	Account--State Appropriation	\$647,000
35	Natural Resources Conservation Areas Stewardship	
36	Account--State Appropriation	\$34,000
37	State Toxics Control Account--State Appropriation	\$2,155,000

1	Air Pollution Control Account--State Appropriation	\$540,000
2	Derelict Vessel Removal Account--State Appropriation	\$1,132,000
3	Agricultural College Trust Management	
4	Account--State Appropriation	\$1,903,000
5	TOTAL APPROPRIATION	\$268,638,000

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

8 (1) \$18,000 of the general fund--state appropriation for fiscal
9 year 2006, \$18,000 of the general fund--state appropriation for fiscal
10 year 2007, and \$1,652,050 of the aquatic lands enhancement account
11 appropriation are provided solely for the implementation of the Puget
12 Sound conservation and recovery plan and agency action items DNR-01 and
13 DNR-02.

14 (2) \$953,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$950,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for deposit into the agricultural
17 college trust management account and are provided solely to manage
18 approximately 70,700 acres of Washington State University's
19 agricultural college trust lands.

20 (3) \$8,635,000 of the general fund--state appropriation for fiscal
21 year 2006, \$11,635,000 of the general fund--state appropriation for
22 fiscal year 2007, and \$9,000,000 of the disaster response account--
23 state appropriation are provided solely for emergency fire suppression.
24 Of these amounts, up to \$250,000 may be expended for staff and other
25 necessary resources to design and implement a fire data-collection
26 system that includes financial- and performance-management information
27 for fires over 10 acres in size.

28 None of the general fund and disaster response account amounts
29 provided in this subsection may be used to fund agency indirect and
30 administrative expenses. Agency indirect and administrative costs
31 shall be allocated among the agency's remaining accounts and
32 appropriations.

33 (4) \$582,000 of the aquatic lands enhancement account appropriation
34 is provided solely for spartina control.

35 (5) Fees approved by the board of natural resources in the 2005-07
36 biennium are authorized to exceed the fiscal growth factor under RCW
37 43.135.055.

1 (6) \$9,000,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$2,000,000 of the aquatic lands enhancement account--
3 state appropriation are provided solely for the purposes of settling
4 all claims in *U.S., et al. v. State of Washington, et al.*
5 Subproceeding No. 89-3 (Shellfish), United States District Court for
6 the Western District of Washington at Seattle, Case No. C70-9213. The
7 expenditure of this appropriation is contingent on the release of all
8 claims in this subproceeding. In the event that the federal government
9 does not appropriate \$22,000,000 for this purpose by June 30, 2006, the
10 amounts provided in this subsection shall lapse.

11 (7) \$2,155,000 of the state toxics account--state appropriation is
12 provided solely for the department to meet its obligations with the
13 U.S. environmental protection agency for the clean-up of Commencement
14 Bay and other sites.

15 (8) The department shall make recommendations to improve, change,
16 or eliminate monitoring activities that impact performance measures
17 related to salmon recovery and watershed health. The department shall
18 coordinate with the governor's forum on monitoring and watershed health
19 and consult with the office of financial management in determining the
20 scope and contents of this report.

21 In preparing these recommendations, the department shall prepare a
22 report detailing all new activity and updating all previously
23 identified activity within the comprehensive monitoring strategy with
24 a focus on salmon recovery and watershed health related monitoring
25 activity within the agency. At minimum, the report shall include
26 sufficient detail identifying the specific salmon recovery and
27 watershed health monitoring activity being performed and include:
28 Precise costs by fund source, a narrative stating why it is required,
29 when the activity started, the frequency of data collection, and
30 geographic location of data being collected. Furthermore, the agency
31 shall also provide sufficient detail that describes the purpose of each
32 monitoring activity, who uses the information, how often it is
33 accessed, where the information is stored, and the current status and
34 cost, by fund source, of the data storage systems housing each
35 monitoring activity identified within the agency.

36 The department shall provide a status report summarizing progress
37 to the governor's forum on monitoring and watershed health and the
38 office of financial management by March 1, 2006. A final report to the

1 governor's forum on monitoring and watershed health, the office of
2 financial management, and legislative fiscal committees is due no later
3 than September 1, 2006.

4 (9) Within the amounts provided in this section, the department
5 shall provide to the department of transportation and the appropriate
6 committees of the legislature a list of state lands within one mile of
7 interstate 5 and interstate 90. The report shall be submitted by
8 December 1, 2005.

9 (10) The department shall not develop the Gull Harbor facility
10 without first submitting a master plan to the appropriate committees of
11 the legislature. The plan shall ensure continued public access to the
12 waterfront. The plan shall also examine alternative locations to the
13 Gull Harbor site that would colocate marine equipment for all state
14 agencies needing water access in Thurston county. The report shall be
15 submitted by December 1, 2006.

16 (11) \$250,000 of the general fund--state appropriation for fiscal
17 year 2006, \$250,000 of the general fund--state appropriation for fiscal
18 year 2007, and \$500,000 of the resource management cost account--state
19 appropriation are provided solely for a report on the future of
20 Washington forests. The purpose of the report is to examine economic,
21 recreational, and environmental trends influencing the forest products
22 industry and secondary manufacturing sectors in Washington state. The
23 department shall contract with the University of Washington college of
24 forestry resources. The college shall consult with the University of
25 Washington economics department for the section on investment returns
26 from granted lands. The report shall contain the following parts:

27 (a) An update of the 1992 timber supply study for Washington state
28 that was conducted by the University of Washington. The update may be
29 accomplished by reviewing the most recent similar data available in
30 existing reports, examining a sample of the original 1992 study sample
31 of lands, and through other existing data sources that may reveal
32 relevant trends and changes since 1992.

33 (b) An independent assessment of the economic contribution of the
34 forest products industry, and secondary manufacturing sectors, to the
35 state. This assessment will also examine some of the macroeconomic
36 trends likely to affect the industry in the future.

37 (c) A comparison of the competitive position of Washington's forest
38 products industry globally, and with other leading forest products

1 states, or regions, of the United States. This evaluation should
2 compare the relative tax burden for growing and harvesting timber
3 between the states or regions and the relative cost of adhering to
4 regulations, and identify the competitive advantages of each state or
5 region.

6 (d) An assessment of the trends and dynamics that commercial and
7 residential development play in the conversion of the state's forests
8 to nonforestry uses. The assessment will involve gathering relevant
9 data, reviewing that data, and analyzing the relationship between
10 development and the conversion of forest land uses.

11 (e) Recommendations on: (i) Policy changes that would enhance the
12 competitive position of Washington's forest products industry in
13 Washington state; (ii) policy changes that would, to the extent
14 possible, ensure that a productive forest land base continues to be
15 managed for forest products, recreation, and environmental and other
16 public benefits into the future; and (iii) policy changes that would
17 enhance the recreational opportunities on working forest lands in the
18 state.

19 (f) Based on the information derived from (a) through (d) of this
20 subsection, an assessment of the expected rate of return from state
21 granted lands. This section of the reports shall also review reports
22 prepared by the department over the past ten years that describe the
23 investment returns from granted lands. The review of these previous
24 reports shall compare and critique the methodology and indicators used
25 to report investment returns. The review shall recommend appropriate
26 measures of investment returns from granted lands.

27 (g) Analyze and recommend policies and programs to assist Cascade
28 foothills area landowners and communities in developing and
29 implementing innovative approaches to retaining traditional forestry
30 while at the same time accommodating new uses that strengthen the
31 economic and natural benefits from forest lands. For the purposes of
32 this section, the Cascade foothills area generally encompasses the
33 nonurbanized lands within the Cascade mountain range and drainages
34 lying between three hundred and three thousand feet above mean sea
35 level, and located within Whatcom, Skagit, Snohomish, King, Pierce,
36 Thurston, and Lewis counties.

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

2	General Fund--State Appropriation (FY 2006)	\$9,844,000
3	General Fund--State Appropriation (FY 2007)	\$9,612,000
4	General Fund--Federal Appropriation	\$10,280,000
5	General Fund--Private/Local Appropriation	\$410,000
6	Aquatic Lands Enhancement Account--State	
7	Appropriation	\$1,968,000
8	Water Quality Account--State Appropriation	\$949,000
9	State Toxics Control Account--State Appropriation	\$3,367,000
10	Water Quality Permit Account--State Appropriation	\$238,000
11	TOTAL APPROPRIATION	\$36,668,000

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

14 (1) \$37,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$37,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for implementation of the Puget
17 Sound conservation and recovery plan and agency action item WSDA-01.

18 (2) Fees and assessments approved by the department in the 2005-07
19 biennium are authorized to exceed the fiscal growth factor under RCW
20 43.135.055.

21 (3) Within funds appropriated in this section, the department, in
22 addition to the authority provided in RCW 17.26.007, may enter into
23 agreements with federal agencies to eradicate spartina from private
24 lands that may provide a source of reinfestation to public lands.

25 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
26 **REINSURANCE PROGRAM**

27	Pollution Liability Insurance Program Trust	
28	Account--State Appropriation	\$849,000

(End of part)

PART IV
TRANSPORTATION

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

4	General Fund--State Appropriation (FY 2006)	\$1,862,000
5	General Fund--State Appropriation (FY 2007)	\$1,644,000
6	Architects' License Account--State Appropriation	\$717,000
7	Cemetery Account--State Appropriation	\$220,000
8	Professional Engineers' Account--State Appropriation	\$3,096,000
9	Real Estate Commission Account--State Appropriation	\$7,362,000
10	Master License Account--State Appropriation	\$11,343,000
11	Uniform Commercial Code Account--State Appropriation	\$2,851,000
12	Real Estate Education Account--State Appropriation	\$275,000
13	Real Estate Appraiser Commission	
14	Account--State Appropriation	\$1,326,000
15	Business and Professions Account--State Appropriation	\$7,685,000
16	Real Estate Research Account--State Appropriation	\$301,000
17	Funeral Directors and Embalmers	
18	Account--State Appropriation	\$523,000
19	Geologists' Account--State Appropriation	\$34,000
20	Data Processing Revolving Account--State Appropriation	\$29,000
21	Derelict Vessel Removal Account--State Appropriation	\$31,000
22	TOTAL APPROPRIATION	\$39,299,000

(1) The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2005-07 fiscal biennium. Pursuant to RCW 43.135.055, during the 2005-07 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

(2) \$14,000 of the professional engineers' account--state

1 appropriation is provided solely to implement Senate Bill No. 5117
2 (land surveyors). If the bill is not enacted by June 30, 2005, the
3 amount provided in this subsection shall lapse.

4 (3) \$180,000 of the real estate appraiser commission account--state
5 appropriation is provided solely to implement Senate Bill No. 5274
6 (real estate appraisers). If the bill is not enacted by June 30, 2005,
7 the amount provided in this subsection shall lapse.

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

9	General Fund--State Appropriation (FY 2006)	\$23,519,000
10	General Fund--State Appropriation (FY 2007)	\$22,589,000
11	General Fund--Federal Appropriation	\$4,269,000
12	General Fund--Private/Local Appropriation	\$582,000
13	Death Investigations Account--State Appropriation	\$5,791,000
14	Public Safety and Education Account--State	
15	Appropriation	\$23,346,000
16	Enhanced 911 Account--State Appropriation	\$572,000
17	County Criminal Justice Assistance	
18	Account--State Appropriation	\$2,790,000
19	Municipal Criminal Justice Assistance	
20	Account--State Appropriation	\$1,123,000
21	Fire Service Trust Account--State Appropriation	\$131,000
22	Fire Service Training Account--State Appropriation	\$7,476,000
23	State Toxics Control Account--State Appropriation	\$450,000
24	Violence Reduction and Drug Enforcement	
25	Account--State Appropriation	\$300,000
26	Fingerprint Identification	
27	Account--State Appropriation	\$6,120,000
28	DNA Data Base Account--State Appropriation	\$150,000
29	TOTAL APPROPRIATION	\$99,208,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: \$200,000 of the fire service training
32 account--state appropriation is provided solely for two FTE's in the
33 office of state fire marshal to exclusively review K-12 construction
34 documents for fire and life safety in accordance with the state
35 building code. It is the intent of this appropriation to provide these

1 services only to those districts that are located in counties without
2 qualified review capabilities.

(End of part)

PART V
EDUCATION

NEW SECTION. **Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2006)	\$12,722,000
General Fund--State Appropriation (FY 2007)	\$12,215,000
General Fund--Federal Appropriation	\$29,522,000
TOTAL APPROPRIATION	\$54,459,000

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

(a) \$10,621,000 of the general fund--state appropriation for fiscal year 2006 and \$10,513,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, 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. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) \$428,000 of the general fund--state appropriation for fiscal year 2006 and \$428,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(c) \$416,000 of the general fund--state appropriation for fiscal year 2006 and \$416,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the Washington professional educator standards board. Within the amounts provided in this subsection, the Washington professional

1 educator standards board shall pursue the implementation of recent
2 study recommendations including: (i) Revision of teacher mathematics
3 endorsement competencies and alignment of teacher tests to the updated
4 competencies; and (ii) development of mathematics specialist
5 endorsement.

6 (d) \$400,000 of the general fund--state appropriation for fiscal
7 year 2006 is provided solely for maintenance and operation of a backup
8 to the apportionment system, which includes the processes that collect
9 school district budget and expenditure information, staffing
10 characteristics, and the student enrollments that drive the funding
11 process.

12 (e) \$779,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$780,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided solely for development and implementation
15 of a core student record system.

16 (f) \$78,000 of the general fund--state appropriation for fiscal
17 year 2006 and \$78,000 of the general fund--state appropriation for
18 fiscal year 2007 are provided solely to provide direct services and
19 support to schools around an integrated, interdisciplinary approach to
20 instruction in conservation, natural resources, sustainability, and
21 human adaptation to the environment. Specific integration efforts will
22 focus on science, math, and the social sciences. Integration between
23 basic education and career and technical education, particularly
24 agricultural and natural sciences education, is to be a major element.

25 (2) STATEWIDE PROGRAMS

26	General Fund--State Appropriation (FY 2006)	\$8,895,000
27	General Fund--State Appropriation (FY 2007)	\$8,818,000
28	General Fund--Federal Appropriation	\$47,465,000
29	TOTAL APPROPRIATION	\$65,178,000

30 The appropriations in this subsection are provided solely for the
31 statewide programs specified in this subsection and are subject to the
32 following conditions and limitations:

33 (a) HEALTH AND SAFETY

34 (i) A maximum of \$2,541,000 of the general fund--state
35 appropriation for fiscal year 2006 and a maximum of \$2,541,000 of the
36 general fund--state appropriation for fiscal year 2007 are provided for
37 a corps of nurses located at educational service districts, as

1 determined by the superintendent of public instruction, to be
2 dispatched to the most needy schools to provide direct care to
3 students, health education, and training for school staff.

4 (ii) A maximum of \$96,000 of the general fund--state appropriation
5 for fiscal year 2006 and a maximum of \$96,000 of the general fund--
6 state appropriation for fiscal year 2007 are provided for the school
7 safety center in the office of the superintendent of public instruction
8 subject to the following conditions and limitations:

9 (A) The safety center shall: Disseminate successful models of
10 school safety plans and cooperative efforts; provide assistance to
11 schools to establish a comprehensive safe school plan; select models of
12 cooperative efforts that have been proven successful; act as an
13 information dissemination and resource center when an incident occurs
14 in a school district either in Washington or in another state;
15 coordinate activities relating to school safety; review and approve
16 manuals and curricula used for school safety models and training; and
17 develop and maintain a school safety information web site.

18 (B) The school safety center advisory committee shall develop a
19 training program, using the best practices in school safety, for all
20 school safety personnel.

21 (iii) A maximum of \$100,000 of the general fund--state
22 appropriation for fiscal year 2006 and a maximum of \$100,000 of the
23 general fund--state appropriation for fiscal year 2007 are provided for
24 a school safety training program provided by the criminal justice
25 training commission. The commission, in collaboration with the school
26 safety center advisory committee, shall provide the school safety
27 training for all school administrators and school safety personnel,
28 including school safety personnel hired after the effective date of
29 this section.

30 (iv) \$11,600,000 of the general fund--federal appropriation is
31 provided for safe and drug free schools and communities grants for drug
32 and violence prevention activities and strategies.

33 (b) TECHNOLOGY

34 A maximum of \$1,939,000 of the general fund--state appropriation
35 for fiscal year 2006 and a maximum of \$1,939,000 of the general fund--
36 state appropriation for fiscal year 2007 are provided for K-20
37 telecommunications network technical support in the K-12 sector to
38 prevent system failures and avoid interruptions in school utilization

1 of the data processing and video-conferencing capabilities of the
2 network. These funds may be used to purchase engineering and advanced
3 technical support for the network.

4 (c) GRANTS AND ALLOCATIONS

5 (i) \$787,000 of the fiscal year 2006 appropriation and \$799,000 of
6 the fiscal year 2007 appropriation are provided solely for the special
7 services pilot projects. The office of the superintendent of public
8 instruction shall allocate these funds to the district or districts
9 participating in the pilot program according to the provisions of RCW
10 28A.630.015.

11 (ii) A maximum of \$549,000 of the general fund--state appropriation
12 for fiscal year 2006 and a maximum of \$549,000 of the general fund--
13 state appropriation for fiscal year 2007 are provided for alternative
14 certification routes. Funds may be used by the professional educator
15 standards board to continue existing alternative-route grant programs
16 and to create new alternative-route programs in regions of the state
17 with service shortages.

18 (iii) A maximum of \$31,000 of the general fund--state appropriation
19 for fiscal year 2006 and a maximum of \$31,000 of the general fund--
20 state appropriation for fiscal year 2007 are provided for operation of
21 the Cispus environmental learning center.

22 (iv) A maximum of \$612,000 of the general fund--state appropriation
23 for fiscal year 2006 and a maximum of \$612,000 of the general fund--
24 state appropriation for fiscal year 2007 are provided for in-service
25 training and educational programs conducted by the Pacific Science
26 Center.

27 (v) A maximum of \$540,000 of the general fund--state appropriation
28 for fiscal year 2006 and a maximum of \$540,000 of the general fund--
29 state appropriation for fiscal year 2007 are provided for the
30 Washington state leadership assistance for science education reform
31 (LASER) regional partnership coordinated at the Pacific Science Center.

32 (vi) A maximum of \$97,000 of the general fund--state appropriation
33 for fiscal year 2006 and a maximum of \$97,000 of the general fund--
34 state appropriation for fiscal year 2007 are provided to support
35 vocational student leadership organizations.

36 (vii) A maximum of \$146,000 of the general fund--state
37 appropriation for fiscal year 2006 and a maximum of \$146,000 of the

1 general fund--state appropriation for fiscal year 2007 are provided for
2 the Washington civil liberties education program.

3 (viii) \$75,000 of the general fund--state appropriation for fiscal
4 year 2006 and \$75,000 of the general fund--state appropriation for
5 fiscal year 2007 are provided solely for developing and disseminating
6 curriculum and other materials documenting women's role in World War
7 II.

8 (ix) \$1,000,000 of the general fund--state appropriation for fiscal
9 year 2006 and \$1,000,000 of the general fund--state appropriation for
10 fiscal year 2007 are provided solely for the Washington state achievers
11 scholarship program. The funds shall be used to support community
12 involvement officers that recruit, train, and match community volunteer
13 mentors with students selected as achievers scholars.

14 (x) \$383,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$294,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for the implementation of
17 Engrossed Substitute Senate Bill No. 5349 (dyslexia pilot programs).
18 If the bill is not enacted before June 30, 2005, the amounts provided
19 in this subsection shall lapse.

20 (xi) \$1,521,000 of the general fund--federal appropriation is
21 provided for the advanced placement fee program to increase
22 opportunities for low-income students and under-represented populations
23 to participate in advanced placement courses and to increase the
24 capacity of schools to provide advanced placement courses to students.

25 (xii) \$8,292,000 of the general fund--federal appropriation is
26 provided for comprehensive school reform demonstration projects to
27 provide grants to low-income schools for improving student achievement
28 through adoption and implementation of research-based curricula and
29 instructional programs.

30 (xiii) \$19,587,000 of the general fund--federal appropriation is
31 provided for 21st century learning center grants, providing after-
32 school and inter-session activities for students.

33 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
34 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

35	General Fund--State Appropriation (FY 2006)	\$4,188,076,000
36	General Fund--State Appropriation (FY 2007)	\$4,227,953,000
37	TOTAL APPROPRIATION	\$8,416,029,000

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

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

6 (2) Allocations for certificated staff salaries for the 2005-06 and
7 2006-07 school years shall be determined using formula-generated staff
8 units calculated pursuant to this subsection. Staff allocations for
9 small school enrollments in (d) through (f) of this subsection shall be
10 reduced for vocational full-time equivalent enrollments. Staff
11 allocations for small school enrollments in grades K-6 shall be the
12 greater of that generated under (a) of this subsection, or under (d)
13 and (e) of this subsection. Certificated staffing allocations shall be
14 as follows:

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

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

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

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

25 (iv) An additional 4.2 certificated instructional staff units for
26 grades K-3 and an additional 7.2 certificated instructional staff units
27 for grade 4. Any funds allocated for the additional certificated units
28 provided in this subsection (iv) shall not be considered as basic
29 education funding;

30 (A) Funds provided under this subsection (2)(a)(iv) in excess of
31 the amount required to maintain the statutory minimum ratio established
32 under RCW 28A.150.260(2)(b) shall be allocated only if the district
33 documents an actual ratio in grades K-4 equal to or greater than 53.2
34 certificated instructional staff per thousand full-time equivalent
35 students. For any school district documenting a lower certificated
36 instructional staff ratio, the allocation shall be based on the
37 district's actual grades K-4 certificated instructional staff ratio

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

3 (B) Districts at or above 51.0 certificated instructional staff per
4 one thousand full-time equivalent students in grades K-4 may dedicate
5 up to 1.3 of the 53.2 funding ratio to employ additional classified
6 instructional assistants assigned to basic education classrooms in
7 grades K-4. For purposes of documenting a district's staff ratio under
8 this section, funds used by the district to employ additional
9 classified instructional assistants shall be converted to a
10 certificated staff equivalent and added to the district's actual
11 certificated instructional staff ratio. Additional classified
12 instructional assistants, for the purposes of this subsection, shall be
13 determined using the 1989-90 school year as the base year;

14 (C) Any district maintaining a ratio in grades K-4 equal to or
15 greater than 53.2 certificated instructional staff per thousand full-
16 time equivalent students may use allocations generated under this
17 subsection (2)(a)(iv) in excess of that required to maintain the
18 minimum ratio established under RCW 28A.150.260(2)(b) to employ
19 additional basic education certificated instructional staff or
20 classified instructional assistants in grades 5-6. Funds allocated
21 under this subsection (2)(a)(iv) shall only be expended to reduce class
22 size in grades K-6. No more than 1.3 of the certificated instructional
23 funding ratio amount may be expended for provision of classified
24 instructional assistants;

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

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

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

37 (B) Skills center programs meeting the standards for skills center
38 funding established in January 1999 by the superintendent of public

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

4 (ii) Vocational full-time equivalent enrollment shall be reported
5 on the same monthly basis as the enrollment for students eligible for
6 basic support, and payments shall be adjusted for reported vocational
7 enrollments on the same monthly basis as those adjustments for
8 enrollment for students eligible for basic support; and

9 (iii) Indirect cost charges by a school district to vocational-
10 secondary programs shall not exceed 15 percent of the combined basic
11 education and vocational enhancement allocations of state funds;

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

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

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

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

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

37 (ii) For enrollment of up to twenty annual average full-time

1 equivalent students in grades 7 and 8, 0.92 certificated instructional
2 staff units and 0.08 certificated administrative staff units;

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

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

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

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

23 (g) For each nonhigh school district having an enrollment of more
24 than seventy annual average full-time equivalent students and less than
25 one hundred eighty students, operating a grades K-8 program or a grades
26 1-8 program, an additional one-half of a certificated instructional
27 staff unit; and

28 (h) For each nonhigh school district having an enrollment of more
29 than fifty annual average full-time equivalent students and less than
30 one hundred eighty students, operating a grades K-6 program or a grades
31 1-6 program, an additional one-half of a certificated instructional
32 staff unit.

33 (3) Allocations for classified salaries for the 2005-06 and 2006-07
34 school years shall be calculated using formula-generated classified
35 staff units determined as follows:

36 (a) For enrollments generating certificated staff unit allocations
37 under subsection (2)(d) through (h) of this section, one classified

1 staff unit for each three certificated staff units allocated under such
2 subsections;

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

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

10 (4) Fringe benefit allocations shall be calculated at a rate of
11 11.22 percent in the 2005-06 school year and 11.22 percent in the 2006-
12 07 school year for certificated salary allocations provided under
13 subsection (2) of this section, and a rate of 14.84 percent in the
14 2005-06 school year and 14.84 percent in the 2006-07 school year for
15 classified salary allocations provided under subsection (3) of this
16 section.

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

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

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

28 (6)(a) For nonemployee-related costs associated with each
29 certificated staff unit allocated under subsection (2)(a), (b), and (d)
30 through (h) of this section, there shall be provided a maximum of
31 \$9,112 per certificated staff unit in the 2005-06 school year and a
32 maximum of \$9,285 per certificated staff unit in the 2006-07 school
33 year.

34 (b) For nonemployee-related costs associated with each vocational
35 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
36 section, there shall be provided a maximum of \$22,377 per certificated
37 staff unit in the 2005-06 school year and a maximum of \$22,802 per
38 certificated staff unit in the 2006-07 school year.

1 (c) For nonemployee-related costs associated with each vocational
2 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
3 section, there shall be provided a maximum of \$17,362 per certificated
4 staff unit in the 2005-06 school year and a maximum of \$17,692 per
5 certificated staff unit in the 2006-07 school year.

6 (7) Allocations for substitute costs for classroom teachers shall
7 be distributed at a maintenance rate of \$531.09 for the 2005-06 and
8 2006-07 school years per allocated classroom teachers exclusive of
9 salary increase amounts provided in section 504 of this act. Solely
10 for the purposes of this subsection, allocated classroom teachers shall
11 be equal to the number of certificated instructional staff units
12 allocated under subsection (2) of this section, multiplied by the ratio
13 between the number of actual basic education certificated teachers and
14 the number of actual basic education certificated instructional staff
15 reported statewide for the prior school year.

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

25 (9) The superintendent may distribute a maximum of \$7,622,000
26 outside the basic education formula during fiscal years 2006 and 2007
27 as follows:

28 (a) For fire protection for school districts located in a fire
29 protection district as now or hereafter established pursuant to chapter
30 52.04 RCW, a maximum of \$513,000 may be expended in fiscal year 2006
31 and a maximum of \$523,000 may be expended in fiscal year 2007;

32 (b) For summer vocational programs at skills centers, a maximum of
33 \$2,035,000 may be expended for the 2006 fiscal year and a maximum of
34 \$2,035,000 for the 2007 fiscal year;

35 (c) A maximum of \$365,000 may be expended for school district
36 emergencies;

37 (d) A maximum of \$485,000 each fiscal year may be expended for
38 programs providing skills training for secondary students who are

1 enrolled in extended day school-to-work programs, as approved by the
2 superintendent of public instruction. The funds shall be allocated at
3 a rate not to exceed \$500 per full-time equivalent student enrolled in
4 those programs; and

5 (e) \$394,000 of the general fund--state appropriation for fiscal
6 year 2006 and \$787,000 of the general fund--state appropriation for
7 fiscal year 2007 are provided solely for the implementation of
8 Substitute Senate Bill No. 5717 (skills centers). If the bill is not
9 enacted before June 30, 2005, the amounts provided in this subsection
10 shall lapse. The funding provided in this subsection shall be used as
11 an incentive to encourage school districts to increase enrollment in
12 vocational skills centers. Up to \$500 for each full-time equivalent
13 student may be proportionally distributed to a school district or
14 school districts increasing skills centers enrollment above the levels
15 in the 2004-05 school year. The office of the superintendent of public
16 instruction shall develop criteria for awarding incentive grants
17 pursuant to this subsection. The total amount allocated pursuant to
18 this subsection shall be limited to \$1,181,000 for the 2005-07
19 biennium.

20 (10) For purposes of RCW 84.52.0531, the increase per full-time
21 equivalent student is 5.2 percent from the 2004-05 school year to the
22 2005-06 school year and 3.4 percent from the 2005-06 school year to the
23 2006-07 school year.

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

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

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

1 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following
3 calculations determine the salaries used in the general fund
4 allocations for certificated instructional, certificated
5 administrative, and classified staff units under section 502 of this
6 act:

7 (a) Salary allocations for certificated instructional staff units
8 shall be determined for each district by multiplying the district's
9 certificated instructional total base salary shown on LEAP Document 12E
10 by the district's average staff mix factor for certificated
11 instructional staff in that school year, computed using LEAP Document
12 1Sb; and

13 (b) Salary allocations for certificated administrative staff units
14 and classified staff units for each district shall be based on the
15 district's certificated administrative and classified salary allocation
16 amounts shown on LEAP Document 12E.

17 (2) For the purposes of this section:

18 (a) "LEAP Document 1Sb" means the computerized tabulation
19 establishing staff mix factors for certificated instructional staff
20 according to education and years of experience, as developed by the
21 legislative evaluation and accountability program committee on March
22 28, 2005, at 10:00 hours; and

23 (b) "LEAP Document 12E" means the computerized tabulation of 2005-
24 06 and 2006-07 school year salary allocations for certificated
25 administrative staff and classified staff and derived and total base
26 salaries for certificated instructional staff as developed by the
27 legislative evaluation and accountability program committee on March
28 28, 2005, at 10:15 hours.

29 (3) Incremental fringe benefit factors shall be applied to salary
30 adjustments at a rate of 10.58 percent for school year 2005-06 and
31 10.58 percent for school year 2006-07 for certificated staff and for
32 classified staff 11.34 percent for school year 2005-06 and 11.34
33 percent for the 2006-07 school year.

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

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2005-06 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	30,383	31,204	32,054	32,906	35,640	37,401	36,426	39,161	40,924
1	30,792	31,624	32,485	33,375	36,137	37,889	36,831	39,594	41,345
2	31,181	32,022	32,892	33,850	36,605	38,375	37,239	39,994	41,764
3	31,583	32,431	33,311	34,299	37,049	38,861	37,626	40,373	42,187
4	31,977	32,862	33,747	34,770	37,536	39,361	38,031	40,796	42,623
5	32,384	33,273	34,167	35,247	38,002	39,864	38,442	41,199	43,061
6	32,802	33,672	34,596	35,729	38,472	40,344	38,864	41,607	43,478
7	33,536	34,420	35,356	36,551	39,334	41,258	39,655	42,437	44,362
8	34,612	35,543	36,502	37,796	40,616	42,611	40,899	43,720	45,714
9		36,707	37,713	39,054	41,940	44,002	42,156	45,044	47,106
10			38,938	40,376	43,301	45,432	43,479	46,405	48,535
11				41,737	44,726	46,900	44,840	47,830	50,003
12				43,055	46,189	48,428	46,255	49,292	51,532
13					47,688	49,993	47,720	50,791	53,096
14					49,194	51,618	49,227	52,396	54,721
15					50,474	52,961	50,507	53,758	56,144
16 or more					51,483	54,019	51,517	54,833	57,266

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2006-07 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	30,900	31,735	32,599	33,466	36,247	38,038	37,046	39,827	41,620
1	31,316	32,162	33,038	33,942	36,752	38,534	37,458	40,268	42,048
2	31,712	32,566	33,451	34,426	37,228	39,028	37,873	40,674	42,475
3	32,121	32,983	33,878	34,883	37,679	39,523	38,266	41,060	42,905
4	32,521	33,421	34,321	35,362	38,174	40,031	38,678	41,491	43,348
5	32,935	33,840	34,748	35,846	38,649	40,543	39,097	41,900	43,794
6	33,360	34,245	35,185	36,337	39,127	41,031	39,526	42,315	44,218
7	34,107	35,005	35,957	37,173	40,003	41,960	40,330	43,159	45,116
8	35,201	36,148	37,123	38,439	41,307	43,336	41,594	44,464	46,492

1	9	37,332	38,355	39,718	42,654	44,751	42,873	45,810	47,908
2	10		39,601	41,063	44,038	46,205	44,219	47,194	49,361
3	11			42,448	45,487	47,698	45,603	48,644	50,853
4	12			43,788	46,975	49,252	47,042	50,131	52,409
5	13				48,499	50,844	48,532	51,655	54,000
6	14				50,031	52,496	50,065	53,287	55,652
7	15				51,333	53,862	51,366	54,673	57,099
8	16 or more				52,359	54,938	52,393	55,766	58,241

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

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

- 16 (i) Credits earned since receiving the masters degree; and
- 17 (ii) Any credits in excess of forty-five credits that were earned
18 after the baccalaureate degree but before the masters degree.

19 (5) For the purposes of this section:

- 20 (a) "BA" means a baccalaureate degree.
- 21 (b) "MA" means a masters degree.
- 22 (c) "PHD" means a doctorate degree.

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

25 (e) "Credits" means college quarter hour credits and equivalent in-
26 service credits computed in accordance with RCW 28A.415.020 and
27 28A.415.023.

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

- 33 (a) The employee has a masters degree; or
- 34 (b) The credits were used in generating state salary allocations
35 before January 1, 1992.

36 (7) The certificated instructional staff base salary specified for
37 each district in LEAP Document 12E and the salary schedules in
38 subsection (4)(a) of this section include two learning improvement

1 days. A school district is eligible for the learning improvement day
 2 funds only if the learning improvement days have been added to the 180-
 3 day contract year. If fewer days are added, the additional learning
 4 improvement allocation shall be adjusted accordingly. The additional
 5 days shall be limited to specific activities identified in the state
 6 required school improvement plan related to improving student learning
 7 that are consistent with education reform implementation, and shall not
 8 be considered part of basic education. The principal in each school
 9 shall assure that the days are used to provide the necessary school-
 10 wide, all staff professional development that is tied directly to the
 11 school improvement plan. The school principal and the district
 12 superintendent shall maintain documentation as to their approval of
 13 these activities. The length of a learning improvement day shall not
 14 be less than the length of a full day under the base contract. The
 15 superintendent of public instruction shall ensure that school districts
 16 adhere to the intent and purposes of this subsection.

17 (8) The salary allocation schedules established in this section are
 18 for allocation purposes only except as provided in RCW 28A.400.200(2)
 19 and subsection (7) of this section.

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

22	General Fund--State Appropriation (FY 2006)	\$76,714,000
23	General Fund--State Appropriation (FY 2007)	\$192,776,000
24	General Fund--Federal Appropriation	\$1,195,000
25	TOTAL APPROPRIATION	\$270,685,000

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

28 (1) \$135,006,000 is provided for a cost of living adjustment of 1.2
 29 percent effective September 1, 2005, and another 1.7 percent effective
 30 September 1, 2006, for state formula staff units. The appropriations
 31 include associated incremental fringe benefit allocations at rates of
 32 10.58 percent for the 2005-06 school year and 10.58 percent for the
 33 2006-07 school year for certificated staff and 11.34 percent for the
 34 2005-06 school year and 11.34 percent for the 2006-07 school year for
 35 classified staff.

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

1 state-funded school programs in part V of this act. Increases for
 2 general apportionment (basic education) are based on the salary
 3 allocation schedules and methodology in sections 502 and 503 of this
 4 act. Increases for special education result from increases in each
 5 district's basic education allocation per student. Increases for
 6 educational service districts and institutional education programs are
 7 determined by the superintendent of public instruction using the
 8 methodology for general apportionment salaries and benefits in sections
 9 502 and 503 of this act.

10 (b) The appropriations in this section provide cost of living and
 11 incremental fringe benefit allocations based on formula adjustments as
 12 follows:

	School Year	
	2005-06	2006-07
15 Pupil Transportation (per weighted pupil mile)	\$0.28	\$0.67
16 Highly Capable (per formula student)	\$2.96	\$7.21
17 Transitional Bilingual Education (per eligible bilingual student)	\$7.94	\$19.32
18 Learning Assistance (per formula student)	\$3.97	\$9.66

19 (c) The appropriations in this section include \$251,000 for fiscal
 20 year 2006 and \$676,000 for fiscal year 2007 for salary increase
 21 adjustments for substitute teachers.

22 (2) \$135,679,000 is provided for adjustments to insurance benefit
 23 allocations. The maintenance rate for insurance benefit allocations is
 24 \$582.47 per month for the 2005-06 and 2006-07 school years. The
 25 appropriations in this section provide for a rate increase to \$631.98
 26 per month for the 2005-06 school year and \$685.70 per month for the
 27 2006-07 school year. The adjustments to health insurance benefit
 28 allocations are at the following rates:

	School Year	
	2005-06	2006-07
31 Pupil Transportation (per weighted pupil mile)	\$0.45	\$0.94
32 Highly Capable (per formula student)	\$3.02	\$6.36
33 Transitional Bilingual Education (per eligible bilingual student)	\$8.01	\$16.71
34 Learning Assistance (per formula student)	\$6.30	\$13.13

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

3 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

5	General Fund--State Appropriation (FY 2006)	\$243,160,000
6	General Fund--State Appropriation (FY 2007)	\$248,599,000
7	TOTAL APPROPRIATION	\$491,759,000

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 funds
11 as are necessary to complete the school year ending in the fiscal year
12 and for prior fiscal year adjustments.

13 (2) A maximum of \$796,000 of this fiscal year 2006 appropriation
14 and a maximum of \$812,000 of the fiscal year 2007 appropriation may be
15 expended for regional transportation coordinators and related
16 activities. The transportation coordinators shall ensure that data
17 submitted by school districts for state transportation funding shall,
18 to the greatest extent practical, reflect the actual transportation
19 activity of each district.

20 (3) \$5,000 of the fiscal year 2006 appropriation and \$5,000 of the
21 fiscal year 2007 appropriation are provided solely for the
22 transportation of students enrolled in "choice" programs.
23 Transportation shall be limited to low-income students who are
24 transferring to "choice" programs solely for educational reasons.

25 (4) Allocations for transportation of students shall be based on
26 reimbursement rates of \$41.56 per weighted mile in the 2005-06 school
27 year and \$41.80 per weighted mile in the 2006-07 school year exclusive
28 of salary and benefit adjustments provided in section 504 of this act.
29 Allocations for transportation of students transported more than one
30 radius mile shall be based on weighted miles as determined by
31 superintendent of public instruction multiplied by the per mile
32 reimbursement rates for the school year pursuant to the formulas
33 adopted by the superintendent of public instruction. Allocations for
34 transportation of students living within one radius mile shall be based
35 on the number of enrolled students in grades kindergarten through five
36 living within one radius mile of their assigned school multiplied by
37 the per mile reimbursement rate for the school year multiplied by 1.29.

1 (5) For busses purchased between July 1, 2005, and June 30, 2007,
2 the office of superintendent of public instruction shall provide
3 reimbursement funding to a school district only after the
4 superintendent of public instruction determines that the school bus was
5 purchased from the list established pursuant to RCW 28A.160.195(2) or
6 a comparable competitive bid process based on the lowest price quote
7 based on similar bus categories to those used to establish the list
8 pursuant to RCW 28A.160.195. The competitive specifications shall meet
9 federal motor vehicle safety standards, minimum state specifications as
10 established by rule by the superintendent, and supported options as
11 determined by the superintendent in consultation with the regional
12 transportation coordinators of the educational service districts.

13 (6) Beginning with the 2005-06 school year, the superintendent of
14 public instruction shall base depreciation payments for school district
15 buses on the five-year average of prices in the appropriate category of
16 bus. In the final year on the depreciation schedule, the depreciation
17 payment shall be based on the current state price. The superintendent
18 may include a weighting or other adjustment factor in the averaging
19 formula to ease the transition from the current-price depreciation
20 system to the average depreciation system. Prior to making any
21 depreciation payment in the 2005-06 school year, the superintendent
22 shall notify the office of financial management and the fiscal
23 committees of the legislature of the specific depreciation formula to
24 be used. The replacement cost shall be based on the lowest quote in
25 the appropriate bus category for that school year.

26 (7) In addition to the allocations for transportation of students
27 in subsection (4) of this section, school districts shall be allocated
28 \$0.17 per weighted mile in the 2005-06 school year and \$0.17 per
29 weighted mile in the 2006-07 school year exclusive of salary and
30 benefit adjustments provided in section 504 of this act. For the
31 purposes of this subsection, the weighted miles will be calculated
32 based on the actual reported amounts for the 2004-05 school year. The
33 total amount allocated pursuant to this subsection shall be limited to
34 \$1,534,000 for the 2005-07 biennium.

35 (8) A maximum of \$50,000 of the fiscal year 2006 appropriation may
36 be expended for software programming costs associated with the
37 implementation of subsection (6) of this section.

1 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

3	General Fund--State Appropriation (FY 2006)	\$3,100,000
4	General Fund--State Appropriation (FY 2007)	\$3,100,000
5	General Fund--Federal Appropriation	\$287,403,000
6	TOTAL APPROPRIATION	\$293,603,000

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

9 (1) \$3,000,000 of the general fund--state appropriation for fiscal
10 year 2006 and \$3,000,000 of the general fund--state appropriation for
11 fiscal year 2007 are provided for state matching money for federal
12 child nutrition programs.

13 (2) \$100,000 of the general fund--state appropriation for fiscal
14 year 2006 and \$100,000 of the 2007 fiscal year appropriation are
15 provided for summer food programs for children in low-income areas.

16 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
17 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

18	General Fund--State Appropriation (FY 2006)	\$456,306,000
19	General Fund--State Appropriation (FY 2007)	\$464,586,000
20	General Fund--Federal Appropriation	\$435,453,000
21	TOTAL APPROPRIATION	\$1,356,345,000

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

24 (1) Funding for special education programs is provided on an excess
25 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
26 that special education students as a class receive their full share of
27 the general apportionment allocation accruing through sections 502 and
28 504 of this act. To the extent a school district cannot provide an
29 appropriate education for special education students under chapter
30 28A.155 RCW through the general apportionment allocation, it shall
31 provide services through the special education excess cost allocation
32 funded in this section.

33 (2)(a) The superintendent of public instruction shall use the
34 excess cost methodology developed and implemented for the 2001-02
35 school year using the S-275 personnel reporting system and all related
36 accounting requirements to ensure that:

37 (i) Special education students are basic education students first;

1 (ii) As a class, special education students are entitled to the
2 full basic education allocation; and

3 (iii) Special education students are basic education students for
4 the entire school day.

5 (b) The S-275 and accounting changes in effect since the 2001-02
6 school year shall supercede any prior excess cost methodologies and
7 shall be required of all school districts.

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

11 (4) The superintendent of public instruction shall distribute state
12 and federal funds to school districts based on two categories: The
13 optional birth through age two program for special education eligible
14 developmentally delayed infants and toddlers, and the mandatory special
15 education program for special education eligible students ages three to
16 twenty-one. A "special education eligible student" means a student
17 receiving specially designed instruction in accordance with a properly
18 formulated individualized education program.

19 (5)(a) For the 2005-06 and 2006-07 school years, the superintendent
20 shall make allocations to each district based on the sum of:

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

25 (ii) A district's annual average full-time equivalent basic
26 education enrollment multiplied by the funded enrollment percent
27 determined pursuant to subsection (6)(b) of this section, multiplied by
28 the district's average basic education allocation per full-time
29 equivalent student multiplied by 0.9309.

30 (b) For purposes of this subsection, "average basic education
31 allocation per full-time equivalent student" for a district shall be
32 based on the staffing ratios required by RCW 28A.150.260 and shall not
33 include enhancements, secondary vocational education, or small schools.

34 (6) The definitions in this subsection apply throughout this
35 section.

36 (a) "Annual average full-time equivalent basic education
37 enrollment" means the resident enrollment including students enrolled
38 through choice (RCW 28A.225.225) and students from nonhigh districts

1 (RCW 28A.225.210) and excluding students residing in another district
2 enrolled as part of an interdistrict cooperative program (RCW
3 28A.225.250).

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

8 Each district's general fund--state funded special education
9 enrollment shall be the lesser of the district's actual enrollment
10 percent or 12.7 percent.

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

20 (8) To the extent necessary, \$18,945,000 of the general fund--state
21 appropriation and \$28,698,000 of the general fund--federal
22 appropriation are provided for safety net awards for districts with
23 demonstrated needs for special education funding beyond the amounts
24 provided in subsection (5) of this section. If safety net awards
25 exceed the amount appropriated in this subsection (8), the
26 superintendent shall expend all available federal discretionary funds
27 necessary to meet this need. Safety net funds shall be awarded by the
28 state safety net oversight committee subject to the following
29 conditions and limitations:

30 (a) The committee shall consider unmet needs for districts that can
31 convincingly demonstrate that all legitimate expenditures for special
32 education exceed all available revenues from state funding formulas.
33 In the determination of need, the committee shall also consider
34 additional available revenues from federal sources. Differences in
35 program costs attributable to district philosophy, service delivery
36 choice, or accounting practices are not a legitimate basis for safety
37 net awards.

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

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

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

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

14 (9) The superintendent of public instruction may adopt such rules
15 and procedures as are necessary to administer the special education
16 funding and safety net award process. Prior to revising any standards,
17 procedures, or rules, the superintendent shall consult with the office
18 of financial management and the fiscal committees of the legislature.

19 (10) The safety net oversight committee appointed by the
20 superintendent of public instruction shall consist of:

21 (a) One staff from the office of superintendent of public
22 instruction;

23 (b) Staff of the office of the state auditor who shall be nonvoting
24 members of the committee; and

25 (c) One or more representatives from school districts or
26 educational service districts knowledgeable of special education
27 programs and funding.

28 (11) A maximum of \$100,000 of the general fund--federal
29 appropriation shall be expended to create a special education ombudsman
30 program within the office of superintendent of public instruction. The
31 purpose of the program is to provide support to parents, guardians,
32 educators, and students with disabilities. The program will provide
33 information to help families and educators understand state laws,
34 rules, and regulations, and access training and support, technical
35 information services, and mediation services. The ombudsman program
36 will provide data, information, and appropriate recommendations to the
37 office of superintendent of public instruction, school districts,

1 educational service districts, state need projects, and the parent and
2 teacher information center.

3 (12) The superintendent of public instruction, consistent with the
4 new federal IDEA reauthorization, shall continue to educate schools on
5 how to implement a birth-to-three program and the cost effectiveness
6 and learning benefits of early intervention.

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

12 (14) \$1,000,000 of the general fund--federal appropriation is
13 provided for projects to provide special education students with
14 appropriate job and independent living skills, including work
15 experience where possible, to facilitate their successful transition
16 out of the public school system. The funds provided by this subsection
17 shall be from federal discretionary grants.

18 (15) The superintendent shall maintain the percentage of federal
19 flow-through to school districts at 85 percent. In addition to other
20 purposes, school districts may use increased federal funds for high-
21 cost students, for purchasing regional special education services from
22 educational service districts, and for staff development activities
23 particularly relating to inclusion issues.

24 (16) A maximum of \$1,200,000 of the general fund--federal
25 appropriation may be expended by the superintendent for projects
26 related to use of inclusion strategies by school districts for
27 provision of special education services.

28 (17) A school district may carry over from one year to the next
29 year up to 10 percent of the general fund--state funds allocated under
30 this program; however, carry over funds shall be expended in the
31 special education program.

32 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

34	General Fund--State Appropriation (FY 2006)	\$3,702,000
35	General Fund--State Appropriation (FY 2007)	\$3,702,000
36	TOTAL APPROPRIATION	\$7,404,000

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

3 (1) The educational service districts shall continue to furnish
4 financial services required by the superintendent of public instruction
5 and RCW 28A.310.190 (3) and (4).

6 (2) The educational service districts, at the request of the state
7 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may
8 receive and screen applications for school accreditation, conduct
9 school accreditation site visits pursuant to state board of education
10 rules, and submit to the state board of education post-site visit
11 recommendations for school accreditation. The educational service
12 districts may assess a cooperative service fee to recover actual plus
13 reasonable indirect costs for the purposes of this subsection.

14 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

16	General Fund--State Appropriation (FY 2006)	\$179,038,000
17	General Fund--State Appropriation (FY 2007)	\$191,051,000
18	TOTAL APPROPRIATION	\$370,089,000

19 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

21	General Fund--State Appropriation (FY 2006)	\$19,115,000
22	General Fund--State Appropriation (FY 2007)	\$19,620,000
23	TOTAL APPROPRIATION	\$38,735,000

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

26 (1) Each general fund--state fiscal year appropriation includes
27 such funds as are necessary to complete the school year ending in the
28 fiscal year and for prior fiscal year adjustments.

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

34 (3) State funding for each institutional education program shall be
35 based on the institution's annual average full-time equivalent student

1 enrollment. Staffing ratios for each category of institution shall
2 remain the same as those funded in the 1995-97 biennium.

3 (4) The funded staffing ratios for education programs for juveniles
4 age 18 or less in department of corrections facilities shall be the
5 same as those provided in the 1997-99 biennium.

6 (5) \$219,000 of the general fund--state appropriation for fiscal
7 year 2006 and \$219,000 of the general fund--state appropriation for
8 fiscal year 2007 are provided solely to maintain at least one
9 certificated instructional staff and related support services at an
10 institution whenever the K-12 enrollment is not sufficient to support
11 one full-time equivalent certificated instructional staff to furnish
12 the educational program. The following types of institutions are
13 included: Residential programs under the department of social and
14 health services for developmentally disabled juveniles, programs for
15 juveniles under the department of corrections, and programs for
16 juveniles under the juvenile rehabilitation administration.

17 (6) Ten percent of the funds allocated for each institution may be
18 carried over from one year to the next.

19 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

21	General Fund--State Appropriation (FY 2006)	\$6,871,000
22	General Fund--State Appropriation (FY 2007)	\$6,905,000
23	TOTAL APPROPRIATION	\$13,776,000

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

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

29 (2) Allocations for school district programs for highly capable
30 students shall be distributed at a maximum rate of \$347.95 per funded
31 student for the 2005-06 school year and \$347.95 per funded student for
32 the 2006-07 school year, exclusive of salary and benefit adjustments
33 pursuant to section 504 of this act. The number of funded students
34 shall be a maximum of two percent of each district's full-time
35 equivalent basic education enrollment.

36 (3) \$170,000 of the fiscal year 2006 appropriation and \$170,000 of

1 the fiscal year 2007 appropriation are provided for the centrum program
2 at Fort Worden state park.

3 (4) \$90,000 of the fiscal year 2006 appropriation and \$90,000 of
4 the fiscal year 2007 appropriation are provided for the Washington
5 destination imagination network and future problem-solving programs.

6 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
7 **INSTRUCTION--FOR MISCELLANEOUS PURPOSES UNDER THE ELEMENTARY AND**
8 **SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD LEFT BEHIND ACT**

9 General Fund--Federal Appropriation \$22,084,000

10 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
11 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

12 General Fund--State Appropriation (FY 2006) \$36,230,000

13 General Fund--State Appropriation (FY 2007) \$32,490,000

14 General Fund--Federal Appropriation \$123,264,000

15 TOTAL APPROPRIATION \$191,984,000

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

18 (1) ASSESSMENT

19 \$20,030,000 of the general fund--state appropriation for fiscal
20 year 2006, \$16,272,000 of the general fund--state appropriation for
21 fiscal year 2007, and \$16,111,000 of the general fund--federal
22 appropriation are provided solely for development and implementation of
23 the Washington assessments of student learning (WASL), including
24 development and implementation of retake assessments for high school
25 students who are not successful in one or more content areas of the
26 WASL and development of alternative assessments or appeals procedures
27 to implement the certificate of academic achievement. Within these
28 amounts, the superintendent of public instruction shall contract for
29 the early return of 10th grade student WASL results, on or around June
30 10th of each year.

31 (2) PROFESSIONAL DEVELOPMENT

32 (a) \$548,000 of the fiscal year 2006 general fund--state
33 appropriation and \$548,000 of the fiscal year 2007 general fund--state
34 appropriation are provided solely for training of paraprofessional
35 classroom assistants and certificated staff who work with classroom
36 assistants as provided in RCW 28A.415.310.

1 (b) \$2,348,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$2,348,000 of the general fund--state appropriation for
3 fiscal year 2007 are provided solely for mentor teacher assistance,
4 including state support activities, under RCW 28A.415.250 and
5 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in
6 this subsection may be used each fiscal year to operate a mentor
7 academy to help districts provide effective training for peer mentors.
8 Funds for the teacher assistance program shall be allocated to school
9 districts based on the number of first year beginning teachers.

10 (c) \$705,000 of the general fund--state appropriation for fiscal
11 year 2006 and \$705,000 of the general fund--state appropriation for
12 fiscal year 2007 are provided solely for the leadership internship
13 program for superintendents, principals, and program administrators.

14 (d) \$977,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$1,008,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for a salary bonus for teachers
17 who attain certification by the national board for professional
18 teaching standards subject to the following conditions and limitations:

19 (i) Teachers who attain certification by the national board during
20 the 2005-06 school year or the 2006-07 school year shall receive a one-
21 time bonus not to exceed \$3,500.

22 (ii) The one-time bonus shall be paid in a lump sum amount and
23 shall not be included in the definition of "earnable compensation"
24 under RCW 41.32.010(10).

25 (e) \$90,399,000 of the general fund--federal appropriation is
26 provided for preparing, training, and recruiting high quality teachers
27 and principals under Title II of the no child left behind act.

28 (3) SCHOOL IMPROVEMENT

29 (a) \$313,000 of the general fund--state appropriation for fiscal
30 year 2006 and \$313,000 of the general fund--state appropriation for
31 fiscal year 2007 are provided solely for a principal support program.
32 The office of the superintendent of public instruction may contract
33 with an independent organization to administer the program. The
34 program shall include: (i) Development of an individualized
35 professional growth plan for a new principal or principal candidate;
36 and (ii) participation of a mentor principal who works over a period of
37 between one and three years with the new principal or principal
38 candidate to help him or her build the skills identified as critical to

1 the success of the professional growth plan. Within the amounts
2 provided, \$50,000 per year shall be used to support additional
3 participation of secondary principals.

4 (b) \$3,046,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$3,046,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely to the office of the
7 superintendent of public instruction for focused assistance. The
8 office of the superintendent of public instruction shall conduct
9 educational audits of low-performing schools and enter into performance
10 agreements between school districts and the office to implement the
11 recommendations of the audit and the community. Each educational audit
12 shall include recommendations for best practices and ways to address
13 identified needs and shall be presented to the community in a public
14 meeting to seek input on ways to implement the audit and its
15 recommendations.

16 (c) \$1,764,000 of the general fund--state appropriation for fiscal
17 year 2006 and \$1,764,000 of the general fund--state appropriation for
18 fiscal year 2007 are provided solely for the mathematics helping corps
19 subject to the following conditions and limitations:

20 (i) In order to increase the availability and quality of technical
21 mathematics assistance statewide, the superintendent of public
22 instruction shall employ mathematics school improvement specialists to
23 provide assistance to schools and districts. The specialists shall be
24 hired by and work under the direction of a statewide school improvement
25 coordinator. The mathematics improvement specialists shall not be
26 permanent employees of the superintendent of public instruction.

27 (ii) The school improvement specialists shall provide the
28 following:

29 (A) Assistance to schools to disaggregate student performance data
30 and develop improvement plans based on those data;

31 (B) Consultation with schools and districts concerning their
32 performance on the Washington assessment of student learning and other
33 assessments emphasizing the performance on the mathematics assessments;

34 (C) Consultation concerning curricula that aligns with the
35 essential academic learning requirements emphasizing the academic
36 learning requirements for mathematics, the Washington assessment of
37 student learning, and meets the needs of diverse learners;

1 (D) Assistance in the identification and implementation of
2 research-based instructional practices in mathematics;

3 (E) Staff training that emphasizes effective instructional
4 strategies and classroom-based assessment for mathematics;

5 (F) Assistance in developing and implementing family and community
6 involvement programs emphasizing mathematics; and

7 (G) Other assistance to schools and school districts intended to
8 improve student mathematics learning.

9 (d) \$16,758,000 of the general fund--federal appropriation is
10 provided for the reading first program under Title I of the no child
11 left behind act.

12 (4) STUDENT SUPPORTS

13 (a) \$2,500,000 of the general fund--state appropriation for fiscal
14 year 2006 and \$2,500,000 of the general fund--state appropriation for
15 fiscal year 2007 are provided solely for the meals for kids program
16 under RCW 28A.235.145 through 28A.235.155.

17 (b) \$3,594,000 of the general fund--state appropriation for fiscal
18 year 2006 and \$3,594,000 of the general fund--state appropriation for
19 fiscal year 2007 are provided solely for grants to school districts to
20 provide a continuum of care for children and families to help children
21 become ready to learn. Grant proposals from school districts shall
22 contain local plans designed collaboratively with community service
23 providers. If a continuum of care program exists in the area in which
24 the school district is located, the local plan shall provide for
25 coordination with existing programs to the greatest extent possible.
26 Grant funds shall be allocated pursuant to RCW 70.190.040.

27 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
28 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

29	General Fund--State Appropriation (FY 2006)	\$59,794,000
30	General Fund--State Appropriation (FY 2007)	\$63,290,000
31	General Fund--Federal Appropriation	\$45,561,000
32	TOTAL APPROPRIATION	\$168,645,000

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

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

1 (2) The superintendent shall distribute a maximum of \$759.62 per
2 eligible bilingual student in the 2005-06 school year and \$759.62 in
3 the 2006-07 school year, exclusive of salary and benefit adjustments
4 provided in section 504 of this act.

5 (3) The superintendent may withhold up to 1.5 percent of the school
6 year allocations to school districts in subsection (2) of this section,
7 and adjust the per eligible pupil rates in subsection (2) of this
8 section accordingly, solely for the central provision of assessments as
9 provided in RCW 28A.180.090 (1) and (2).

10 (4) \$70,000 of the amounts appropriated in this section are
11 provided solely to develop a system for the tracking of current and
12 former transitional bilingual program students.

13 (5) The general fund--federal appropriation in this section is
14 provided for migrant education under Title I Part C and English
15 language acquisition, and language enhancement grants under Title III
16 of the elementary and secondary education act.

17 **NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

19	General Fund--State Appropriation (FY 2006)	\$72,958,000
20	General Fund--State Appropriation (FY 2007)	\$75,282,000
21	General Fund--Federal Appropriation	\$343,227,000
22	TOTAL APPROPRIATION	\$491,467,000

23 (1) The general fund--state appropriations in this section are
24 subject to the following conditions and limitations:

25 (a) Each general fund--state fiscal year appropriation includes
26 such funds as are necessary to complete the school year ending in the
27 fiscal year and for prior fiscal year adjustments.

28 (b) Funding for school district learning assistance programs shall
29 be allocated at maximum rates of \$458.93 per funded unit for the
30 2005-06 school year and \$459.84 per funded unit for the 2006-07 school
31 year exclusive of salary and benefit adjustments provided under section
32 504 of this act.

33 (c) For purposes of this section, "test results" refers to the
34 district results from the 2004-05 school year for a norm-referenced
35 test administered in the specified grade level. The norm-referenced
36 test results used for the third and sixth grade calculations shall be

1 consistent with the third and sixth grade tests required under RCW
2 28A.230.190 and 28A.230.193.

3 (d) A school district's general fund--state funded units for the
4 2005-06 and 2006-07 school years shall be the sum of the following:

5 (i) The district's full-time equivalent enrollment in grades K-6,
6 multiplied by the 5-year average 4th grade lowest quartile test results
7 as adjusted for funding purposes in the school years prior to 1999-
8 2000, multiplied by 0.512. As the 3rd grade test becomes available, it
9 shall be phased into the 5-year average on a 1-year lag;

10 (ii) The district's full-time equivalent enrollment in grades 7-9,
11 multiplied by the 5-year average 8th grade lowest quartile test results
12 as adjusted for funding purposes in the school years prior to 1999-
13 2000, multiplied by 0.512. As the 6th grade test becomes available, it
14 shall be phased into the 5-year average for these grades on a 1-year
15 lag;

16 (iii) The district's full-time equivalent enrollment in grades
17 10-11 multiplied by the 5-year average 11th grade lowest quartile test
18 results, multiplied by 0.512. As the 9th grade test becomes available,
19 it shall be phased into the 5-year average for these grades on a 1-year
20 lag;

21 (iv) The district's full-time equivalent enrollment in grades K-12
22 times the district's percentage of October headcount enrollment in
23 grades K-12 eligible for free or reduced price lunch in the prior
24 school year multiplied by 18.0 percent;

25 (v) If, in the prior school year, the district's percentage of
26 October headcount enrollment in grades K-12 eligible for free and
27 reduced price lunch exceeded the state average, subtract the state
28 average percentage of students eligible for free and reduced price
29 lunch from the district's percentage and multiply the result by the
30 district's K-12 annual average full-time equivalent enrollment for the
31 current school year multiplied by 25.5 percent; and

32 (vi) Increases in a school district's allocation above the 2004-05
33 school year level shall be given first consideration for use in
34 secondary schools.

35 (e) In addition to amounts allocated in (b) and (d) of this
36 subsection, an additional amount shall be allocated to a school
37 district for each school year in which the district's allocation is
38 less than the amount the district received for the general fund--state

1 learning assistance program allocation in the 2004-05 school year. The
2 amount of the allocation in this section shall be sufficient to
3 maintain the 2004-05 school year allocation.

4 (2) The general fund--federal appropriation in this section is
5 provided for Title I Part A allocations of the no child left behind act
6 of 2001.

7 (3) A school district may carry over from one year to the next up
8 to 10 percent of the general fund--state funds allocated under this
9 program; however, carryover funds shall be expended for the learning
10 assistance program.

11 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
12 **INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

13 Student Achievement Account--State Appropriation \$629,356,000

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

16 (1) Funding for school district student achievement programs shall
17 be allocated at a maximum rate of \$300.00 per FTE student for the 2005-
18 06 school year and \$375.00 per FTE student for the 2006-07 school year.
19 For the purposes of this section and in accordance with RCW 84.52.068,
20 FTE student refers to the annual average full-time equivalent
21 enrollment of the school district in grades kindergarten through twelve
22 for the prior school year.

23 (2) The appropriation is allocated for the following uses as
24 specified in RCW 28A.505.210:

25 (a) To reduce class size by hiring certificated elementary
26 classroom teachers in grades K-4 and paying nonemployee-related costs
27 associated with those new teachers;

28 (b) To make selected reductions in class size in grades 5-12, such
29 as small high school writing classes;

30 (c) To provide extended learning opportunities to improve student
31 academic achievement in grades K-12, including, but not limited to,
32 extended school year, extended school day, before-and-after-school
33 programs, special tutoring programs, weekend school programs, summer
34 school, and all-day kindergarten;

35 (d) To provide additional professional development for educators
36 including additional paid time for curriculum and lesson redesign and
37 alignment, training to ensure that instruction is aligned with state

1 standards and student needs, reimbursement for higher education costs
2 related to enhancing teaching skills and knowledge, and mentoring
3 programs to match teachers with skilled, master teachers. The funding
4 shall not be used for salary increases or additional compensation for
5 existing teaching duties, but may be used for extended year and
6 extended day teaching contracts;

7 (e) To provide early assistance for children who need
8 prekindergarten support in order to be successful in school; or

9 (f) To provide improvements or additions to school building
10 facilities which are directly related to the class size reductions and
11 extended learning opportunities under (a) through (c) of this
12 subsection (2).

13 (3) \$138,238,000 of the student achievement account--state
14 appropriation is provided solely for the implementation of Senate Bill
15 No. 6096 (generating new tax revenue for education funding). If the
16 bill is not enacted before June 30, 2005, the amount provided in this
17 subsection shall lapse.

18 (4) The superintendent of public instruction shall distribute the
19 school year allocation according to the monthly apportionment schedule
20 defined in RCW 28A.510.250.

21 NEW SECTION. **Sec. 517. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR**
22 **ADJUSTMENTS.** State general fund and state student achievement fund
23 appropriations provided to the superintendent of public instruction for
24 state entitlement programs in the public schools in this part V of this
25 act may be expended as needed by the superintendent for adjustments to
26 apportionment for prior fiscal periods. Recoveries of state general
27 fund moneys from school districts and educational service districts for
28 a prior fiscal period shall be made as reductions in apportionment
29 payments for the current fiscal period and shall be shown as prior year
30 adjustments on apportionment reports for the current period. Such
31 recoveries shall not be treated as revenues to the state, but as a
32 reduction in the amount expended against the appropriation for the
33 current fiscal period.

34 NEW SECTION. **Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC**
35 **INSTRUCTION.** Appropriations made in this act to the office of

1 superintendent of public instruction shall initially be allotted as
2 required by this act. Subsequent allotment modifications shall not
3 include transfers of moneys between sections of this act.

(End of part)

PART VI
HIGHER EDUCATION

1
2
3 NEW SECTION. **Sec. 601.** The appropriations in sections 603 through
4 609 of this act are subject to the following conditions and
5 limitations:

6 (1) "Institutions" means the institutions of higher education
7 receiving appropriations under sections 603 through 609 of this act.

8 (2)(a) The salary increases provided or referenced in this
9 subsection and described in sections 935 through 965 of this act shall
10 be the only allowable salary increases provided at institutions of
11 higher education, excluding increases associated with normally
12 occurring promotions and increases related to faculty and professional
13 staff retention, and excluding increases associated with employees
14 under the jurisdiction of chapter 41.56 RCW pursuant to the provisions
15 of RCW 28B.16.015 and 28B.50.874(1).

16 (b) For employees under the jurisdiction of chapter 41.56 RCW
17 pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1), salary
18 increases will be in accordance with the applicable collective
19 bargaining agreement. However, an increase shall not be provided to
20 any classified employee whose salary is above the approved salary range
21 maximum for the class to which the employee's position is allocated.

22 (c) Each institution of higher education receiving appropriations
23 for salary increases under sections 604 through 609 of this act may
24 provide additional salary increases from other sources to instructional
25 and research faculty, exempt professional staff, teaching and research
26 assistants, as classified by the office of financial management, and
27 all other nonclassified staff, but not including employees under RCW
28 28B.16.015. Any additional salary increase granted under the authority
29 of this subsection (2)(c) shall not be included in an institution's
30 salary base for future state funding. It is the intent of the
31 legislature that general fund--state support for an institution shall
32 not increase during the current or any future biennium as a result of
33 any salary increases authorized under this subsection (2)(c).

34 (d) The legislature, the office of financial management, and other
35 state agencies need consistent and accurate personnel data from
36 institutions of higher education for policy planning purposes.

1 Institutions of higher education shall report personnel data to the
2 department of personnel for inclusion in the department's data
3 warehouse. Uniform reporting procedures shall be established by the
4 department of personnel for use by the reporting institutions,
5 including provisions for common job classifications and common
6 definitions of full-time equivalent staff. Annual contract amounts,
7 number of contract months, and funding sources shall be consistently
8 reported for employees under contract.

9 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to
10 full-time students at the state's institutions of higher education for
11 the 2005-06 and 2006-07 academic years, other than the summer term,
12 shall be adjusted by the governing boards of the state universities,
13 regional universities, The Evergreen State College, and the state board
14 for community and technical colleges. Tuition fees may be increased in
15 excess of the fiscal growth factor.

16 For the 2005-06 academic year, the governing boards of the state
17 universities may implement an increase no greater than seven percent
18 over tuition fees charged to full-time resident undergraduate students
19 for the 2004-05 academic year. The governing boards of the regional
20 universities and The Evergreen State College may implement an increase
21 no greater than six percent over tuition fees charged to full-time
22 resident undergraduate students for the 2004-05 academic year. The
23 state board for community and technical colleges may implement an
24 increase no greater than five percent over tuition fees charged to
25 full-time resident students for the 2004-05 academic year.

26 For the 2006-07 academic year, the governing boards of the state
27 universities may implement an increase no greater than seven percent
28 over tuition fees charged to full-time resident undergraduate students
29 for the 2005-06 academic year. The governing boards of the regional
30 universities and The Evergreen State College may implement an increase
31 no greater than six percent over tuition fees charged to full-time
32 resident undergraduate students for the 2005-06 academic year. The
33 state board for community and technical colleges may implement an
34 increase no greater than five percent over tuition fees charged to
35 full-time resident students for the 2005-06 academic year.

36 (4) For the 2005-07 biennium, the state board for community and
37 technical colleges may increase tuition fees differentially based on
38 student credit hour load at their discretion.

1 (5) For the 2005-07 biennium, the governing boards and the state
2 board may adjust full-time operating fees for factors that may include
3 time of day and day of week, as well as delivery method and campus, to
4 encourage full use of the state's educational facilities and resources.

5 (6) Technical colleges may increase their building fee in excess of
6 the fiscal growth factor until parity is reached with the community
7 colleges.

8 (7) In addition to waivers granted under the authority of RCW
9 28B.15.910, the governing boards and the state board may waive all or
10 a portion of operating fees for any student. State general fund
11 appropriations shall not be provided to replace tuition and fee revenue
12 foregone as a result of waivers granted under this subsection.

13 (8) Pursuant to RCW 43.135.055, institutions of higher education
14 receiving appropriations under sections 603 through 609 of this act are
15 authorized to increase summer term tuition in excess of the fiscal
16 growth factor during the 2005-07 biennium. Tuition levels increased
17 pursuant to this subsection shall not exceed the per credit hour rate
18 calculated from the academic year tuition levels adopted under this
19 act.

20 (9) Pursuant to RCW 43.135.055, community and technical colleges
21 are authorized to increase services and activities fee charges in
22 excess of the fiscal growth factor during the 2005-2007 biennium. The
23 services and activities fee charges increased pursuant to this
24 subsection shall not exceed the maximum level authorized by the state
25 board for community and technical colleges.

26 (10) Pursuant to RCW 43.135.055, the governing boards of the state
27 universities, regional universities, and The Evergreen State College
28 are authorized to increase application fees in excess of the fiscal
29 growth factor during the 2005-2007 biennium. The application fee
30 levels increased pursuant to this subsection shall not exceed fifty
31 dollars per application. This authority is contingent upon the
32 institution charging a fee for electronic admission applications that
33 is at least twenty-five percent less than the fee charged for written
34 admission applications.

35 NEW SECTION. **Sec. 602.** (1) The appropriations in sections 603
36 through 609 of this act provide state general fund support for full-

1 time equivalent student enrollments at each institution of higher
 2 education. Listed below are the annual full-time equivalent student
 3 enrollments by institutions assumed in this act.

	2005-06	2006-07
	Annual	Annual
	Average	Average
4 University of Washington		
5		
6		
7		
8		
9 Main campus	33,165	33,473
10 Bothell branch	1,337	1,409
11 Tacoma branch	1,744	1,944
12		
13 Washington State University		
14		
15 Main campus	18,773	19,034
16 Tri-Cities branch	720	765
17 Vancouver branch	1,428	1,628
18		
19 Central Washington University	8,313	8,627
20 Eastern Washington University	8,638	9,007
21 The Evergreen State College	4,044	4,155
22 Western Washington University	11,509	11,629
23 State Board for Community and Technical Colleges	130,915	132,976

24 (2) For the state universities, the number of full-time equivalent
 25 student enrollments enumerated in this section for the branch campuses
 26 are the minimum required enrollment levels for those campuses. At the
 27 start of an academic year, the governing board of a state university
 28 may transfer full-time equivalent student enrollments from the main
 29 campus to one or more branch campus. Intent notice shall be provided
 30 to the office of financial management and reassignment of funded
 31 enrollment is contingent upon satisfying data needs of the forecast
 32 division who is responsible to track and monitor state-supported
 33 college enrollment.

34 NEW SECTION. **Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND**

1 **TECHNICAL COLLEGES**

2	General Fund--State Appropriation (FY 2006)	\$570,679,000
3	General Fund--State Appropriation (FY 2007)	\$582,845,000
4	Administrative Contingency Account--State	
5	Appropriation	\$11,950,000
6	TOTAL APPROPRIATION	\$1,165,474,000

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

9 (1) The technical colleges may increase tuition and fees in excess
10 of the fiscal growth factor to conform with the percentage increase in
11 community college operating fees.

12 (2) \$540,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$540,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided solely for the displaced homemakers
15 program.

16 (3) \$50,000 of the general fund--state appropriation for fiscal
17 year 2006 and \$50,000 of the general fund--state appropriation for
18 fiscal year 2007 are provided solely for higher education student child
19 care matching grants under chapter 28B.135 RCW.

20 (4) \$28,761,000 of the general fund--state appropriation for fiscal
21 year 2006 and \$28,761,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided solely as special funds for training and
23 related support services, including financial aid, as specified in
24 chapter 226, Laws of 1993 (employment and training for unemployed
25 workers). Funding is provided to support up to 6,200 full-time
26 equivalent students in each fiscal year.

27 (5) \$2,000,000 of the general fund--state appropriation for fiscal
28 year 2006 and \$2,000,000 of the general fund--state appropriation for
29 fiscal year 2007 are provided solely for basic skills education at
30 community and technical colleges. These funds may be used to align or
31 integrate adult basic education and English as a second language
32 courses with vocational training.

33 (6) The appropriations for higher education employee compensation
34 increases provided or referenced in this section and described in
35 sections 935 through 965 of this act are estimated to increase the
36 total per student funding by \$324 during the 2005-2007 biennium. This
37 increase in total per student funding is in addition to the tuition
38 revenues that will be generated and retained by the community and

1 technical colleges as a result of the tuition increases that are
2 authorized in section 601 of this act. Given these increases in core
3 funding, the state board for community and technical colleges shall, by
4 June 30, 2007, show demonstrable progress toward achieving the
5 following six-year programmatic goals:

6 (a) Increase the number of academic students who are eligible to
7 transfer to baccalaureate institutions;

8 (b) Increase the number of students prepared for work; and

9 (c) Increase the number of basic skills students who demonstrate
10 substantive skill gain.

11 Specific six-year targets for the goals stated in this subsection
12 shall be established by the state board and the office of financial
13 management and shall be determined based on the per student funding
14 level assumed in this act.

15 The state board for community and technical colleges shall provide
16 a summary of the progress and ongoing efforts toward meeting the
17 provisions of this section to the governor and the appropriate fiscal
18 and policy committees of the legislature prior to November 1, 2006.

19 (7) \$7,172,000 of the general fund--state appropriation for fiscal
20 year 2006 and \$14,343,000 of the general fund--state appropriation for
21 fiscal year 2007 are provided solely to increase budgeted enrollments
22 by 1,572 student FTEs in academic year 2006 and an additional 1,572
23 student FTEs in academic year 2007. \$2,904,000 of the general fund--
24 state appropriation for fiscal year 2006, \$5,816,000 of the general
25 fund--state appropriation for fiscal year 2007, and \$3,000,000 of the
26 administrative contingency account--state appropriation are provided
27 solely to increase enrollments by 488 student FTEs in academic year
28 2006 and an additional 489 student FTEs in academic year 2007 in high
29 demand fields as measured by both student and employer demand. The
30 state board for community and technical colleges shall track
31 enrollments, graduation rates, and job placement for each program that
32 receives high-demand enrollments using data provided by each recipient
33 institution. The board shall report on these outcomes on November 1st
34 of each fiscal year to the office of financial management and the
35 fiscal and higher education committees of the legislature. The
36 enrollment increases provided in this section shall be limited to new
37 students only and may not be used to pay for students currently
38 enrolled by the institutions.

1 (8) \$900,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$900,000 of the general fund--state appropriation for
3 fiscal year 2007 are provided solely to increase salaries and related
4 benefits for part-time faculty. The board shall report by January 30,
5 2006, to the office of financial management and the appropriate fiscal
6 and policy committees of the legislature on (a) the distribution of
7 state funds, and (b) wage adjustments for part-time faculty.

8 (9) \$900,000 of the general fund--state appropriation for fiscal
9 year 2006 and \$900,000 of the general fund--state appropriation for
10 fiscal year 2007 are provided solely for faculty salary increments and
11 associated benefits and may be used in combination with salary and
12 benefit savings from faculty turnover to provide salary increments and
13 associated benefits for faculty who qualify through professional
14 development and training. To the extent general salary increase
15 funding is used to pay faculty increments, the general salary increase
16 shall be reduced by the same amount.

17 (10) \$50,000 of the general fund--state appropriation for fiscal
18 year 2006 and \$50,000 of the general fund--state appropriation for
19 fiscal year 2007 are provided solely to establish the southwest
20 Washington allied health and human services educational consortium at
21 Washington State University-Vancouver, Clark College, and Lower
22 Columbia College. Clark College shall serve as the fiscal agent of the
23 consortium. The consortium shall define the regional education and
24 training priorities for the health and human services industry,
25 reporting to the state legislature recommendations for meeting the
26 growth needs of southwest Washington.

27 (11) \$8,950,000 of the administrative contingency account--state
28 appropriation is provided solely for administration and customized
29 training contracts through the job skills program, which shall be made
30 available broadly and not to the exclusion of private nonprofit
31 baccalaureate degree granting institutions or vocational arts career
32 schools operating in Washington state who partner with a firm,
33 hospital, group, or industry association concerned with commerce,
34 trade, manufacturing, or the provision of services to train current or
35 prospective employees. The state board shall make an annual report by
36 January 1 of each fiscal year to the governor and appropriate policy
37 and fiscal committees of the legislature regarding the implementation

1 of this section listing the scope of grant awards, the distribution of
2 funds by educational sector and region of the state, and the successful
3 partnerships supported by these state funds.

4 NEW SECTION. **Sec. 604. FOR THE UNIVERSITY OF WASHINGTON**

5	General Fund--State Appropriation (FY 2006)	\$332,483,000
6	General Fund--State Appropriation (FY 2007)	\$334,293,000
7	General Fund--Private/Local Appropriation	\$300,000
8	Accident Account--State Appropriation	\$6,217,000
9	Medical Aid Account--State Appropriation	\$6,153,000
10	TOTAL APPROPRIATION	\$679,446,000

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

13 (1) \$165,000 of the general fund--state appropriation for fiscal
14 year 2006 and \$165,000 of the general fund--state appropriation for
15 fiscal year 2007 are provided solely for the implementation of the
16 Puget Sound work plan and agency action item UW-01.

17 (2) \$300,000 of the general fund--private/local appropriation is
18 provided solely for shellfish biotoxin monitoring as specified in
19 chapter 263, Laws of 2003 (SSB 6073, shellfish license fee).

20 (3) \$3,190,000 of the general fund--state appropriation for fiscal
21 year 2006 and \$6,380,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided as the state subsidy for 616 new
23 enrollments at the Seattle campus, 400 new enrollments at the Tacoma
24 campus, and 144 new enrollments at the Bothell campus. The amounts
25 provided in this subsection are contingent upon the university
26 accepting applicants for transfer from Washington community and
27 technical colleges who meet the admission requirements of the
28 university in numbers consistent with the proportionality agreements
29 for specific campuses between the university and the state board for
30 community and technical colleges or seventy percent of the new
31 enrollments, whichever is greater. The enrollment increases provided
32 in this section shall be limited to new students only and may not be
33 used to pay for students currently enrolled by the university.

34 (4) The appropriations for higher education employee compensation
35 increases provided or referenced in this section and described in
36 sections 935 through 965 of this act are estimated to increase the
37 total per student funding by \$585 during the 2005-2007 biennium. This

1 increase in total per student funding is in addition to the tuition
2 revenues that will be generated and retained by the university as a
3 result of the tuition increases that are authorized in section 601 of
4 this act. Given these increases in core funding, the University of
5 Washington shall, by June 30, 2007, show demonstrable progress toward
6 achieving the following six-year programmatic goals:

7 (a) Improve time to degree as measured by the percent of admitted
8 students who graduate within 125% of the credits required for a degree;

9 (b) Preserve access for low-income students as measured by the
10 percentage of total degrees awarded to Pell Grant recipients;

11 (c) Improve freshman retention rates;

12 (d) Improve and sustain the quality of its degree programs as
13 measured by the number of programs that are ranked in the top twenty
14 nationally;

15 (e) Sustain the quality of its research programs as measured by the
16 national ranking for federal research grants received; and

17 (f) Improve its ability to prepare students for the workforce as
18 measured by the job placement or graduate school acceptance rates among
19 graduates.

20 Specific six-year targets for the goals stated in this subsection
21 shall be established by the university, the office of financial
22 management, and the higher education coordinating board and shall be
23 determined based on the per student funding level assumed in this act.

24 On or before October 1, 2006, the university shall submit to the
25 higher education coordinating board a report that outlines the
26 institution's progress and ongoing efforts toward meeting the
27 provisions of this section. The higher education coordinating board
28 shall compile and analyze all responses and provide a summary to the
29 governor and the appropriate fiscal and policy committees of the
30 legislature prior to November 1, 2006.

31 (5) \$1,000,000 of the general fund--state appropriation for fiscal
32 year 2007 is provided solely to support research in life science
33 fields.

34 (6) \$350,000 of the general fund--state appropriation for fiscal
35 year 2006 and \$350,000 of the general fund--state appropriation for
36 fiscal year 2007 are provided solely to maintain the autism center at
37 the University of Washington-Tacoma campus. The facility will continue

1 to function as a satellite facility to the autism center at the
2 University of Washington medical center in Seattle and provide clinical
3 service and professional training.

4 (7) \$500,000 of the general fund--state appropriation for fiscal
5 year 2007 is provided solely to assist the transition of University of
6 Washington-Tacoma from a branch campus serving upper-division students,
7 to a four-year campus serving freshmen, sophomores, and upper-division
8 students. Funds may be used to develop curricula, recruit new faculty,
9 and expand student services. Consistent with the recommendations of
10 the higher education coordinating board, UW-Tacoma may begin enrolling
11 lower-division students beginning in fiscal year 2008.

12 NEW SECTION. **Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

13	General Fund--State Appropriation (FY 2006)	\$209,005,000
14	General Fund--State Appropriation (FY 2007)	\$212,422,000
15	TOTAL APPROPRIATION	\$421,427,000

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

18 (1) \$210,000 of the general fund--state appropriation for fiscal
19 year 2006 and \$210,000 of the general fund--state appropriation for
20 fiscal year 2007 are provided solely for the implementation of the
21 Puget Sound work plan and agency action item WSU-01.

22 (2) \$2,783,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$5,566,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided as the state subsidy for 522 new
25 enrollments at the Pullman campus, 400 new enrollments at the Vancouver
26 campus, and 90 new enrollments at the Tri-Cities campus. The amounts
27 provided in this subsection are contingent upon the university
28 accepting applicants for transfer from Washington community and
29 technical colleges who meet the admission requirements of the
30 university in numbers consistent with the proportionality agreements
31 for specific campuses between the university and the state board for
32 community and technical colleges or seventy percent of the new
33 enrollments, whichever is greater. The enrollment increases provided
34 in this section shall be limited to new students only and may not be
35 used to pay for students currently enrolled by the university.

36 (3) The appropriations for higher education employee compensation
37 increases provided or referenced in this section and described in

1 sections 935 through 965 of this act are estimated to increase the
2 total per student funding by \$726 during the 2005-2007 biennium. This
3 increase in total per student funding is in addition to the tuition
4 revenues that will be generated and retained by the university as a
5 result of the tuition increases that are authorized in section 601 of
6 this act. Given these increases in core funding, Washington State
7 University shall, by June 30, 2007, show demonstrable progress toward
8 achieving the following six-year programmatic goals:

9 (a) Improve time to degree as measured by the percent of admitted
10 students who graduate within 125% of the credits required for a degree;

11 (b) Preserve access for low-income students as measured by the
12 percentage of total degrees awarded to Pell Grant recipients;

13 (c) Improve freshman retention rates;

14 (d) Improve and sustain the quality of its degree programs as
15 measured by the number of programs that are ranked in the top twenty
16 nationally;

17 (e) Sustain the quality of its research programs as measured by the
18 national ranking for federal research grants received; and

19 (f) Improve its ability to prepare students for the workforce as
20 measured by the job placement or graduate school acceptance rates among
21 graduates.

22 Specific six-year targets for the goals stated in this subsection
23 shall be established by the university, the office of financial
24 management, and the higher education coordinating board and shall be
25 determined based on the per student funding level assumed in this act.

26 On or before October 1, 2006 the university shall submit to the
27 higher education coordinating board a report that outlines the
28 institution's progress and ongoing efforts toward meeting the
29 provisions of this section. The higher education coordinating board
30 shall compile and analyze all responses and provide a summary to the
31 governor and the appropriate fiscal and policy committees of the
32 legislature prior to November 1, 2006.

33 (4) \$1,014,000 of the general fund--state appropriation for fiscal
34 year 2006 and \$1,014,000 of the general fund--state appropriation for
35 fiscal year 2007 are provided solely to expand the entering class of
36 veterinary medicine students by 16 resident student FTEs each academic
37 year during the 2005-2007 biennium.

1 (5) \$200,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$200,000 of the general fund--state appropriation for
3 fiscal year 2007 are provided solely to conduct research on
4 alternatives for controlling ghost shrimp in Willapa bay.

5 (6) \$500,000 of the general fund--state appropriation for fiscal
6 year 2006 is provided solely to assist the transition of Washington
7 State University-Vancouver from a branch campus serving only upper-
8 division students, to a four-year campus serving freshmen, sophomores,
9 and upper-division students. Funds may be used to develop curricula,
10 recruit new faculty, and expand student services. Consistent with the
11 recommendations of the higher education coordinating board, WSU-
12 Vancouver may begin enrolling lower-division students beginning in
13 fiscal year 2007.

14 **NEW SECTION. Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

15	General Fund--State Appropriation (FY 2006)	\$47,161,000
16	General Fund--State Appropriation (FY 2007)	\$48,169,000
17	TOTAL APPROPRIATION	\$95,330,000

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

20 (1) \$2,030,000 of the general fund--state appropriation for fiscal
21 year 2006 and \$4,059,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided as the state subsidy for 738 new
23 enrollments. The amounts provided in this subsection are contingent
24 upon the university accepting applicants for transfer from Washington
25 community and technical colleges who meet the admission requirements of
26 the university in numbers consistent with the proportionality
27 agreements for specific campuses between the university and the state
28 board for community and technical colleges or seventy percent of the
29 new enrollments, whichever is greater. The enrollment increases
30 provided in this section shall be limited to new students only and may
31 not be used to pay for students currently enrolled by the university.

32 (2) The appropriations for higher education employee compensation
33 increases provided or referenced in this section and described in
34 sections 935 through 965 of this act are estimated to increase the
35 total per student funding by \$480 during the 2005-2007 biennium. This
36 increase in total per student funding is in addition to the tuition
37 revenues that will be generated and retained by the university as a

1 result of the tuition increases that are authorized in section 601 of
2 this act. Given these increases in core funding, Eastern Washington
3 University shall, by June 30, 2007, show demonstrable progress toward
4 achieving the following six-year programmatic goals:

5 (a) Improve time to degree as measured by the percent of admitted
6 students who graduate within 125% of the credits required for a degree;

7 (b) Preserve access for low-income students as measured by the
8 percentage of total degrees awarded to Pell Grant recipients;

9 (c) Improve freshman retention rates;

10 (d) Improve and sustain the quality of its degree programs as
11 measured by the number of programs that receive national accreditation;
12 and

13 (e) Improve its ability to prepare students for the workforce as
14 measured by the job placement or graduate school acceptance rates among
15 graduates.

16 Specific six-year targets for the goals stated in this subsection
17 shall be established by the university, the office of financial
18 management, and the higher education coordinating board and shall be
19 determined based on the per student funding level assumed in this act.

20 On or before October 1, 2006, the university shall submit to the
21 higher education coordinating board a report that outlines the
22 institution's progress and ongoing efforts toward meeting the
23 provisions of this section. The higher education coordinating board
24 shall compile and analyze all responses and provide a summary to the
25 governor and the appropriate fiscal and policy committees of the
26 legislature prior to November 1, 2006.

27 **NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

28	General Fund--State Appropriation (FY 2006)	\$46,885,000
29	General Fund--State Appropriation (FY 2007)	\$48,425,000
30	TOTAL APPROPRIATION	\$95,280,000

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

33 (1) \$1,727,000 of the general fund--state appropriation for fiscal
34 year 2006 and \$3,454,000 of the general fund--state appropriation for
35 fiscal year 2007 are provided as the state subsidy for 628 new
36 enrollments. The amounts provided in this subsection are contingent
37 upon the university accepting applicants for transfer from Washington

1 community and technical colleges who meet the admission requirements of
2 the university in numbers consistent with the proportionality
3 agreements for specific campuses between the university and the state
4 board for community and technical colleges or seventy percent of the
5 new enrollments, whichever is greater. The enrollment increases
6 provided in this section shall be limited to new students only and may
7 not be used to pay for students currently enrolled by the university.

8 (2) The appropriations for higher education employee compensation
9 increases provided or referenced in this section and described in
10 sections 935 through 965 of this act are estimated to increase the
11 total per student funding by \$499 during the 2005-2007 biennium. This
12 increase in total per student funding is in addition to the tuition
13 revenues that will be generated and retained by the university as a
14 result of the tuition increases that are authorized in section 601 of
15 this act. Given these increases in core funding, Central Washington
16 University shall, by June 30, 2007, show demonstrable progress toward
17 achieving the following six-year programmatic goals:

18 (a) Improve time to degree as measured by the percent of admitted
19 students who graduate within 125% of the credits required for a degree;

20 (b) Preserve access for low-income students as measured by the
21 percentage of total degrees awarded to Pell Grant recipients;

22 (c) Improve freshman retention rates;

23 (d) Improve and sustain the quality of its degree programs as
24 measured by the number of programs that receive national accreditation;
25 and

26 (e) Improve its ability to prepare students for the workforce as
27 measured by the job placement or graduate school acceptance rates among
28 graduates.

29 Specific six-year targets for the goals stated in this subsection
30 shall be established by the university, the office of financial
31 management, and the higher education coordinating board and shall be
32 determined based on the per student funding level assumed in this act.

33 On or before October 1, 2006, the university shall submit to the
34 higher education coordinating board a report that outlines the
35 institution's progress and ongoing efforts toward meeting the
36 provisions of this section. The higher education coordinating board
37 shall compile and analyze all responses and provide a summary to the

1 governor and the appropriate fiscal and policy committees of the
2 legislature prior to November 1, 2006.

3 NEW SECTION. **Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

4	General Fund--State Appropriation (FY 2006)	\$25,868,000
5	General Fund--State Appropriation (FY 2007)	\$25,919,000
6	TOTAL APPROPRIATION	\$51,787,000

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

9 (1) \$611,000 of the general fund--state appropriation for fiscal
10 year 2006 and \$1,221,000 of the general fund--state appropriation for
11 fiscal year 2007 are provided as the state subsidy for 222 new
12 enrollments. The amounts provided in this subsection are contingent
13 upon the college accepting applicants for transfer from Washington
14 community and technical colleges who meet the admission requirements of
15 the college in numbers consistent with the proportionality agreements
16 for specific campuses between the college and the state board for
17 community and technical colleges or seventy percent of the new
18 enrollments, whichever is greater. The enrollment increases provided
19 in this section shall be limited to new students and may not be used to
20 pay for students currently enrolled by the institution.

21 (2) The appropriations for higher education employee compensation
22 increases provided or referenced in this section and described in
23 sections 935 through 965 of this act are estimated to increase the
24 total per student funding by \$482 during the 2005-2007 biennium. This
25 increase in total per student funding is in addition to the tuition
26 revenues that will be generated and retained by the college as a result
27 of the tuition increases that are authorized in section 601 of this
28 act. Given these increases in core funding, The Evergreen State
29 College shall, by June 30, 2007, show demonstrable progress toward
30 achieving the following six-year programmatic goals:

- 31 (a) Improve time to degree as measured by the percent of admitted
32 students who graduate within 125% of the credits required for a degree;
- 33 (b) Preserve access for low-income students as measured by the
34 percentage of total degrees awarded to Pell Grant recipients;
- 35 (c) Improve freshman retention rates;
- 36 (d) Improve and sustain the quality of its degree programs as

1 measured by the number of programs that are ranked in the top twenty
2 nationally;

3 (e) Sustain the quality of its research programs as measured by the
4 national ranking for federal research grants received; and

5 (f) Improve its ability to prepare students for the workforce as
6 measured by the job placement or graduate school acceptance rates among
7 graduates.

8 Specific six-year targets for the goals stated in this subsection
9 shall be established by the university, the office of financial
10 management, and the higher education coordinating board and shall be
11 determined based on the per student funding level assumed in this act.

12 On or before October 1, 2006, the university shall submit to the
13 higher education coordinating board a report that outlines the
14 institution's progress and ongoing efforts toward meeting the
15 provisions of this section. The higher education coordinating board
16 shall compile and analyze all responses and provide a summary to the
17 governor and the appropriate fiscal and policy committees of the
18 legislature prior to November 1, 2006.

19 (3) \$50,000 of the general fund--state appropriation for fiscal
20 year 2006 is provided solely for the Washington state institute for
21 public policy to conduct an examination of educational outcome of
22 immigrant students. The examination shall include, but is not limited
23 to, a review of the following: The current educational performance and
24 graduation rates of immigrant students; the qualifications and
25 capabilities of teachers and paraprofessional to teach students from
26 diverse backgrounds for whom English may be a second language; the use
27 of technology, such as distance learning, in the transitional bilingual
28 program and other instruction provided to immigrant students; and
29 potential changes that would result in more effective instruction and
30 cost-effectiveness. The office of superintendent of public instruction
31 shall provide technical assistance and needed data to assist in the
32 institute's examination. The institute shall provide a report of its
33 findings to the governor and appropriate committees of the legislature
34 by January 1, 2006.

35 (4) \$265,000 of the general fund--state appropriation for fiscal
36 year 2006 and \$316,000 of the general fund--state appropriation for
37 fiscal year 2007 are provided solely for the Washington state institute
38 for public policy to conduct studies of integrated treatment pilot

1 projects, mental health clubhouses, and the net present value of
2 prevention and intervention programs, as required by Senate Bill No.
3 5763 (mental disorders). If Senate Bill No. 5763 is not enacted by
4 June 30, 2005, then the amounts provided in this subsection shall
5 lapse.

6 (5) \$150,000 of the general fund--state appropriation for fiscal
7 year 2006 is provided solely for the Washington state institute for
8 public policy to study the minimum wage and the issues referred to in
9 Substitute Senate Bill No. 5551. The institute shall report its
10 finding to the governor and the appropriate standing committees of the
11 legislature by December 1, 2005. If Substitute Senate Bill No. 5551 is
12 not enacted by June 30, 2005, the amount provided in this subsection
13 shall lapse.

14 NEW SECTION. **Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

15 General Fund--State Appropriation (FY 2006) \$60,342,000
16 General Fund--State Appropriation (FY 2007) \$60,857,000
17 TOTAL APPROPRIATION \$121,199,000

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

20 (1) \$980,400 of the general fund--state appropriation for fiscal
21 year 2006 and \$980,400 of the general fund--state appropriation for
22 fiscal year 2007 are provided solely for the operations of the North
23 Snohomish, Island, Skagit (NSIS) higher education consortium.

24 (2) \$660,000 of the general fund--state appropriation for fiscal
25 year 2006 and \$1,320,000 of the general fund--state appropriation for
26 fiscal year 2007 are provided as the state subsidy for 240 new
27 enrollments. The amounts provided in this subsection are contingent
28 upon the university accepting applicants for transfer from Washington
29 community and technical colleges who meet the admission requirements of
30 the university in numbers consistent with the proportionality
31 agreements for specific campuses between the university and the state
32 board for community and technical colleges or seventy percent of the
33 new enrollments, whichever is greater. The enrollment increases
34 provided in this section shall be limited to new students only, and may
35 not be used to pay for students currently enrolled by the university.

36 (3) The appropriations for higher education employee compensation
37 increases provided or referenced in this section and described in

1 sections 935 through 965 of this act are estimated to increase the
2 total per student funding by \$486 during the 2005-2007 biennium. This
3 increase in total per student funding is in addition to the tuition
4 revenues that will be generated and retained by the university as a
5 result of the tuition increases that are authorized in section 601 of
6 this act. Given these increases in core funding, Western Washington
7 University shall, by June 30, 2007, show demonstrable progress toward
8 achieving the following six-year programmatic goals:

9 (a) Improve time to degree as measured by the percent of admitted
10 students who graduate within 125% of the credits required for a degree;

11 (b) Preserve access for low-income students as measured by the
12 percentage of total degrees awarded to Pell Grant recipients;

13 (c) Improve freshman retention rates;

14 (d) Improve and sustain the quality of its degree programs as
15 measured by the number of programs that receive national accreditation;
16 and

17 (e) Improve its ability to prepare students for the workforce as
18 measured by the job placement or graduate school acceptance rates among
19 graduates.

20 Specific six-year targets for the goals stated in this subsection
21 shall be established by the university, the office of financial
22 management, and the higher education coordinating board and shall be
23 determined based on the per student funding level assumed in this act.

24 On or before October 1, 2006, the university shall submit to the
25 higher education coordinating board a report that outlines the
26 institution's progress and ongoing efforts toward meeting the
27 provisions of this section. The higher education coordinating board
28 shall compile and analyze all responses and provide a summary to the
29 governor and the appropriate fiscal and policy committees of the
30 legislature prior to November 1, 2006.

31 NEW SECTION. **Sec. 610. FOR THE HIGHER EDUCATION COORDINATING**
32 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

33	General Fund--State Appropriation (FY 2006)	\$2,430,000
34	General Fund--State Appropriation (FY 2007)	\$2,412,000
35	General Fund--Federal Appropriation	\$4,357,000
36	TOTAL APPROPRIATION	\$9,199,000

1 allowance in subsection (11) of this section, four percent of the
2 general fund--state amount in this subsection may be expended for state
3 work study program administration.

4 (6) \$2,867,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$2,867,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for educational opportunity grants
7 pursuant to chapter 233, Laws of 2003 (ESB 5676). The board may
8 deposit sufficient funds from its appropriation into the state
9 education trust fund as established in RCW 28B.10.821 to provide a one-
10 year renewal of the grant for each new recipient of the educational
11 opportunity grant award.

12 (7) \$2,384,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$2,549,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided solely to implement the Washington
15 scholars program. Any Washington scholars program moneys not awarded
16 by April 1st of each year may be transferred by the board to the
17 Washington award for vocational excellence.

18 (8) \$794,000 of the general fund--state appropriation for fiscal
19 year 2006 and \$846,000 of the general fund--state appropriation for
20 fiscal year 2007 are provided solely to implement Washington award for
21 vocational excellence program. Any Washington award for vocational
22 program moneys not awarded by April 1st of each year may be transferred
23 by the board to the Washington scholars program.

24 (9) \$246,000 of the general fund--state appropriation for fiscal
25 year 2006 and \$246,000 of the general fund--state appropriation for
26 fiscal year 2007 are provided solely for community scholarship matching
27 grants of \$2,000 each. To be eligible for the matching grant, a
28 nonprofit community organization organized under section 501(c)(3) of
29 the internal revenue code must demonstrate that it has raised \$2,000 in
30 new moneys for college scholarships after the effective date of this
31 section. An organization may receive more than one \$2,000 matching
32 grant and preference shall be given to organizations affiliated with
33 Scholarship America.

34 (10) Subject to state need grant service requirements pursuant to
35 chapter 28B.119 RCW, \$8,620,000 of the general fund--state
36 appropriation for fiscal year 2006 is provided solely for the
37 Washington promise scholarship program. The Washington promise

1 scholarship program is terminated following fiscal year 2006. No
2 Washington promise scholarship awards may be offered to students beyond
3 the graduating high school class of 2004.

4 (11) \$2,820,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$2,820,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for financial aid administration,
7 in addition to the four percent cost allowance provision for state work
8 study under subsection (5) of this section. These funds are provided
9 to administer all the financial aid and grant programs assigned to the
10 board by the legislature and administered by the agency. To the extent
11 the executive director finds the agency will not require the full sum
12 provided in this subsection, a portion may be transferred to supplement
13 financial grants-in-aid to eligible clients after notifying the board
14 and the office of financial management of the intended transfer.

15 NEW SECTION. **Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION**
16 **COORDINATING BOARD**

17	General Fund--State Appropriation (FY 2006)	\$1,224,000
18	General Fund--State Appropriation (FY 2007)	\$1,225,000
19	General Fund--Federal Appropriation	\$53,885,000
20	TOTAL APPROPRIATION	\$56,334,000

21 NEW SECTION. **Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH**
22 **AND TECHNOLOGY INSTITUTE**

23	General Fund--State Appropriation (FY 2006)	\$1,554,000
24	General Fund--State Appropriation (FY 2007)	\$1,568,000
25	TOTAL APPROPRIATION	\$3,122,000

26 NEW SECTION. **Sec. 614. FOR THE WASHINGTON STATE ARTS COMMISSION**

27	General Fund--State Appropriation (FY 2006)	\$2,304,000
28	General Fund--State Appropriation (FY 2007)	\$2,311,000
29	General Fund--Federal Appropriation	\$1,300,000
30	Public Benefit Account--State Appropriation	\$200,000
31	TOTAL APPROPRIATION	\$6,115,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$200,000 of the public benefit account--
34 state appropriation is provided solely for increased funding of quality

1 art programs in the state. If Senate Bill No. 5287 (taxation of social
2 card rooms) is not enacted by June 30, 2005, the amount provided shall
3 lapse.

4 NEW SECTION. **Sec. 615. FOR THE WASHINGTON STATE HISTORICAL**
5 **SOCIETY**

6	General Fund--State Appropriation (FY 2006)	\$3,334,000
7	General Fund--State Appropriation (FY 2007)	\$2,651,000
8	TOTAL APPROPRIATION	\$5,985,000

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

11 (1) \$102,000 of the general fund--state appropriation for fiscal
12 year 2006 and \$95,000 of the general fund--state appropriation for
13 fiscal year 2007 are provided solely to implement Senate Bill No. 5707
14 (women's history consortium). If the bill is not enacted by June 30,
15 2005, the amounts provided in this subsection shall lapse.

16 (2) \$262,000 of the general fund--state appropriation for fiscal
17 year 2006 is provided solely to coordinate and fund programs related to
18 the Lewis and Clark bicentennial commemoration.

19 (3) \$155,000 of the general fund--state appropriation for fiscal
20 year 2006 is provided solely for reimbursement of costs incurred by the
21 Pacific county sheriff's office resulting from Lewis and Clark
22 bicentennial commemoration events.

23 (4) \$100,000 of the general fund--state appropriation for fiscal
24 year 2006 is provided solely for reimbursement of costs incurred by
25 local law enforcement resulting from Lewis and Clark bicentennial
26 commemoration events scheduled in the cities of Clarkston, Dayton,
27 Kennewick, Stevenson, Toppenish, and Vancouver.

28 NEW SECTION. **Sec. 616. FOR THE EASTERN WASHINGTON STATE**
29 **HISTORICAL SOCIETY**

30	General Fund--State Appropriation (FY 2006)	\$1,539,000
31	General Fund--State Appropriation (FY 2007)	\$1,562,000
32	TOTAL APPROPRIATION	\$3,101,000

33 NEW SECTION. **Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND**

34	General Fund--State Appropriation (FY 2006)	\$5,036,000
35	General Fund--State Appropriation (FY 2007)	\$5,018,000

1 General Fund--Private/Local Appropriation \$1,335,000
2 TOTAL APPROPRIATION \$11,389,000

3 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE DEAF**

4 General Fund--State Appropriation (FY 2006) \$8,279,000
5 General Fund--State Appropriation (FY 2007) \$8,256,000
6 General Fund--Private/Local Appropriation \$232,000
7 TOTAL APPROPRIATION \$16,767,000

(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 2006)	\$654,444,000
General Fund--State Appropriation (FY 2007)	\$708,119,000
State Building Construction Account--State Appropriation	\$3,924,000
State Taxable Building Construction Account--State Appropriation	\$139,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$1,215,000
Debt-limit General Fund Bond Retirement Account--State Appropriation	\$4,113,000
Debt-Limit Reimbursable Bond Retirement Account--State Appropriation	\$2,583,000
TOTAL APPROPRIATION	\$1,374,537,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2006 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2006.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account--State Appropriation	\$29,411,000
Accident Account--State Appropriation	\$5,111,000
Medical Aid Account--State Appropriation	\$5,111,000
TOTAL APPROPRIATION	\$39,633,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**

1 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

2 General Fund--State Appropriation (FY 2006) \$24,588,000

3 General Fund--State Appropriation (FY 2007) \$26,743,000

4 Nondebt-Limit Reimbursable Bond Retirement

5 Account--State Appropriation \$131,844,000

6 TOTAL APPROPRIATION \$183,175,000

7 The appropriations in this section are subject to the following

8 conditions and limitations: The general fund appropriation is for

9 deposit into the nondebt-limit general fund bond retirement account.

10 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**

11 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**

12 **BOND SALE EXPENSES**

13 General Fund--State Appropriation (FY 2006) \$1,357,000

14 General Fund--State Appropriation (FY 2007) \$1,357,000

15 State Building Construction Account--State Appropriation . \$1,080,000

16 State Taxable Building Construction

17 Account--State Appropriation \$13,000

18 Gardner-Evans Higher Education Construction

19 Account--State Appropriation \$452,000

20 TOTAL APPROPRIATION \$4,259,000

21 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

22 **FIRE CONTINGENCY POOL**

23 Disaster Response Account--State Appropriation \$4,000,000

24 The sum of \$4,000,000 is appropriated from the disaster response

25 account for the purpose of making allocations to the Washington state

26 patrol for fire mobilizations costs or to the department of natural

27 resources for fire suppression costs.

28 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

29 **EMERGENCY FUND**

30 General Fund--State Appropriation (FY 2006) \$850,000

31 General Fund--State Appropriation (FY 2007) \$850,000

32 TOTAL APPROPRIATION \$1,700,000

33 The appropriations in this section are subject to the following

1 conditions and limitations: The appropriations in this section are for
2 the governor's emergency fund for the critically necessary work of any
3 agency.

4 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
5 **SEX OFFENDER SENTENCING IMPACT**

6	General Fund--State Appropriation (FY 2006)	\$45,000
7	General Fund--State Appropriation (FY 2007)	\$792,000
8	TOTAL APPROPRIATION	\$837,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations are provided solely for
11 distribution to counties to pay for the costs of implementing chapter
12 176, Laws of 2004, which makes amendments to the special sex offender
13 sentencing alternative.

14 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
15 **SMALL AGENCY INFORMATION TECHNOLOGY POOL**

16	General Fund--State Appropriation (FY 2006)	\$500,000
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17 The appropriation in this section is subject to the following
18 conditions and limitations: The appropriation is provided solely for
19 deposit into the data processing revolving account.

20 NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
21 **CAPITOL BUILDING CONSTRUCTION ACCOUNT**

22	General Fund--State Appropriation (FY 2006)	\$600,000
23	General Fund--State Appropriation (FY 2007)	\$1,000,000
24	TOTAL APPROPRIATION	\$1,600,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations are provided solely for
27 deposit in the capitol building construction account.

28 NEW SECTION. **Sec. 710. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
29 **AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE**

30	Health Services Account--State Appropriation	\$48,000,000
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31 The appropriation in this section is subject to the following
32 conditions and limitations: The director of the department of

1 community, trade, and economic development shall distribute the
 2 appropriations to the following counties and health districts in the
 3 amounts designated:

4	Health District	FY 2006	FY 2007	FY 2005-07
5				Biennium
6	Adams County Health District	\$30,951	\$30,951	\$61,902
7	Asotin County Health District	\$67,714	\$67,714	\$135,428
8	Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
9	Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522
10	Clallam County Health and Human Services Department	\$141,752	\$141,752	\$283,504
11	Southwest Washington Health District	\$1,084,473	\$1,084,473	\$2,168,946
12	Columbia County Health District	\$40,529	\$40,529	\$81,058
13	Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
14	Garfield County Health District	\$15,028	\$15,028	\$30,056
15	Grant County Health District	\$118,595	\$118,595	\$237,191
16	Grays Harbor Health Department	\$183,870	\$183,870	\$367,740
17	Island County Health Department	\$91,892	\$91,892	\$183,784
18	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
19	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
20	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
21	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
22	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
23	Lewis County Health Department	\$105,801	\$105,801	\$211,602
24	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
25	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
26	Okanogan County Health District	\$63,458	\$63,458	\$126,916
27	Pacific County Health Department	\$77,427	\$77,427	\$154,854
28	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
29	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
30	Skagit County Health Department	\$223,927	\$223,927	\$447,854
31	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
32	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
33	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
34	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
35	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
36	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124

1	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
2	Whitman County Health Department	\$78,733	\$78,733	\$157,466
3	Yakima Health District	\$623,797	\$623,797	\$1,247,594
4	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

5 NEW SECTION. **Sec. 711. BELATED CLAIMS.** The agencies and
6 institutions of the state may expend moneys appropriated in this act,
7 upon approval of the office of financial management, for the payment of
8 supplies and services furnished to the agency or institution in prior
9 fiscal biennia.

10 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT**
11 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in
12 this section are subject to the following conditions and limitations:
13 The appropriations for the law enforcement officers' and firefighters'
14 retirement system shall be made on a monthly basis beginning July 1,
15 2005, consistent with chapter 41.45 RCW, and the appropriations for the
16 judges and judicial retirement systems shall be made on a quarterly
17 basis consistent with chapters 2.10 and 2.12 RCW.

18 (1) There is appropriated for state contributions to the law
19 enforcement officers' and fire fighters' retirement system:

20	General Fund--State Appropriation (FY 2006)	\$31,400,000
21	General Fund--State Appropriation (FY 2007)	\$37,400,000

22 (2) There is appropriated for contributions to the judicial
23 retirement system:

24	General Fund--State Appropriation (FY 2006)	\$6,000,000
25	General Fund--State Appropriation (FY 2007)	\$6,000,000

26 (3) There is appropriated for contributions to the judges
27 retirement system:

28	General Fund--State Appropriation (FY 2006)	\$300,000
29	General Fund--State Appropriation (FY 2007)	\$300,000
30	TOTAL APPROPRIATION	\$81,400,000

31 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
32 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

33	General Fund--State Appropriation (FY 2006)	\$8,550,000
34	General Fund--State Appropriation (FY 2007)	\$8,550,000

1 TOTAL APPROPRIATION \$17,100,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: The appropriations in this section are
4 provided solely for deposit in the education technology revolving
5 account for the purpose of covering ongoing operational and equipment
6 replacement costs incurred by the K-20 educational network program in
7 providing telecommunication services to network participants.

8 NEW SECTION. **Sec. 714. FOR THE GOVERNOR--LIFE SCIENCES DISCOVERY**
9 **FUND AUTHORITY**

10 General Fund--State Appropriation (FY 2006) \$150,000

11 The appropriation in this section is subject to the following
12 conditions and limitations: The appropriation in this section is
13 provided solely for a grant to the life sciences discovery fund
14 authority to be used in accordance with Second Substitute House Bill
15 No. 1623 or Engrossed Second Substitute Senate Bill No. 5581. If
16 neither bill is enacted by June 30, 2005, the appropriation in this
17 section shall lapse.

18 NEW SECTION. **Sec. 715. STRATEGIC PURCHASING STRATEGY.** (1) The
19 office of financial management shall work with the appropriate state
20 agencies to generate savings of \$50,000,000, of which \$25,000,000 shall
21 be from the state general fund, that can arise from a strategic
22 purchasing strategy. From appropriations in this act, the office of
23 financial management shall reduce general fund--state allotments by \$8
24 million for fiscal year 2006 and by \$17 million for fiscal year 2007 to
25 reflect the savings from the strategic purchasing strategy. The
26 allotment reductions shall be placed in unallotted status and remain
27 unexpended.

28 (2) The department of general administration, with the assistance
29 of the department of information services and the department of
30 printing and in consultation with the office of financial management,
31 shall conduct an analysis of the state's purchasing processes to
32 identify the most reasonable strategy of attaining a statewide savings
33 target of \$50,000,000 without affecting direct program activities. The
34 analysis shall identify savings by agency and fund that will result
35 from the implementation of a strategic purchasing strategy. The
36 results of this analysis shall then be provided to the director of

1 financial management by October 1, 2005, so the director may use it as
2 the basis to achieve the savings identified in subsection (1) of this
3 section.

4 (3) Before the purchase of goods and services, all state agencies
5 and higher education institutions shall first consider the utilization
6 of current or existing master contracts. All state agencies and higher
7 education institutions shall strive to use master contracts when that
8 use is consistent with the agency's requirements and purchase is
9 financially cost effective.

10 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
11 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

12 General Fund--State Appropriation (FY 2006) \$70,000

13 The appropriation in this section is subject to the following
14 conditions and limitations: The director of financial management shall
15 distribute the appropriation to the following county in the amounts
16 designated for extraordinary criminal justice costs:

17 Grant \$70,000

18 NEW SECTION. **Sec. 717. DOUBLE-FILLED PERSONNEL POSITIONS.** From
19 appropriations in this act, the director of financial management shall
20 reduce general fund--state appropriations for fiscal year 2006 by
21 \$1,333,000 and general fund--state appropriations for fiscal year 2007
22 by \$2,667,000 to reflect the elimination of double-filled personnel
23 positions in which two or more persons occupy the same position in the
24 state personnel system. The allotment reductions shall be placed in
25 unallotted status and remain unexpended.

26 NEW SECTION. **Sec. 718. INCENTIVE SAVINGS--FY 2006.** The sum of
27 one hundred million dollars or so much thereof as may be available on
28 June 30, 2006, from the total amount of unspent fiscal year 2006 state
29 general fund appropriations is appropriated for the purposes of RCW
30 43.79.460 in the manner provided in this section.

31 (1) Of the total appropriated amount, one-half of that portion that
32 is attributable to incentive savings, not to exceed twenty-five million
33 dollars, is appropriated to the savings incentive account for the
34 purpose of improving the quality, efficiency, and effectiveness of
35 agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

NEW SECTION. Sec. 719. INCENTIVE SAVINGS--FY 2007. The sum of one hundred million dollars or so much thereof as may be available on June 30, 2007, from the total amount of unspent fiscal year 2007 state general fund appropriations is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

NEW SECTION. Sec. 720. NONREPRESENTED EMPLOYEE SALARY COST OF LIVING ADJUSTMENT

General Fund--State Appropriation (FY 2006)	\$12,794,000
General Fund--State Appropriation (FY 2007)	\$19,988,000
General Fund--Federal Appropriation	\$8,188,000
General Fund--Private/Local Appropriation	\$682,000
Dedicated Funds and Accounts Appropriation	\$19,461,000
TOTAL APPROPRIATION	\$61,113,000

The appropriations in this section shall be expended solely for the purposes designated in this section and are subject to the following conditions and limitations:

(1) In addition to the purposes set forth in subsections (2) and (3) of this section, appropriations in this section are provided solely for a 3.2% increase effective July 1, 2005, for all classified employees, except those represented by a collective bargaining unit under the personnel system reform act of 2002, and except the certificated employees covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the personnel resources board or the director of personnel, as applicable.

(2) The appropriations are also sufficient to fund a 3.2% salary increase effective July 1, 2005, for general government, legislative,

1 and judicial employees exempt from merit system rules whose maximum
2 salaries are not set by the commission on salaries for elected
3 officials.

4 (3) Appropriations in this section are provided for a 1.6% salary
5 increase effective July 1, 2006, until June 30, 2007, for all
6 classified employees, except those represented by a collective
7 bargaining unit under the personnel system reform act of 2002, and
8 except the certificated employees covered by the provisions of
9 Initiative Measure No. 732. Also included are employees in the
10 Washington management service, and exempt employees under the
11 jurisdiction of the personnel resources board or the director of
12 personnel, as applicable. The appropriations are also sufficient to
13 fund a 1.6% salary increase effective July 1, 2006, until June 30,
14 2007, for general government, legislative, and judicial employees
15 exempt from merit system rules whose maximum salaries are not set by
16 the commission on salaries for elected officials.

17 (4)(a) No salary increase may be paid under this section to any
18 person whose salary has been Y-rated pursuant to rules adopted by the
19 personnel resources board or the director of personnel, as applicable.

20 (b) The average salary increases paid under this section to agency
21 officials whose maximum salaries are established by the committee on
22 agency official salaries shall not exceed the average increases
23 provided under subsections (2) and (3) of this section.

24 The office of financial management shall update agency
25 appropriations schedules to reflect the addition of the funding in this
26 section, as identified by agency and account in LEAP document 2005-33
27 dated March 28, 2005.

28 **NEW SECTION. Sec. 721. NONREPRESENTED EMPLOYEE SALARY SURVEY**

29	General Fund--State Appropriation (FY 2006)	\$4,169,000
30	General Fund--State Appropriation (FY 2007)	\$4,412,000
31	General Fund--Federal Appropriation	\$1,737,000
32	General Fund--Private/Local Appropriation	\$314,000
33	Dedicated Funds and Accounts Appropriation	\$3,455,000
34	TOTAL APPROPRIATION	\$14,087,000

35 The appropriations in this section shall be expended solely for the
36 purposes designated in this section and are subject to the following
37 conditions and limitations: For state employees, except those

1 represented by a bargaining unit under the personnel system reform act
2 of 2002, funding is provided for implementation of the department of
3 personnel's 2002 salary survey, for job classes more than 25% below
4 market rates.

5 The office of financial management shall update agency
6 appropriations schedules to reflect the addition of the funding in this
7 section, as identified by agency and account in LEAP document 2005-78Z
8 dated March 28, 2005.

9 NEW SECTION. **Sec. 722. CLASSIFICATION REVISIONS**

10	General Fund--State Appropriation (FY 2006)	\$566,000
11	General Fund--State Appropriation (FY 2007)	\$1,144,000
12	General Fund--Federal Appropriation	\$250,000
13	General Fund--Private/Local Appropriation	\$3,000
14	Dedicated Funds and Accounts Appropriation	\$608,000
15	TOTAL APPROPRIATION	\$2,571,000

16 The appropriations in this section, or as much thereof as may be
17 necessary, shall be expended solely for the purposes designated in this
18 section and are subject to the following conditions and limitations:
19 Funding is provided for partial implementation of classification
20 consolidation and revisions under the personnel system reform act of
21 2002. Groups 2 and 3 of the department of personnel's initial class
22 consolidation plan are affected.

23 The office of financial management shall update agency
24 appropriations schedules to reflect the addition of the funding in this
25 section, as identified by agency and account in OFM document 2005-07-8Q
26 dated March 21, 2005.

27 NEW SECTION. **Sec. 723. COLLECTIVE BARGAINING AGREEMENTS.**

28 Provisions of the collective bargaining agreements contained in
29 sections 723 through 730 are described in general terms. Only major
30 economic terms are included in the descriptions. These descriptions do
31 not contain the complete contents of the agreements.

32 NEW SECTION. **Sec. 724. COLLECTIVE BARGAINING AGREEMENT--WFSE**

33	General Fund--State Appropriation (FY 2006)	\$21,730,000
34	General Fund--State Appropriation (FY 2007)	\$31,698,000
35	General Fund--Federal Appropriation	\$23,902,000

1	General Fund--Private/Local Appropriation	\$2,233,000
2	Dedicated Funds and Accounts Appropriation	\$34,670,000
3	TOTAL APPROPRIATION	\$114,233,000

4 The appropriations in this section shall be expended solely for the
5 purposes designated in this section and are subject to the following
6 conditions and limitations: Funding is provided for the collective
7 bargaining agreement reached between the governor and the Washington
8 federation of state employees under the personnel system reform act of
9 2002. For employees covered under this agreement, funding is provided
10 for a 3.2% salary increase effective July 1, 2005. Funding is also
11 provided for a 1.6% increase effective July 1, 2006, until June 30,
12 2007, and for implementation of the department of personnel 2002 salary
13 survey for classes more than 25% below market rates.

14 The office of financial management shall update agency
15 appropriations schedules to reflect the addition of the funding in this
16 section, as identified by agency and account in LEAP document 2005-780
17 dated March 28, 2005.

18 NEW SECTION. **Sec. 725. COLLECTIVE BARGAINING AGREEMENT--WPEA**

19	General Fund--State Appropriation (FY 2006)	\$1,859,000
20	General Fund--State Appropriation (FY 2007)	\$2,750,000
21	General Fund--Federal Appropriation	\$647,000
22	General Fund--Private/Local Appropriation	\$74,000
23	Dedicated Funds and Accounts Appropriation	\$4,362,000
24	TOTAL APPROPRIATION	\$9,692,000

25 The appropriations in this section shall be expended solely for the
26 purposes designated in this section and are subject to the following
27 conditions and limitations: Funding is provided for the collective
28 bargaining agreement reached between the governor and the Washington
29 public employees association under the personnel system reform act of
30 2002. For employees covered under this agreement, funding is provided
31 for a 3.2% salary increase effective July 1, 2005. Funding is also
32 provided for a 1.6% increase effective July 1, 2006, until June 30,
33 2007, and for implementation of the department of personnel 2002 salary
34 survey for classes more than 25% below market rates.

35 The office of financial management shall update agency
36 appropriations schedules to reflect the addition of the funding in this

1 section, as identified by agency and account in LEAP document 2005-781
2 dated March 28, 2005.

3 NEW SECTION. **Sec. 726. COLLECTIVE BARGAINING AGREEMENT--UFCW**

4 Dedicated Funds and Accounts Appropriation \$1,138,000

5 The appropriations in this section shall be expended solely for the
6 purposes designated in this section and are subject to the following
7 conditions and limitations: Funding is provided for the collective
8 bargaining agreement reached between the governor and the united food
9 and commercial workers under the personnel system reform act of 2002.
10 For employees covered under this agreement, funding is provided for a
11 3.2% salary increase effective July 1, 2005. Funding is also provided
12 for a 1.6% increase effective July 1, 2006, until June 30, 2007.

13 The office of financial management shall update agency
14 appropriations schedules to reflect the addition of the funding in this
15 section, as identified by agency and account in OFM document 2005-07-83
16 dated March 21, 2005.

17 NEW SECTION. **Sec. 727. COLLECTIVE BARGAINING AGREEMENT--**
18 **TEAMSTERS**

19 General Fund--State Appropriation (FY 2006) \$7,325,000
20 General Fund--State Appropriation (FY 2007) \$13,613,000
21 Dedicated Funds and Accounts Appropriation \$3,000
22 TOTAL APPROPRIATION \$20,941,000

23 The appropriations in this section shall be expended solely for the
24 purposes designated in this section and are subject to the following
25 conditions and limitations: Funding is provided for the collective
26 bargaining agreement reached between the governor and the brotherhood
27 of teamsters under the personnel system reform act of 2002. For
28 employees covered under this agreement, funding is provided for a 3.2%
29 salary increase effective July 1, 2005. Funding is also provided for
30 a 2.9% increase effective July 1, 2006, until June 30, 2007, and for
31 implementation of the department of personnel 2002 salary survey for
32 classes more than 25% below market rates.

33 The office of financial management shall update agency
34 appropriations schedules to reflect the addition of the funding in this
35 section, as identified by agency and account in OFM document 2005-07-82
36 dated March 21, 2005.

1 NEW SECTION. **Sec. 728. COLLECTIVE BARGAINING AGREEMENT--**

2 **COALITION**

3	General Fund--State Appropriation (FY 2006)	\$701,000
4	General Fund--State Appropriation (FY 2007)	\$926,000
5	General Fund--Federal Appropriation	\$86,000
6	General Fund--Private/Local Appropriation	\$225,000
7	Dedicated Funds and Accounts Appropriation	\$3,239,000
8	TOTAL APPROPRIATION	\$5,177,000

9 The appropriations in this section shall be expended solely for the
10 purposes designated in this section and are subject to the following
11 conditions and limitations: Funding is provided for the collective
12 bargaining agreement reached between the governor and the coalition
13 under the personnel system reform act of 2002. For employees covered
14 under this agreement, funding is provided for a 3.2% salary increase
15 effective July 1, 2005. Funding is also provided for a 1.6% increase
16 effective July 1, 2006, until June 30, 2007, and for implementation of
17 the department of personnel 2002 salary survey for classes more than
18 25% below market rates.

19 The office of financial management shall update agency
20 appropriations schedules to reflect the addition of the funding in this
21 section, as identified by agency and account in LEAP document 2005-786
22 dated March 28, 2005.

23 NEW SECTION. **Sec. 729. COLLECTIVE BARGAINING AGREEMENT--IFPTE**

24	General Fund--State Appropriation (FY 2006)	\$96,000
25	General Fund--State Appropriation (FY 2007)	\$145,000
26	TOTAL APPROPRIATION	\$241,000

27 The appropriations in this section shall be expended solely for the
28 purposes designated in this section and are subject to the following
29 conditions and limitations: Funding is provided for the collective
30 bargaining agreement reached between the governor and the international
31 federation of professional and technical engineers local 17 under the
32 personnel system reform act of 2002. For employees covered under this
33 agreement, funding is provided for a 3.2% salary increase effective
34 July 1, 2005. Funding is also provided for a 1.6% increase effective
35 July 1, 2006, until June 30, 2007, and for implementation of the
36 department of personnel 2002 salary survey for classes more than 25%
37 below market rates.

1 The office of financial management shall update agency
2 appropriations schedules to reflect the addition of the funding in this
3 section, as identified by agency and account in LEAP document 2005-784
4 dated March 28, 2005.

5 NEW SECTION. **Sec. 730. COLLECTIVE BARGAINING AGREEMENT--SEIU-**
6 **1199**

7	General Fund--State Appropriation (FY 2006)	\$1,656,000
8	General Fund--State Appropriation (FY 2007)	\$2,260,000
9	General Fund--Federal Appropriation	\$1,574,000
10	General Fund--Private/Local Appropriation	\$188,000
11	TOTAL APPROPRIATION	\$5,678,000

12 The appropriations in this section shall be expended solely for the
13 purposes designated in this section and are subject to the following
14 conditions and limitations: Funding is provided for the collective
15 bargaining agreement reached between the governor and the service
16 employees international union, local 1199 NW under the personnel system
17 reform act of 2002. For employees covered under this agreement,
18 funding is provided for a 3.2% salary increase effective July 1, 2005.
19 Funding is also provided for a 1.6% increase effective July 1, 2006,
20 until June 30, 2007, for implementation of the department of personnel
21 2002 salary survey for classes more than 25% below market rates, and
22 for adjustments to the salary grid.

23 The office of financial management shall update agency
24 appropriations schedules to reflect the addition of the funding in this
25 section, as identified by agency and account in OFM document 2005-07-85
26 dated March 21, 2005.

27 NEW SECTION. **Sec. 731. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
28 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

29	General Fund--State Appropriation (FY 2006)	(\$17,004,000)
30	General Fund--State Appropriation (FY 2007)	(\$17,516,000)
31	General Fund--Federal Appropriation	(\$12,534,000)
32	General Fund--Private/Local Appropriation	(\$1,260,000)
33	Dedicated Funds and Accounts Appropriation	(\$17,188,000)
34	TOTAL APPROPRIATION	(\$65,502,000)

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

1 for funding agency pension changes as set forth in House Bill No. 1043
2 and House Bill No. 1044. The office of financial management shall
3 update agency appropriations schedules to reflect the change in funding
4 in this section, as identified by agency and account in: LEAP document
5 2005-37 dated March 21, 2005; LEAP document 2005-38 dated March 21,
6 2005; and LEAP document 2005-36 dated March 28, 2005.

7 NEW SECTION. **Sec. 732. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
8 **COMPENSATION--INSURANCE BENEFITS IN BARGAINED AGREEMENTS**

9	General Fund--State Appropriation (FY 2006)	\$19,705,000
10	General Fund--State Appropriation (FY 2007)	\$39,403,000
11	General Fund--Federal Appropriation	\$19,182,000
12	General Fund--Private/Local Appropriation	\$1,347,000
13	Dedicated Funds and Accounts Appropriation	\$22,270,000
14	TOTAL APPROPRIATION	\$101,907,000

15 The appropriations in this section shall be expended solely for the
16 purposes designated in this section and are subject to the following
17 conditions and limitations: Funding is provided for the health
18 insurance collective bargaining agreement reached between the governor
19 and the health insurance coalition under the personnel system reform
20 act of 2002 as per the specifications in section 940 of this act. The
21 office of financial management shall update agency appropriations
22 schedules to reflect the addition of the funding in this section, as
23 identified by agency and account in LEAP document 2005-35 dated March
24 28, 2005.

25 NEW SECTION. **Sec. 733. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
26 **COMPENSATION--INSURANCE BENEFITS FOR NONREPRESENTED EMPLOYEES**

27	General Fund--State Appropriation (FY 2006)	\$6,753,000
28	General Fund--State Appropriation (FY 2007)	\$3,001,000
29	General Fund--Federal Appropriation	\$2,302,000
30	General Fund--Private/Local Appropriation	\$178,000
31	Dedicated Funds and Accounts Appropriation	\$5,216,000
32	TOTAL APPROPRIATION	\$17,450,000

33 The appropriations in this section shall be expended solely for the
34 purposes designated in this section and are subject to the following
35 conditions and limitations: Funding is provided for state employee
36 health insurance benefits for nonrepresented state employees as per the

1 specifications in section 940 of this act. The office of financial
2 management shall update agency appropriations schedules to reflect the
3 addition of the funding in this section, as identified by agency and
4 account in LEAP document 2005-34 dated March 28, 2005.

5 NEW SECTION. **Sec. 734. INSURANCE BENEFITS.** The legislature
6 finds that the trend in the rate of medical expense inflation is
7 downward and projects an 8.5% rate of inflation for the 2005-07 fiscal
8 biennium. The funds provided in sections 504, 732, and 733 of this act
9 are anticipated to be sufficient to hold the average employee share of
10 medical insurance premiums to no more than 12% of costs under this 8.5%
11 inflation assumption. If the actual growth in employee medical
12 insurance costs is greater than 8.5%, the legislature intends to
13 appropriate additional funds to cover the cost of inflation, up to a
14 maximum of 11%, in order to maintain the average employee share of
15 medical premiums at no more than 12%.

16 NEW SECTION. **Sec. 735. STATE EMPLOYEE INSURANCE BENEFIT**
17 **RESERVE.** \$25,000,000 in the public employees' and retirees' insurance
18 account shall be held in reserve and may be expended only to the extent
19 that the annual rate of employee health insurance premium inflation is
20 greater than 8.5% and shall not be used to expand benefits or to reduce
21 the average employee share of medical insurance premium costs to less
22 than 12%.

23 NEW SECTION. **Sec. 736. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
24 **PENSION CONTRIBUTION ADJUSTMENTS FOR THE PUBLIC SAFETY EMPLOYEES'**
25 **RETIREMENT SYSTEM**

26	General Fund--State Appropriation (FY 2007)	\$4,400,000
27	Special Account Retirement Contribution Increase	
28	Revolving Account Appropriation	(\$3,900,000)
29	TOTAL APPROPRIATION	\$500,000

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

- 32 (1) The appropriations in this section are provided solely to make
- 33 adjustments to agency appropriations to reflect the costs associated
- 34 with the entry of employees into the public safety employees'
- 35 retirement system as created by chapter 242, Laws of 2004.

1 (2) To facilitate the transfer of moneys from dedicated funds and
2 accounts, the state treasurer is directed to transfer sufficient moneys
3 from each dedicated fund or account to the special account retirement
4 contribution increase revolving account in accordance with schedules
5 provided by the office of financial management.

(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 premium distributions (\$6,577,000), General Fund Appropriation for public utility district excise tax distributions (\$45,422,000), General Fund Appropriation for prosecuting attorney distributions (\$3,457,000), General Fund Appropriation for boating safety and education distributions (\$4,430,000), General Fund Appropriation for other tax distributions (\$38,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$1,969,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$147,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$71,110,000), County Criminal Justice Assistance Appropriation (\$53,914,000), Municipal Criminal Justice Assistance Appropriation (\$21,104,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$37,413,000), Liquor Revolving Account Appropriation for liquor profits distribution (\$76,186,000), and TOTAL APPROPRIATION (\$330,427,000).

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

1 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
2 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

3 Impaired Driving Safety Account Appropriation \$1,913,400

4 The appropriation in this section is subject to the following
5 conditions and limitations: The amount appropriated in this section
6 shall be distributed quarterly during the 2005-07 biennium in
7 accordance with RCW 82.14.310. This funding is provided to counties
8 for the costs of implementing criminal justice legislation including,
9 but not limited to: Chapter 206, Laws of 1998 (drunk driving
10 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
11 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
12 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
13 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
14 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
15 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
16 215, Laws of 1998 (DUI provisions).

17 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--FOR THE**
18 **MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

19 Impaired Driving Safety Account Appropriation \$1,275,600

20 The appropriation in this section is subject to the following
21 conditions and limitations: The amount appropriated in this section
22 shall be distributed quarterly during the 2005-07 biennium to all
23 cities ratably based on population as last determined by the office of
24 financial management. The distributions to any city that substantially
25 decriminalizes or repeals its criminal code after July 1, 1990, and
26 that does not reimburse the county for costs associated with criminal
27 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
28 which the city is located. This funding is provided to cities for the
29 costs of implementing criminal justice legislation including, but not
30 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
31 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
32 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
33 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
34 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
35 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
36 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
37 Laws of 1998 (DUI provisions).

1 tobacco prevention and control account \$23,366,000
2 Health Services Account: For transfer to the
3 water quality account \$7,885,000
4 Health Services Account: For transfer to the
5 violence reduction and drug enforcement
6 account \$6,932,000
7 Public Employees' and Retirees' Insurance Account:
8 For transfer to the state general fund,
9 \$40,000,000 for fiscal year 2006 and
10 \$40,000,000 for fiscal year 2007 \$80,000,000
11 Department of Retirement Systems Expense Account:
12 For transfer to the state general fund,
13 \$2,000,000 for fiscal year 2006 \$2,000,000
14 Secretary of State's Revolving Account: For
15 transfer to the state general fund, \$250,000
16 for fiscal year 2006 and \$250,000 for
17 fiscal year 2007 \$500,000
18 Pollution Liability Insurance Program Trust
19 Account: For transfer to the state general fund,
20 \$7,500,000 for fiscal year 2006 and \$7,500,000
21 for fiscal year 2007 \$15,000,000
22 State Treasurer's Service Account: For transfer
23 to the state general fund, \$5,500,000 for fiscal
24 year 2006 and \$5,000,000 for fiscal year
25 2007 \$10,500,000
26 State Toxics Control Account For transfer to
27 the state general fund, \$3,600,000 for fiscal
28 year 2006 and \$3,600,000 for fiscal year 2007 \$7,200,000
29 General Fund: For transfer to the water quality
30 account \$13,137,000
31 Water Quality Account: For transfer to the
32 water pollution control revolving account \$10,534,000
33 Drinking Water Assistance Account: For transfer
34 to the drinking water assistance repayment
35 account, an amount not to exceed \$15,000,000
36 Waste Reduction, Recycling, and Litter Control
37 Account: For transfer to the state general
38 fund, \$1,000,000 for fiscal year 2006 and

1 \$1,000,000 for fiscal year 2007 \$2,000,000
2 Public Works Assistance Account: For transfer to
3 the public facility construction loan revolving
4 account, \$4,500,000 for fiscal year 2006 \$4,500,000
5 Student Achievement Account: For transfer to
6 the state general fund, \$87,300,000 for
7 fiscal year 2006 and \$77,900,000 for fiscal
8 year 2007 \$165,200,000
9 Nisqually Earthquake Account: For transfer to
10 the disaster response account, \$3,000,000 for
11 fiscal year 2006 \$3,000,000
12 General Fund: For transfer to the public safety
13 and education account, \$10,000,000 for fiscal
14 year 2006 and \$10,000,000 for fiscal year 2007 \$20,000,000
15 General Fund: For transfer to the violence
16 reduction and drug enforcement account,
17 \$3,000,000 for fiscal year 2006 \$3,000,000
18 Natural Resources Equipment Revolving Fund: For
19 transfer to the state general fund for fiscal
20 year 2006 \$1,000,000

(End of part)

1 (3) Each project will be planned and designed to take optimal
2 advantage of Internet technologies and protocols. Agencies shall
3 ensure that the project is in compliance with the architecture,
4 infrastructure, principles, policies, and standards of digital
5 government as maintained by the information services board.

6 (4) The agency shall produce a feasibility study for information
7 technology projects at the direction of the information services board
8 and in accordance with published department of information services
9 policies and guidelines. At a minimum, such studies shall include a
10 statement of: (a) The purpose or impetus for change; (b) the business
11 value to the agency, including an examination and evaluation of
12 benefits, advantages, and cost; (c) a comprehensive risk assessment
13 based on the proposed project's impact on both citizens and state
14 operations, its visibility, and the consequences of doing nothing; (d)
15 the impact on agency and statewide information infrastructure; and (e)
16 the impact of the proposed enhancements to an agency's information
17 technology capabilities on meeting service delivery demands.

18 (5) The agency shall produce a comprehensive management plan for
19 each project. The plan or plans shall address all factors critical to
20 successful completion of each project. The plan(s) shall include, but
21 is not limited to, the following elements: A description of the
22 problem or opportunity that the information technology project is
23 intended to address; a statement of project objectives and assumptions;
24 a definition and schedule of phases, tasks, and activities to be
25 accomplished; and the estimated cost of each phase. The planning for
26 the phased approach shall be such that the business case justification
27 for a project needs to demonstrate how the project recovers cost or
28 adds measurable value or positive cost benefit to the agency's business
29 functions within each development cycle.

30 (6) The agency shall produce quality assurance plans for
31 information technology projects. Consistent with the direction of the
32 information services board and the published policies and guidelines of
33 the department of information services, the quality assurance plan
34 shall address all factors critical to successful completion of the
35 project and successful integration with the agency and state
36 information technology infrastructure. At a minimum, quality assurance
37 plans shall provide time and budget benchmarks against which project
38 progress can be measured, a specification of quality assurance

1 responsibilities, and a statement of reporting requirements. The
2 quality assurance plans shall set out the functionality requirements
3 for each phase of a project.

4 (7) A copy of each feasibility study, project management plan, and
5 quality assurance plan shall be provided to the department of
6 information services, the office of financial management, and
7 legislative fiscal committees. The plans and studies shall demonstrate
8 a sound business case that justifies the investment of taxpayer funds
9 on any new project, an assessment of the impact of the proposed system
10 on the existing information technology infrastructure, the disciplined
11 use of preventative measures to mitigate risk, and the leveraging of
12 private-sector expertise as needed. Authority to expend any funds for
13 individual information systems projects is conditioned on the approval
14 of the relevant feasibility study, project management plan, and quality
15 assurance plan by the department of information services and the office
16 of financial management.

17 (8) Quality assurance status reports shall be submitted to the
18 department of information services, the office of financial management,
19 and legislative fiscal committees at intervals specified in the
20 project's quality assurance plan.

21 NEW SECTION. **Sec. 903. BUSINESS CONTINUITY AND DISASTER**
22 **RECOVERY.** State agencies shall comply with the business continuity and
23 disaster recovery policies, guidelines, and statements of direction
24 developed by the department of information services and the information
25 services board in consultation with state agencies. To ensure that
26 agency business continuity and disaster recovery activities identify
27 the primary risks across state agencies, account for dependencies
28 between agencies, capitalize on economies of scale, and avoid
29 unnecessary duplication of costs and efforts, state agencies shall
30 receive the prior approval of the department of information services
31 before implementing business continuity and disaster recovery
32 strategies and expending funds for business continuity activities.

33 NEW SECTION. **Sec. 904. VIDEO TELECOMMUNICATIONS.** The department
34 of information services shall act as lead agency in coordinating video
35 telecommunications services for state agencies. As lead agency, the
36 department shall develop standards and common specifications for leased

1 and purchased telecommunications equipment and assist state agencies in
2 developing a video telecommunications expenditure plan. No agency may
3 spend any portion of any appropriation in this act for new video
4 telecommunication equipment, new video telecommunication transmission,
5 or new video telecommunication programming, or for expanding current
6 video telecommunication systems without first complying with chapter
7 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
8 without first submitting a video telecommunications expenditure plan,
9 in accordance with the policies of the department of information
10 services, for review and assessment by the department of information
11 services under RCW 43.105.052. Prior to any such expenditure by a
12 public school, a video telecommunications expenditure plan shall be
13 approved by the superintendent of public instruction. The office of
14 the superintendent of public instruction shall submit the plans to the
15 department of information services in a form prescribed by the
16 department. The office of the superintendent of public instruction
17 shall coordinate the use of video telecommunications in public schools
18 by providing educational information to local school districts and
19 shall assist local school districts and educational service districts
20 in telecommunications planning and curriculum development. Prior to
21 any such expenditure by a public institution of postsecondary
22 education, a telecommunications expenditure plan shall be approved by
23 the higher education coordinating board. The higher education
24 coordinating board shall coordinate the use of video telecommunications
25 for instruction and instructional support in postsecondary education,
26 including the review and approval of instructional telecommunications
27 course offerings.

28 NEW SECTION. **Sec. 905. PROGRAM COST SHIFTS.** Any program costs
29 or moneys in this act that are shifted to the general fund from another
30 fund or account require an adjustment to the expenditure limit under
31 RCW 43.135.035(5).

32 NEW SECTION. **Sec. 906. EMERGENCY FUND ALLOCATIONS.** Whenever
33 allocations are made from the governor's emergency fund appropriation
34 to an agency that is financed in whole or in part by other than general
35 fund moneys, the director of financial management may direct the

1 repayment of such allocated amount to the general fund from any balance
2 in the fund or funds which finance the agency. No appropriation shall
3 be necessary to effect such repayment.

4 NEW SECTION. **Sec. 907. STATUTORY APPROPRIATIONS.** In addition
5 to the amounts appropriated in this act for revenues for distribution,
6 state contributions to the law enforcement officers' and fire fighters'
7 retirement system plan 2, and bond retirement and interest including
8 ongoing bond registration and transfer charges, transfers, interest on
9 registered warrants, and certificates of indebtedness, there is also
10 appropriated such further amounts as may be required or available for
11 these purposes under any statutory formula or under chapters 39.94 and
12 39.96 RCW or any proper bond covenant made under law.

13 NEW SECTION. **Sec. 908. BOND EXPENSES.** In addition to such other
14 appropriations as are made by this act, there is hereby appropriated to
15 the state finance committee from legally available bond proceeds in the
16 applicable construction or building funds and accounts such amounts as
17 are necessary to pay the expenses incurred in the issuance and sale of
18 the subject bonds.

19 NEW SECTION. **Sec. 909. VOLUNTARY SEPARATION INCENTIVES.** As a
20 management tool to reduce costs and make more effective use of
21 resources, while improving employee productivity and morale, agencies
22 may offer voluntary separation and/or downshifting incentives and
23 options according to procedures and guidelines established by the
24 department of personnel and the department of retirement systems in
25 consultation with the office of financial management. The options may
26 include, but are not limited to, financial incentives for: Voluntary
27 resignation and retirement, voluntary leave-without-pay, voluntary
28 workweek or work hour reduction, voluntary downward movement, or
29 temporary separation for development purposes. No employee shall have
30 a contractual right to a financial incentive offered pursuant to this
31 section. Agencies shall report on the outcomes of their plans, and
32 offers shall be reviewed and monitored jointly by the department of
33 personnel and the department of retirement systems, for reporting to
34 the office of financial management by December 1, 2006.

1 NEW SECTION. **Sec. 910. VOLUNTARY RETIREMENT INCENTIVES.** It is
2 the intent of the legislature that agencies may implement a voluntary
3 retirement incentive program that is cost neutral or results in cost
4 savings provided that such a program is approved by the director of
5 retirement systems and the office of financial management. Agencies
6 participating in this authorization are required to submit a report by
7 June 30, 2007, to the legislature and the office of financial
8 management on the outcome of their approved retirement incentive
9 program. The report should include information on the details of the
10 program including resulting service delivery changes, agency
11 efficiencies, the cost of the retirement incentive per participant, the
12 total cost to the state, and the projected or actual net dollar savings
13 over the 2005-07 biennium.

14 NEW SECTION. **Sec. 911. AGENCY EXPENDITURES FOR MOTOR VEHICLES.**
15 The use of hybrid motor vehicles reduces air contaminants, greenhouse
16 gas emissions and reliance on imported sources of petroleum. To foster
17 the use of hybrid motor vehicles, beginning July 1, 2005, before the
18 purchase or lease of a motor vehicle, state agencies should first
19 consider the feasibility of hybrid motor vehicles. State agencies
20 should strive to purchase or lease a hybrid motor vehicle when the use
21 of such vehicle is consistent with and can accomplish the agency's
22 mission and when the purchase is financially reasonable. The financial
23 assessment should include savings accruing from reduced fuel purchases
24 over the life of the vehicle. Agencies shall report on their purchases
25 of hybrid vehicles in their biennial sustainability plans as required
26 under executive order 02-03.

27 **Sec. 912.** RCW 28A.160.195 and 2004 c 276 s 904 are each amended to
28 read as follows:

29 (1) The superintendent of public instruction, in consultation with
30 the regional transportation coordinators of the educational service
31 districts, shall establish a minimum number of school bus categories
32 considering the capacity and type of vehicles required by school
33 districts in Washington. The superintendent, in consultation with the
34 regional transportation coordinators of the educational service
35 districts, shall establish competitive specifications for each category
36 of school bus. The categories shall be developed to produce minimum

1 long-range operating costs, including costs of equipment and all costs
2 in operating the vehicles. The categories, for purposes of comparative
3 studies, will be at a minimum the same as those in the beginning of the
4 1994-95 school year. The competitive specifications shall meet federal
5 motor vehicle safety standards, minimum state specifications as
6 established by rule by the superintendent, and supported options as
7 determined by the superintendent in consultation with the regional
8 transportation coordinators of the educational service districts. In
9 fiscal (~~(year 2005)~~) years 2006 and 2007, the superintendent may
10 solicit and accept price quotes for a rear-engine category school bus
11 that shall be reimbursed at the price of the corresponding front engine
12 category.

13 (2) After establishing school bus categories and competitive
14 specifications, the superintendent of public instruction shall solicit
15 competitive price quotes from school bus dealers to be in effect for
16 one year and shall (a) except in fiscal (~~(year 2005)~~) years 2006 and
17 2007, establish a list of the lowest competitive price quotes obtained
18 under this subsection, and (b) in fiscal (~~(year 2005)~~) years 2006 and
19 2007, establish a list of all accepted price quotes in each category
20 obtained under this subsection.

21 (3) The superintendent shall base the level of reimbursement to
22 school districts and educational service districts for school buses on
23 the lowest quote in each category.

24 (4) Notwithstanding RCW 28A.335.190, school districts and
25 educational service districts may purchase at the quoted price directly
26 from the dealer who is providing the lowest competitive price quote on
27 the list established under subsection (2) of this section and in fiscal
28 (~~(year 2005)~~) years 2006 and 2007 from any dealer on the list
29 established under subsection (2)(b) of this section. School districts
30 and educational service districts may make their own selections for
31 school buses, but shall be reimbursed at the rates determined under
32 subsection (3) of this section and RCW 28A.160.200. District-selected
33 options shall not be reimbursed by the state. For the (~~(2003-05)~~)
34 2005-2007 fiscal biennium, school districts and educational service
35 districts shall be reimbursed for buses purchased only through a
36 lowest-price competitive bid process conducted pursuant to RCW
37 28A.335.190 or through the state bid process established by this
38 section.

1 (5) This section does not prohibit school districts or educational
2 service districts from conducting their own competitive bid process.

3 (6) The superintendent of public instruction may adopt rules under
4 chapter 34.05 RCW to implement this section.

5 **Sec. 913.** RCW 28A.305.210 and 2003 1st sp.s. c 25 s 911 are each
6 amended to read as follows:

7 (1) The state board of education, by rule or regulation, may
8 require the assistance of educational service district boards and/or
9 superintendents in the performance of any duty, authority, or power
10 imposed upon or granted to the state board of education by law, upon
11 such terms and conditions as the state board of education shall
12 establish. Such authority to assist the state board of education shall
13 be limited to the service function of information collection and
14 dissemination and the attestment to the accuracy and completeness of
15 submitted information.

16 (2) During the ((2003-05)) 2005-2007 biennium, educational service
17 districts may, at the request of the state board of education, receive
18 and screen applications for school accreditation, conduct school
19 accreditation site visits pursuant to state board of education rules,
20 and submit to the state board of education postsite visit
21 recommendations for school accreditation. The educational service
22 districts may assess a cooperative service fee to recover actual plus
23 reasonable indirect costs for the purposes of this subsection.

24 **Sec. 914.** RCW 28A.500.030 and 2003 1st sp.s. c 25 s 912 are each
25 amended to read as follows:

26 Allocation of state matching funds to eligible districts for local
27 effort assistance shall be determined as follows:

28 (1) Funds raised by the district through maintenance and operation
29 levies shall be matched with state funds using the following ratio of
30 state funds to levy funds:

31 (a) The difference between the district's twelve percent levy rate
32 and the statewide average twelve percent levy rate; to

33 (b) The statewide average twelve percent levy rate.

34 (2) The maximum amount of state matching funds for districts
35 eligible for local effort assistance shall be the district's twelve
36 percent levy amount, multiplied by the following percentage:

1 (a) The difference between the district's twelve percent levy rate
2 and the statewide average twelve percent levy rate; divided by

3 (b) The district's twelve percent levy rate.

4 (3) Calendar year 2003 allocations and maximum eligibility under
5 this chapter shall be multiplied by 0.99.

6 (4) From January 1, 2004, to (~~June 30,~~) December 31, 2005,
7 allocations and maximum eligibility under this chapter shall be
8 multiplied by 0.937.

9 **Sec. 915.** RCW 41.05.120 and 1994 c 153 s 9 are each amended to
10 read as follows:

11 (1) The public employees' and retirees' insurance account is hereby
12 established in the custody of the state treasurer, to be used by the
13 administrator for the deposit of contributions, the remittance paid by
14 school districts and educational service districts (~~under RCW~~
15 ~~28A.400.400~~), reserves, dividends, and refunds, and for payment of
16 premiums for employee and retiree insurance benefit contracts and
17 subsidy amounts provided under RCW 41.05.085. Moneys from the account
18 shall be disbursed by the state treasurer by warrants on vouchers duly
19 authorized by the administrator.

20 (2) The state treasurer and the state investment board may invest
21 moneys in the public employees' and retirees' insurance account. All
22 such investments shall be in accordance with RCW 43.84.080 or
23 43.84.150, whichever is applicable. The administrator shall determine
24 whether the state treasurer or the state investment board or both shall
25 invest moneys in the public employees' insurance account.

26 (3) During the 2005-07 fiscal biennium, the legislature may
27 transfer from the public employees' and retirees' insurance account
28 such amounts as reflect the excess fund balance of the fund.

29 **Sec. 916.** RCW 41.50.110 and 2003 1st sp.s. c 25 s 914 are each
30 amended to read as follows:

31 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
32 section, all expenses of the administration of the department, the
33 expenses of administration of the retirement systems, and the expenses
34 of the administration of the office of the state actuary created in
35 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 43.43, and

1 44.44 RCW shall be paid from the department of retirement systems
2 expense fund.

3 (2) In order to reimburse the department of retirement systems
4 expense fund on an equitable basis the department shall ascertain and
5 report to each employer, as defined in RCW 41.26.030, 41.32.010,
6 41.35.010, or 41.40.010, the sum necessary to defray its proportional
7 share of the entire expense of the administration of the retirement
8 system that the employer participates in during the ensuing biennium or
9 fiscal year whichever may be required. Such sum is to be computed in
10 an amount directly proportional to the estimated entire expense of the
11 administration as the ratio of monthly salaries of the employer's
12 members bears to the total salaries of all members in the entire
13 system. It shall then be the duty of all such employers to include in
14 their budgets or otherwise provide the amounts so required.

15 (3) The department shall compute and bill each employer, as defined
16 in RCW 41.26.030, 41.32.010, 41.35.010, or 41.40.010, at the end of
17 each month for the amount due for that month to the department of
18 retirement systems expense fund and the same shall be paid as are its
19 other obligations. Such computation as to each employer shall be made
20 on a percentage rate of salary established by the department. However,
21 the department may at its discretion establish a system of billing
22 based upon calendar year quarters in which event the said billing shall
23 be at the end of each such quarter.

24 (4) The director may adjust the expense fund contribution rate for
25 each system at any time when necessary to reflect unanticipated costs
26 or savings in administering the department.

27 (5) An employer who fails to submit timely and accurate reports to
28 the department may be assessed an additional fee related to the
29 increased costs incurred by the department in processing the deficient
30 reports. Fees paid under this subsection shall be deposited in the
31 retirement system expense fund.

32 (a) Every six months the department shall determine the amount of
33 an employer's fee by reviewing the timeliness and accuracy of the
34 reports submitted by the employer in the preceding six months. If
35 those reports were not both timely and accurate the department may
36 prospectively assess an additional fee under this subsection.

37 (b) An additional fee assessed by the department under this
38 subsection shall not exceed fifty percent of the standard fee.

1 (c) The department shall adopt rules implementing this section.

2 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
3 pursuant to subsection (1) of this section.

4 (7) During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature
5 may transfer from the department of retirement systems' expense fund to
6 the state general fund such amounts as reflect the excess fund balance
7 of the fund.

8 **Sec. 917.** RCW 41.50.110 and 2004 c 242 s 46 are each amended to
9 read as follows:

10 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
11 section, all expenses of the administration of the department, the
12 expenses of administration of the retirement systems, and the expenses
13 of the administration of the office of the state actuary created in
14 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,
15 and 44.44 RCW shall be paid from the department of retirement systems
16 expense fund.

17 (2) In order to reimburse the department of retirement systems
18 expense fund on an equitable basis the department shall ascertain and
19 report to each employer, as defined in RCW 41.26.030, 41.32.010,
20 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its
21 proportional share of the entire expense of the administration of the
22 retirement system that the employer participates in during the ensuing
23 biennium or fiscal year whichever may be required. Such sum is to be
24 computed in an amount directly proportional to the estimated entire
25 expense of the administration as the ratio of monthly salaries of the
26 employer's members bears to the total salaries of all members in the
27 entire system. It shall then be the duty of all such employers to
28 include in their budgets or otherwise provide the amounts so required.

29 (3) The department shall compute and bill each employer, as defined
30 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the
31 end of each month for the amount due for that month to the department
32 of retirement systems expense fund and the same shall be paid as are
33 its other obligations. Such computation as to each employer shall be
34 made on a percentage rate of salary established by the department.
35 However, the department may at its discretion establish a system of
36 billing based upon calendar year quarters in which event the said
37 billing shall be at the end of each such quarter.

1 (4) The director may adjust the expense fund contribution rate for
2 each system at any time when necessary to reflect unanticipated costs
3 or savings in administering the department.

4 (5) An employer who fails to submit timely and accurate reports to
5 the department may be assessed an additional fee related to the
6 increased costs incurred by the department in processing the deficient
7 reports. Fees paid under this subsection shall be deposited in the
8 retirement system expense fund.

9 (a) Every six months the department shall determine the amount of
10 an employer's fee by reviewing the timeliness and accuracy of the
11 reports submitted by the employer in the preceding six months. If
12 those reports were not both timely and accurate the department may
13 prospectively assess an additional fee under this subsection.

14 (b) An additional fee assessed by the department under this
15 subsection shall not exceed fifty percent of the standard fee.

16 (c) The department shall adopt rules implementing this section.

17 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
18 pursuant to subsection (1) of this section.

19 (7) During the ((2003-)) 2005-2007 fiscal biennium, the legislature
20 may transfer from the department of retirement systems' expense fund to
21 the state general fund such amounts as reflect the excess fund balance
22 of the fund.

23 **Sec. 918.** RCW 43.07.130 and 1994 c 211 s 1311 are each amended to
24 read as follows:

25 There is created within the state treasury a revolving fund, to be
26 known as the "secretary of state's revolving fund," which shall be used
27 by the office of the secretary of state to defray the costs of
28 printing, reprinting, or distributing printed matter authorized by law
29 to be issued by the office of the secretary of state, and any other
30 cost of carrying out the functions of the secretary of state under
31 Title 23B RCW, or chapters 18.100, 23.86, 23.90, 24.03, 24.06, 24.12,
32 24.20, 24.24, 24.28, 24.36, 25.15, or 25.10 RCW.

33 The secretary of state is hereby authorized to charge a fee for
34 such publications in an amount which will compensate for the costs of
35 printing, reprinting, and distributing such printed matter. Fees
36 recovered by the secretary of state under RCW 43.07.120(2), 23B.01.220
37 (1)(e), (6) and (7), 23B.18.050, 24.03.410, 24.06.455, or 46.64.040,

1 and such other moneys as are expressly designated for deposit in the
2 secretary of state's revolving fund shall be placed in the secretary of
3 state's revolving fund.

4 During the 2005-2007 fiscal biennium, the legislature may transfer
5 from the secretary of state's revolving fund to the state general fund
6 such amounts as reflect the excess fund balance of the fund.

7 **Sec. 919.** RCW 43.08.190 and 2003 1st sp.s. c 25 s 916 are each
8 amended to read as follows:

9 There is hereby created a fund within the state treasury to be
10 known as the "state treasurer's service fund". Such fund shall be used
11 solely for the payment of costs and expenses incurred in the operation
12 and administration of the state treasurer's office.

13 Moneys shall be allocated monthly and placed in the state
14 treasurer's service fund equivalent to a maximum of one percent of the
15 trust and treasury average daily cash balances from the earnings
16 generated under the authority of RCW 43.79A.040 and 43.84.080 other
17 than earnings generated from investment of balances in funds and
18 accounts specified in RCW (~~(43.79.040)~~) 43.79A.040 or 43.84.092(4)(b).
19 The allocation shall precede the distribution of the remaining earnings
20 as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer
21 shall establish a uniform allocation rate based on the appropriations
22 for the treasurer's office.

23 During the (~~(2003-)~~) 2005-2007 fiscal biennium, the legislature may
24 transfer from the state treasurer's service fund to the state general
25 fund such amounts as reflect the excess fund balance of the fund.

26 **Sec. 920.** RCW 43.08.250 and 2003 1st sp.s. c 25 s 918 are each
27 amended to read as follows:

28 The money received by the state treasurer from fees, fines,
29 forfeitures, penalties, reimbursements or assessments by any court
30 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
31 deposited in the public safety and education account which is hereby
32 created in the state treasury. The legislature shall appropriate the
33 funds in the account to promote traffic safety education, highway
34 safety, criminal justice training, crime victims' compensation,
35 judicial education, the judicial information system, civil
36 representation of indigent persons, winter recreation parking, drug

1 court operations, and state game programs. During the fiscal biennium
2 ending June 30, (~~(2005)~~) 2007, the legislature may appropriate moneys
3 from the public safety and education account for purposes of appellate
4 indigent defense and other operations of the office of public defense,
5 the criminal litigation unit of the attorney general's office, the
6 treatment alternatives to street crimes program, crime victims advocacy
7 programs, justice information network telecommunication planning,
8 treatment for supplemental security income clients, sexual assault
9 treatment, operations of the office of administrator for the courts,
10 security in the common schools, alternative school start-up grants,
11 programs for disruptive students, criminal justice data collection,
12 Washington state patrol criminal justice activities, drug court
13 operations, unified family courts, local court backlog assistance,
14 financial assistance to local jurisdictions for extraordinary costs
15 incurred in the adjudication of criminal cases, domestic violence
16 treatment and related services, the department of corrections' costs in
17 implementing chapter 196, Laws of 1999, reimbursement of local
18 governments for costs associated with implementing criminal and civil
19 justice legislation, the replacement of the department of corrections'
20 offender-based tracking system, secure and semi-secure crisis
21 residential centers, HOPE beds, the family policy council and community
22 public health and safety networks, the street youth program, public
23 notification about registered sex offenders, and narcotics or
24 methamphetamine-related enforcement, education, training, and drug and
25 alcohol treatment services.

26 **Sec. 921.** RCW 43.10.180 and 2003 1st sp.s. c 25 s 917 are each
27 amended to read as follows:

28 (1) The attorney general shall keep such records as are necessary
29 to facilitate proper allocation of costs to funds and agencies served
30 and the director of financial management shall prescribe appropriate
31 accounting procedures to accurately allocate costs to funds and
32 agencies served. Billings shall be adjusted in line with actual costs
33 incurred at intervals not to exceed six months.

34 (2) During the (~~(2003-05)~~) 2005-2007 fiscal biennium, all expenses
35 for administration of the office of the attorney general shall be
36 allocated to and paid from the legal services revolving fund in

1 accordance with accounting procedures prescribed by the director of
2 financial management.

3 **Sec. 922.** RCW 43.43.944 and 2003 1st sp.s. c 25 s 919 are each
4 amended to read as follows:

5 (1) The fire service training account is hereby established in the
6 state treasury. The fund shall consist of:

7 (a) All fees received by the Washington state patrol for fire
8 service training;

9 (b) All grants and bequests accepted by the Washington state patrol
10 under RCW 43.43.940; and

11 (c) Twenty percent of all moneys received by the state on fire
12 insurance premiums.

13 (2) Moneys in the account may be appropriated only for fire service
14 training. During the ((2003-2005)) 2005-2007 fiscal biennium, the
15 legislature may appropriate funds from this account for school fire
16 prevention activities within the Washington state patrol.

17 **Sec. 923.** RCW 43.70.320 and 1993 c 492 s 411 are each amended to
18 read as follows:

19 (1) There is created in the state treasury an account to be known
20 as the health professions account. All fees received by the department
21 for health professions licenses, registration, certifications,
22 renewals, or examinations and the civil penalties assessed and
23 collected by the department under RCW 18.130.190 shall be forwarded to
24 the state treasurer who shall credit such moneys to the health
25 professions account.

26 (2) All expenses incurred in carrying out the health professions
27 licensing activities of the department shall be paid from the account
28 as authorized by legislative appropriation. Any residue in the account
29 shall be accumulated and shall not revert to the general fund at the
30 end of the biennium.

31 (3) The secretary shall biennially prepare a budget request based
32 on the anticipated costs of administering the health professions
33 licensing activities of the department which shall include the
34 estimated income from health professions fees.

35 (4) During the 2005-07 fiscal biennium, the legislature may

1 appropriate moneys in the health professions account for the purpose of
2 grants to a central nursing resource center.

3 **Sec. 924.** RCW 43.72.900 and 2003 c 259 s 1 are each amended to
4 read as follows:

5 (1) The health services account is created in the state treasury.
6 Moneys in the account may be spent only after appropriation. Subject
7 to the transfers described in subsection (3) of this section, moneys in
8 the account may be expended only for maintaining and expanding health
9 services access for low-income residents, maintaining and expanding the
10 public health system, maintaining and improving the capacity of the
11 health care system, containing health care costs, and the regulation,
12 planning, and administering of the health care system.

13 (2) Funds deposited into the health services account under RCW
14 82.24.028 and 82.26.028 shall be used solely as follows:

15 (a) Five million dollars for the state fiscal year beginning July
16 1, 2002, and five million dollars for the state fiscal year beginning
17 July 1, 2003, shall be appropriated by the legislature for programs
18 that effectively improve the health of low-income persons, including
19 efforts to reduce diseases and illnesses that harm low-income persons.
20 The department of health shall submit a report to the legislature on
21 March 1, 2002, evaluating the cost-effectiveness of programs that
22 improve the health of low-income persons and address diseases and
23 illnesses that disproportionately affect low-income persons, and making
24 recommendations to the legislature on which of these programs could
25 most effectively utilize the funds appropriated under this subsection.

26 (b) Ten percent of the funds deposited into the health services
27 account under RCW 82.24.028 and 82.26.028 remaining after the
28 appropriation under (a) of this subsection shall be transferred no less
29 frequently than annually by the treasurer to the tobacco prevention and
30 control account established by RCW 43.79.480. The funds transferred
31 shall be used exclusively for implementation of the Washington state
32 tobacco prevention and control plan and shall be used only to
33 supplement, and not supplant, funds in the tobacco prevention and
34 control account as of January 1, 2001, however, these funds may be used
35 to replace funds appropriated by the legislature for further
36 implementation of the Washington state tobacco prevention and control
37 plan for the biennium beginning July 1, 2001. For each state fiscal

1 year beginning on and after July 1, 2002, the legislature shall
2 appropriate no less than twenty-six million two hundred forty thousand
3 dollars from the tobacco prevention and control account for
4 implementation of the Washington state tobacco prevention and control
5 plan.

6 (c) Because of its demonstrated effectiveness in improving the
7 health of low-income persons and addressing illnesses and diseases that
8 harm low-income persons, the remainder of the funds deposited into the
9 health services account under RCW 82.24.028 and 82.26.028 shall be
10 appropriated solely for Washington basic health plan enrollment as
11 provided in chapter 70.47 RCW. Funds appropriated under this
12 subsection may be used to support outreach and enrollment activities
13 only to the extent necessary to achieve the enrollment goals described
14 in this section.

15 (3) Prior to expenditure for the purposes described in subsection
16 (2) of this section, funds deposited into the health services account
17 under RCW 82.24.028 and 82.26.028 shall first be transferred to the
18 following accounts to ensure the continued availability of previously
19 dedicated revenues for certain existing programs:

20 (a) To the violence reduction and drug enforcement account under
21 RCW 69.50.520, two million two hundred forty-nine thousand five hundred
22 dollars for the state fiscal year beginning July 1, 2001, four million
23 two hundred forty-eight thousand dollars for the state fiscal year
24 beginning July 1, 2002, seven million seven hundred eighty-nine
25 thousand dollars for the biennium beginning July 1, 2003, six million
26 nine hundred thirty-two thousand dollars for the biennium beginning
27 July 1, 2005, and six million nine hundred thirty-two thousand dollars
28 for each biennium thereafter, as required by RCW 82.24.020(2);

29 (b) To the health services account under this section, nine million
30 seventy-seven thousand dollars for the state fiscal year beginning July
31 1, 2001, seventeen million one hundred eighty-eight thousand dollars
32 for the state fiscal year beginning July 1, 2002, thirty-one million
33 seven hundred fifty-five thousand dollars for the biennium beginning
34 July 1, 2003, twenty-eight million six hundred twenty-two thousand
35 dollars for the biennium beginning July 1, 2005, and twenty-eight
36 million six hundred twenty-two thousand dollars for each biennium
37 thereafter, as required by RCW 82.24.020(3); and

1 (c) To the water quality account under RCW 70.146.030, two million
2 two hundred three thousand five hundred dollars for the state fiscal
3 year beginning July 1, 2001, four million two hundred forty-four
4 thousand dollars for the state fiscal year beginning July 1, 2002,
5 eight million one hundred eighty-two thousand dollars for the biennium
6 beginning July 1, 2003, seven million eight hundred eighty-five
7 thousand dollars for the biennium beginning July 1, 2005, and seven
8 million eight hundred eighty-five thousand dollars for each biennium
9 thereafter, as required by RCW 82.24.027(2)(a).

10 During the ((2001-2003)) 2005-2007 fiscal biennium, the legislature
11 may transfer from the health services account such amounts as reflect
12 the excess fund balance of the account to the state general fund.

13 **Sec. 925.** RCW 43.320.110 and 2003 1st sp.s. c 25 s 921 and 2003 c
14 288 s 1 are each reenacted and amended to read as follows:

15 There is created a local fund known as the "financial services
16 regulation fund" which shall consist of all moneys received by the
17 divisions of the department of financial institutions, except for the
18 division of securities which shall deposit thirteen percent of all
19 moneys received, except as provided in RCW 43.320.115, and which shall
20 be used for the purchase of supplies and necessary equipment; the
21 payment of salaries, wages, and utilities; the establishment of
22 reserves; and other incidental costs required for the proper regulation
23 of individuals and entities subject to regulation by the department.
24 The state treasurer shall be the custodian of the fund. Disbursements
25 from the fund shall be on authorization of the director of financial
26 institutions or the director's designee. In order to maintain an
27 effective expenditure and revenue control, the fund shall be subject in
28 all respects to chapter 43.88 RCW, but no appropriation is required to
29 permit expenditures and payment of obligations from the fund.

30 During the 2005-2007 fiscal biennium, the legislature may transfer
31 from the financial services regulation fund to the state general fund
32 such amounts as reflect the excess fund balance of the fund.

33 **Sec. 926.** RCW 66.16.010 and 2003 1st sp.s. c 25 s 928 are each
34 amended to read as follows:

35 (1) There shall be established at such places throughout the state
36 as the liquor control board, constituted under this title, shall deem

1 advisable, stores to be known as "state liquor stores," for the sale of
2 liquor in accordance with the provisions of this title and the
3 regulations: PROVIDED, That the prices of all liquor shall be fixed by
4 the board from time to time so that the net annual revenue received by
5 the board therefrom shall not exceed thirty-five percent. Effective no
6 later than (~~September 1, 2003~~) July 1, 2005, the liquor control board
7 shall add an equivalent surcharge of \$0.42 per liter on all retail
8 sales of spirits, excluding licensee, military, and tribal sales. The
9 intent of this surcharge is to raise (~~(\$14,000,000 in additional)~~)
10 revenue for the general fund-state (~~(revenue)~~) for the (~~(2003-)~~)2005-
11 2007 biennium. (~~(To the extent that a lesser surcharge is sufficient~~
12 ~~to raise \$14,000,000, the board may reduce the amount of the~~
13 ~~surcharge.)~~) The board shall remove the surcharge (~~(once it generates~~
14 ~~\$14,000,000, but no later than)~~) June 30, (~~(2005)~~) 2007.

15 (2) The liquor control board may, from time to time, fix the
16 special price at which pure ethyl alcohol may be sold to physicians and
17 dentists and institutions regularly conducted as hospitals, for use or
18 consumption only in such hospitals; and may also fix the special price
19 at which pure ethyl alcohol may be sold to schools, colleges and
20 universities within the state for use for scientific purposes.
21 Regularly conducted hospitals may have right to purchase pure ethyl
22 alcohol on a federal permit.

23 (3) The liquor control board may also fix the special price at
24 which pure ethyl alcohol may be sold to any department, branch or
25 institution of the state of Washington, federal government, or to any
26 person engaged in a manufacturing or industrial business or in
27 scientific pursuits requiring alcohol for use therein.

28 (4) The liquor control board may also fix a special price at which
29 pure ethyl alcohol may be sold to any private individual, and shall
30 make regulations governing such sale of alcohol to private individuals
31 as shall promote, as nearly as may be, the minimum purchase of such
32 alcohol by such persons.

33 **Sec. 927.** RCW 67.40.040 and 2003 1st sp.s. c 25 s 929 are each
34 amended to read as follows:

35 (1) The proceeds from the sale of the bonds authorized in RCW
36 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and
37 67.40.130, and all other moneys received by the state convention and

1 trade center from any public or private source which are intended to
2 fund the acquisition, design, construction, expansion, exterior cleanup
3 and repair of the Eagles building, conversion of various retail and
4 other space to meeting rooms, purchase of the land and building known
5 as the McKay Parcel, development of low-income housing, or renovation
6 of the center, and those expenditures authorized under RCW 67.40.170
7 shall be deposited in the state convention and trade center account
8 hereby created in the state treasury and in such subaccounts as are
9 deemed appropriate by the directors of the corporation.

10 (2) Moneys in the account, including unanticipated revenues under
11 RCW 43.79.270, shall be used exclusively for the following purposes in
12 the following priority:

13 (a) For reimbursement of the state general fund under RCW
14 67.40.060;

15 (b) After appropriation by statute:

16 (i) For payment of expenses incurred in the issuance and sale of
17 the bonds issued under RCW 67.40.030;

18 (ii) For expenditures authorized in RCW 67.40.170;

19 (iii) For acquisition, design, and construction of the state
20 convention and trade center; and

21 (iv) For reimbursement of any expenditures from the state general
22 fund in support of the state convention and trade center; and

23 (c) For transfer to the state convention and trade center
24 operations account.

25 (3) The corporation shall identify with specificity those
26 facilities of the state convention and trade center that are to be
27 financed with proceeds of general obligation bonds, the interest on
28 which is intended to be excluded from gross income for federal income
29 tax purposes. The corporation shall not permit the extent or manner of
30 private business use of those bond-financed facilities to be
31 inconsistent with treatment of such bonds as governmental bonds under
32 applicable provisions of the Internal Revenue Code of 1986, as amended.

33 (4) In order to ensure consistent treatment of bonds authorized
34 under RCW 67.40.030 with applicable provisions of the Internal Revenue
35 Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment
36 earnings on bond proceeds deposited in the state convention and trade
37 center account in the state treasury shall be retained in the account,

1 and shall be expended by the corporation for the purposes authorized
2 under chapter 386, Laws of 1995 and in a manner consistent with
3 applicable provisions of the Internal Revenue Code of 1986, as amended.

4 (5) During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature
5 may transfer from the state convention and trade center account to the
6 state general fund such amounts as reflect the excess fund balance of
7 the account.

8 **Sec. 928.** RCW 69.50.520 and 2004 c 276 s 912 are each amended to
9 read as follows:

10 The violence reduction and drug enforcement account is created in
11 the state treasury. All designated receipts from RCW 9.41.110(8),
12 66.24.210(4), 66.24.290(2), 69.50.505(9)(a), 82.08.150(5),
13 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989
14 shall be deposited into the account. Expenditures from the account may
15 be used only for funding services and programs under chapter 271, Laws
16 of 1989 and chapter 7, Laws of 1994 sp. sess., including state
17 incarceration costs. Funds from the account may also be appropriated
18 to reimburse local governments for costs associated with implementing
19 criminal justice legislation including chapter 338, Laws of 1997.
20 During the (~~2003-2005~~) 2005-2007 biennium, funds from the account may
21 also be used for costs associated with providing grants to local
22 governments in accordance with chapter 338, Laws of 1997, funding drug
23 offender treatment services in accordance with RCW 70.96A.350,
24 maintenance and operating costs of the Washington association of
25 sheriffs and police chiefs jail reporting system, maintenance and
26 operating costs of the juvenile rehabilitation administration's client
27 activity tracking system, civil indigent legal representation,
28 multijurisdictional narcotics task forces, and grants to community
29 networks under chapter 70.190 RCW by the family policy council.

30 **Sec. 929.** RCW 70.93.180 and 1998 c 257 s 5 are each amended to
31 read as follows:

32 (1) There is hereby created an account within the state treasury to
33 be known as the "waste reduction, recycling, and litter control
34 account". Moneys in the account may be spent only after appropriation.
35 Expenditures from the waste reduction, recycling, and litter control
36 account shall be used as follows:

1 (a) Fifty percent to the department of ecology, for use by the
2 departments of ecology, natural resources, revenue, transportation, and
3 corrections, and the parks and recreation commission, for use in litter
4 collection programs, to be distributed under RCW 70.93.220. The amount
5 to the department of ecology shall also be used for a central
6 coordination function for litter control efforts statewide, for the
7 biennial litter survey under RCW 70.93.200(8), and for statewide public
8 awareness programs under RCW 70.93.200(7). The amount to the
9 department shall also be used to defray the costs of administering the
10 funding, coordination, and oversight of local government programs for
11 waste reduction, litter control, and recycling, so that local
12 governments can apply one hundred percent of their funding to achieving
13 program goals. The amount to the department of revenue shall be used
14 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

15 (b) Twenty percent to the department for local government funding
16 programs for waste reduction, litter control, and recycling activities
17 by cities and counties under RCW 70.93.250, to be administered by the
18 department of ecology; and

19 (c) Thirty percent to the department of ecology for waste reduction
20 and recycling efforts.

21 (2) All taxes imposed in RCW 82.19.010 and fines and bail
22 forfeitures collected or received pursuant to this chapter shall be
23 deposited in the waste reduction, recycling, and litter control account
24 and used for the programs under subsection (1) of this section.

25 (3) Not less than five percent and no more than ten percent of the
26 amount appropriated into the waste reduction, recycling, and litter
27 control account every biennium shall be reserved for capital needs,
28 including the purchase of vehicles for transporting crews and for
29 collecting litter and solid waste. Capital funds shall be distributed
30 among state agencies and local governments according to the same
31 criteria provided in RCW 70.93.220 for the remainder of the funds, so
32 that the most effective waste reduction, litter control, and recycling
33 programs receive the most funding. The intent of this subsection is to
34 provide funds for the purchase of equipment that will enable the
35 department to account for the greatest return on investment in terms of
36 reaching a zero litter goal.

37 (4) During the 2005-2007 fiscal biennium, the legislature may

1 transfer from the waste reduction, recycling, and litter control
2 account to the state general fund such amounts as reflect the excess
3 fund balance of the account.

4 **Sec. 930.** RCW 70.105D.070 and 2003 1st sp.s. c 25 s 933 are each
5 amended to read as follows:

6 (1) The state toxics control account and the local toxics control
7 account are hereby created in the state treasury.

8 (2) The following moneys shall be deposited into the state toxics
9 control account: (a) Those revenues which are raised by the tax
10 imposed under RCW 82.21.030 and which are attributable to that portion
11 of the rate equal to thirty-three one-hundredths of one percent; (b)
12 the costs of remedial actions recovered under this chapter or chapter
13 70.105A RCW; (c) penalties collected or recovered under this chapter;
14 and (d) any other money appropriated or transferred to the account by
15 the legislature. Moneys in the account may be used only to carry out
16 the purposes of this chapter, including but not limited to the
17 following activities:

18 (i) The state's responsibility for hazardous waste planning,
19 management, regulation, enforcement, technical assistance, and public
20 education required under chapter 70.105 RCW;

21 (ii) The state's responsibility for solid waste planning,
22 management, regulation, enforcement, technical assistance, and public
23 education required under chapter 70.95 RCW;

24 (iii) The hazardous waste cleanup program required under this
25 chapter;

26 (iv) State matching funds required under the federal cleanup law;

27 (v) Financial assistance for local programs in accordance with
28 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

29 (vi) State government programs for the safe reduction, recycling,
30 or disposal of hazardous wastes from households, small businesses, and
31 agriculture;

32 (vii) Hazardous materials emergency response training;

33 (viii) Water and environmental health protection and monitoring
34 programs;

35 (ix) Programs authorized under chapter 70.146 RCW;

36 (x) A public participation program, including regional citizen
37 advisory committees;

1 (xi) Public funding to assist potentially liable persons to pay for
2 the costs of remedial action in compliance with cleanup standards under
3 RCW 70.105D.030(2)(e) but only when the amount and terms of such
4 funding are established under a settlement agreement under RCW
5 70.105D.040(4) and when the director has found that the funding will
6 achieve both (A) a substantially more expeditious or enhanced cleanup
7 than would otherwise occur, and (B) the prevention or mitigation of
8 unfair economic hardship; and

9 (xii) Development and demonstration of alternative management
10 technologies designed to carry out the top two hazardous waste
11 management priorities of RCW 70.105.150.

12 (3) The following moneys shall be deposited into the local toxics
13 control account: Those revenues which are raised by the tax imposed
14 under RCW 82.21.030 and which are attributable to that portion of the
15 rate equal to thirty-seven one-hundredths of one percent.

16 (a) Moneys deposited in the local toxics control account shall be
17 used by the department for grants or loans to local governments for the
18 following purposes in descending order of priority: (i) Remedial
19 actions; (ii) hazardous waste plans and programs under chapter 70.105
20 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C,
21 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the
22 assessment and cleanup of sites of methamphetamine production, but not
23 to be used for the initial containment of such sites, consistent with
24 the responsibilities and intent of RCW 69.50.511; and (v) cleanup and
25 disposal of hazardous substances from abandoned or derelict vessels
26 that pose a threat to human health or the environment. For purposes of
27 this subsection (3)(a)(v), "abandoned or derelict vessels" means
28 vessels that have little or no value and either have no identified
29 owner or have an identified owner lacking financial resources to clean
30 up and dispose of the vessel. Funds for plans and programs shall be
31 allocated consistent with the priorities and matching requirements
32 established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During
33 the 1999-2001 fiscal biennium, moneys in the account may also be used
34 for the following activities: Conducting a study of whether dioxins
35 occur in fertilizers, soil amendments, and soils; reviewing
36 applications for registration of fertilizers; and conducting a study of
37 plant uptake of metals. During the ((2003-05)) 2005-2007 fiscal
38 biennium, the legislature may transfer from the local toxics control

1 account to the state toxics control account such amounts as specified
2 in the omnibus operating budget bill for methamphetamine lab cleanup.
3 During the 2005-2007 fiscal biennium, moneys in the account may also be
4 used for grants to local governments to retrofit public sector diesel
5 equipment and for storm water planning and implementation activities.

6 (b) Funds may also be appropriated to the department of health to
7 implement programs to reduce testing requirements under the federal
8 safe drinking water act for public water systems. The department of
9 health shall reimburse the account from fees assessed under RCW
10 70.119A.115 by June 30, 1995.

11 (4) Except for unanticipated receipts under RCW 43.79.260 through
12 43.79.282, moneys in the state and local toxics control accounts may be
13 spent only after appropriation by statute.

14 (5) One percent of the moneys deposited into the state and local
15 toxics control accounts shall be allocated only for public
16 participation grants to persons who may be adversely affected by a
17 release or threatened release of a hazardous substance and to not-for-
18 profit public interest organizations. The primary purpose of these
19 grants is to facilitate the participation by persons and organizations
20 in the investigation and remedying of releases or threatened releases
21 of hazardous substances and to implement the state's solid and
22 hazardous waste management priorities. However, during the 1999-2001
23 fiscal biennium, funding may not be granted to entities engaged in
24 lobbying activities, and applicants may not be awarded grants if their
25 cumulative grant awards under this section exceed two hundred thousand
26 dollars. No grant may exceed sixty thousand dollars. Grants may be
27 renewed annually. Moneys appropriated for public participation from
28 either account which are not expended at the close of any biennium
29 shall revert to the state toxics control account.

30 (6) No moneys deposited into either the state or local toxics
31 control account may be used for solid waste incinerator feasibility
32 studies, construction, maintenance, or operation.

33 (7) The department shall adopt rules for grant or loan issuance and
34 performance.

35 (8) During the 2005-2007 fiscal biennium, the legislature may
36 transfer from the state toxics control account to the state general
37 fund such amounts as reflect the excess fund balance of the fund.

1 **Sec. 931.** RCW 70.146.030 and 2004 c 277 s 909 are each amended to
2 read as follows:

3 (1) The water quality account is hereby created in the state
4 treasury. Moneys in the account may be used only in a manner
5 consistent with this chapter. Moneys deposited in the account shall be
6 administered by the department of ecology and shall be subject to
7 legislative appropriation. Moneys placed in the account shall include
8 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,
9 principal and interest from the repayment of any loans granted pursuant
10 to this chapter, and any other moneys appropriated to the account by
11 the legislature.

12 (2) The department may use or permit the use of any moneys in the
13 account to make grants or loans to public bodies, including grants to
14 public bodies as cost-sharing moneys in any case where federal, local,
15 or other funds are made available on a cost-sharing basis, for water
16 pollution control facilities and activities, or for purposes of
17 assisting a public body to obtain an ownership interest in water
18 pollution control facilities and/or to defray a part of the payments
19 made by a public body to a service provider under a service agreement
20 entered into pursuant to RCW 70.150.060, within the purposes of this
21 chapter and for related administrative expenses. For the period July
22 1, ((2003)) 2005, to June 30, ((2005)) 2007, moneys in the account may
23 be used to process applications received by the department that seek to
24 make changes to or transfer existing water rights, for water conveyance
25 projects, and for grants and technical assistance to public bodies for
26 watershed planning under chapter 90.82 RCW. No more than three percent
27 of the moneys deposited in the account may be used by the department to
28 pay for the administration of the grant and loan program authorized by
29 this chapter.

30 (3) Beginning with the biennium ending June 30, 1997, the
31 department shall present a biennial progress report on the use of
32 moneys from the account to the chairs of the senate committee on ways
33 and means and the house of representatives committee on appropriations.
34 The first report is due June 30, 1996, and the report for each
35 succeeding biennium is due December 31 of the odd-numbered year. The
36 report shall consist of a list of each recipient, project description,
37 and amount of the grant, loan, or both.

1 **Sec. 932.** RCW 70.146.080 and 2003 1st sp.s. c 25 s 935 are each
2 amended to read as follows:

3 Within thirty days after June 30, 1987, and within thirty days
4 after each succeeding fiscal year thereafter, the state treasurer shall
5 determine the tax receipts deposited into the water quality account for
6 the preceding fiscal year. If the tax receipts deposited into the
7 account in each of the fiscal years 1988 and 1989 are less than forty
8 million dollars, the state treasurer shall transfer sufficient moneys
9 from general state revenues into the water quality account to bring the
10 total receipts in each fiscal year up to forty million dollars.

11 For the biennium ending June 30, 1991, if the tax receipts
12 deposited into the water quality account and the earnings on investment
13 of balances credited to the account are less than ninety million
14 dollars, the treasurer shall transfer sufficient moneys from general
15 state revenues into the water quality account to bring the total
16 revenue up to ninety million dollars. The determination and transfer
17 shall be made by July 31, 1991.

18 For fiscal year 1992 and for fiscal years 1995 and 1996 and
19 thereafter, if the tax receipts deposited into the water quality
20 account for each fiscal year are less than forty-five million dollars,
21 the treasurer shall transfer sufficient moneys from general state
22 revenues into the water quality account to bring the total revenue up
23 to forty-five million dollars. However, during the ((2003-05)) 2005-
24 2007 fiscal biennium, the legislature may specify the transfer of a
25 different amount in the operating budget bill. Determinations and
26 transfers shall be made by July 31 for the preceding fiscal year.

27 **Sec. 933.** RCW 70.148.020 and 1999 c 73 s 1 are each amended to
28 read as follows:

29 (1) The pollution liability insurance program trust account is
30 established in the custody of the state treasurer. All funds
31 appropriated for this chapter and all premiums collected for
32 reinsurance shall be deposited in the account. Expenditures from the
33 account shall be used exclusively for the purposes of this chapter
34 including payment of costs of administering the pollution liability
35 insurance and underground storage tank community assistance programs.
36 Expenditures for payment of administrative and operating costs of the

1 agency are subject to the allotment procedures under chapter 43.88 RCW
2 and may be made only after appropriation by statute. No appropriation
3 is required for other expenditures from the account.

4 (2) Each calendar quarter, the director shall report to the
5 insurance commissioner the loss and surplus reserves required for the
6 calendar quarter. The director shall notify the department of revenue
7 of this amount by the fifteenth day of each calendar quarter.

8 (3) Each calendar quarter the director shall determine the amount
9 of reserves necessary to fund commitments made to provide financial
10 assistance under RCW 70.148.130 to the extent that the financial
11 assistance reserves do not jeopardize the operations and liabilities of
12 the pollution liability insurance program. The director shall notify
13 the department of revenue of this amount by the fifteenth day of each
14 calendar quarter. The director may immediately establish an initial
15 financial assistance reserve of five million dollars from available
16 revenues. The director may not expend more than fifteen million
17 dollars for the financial assistance program.

18 (4) During the 2005-2007 fiscal biennium, the legislature may
19 transfer from the pollution liability insurance program trust account
20 to the state general fund such amounts as reflect the excess fund
21 balance of the account.

22 (5) This section expires June 1, (~~(2001-2007)~~) 2007.

23 **Sec. 934.** RCW 72.11.040 and 2003 1st sp.s. c 25 s 936 are each
24 amended to read as follows:

25 The cost of supervision fund is created in the custody of the state
26 treasurer. All receipts from assessments made under RCW 9.94A.780 and
27 72.04A.120 shall be deposited into the fund. Expenditures from the
28 fund may be used only to support the collection of legal financial
29 obligations. During the (~~(2003-2005)~~) 2005-2007 biennium, funds from
30 the account may also be used for costs associated with the department's
31 supervision of the offenders in the community. Only the secretary of
32 the department of corrections or the secretary's designee may authorize
33 expenditures from the fund. The fund is subject to allotment
34 procedures under chapter 43.88 RCW, but no appropriation is required
35 for expenditures.

1 **Sec. 935.** RCW 74.09.5225 and 2001 2nd sp.s. c 2 s 2 are each
2 amended to read as follows:

3 (1) Payments for recipients eligible for medical assistance
4 programs under this chapter for services provided by hospitals,
5 regardless of the beneficiary's managed care enrollment status, shall
6 be made based on allowable costs incurred during the year, when
7 services are provided by a rural hospital certified by the health care
8 financing administration as a critical access hospital. Any additional
9 payments made by the medical assistance administration for the healthy
10 options program shall be no more than the additional amounts per
11 service paid under this section for other medical assistance programs.

12 (2) During the 2005-2007 fiscal biennium, a moratorium shall be
13 placed on additional hospitals participating in the medical assistance
14 program under chapter 74.09 RCW as described in subsection (1) of this
15 section. However, rural hospitals that applied for certification to
16 the centers for medicare and medicaid services prior to January 1,
17 2005, but have not yet completed the process or have not yet been
18 approved for certification, remain eligible for medical assistance
19 reimbursement.

20 **Sec. 936.** RCW 74.46.431 and 2004 c 276 s 913 are each amended to
21 read as follows:

22 (1) Effective July 1, 1999, nursing facility medicaid payment rate
23 allocations shall be facility-specific and shall have seven components:
24 Direct care, therapy care, support services, operations, property,
25 financing allowance, and variable return. The department shall
26 establish and adjust each of these components, as provided in this
27 section and elsewhere in this chapter, for each medicaid nursing
28 facility in this state.

29 (2) All component rate allocations for essential community
30 providers as defined in this chapter shall be based upon a minimum
31 facility occupancy of eighty-five percent of licensed beds, regardless
32 of how many beds are set up or in use. For all facilities other than
33 essential community providers, effective July 1, 2001, component rate
34 allocations in direct care, therapy care, support services, variable
35 return, operations, property, and financing allowance shall continue to
36 be based upon a minimum facility occupancy of eighty-five percent of
37 licensed beds. For all facilities other than essential community

1 providers, effective July 1, 2002, the component rate allocations in
2 operations, property, and financing allowance shall be based upon a
3 minimum facility occupancy of ninety percent of licensed beds,
4 regardless of how many beds are set up or in use.

5 (3) Information and data sources used in determining medicaid
6 payment rate allocations, including formulas, procedures, cost report
7 periods, resident assessment instrument formats, resident assessment
8 methodologies, and resident classification and case mix weighting
9 methodologies, may be substituted or altered from time to time as
10 determined by the department.

11 (4)(a) Direct care component rate allocations shall be established
12 using adjusted cost report data covering at least six months. Adjusted
13 cost report data from 1996 will be used for October 1, 1998, through
14 June 30, 2001, direct care component rate allocations; adjusted cost
15 report data from 1999 will be used for July 1, 2001, through June 30,
16 2005, direct care component rate allocations. Unless the legislature
17 provides otherwise in the biennial appropriations act, adjusted cost
18 report data from 1999 will continue to be used for July 1, 2005, and
19 later direct care component rate allocations.

20 (b) Direct care component rate allocations based on 1996 cost
21 report data shall be adjusted annually for economic trends and
22 conditions by a factor or factors defined in the biennial
23 appropriations act. A different economic trends and conditions
24 adjustment factor or factors may be defined in the biennial
25 appropriations act for facilities whose direct care component rate is
26 set equal to their adjusted June 30, 1998, rate, as provided in RCW
27 74.46.506(5)(i).

28 (c) Direct care component rate allocations based on 1999 cost
29 report data shall be adjusted annually for economic trends and
30 conditions by a factor or factors defined in the biennial
31 appropriations act. A different economic trends and conditions
32 adjustment factor or factors may be defined in the biennial
33 appropriations act for facilities whose direct care component rate is
34 set equal to their adjusted June 30, 1998, rate, as provided in RCW
35 74.46.506(5)(i).

36 (5)(a) Therapy care component rate allocations shall be established
37 using adjusted cost report data covering at least six months. Adjusted
38 cost report data from 1996 will be used for October 1, 1998, through

1 June 30, 2001, therapy care component rate allocations; adjusted cost
2 report data from 1999 will be used for July 1, 2001, through June 30,
3 2005, therapy care component rate allocations. Unless the legislature
4 provides otherwise in the biennial appropriations act, adjusted cost
5 report data from 1999 will continue to be used for July 1, 2005, and
6 later direct care component rate allocations.

7 (b) Therapy care component rate allocations shall be adjusted
8 annually for economic trends and conditions by a factor or factors
9 defined in the biennial appropriations act.

10 (6)(a) Support services component rate allocations shall be
11 established using adjusted cost report data covering at least six
12 months. Adjusted cost report data from 1996 shall be used for October
13 1, 1998, through June 30, 2001, support services component rate
14 allocations; adjusted cost report data from 1999 shall be used for July
15 1, 2001, through June 30, 2005, support services component rate
16 allocations. Unless the legislature provides otherwise in the biennial
17 appropriations act, adjusted cost report data from 1999 will continue
18 to be used for July 1, 2005, and later direct care component rate
19 allocations.

20 (b) Support services component rate allocations shall be adjusted
21 annually for economic trends and conditions by a factor or factors
22 defined in the biennial appropriations act.

23 (7)(a) Operations component rate allocations shall be established
24 using adjusted cost report data covering at least six months. Adjusted
25 cost report data from 1996 shall be used for October 1, 1998, through
26 June 30, 2001, operations component rate allocations; adjusted cost
27 report data from 1999 shall be used for July 1, 2001, through June 30,
28 2005, operations component rate allocations. Unless the legislature
29 provides otherwise in the biennial appropriations act, adjusted cost
30 report data from 1999 will continue to be used for July 1, 2005, and
31 later direct care component rate allocations.

32 (b) Operations component rate allocations shall be adjusted
33 annually for economic trends and conditions by a factor or factors
34 defined in the biennial appropriations act.

35 (8) For July 1, 1998, through September 30, 1998, a facility's
36 property and return on investment component rates shall be the
37 facility's June 30, 1998, property and return on investment component
38 rates, without increase. For October 1, 1998, through June 30, 1999,

1 a facility's property and return on investment component rates shall be
2 rebased utilizing 1997 adjusted cost report data covering at least six
3 months of data.

4 (9) Total payment rates under the nursing facility medicaid payment
5 system shall not exceed facility rates charged to the general public
6 for comparable services.

7 (10) Medicaid contractors shall pay to all facility staff a minimum
8 wage of the greater of the state minimum wage or the federal minimum
9 wage.

10 (11) The department shall establish in rule procedures, principles,
11 and conditions for determining component rate allocations for
12 facilities in circumstances not directly addressed by this chapter,
13 including but not limited to: The need to prorate inflation for
14 partial-period cost report data, newly constructed facilities, existing
15 facilities entering the medicaid program for the first time or after a
16 period of absence from the program, existing facilities with expanded
17 new bed capacity, existing medicaid facilities following a change of
18 ownership of the nursing facility business, facilities banking beds or
19 converting beds back into service, facilities temporarily reducing the
20 number of set-up beds during a remodel, facilities having less than six
21 months of either resident assessment, cost report data, or both, under
22 the current contractor prior to rate setting, and other circumstances.

23 (12) The department shall establish in rule procedures, principles,
24 and conditions, including necessary threshold costs, for adjusting
25 rates to reflect capital improvements or new requirements imposed by
26 the department or the federal government. Any such rate adjustments
27 are subject to the provisions of RCW 74.46.421.

28 (13) Effective July 1, 2001, medicaid rates shall continue to be
29 revised downward in all components, in accordance with department
30 rules, for facilities converting banked beds to active service under
31 chapter 70.38 RCW, by using the facility's increased licensed bed
32 capacity to recalculate minimum occupancy for rate setting. However,
33 for facilities other than essential community providers which bank beds
34 under chapter 70.38 RCW, after May 25, 2001, medicaid rates shall be
35 revised upward, in accordance with department rules, in direct care,
36 therapy care, support services, and variable return components only, by
37 using the facility's decreased licensed bed capacity to recalculate

1 minimum occupancy for rate setting, but no upward revision shall be
2 made to operations, property, or financing allowance component rates.

3 (14) Facilities obtaining a certificate of need or a certificate of
4 need exemption under chapter 70.38 RCW after June 30, 2001, must have
5 a certificate of capital authorization in order for (a) the
6 depreciation resulting from the capitalized addition to be included in
7 calculation of the facility's property component rate allocation; and
8 (b) the net invested funds associated with the capitalized addition to
9 be included in calculation of the facility's financing allowance rate
10 allocation.

11 **Sec. 937.** RCW 79.64.040 and 2004 c 199 s 227 are each amended to
12 read as follows:

13 The board shall determine the amount deemed necessary in order to
14 achieve the purposes of this chapter and shall provide by rule for the
15 deduction of this amount from the moneys received from all leases,
16 sales, contracts, licenses, permits, easements, and rights of way
17 issued by the department and affecting state lands and aquatic lands,
18 provided that no deduction shall be made from the proceeds from
19 agricultural college lands. Moneys received as deposits from
20 successful bidders, advance payments, and security under RCW 79.15.100,
21 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been
22 subjected to deduction under this section are not subject to deduction
23 under this section. The deductions authorized under this section shall
24 in no event exceed twenty-five percent of the moneys received by the
25 department in connection with any one transaction pertaining to state
26 lands and aquatic lands other than second class tide and shore lands
27 and the beds of navigable waters, and fifty percent of the moneys
28 received by the department pertaining to second class tide and shore
29 lands and the beds of navigable waters. During the fiscal biennium
30 beginning July 1, 2005, the twenty-five percent limitation on
31 deductions is temporarily increased to thirty percent. The department
32 shall submit a report to the appropriate committees of the legislature
33 by December 1, 2005, that recommends changes in state laws and
34 department policies that will reduce the administrative costs of
35 managing state trust lands.

36 In the event that the department sells logs using the contract

1 harvesting process described in RCW 79.15.500 through 79.15.530, the
2 moneys received subject to this section are the net proceeds from the
3 contract harvesting sale.

4 **Sec. 938.** RCW 79.90.245 and 2004 c 276 s 914 are each amended to
5 read as follows:

6 After deduction for management costs as provided in RCW 79.64.040
7 and payments to towns under RCW 79.92.110(2), all moneys received by
8 the state from the sale or lease of state-owned aquatic lands and from
9 the sale of valuable material from state-owned aquatic lands shall be
10 deposited in the aquatic lands enhancement account which is hereby
11 created in the state treasury. After appropriation, these funds shall
12 be used solely for aquatic lands enhancement projects; for the
13 purchase, improvement, or protection of aquatic lands for public
14 purposes; for providing and improving access to such lands; and for
15 volunteer cooperative fish and game projects.

16 In providing grants for aquatic lands enhancement projects, the
17 department shall require grant recipients to incorporate the
18 environmental benefits of the project into their grant applications,
19 and the department shall utilize the statement of environmental
20 benefits in its prioritization and selection process. The department
21 shall also develop appropriate outcome-focused performance measures to
22 be used both for management and performance assessment of the grants.
23 To the extent possible, the department should coordinate its
24 performance measure system with other natural resource-related agencies
25 as defined in RCW 43.41.270. The department shall consult with
26 affected interest groups in implementing this section.

27 During the fiscal biennium ending June 30, ~~((2005))~~ 2007, the funds
28 may be appropriated for boating safety~~((, settlement costs for aquatic
29 lands cleanup, and shellfish management, enforcement, and enhancement))~~
30 and assistance to local governments for septic system surveys and data
31 bases.

32 **Sec. 939.** RCW 86.26.007 and 2003 1st sp.s. c 25 s 943 are each
33 amended to read as follows:

34 The flood control assistance account is hereby established in the
35 state treasury. At the beginning of the ~~((1997-99 fiscal biennium and
36 each))~~ 2005-2007 fiscal biennium, the state treasurer shall transfer

1 three million dollars from the general fund to the flood control
2 assistance account. Each biennium thereafter the state treasurer shall
3 transfer four million dollars from the general fund to the flood
4 control assistance account. Moneys in the flood control assistance
5 account may be spent only after appropriation for purposes specified
6 under this chapter. (~~During the 2003-2005 fiscal biennium, the~~
7 ~~legislature may transfer from the flood control assistance account to~~
8 ~~the state general fund such amounts as reflect the excess fund balance~~
9 ~~of the account.))~~

10 NEW SECTION. Sec. 940. COMPENSATION--INSURANCE BENEFITS. The
11 appropriations for state agencies, including institutions of higher
12 education are subject to the following conditions and limitations:

13 (1)(a) The monthly employer funding rate for insurance benefit
14 premiums, public employees' benefits board administration, and the
15 uniform medical plan, shall not exceed \$663.00 per eligible employee
16 for fiscal year 2006. For fiscal year 2007 the monthly employer
17 funding rate shall not exceed \$744.00 per eligible represented employee
18 or \$618.00 per eligible nonrepresented employee.

19 (b) In order to achieve the level of funding provided for health
20 benefits, the public employees' benefits board shall require any or all
21 of the following: Employee premium copayments, increases in
22 point-of-service cost sharing, the implementation of managed
23 competition, or make other changes to benefits consistent with RCW
24 41.05.065.

25 (c) The health care authority shall deposit any moneys received on
26 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 claims
29 payments, into the public employees' and retirees' insurance account to
30 be used for insurance benefits. Such receipts shall not be used for
31 administrative expenditures.

32 (2) The health care authority, subject to the approval of the
33 public employees' benefits board, shall provide subsidies for health
34 benefit premiums to eligible retired or disabled public employees and
35 school district employees who are eligible for medicare, pursuant to
36 RCW 41.05.085. From January 1, 2006, through December 31, 2006, the

1 subsidy shall be \$131.87. Starting January 1, 2007, the subsidy shall
2 be \$149.67 per month.

3 (3) Technical colleges, school districts, and educational service
4 districts shall remit to the health care authority for deposit into the
5 public employees' and retirees' insurance account established in RCW
6 41.05.120 the following amounts:

7 (a) For each full-time employee, \$48.71 per month beginning
8 September 1, 2005, and \$56.59 beginning September 1, 2006;

9 (b) For each part-time employee who, at the time of the remittance,
10 is employed in an eligible position as defined in RCW 41.32.010 or
11 41.40.010 and is eligible for employer fringe benefit contributions for
12 basic benefits, \$48.71 each month beginning September 1, 2005, and
13 \$56.59 beginning September 1, 2006, prorated by the proportion of
14 employer fringe benefit contributions for a full-time employee that the
15 part-time employee receives. The remittance requirements specified in
16 this subsection shall not apply to employees of a technical college,
17 school district, or educational service district who purchase insurance
18 benefits through contracts with the health care authority.

19 NEW SECTION. **Sec. 941. NONREPRESENTED EMPLOYEE COMPENSATION.**

20 The appropriations for nonrepresented employee compensation adjustments
21 are provided solely for:

22 (1) Salary Cost of Living Adjustments.

23 (a) Appropriations are provided for a 3.2% salary increase
24 effective July 1, 2005, for all classified employees, except those
25 represented by a collective bargaining unit under the personnel system
26 reform act of 2002, and except the certificated employees of the state
27 schools for the deaf and blind and employees of community and technical
28 colleges covered by the provisions of Initiative Measure No. 732. Also
29 included are employees in the Washington management service, and exempt
30 employees under the jurisdiction of the personnel resources board or
31 the director of personnel, as applicable. However, community and
32 technical colleges shall increase salaries of all classified and
33 instructional staff not covered by Initiative Measure No. 732 or by a
34 collective bargaining agreement under the personnel system reform act
35 of 2002 by 3.2% of pay. The appropriations are also sufficient to fund
36 for the four-year higher education institutions an average salary
37 increase of 3.2% effective July 1, 2005, for faculty, exempt

1 administrative and professional staff, graduate assistants, and other
2 nonclassified staff. Funds provided in this section may not be used
3 for any other purpose by institutions of higher education, including
4 for other pay increases.

5 The appropriations are also sufficient to fund a 3.2% salary
6 increase effective July 1, 2005, for general government, legislative,
7 and judicial employees exempt from merit system rules whose maximum
8 salaries are not set by the commission on salaries for elected
9 officials.

10 (b) Appropriations are provided for a 1.6% salary increase
11 effective July 1, 2006, until June 30, 2007, for all classified
12 employees, except those represented by a collective bargaining unit
13 under the personnel system reform act of 2002, and except the
14 certificated employees of the state schools for the deaf and blind and
15 employees of community and technical colleges covered by the provisions
16 of Initiative Measure No. 732. Also included are employees in the
17 Washington management service, and exempt employees under the
18 jurisdiction of the personnel resources board or the director of
19 personnel, as applicable. However, community and technical colleges
20 shall increase salaries of all classified and instructional staff not
21 covered by Initiative Measure No. 732 or by a collective bargaining
22 agreement under the personnel system reform act of 2002 by 1.6% of pay
23 for the period specified. The appropriations are also sufficient to
24 fund for the four-year higher education institutions an average salary
25 increase of 1.6% effective July 1, 2006, for faculty, exempt
26 administrative and professional staff, graduate assistants, and other
27 nonclassified staff. Funds provided in this section may not be used
28 for any other purpose by institutions of higher education, including
29 for other pay increases. The appropriations are also sufficient to
30 fund a 1.6% salary increase effective July 1, 2005, until June 30,
31 2007, for general government, legislative, and judicial employees
32 exempt from merit system rules whose maximum salaries are not set by
33 the commission on salaries for elected officials.

34 (2) Salary Survey.

35 For state employees, except those represented by a bargaining unit
36 under the personnel system reform act of 2002, funding is provided for
37 implementation of the department of personnel's 2002 salary survey, for
38 job classes more than 25% below market rates.

1 NEW SECTION. **Sec. 942. CLASSIFICATION REVISIONS.** Funding is
2 provided for partial implementation of classification consolidation and
3 revisions under the personnel system reform act of 2002. Groups 2 and
4 3 of the department of personnel's initial class consolidation plan are
5 affected.

6 NEW SECTION. **Sec. 943. COLLECTIVE BARGAINING AGREEMENTS.**
7 Provisions of collective bargaining agreements contained in sections
8 940 and 942 through 972 of this act are described in general terms.
9 Only major economic terms are included in the descriptions. These
10 descriptions do not contain the complete contents of the agreements.

11 NEW SECTION. **Sec. 944. COLLECTIVE BARGAINING AGREEMENT--WFSE.**
12 Funding is provided for the collective bargaining agreement reached
13 between the governor and the Washington federation of state employees
14 under the personnel system reform act of 2002. For employees covered
15 under this agreement, funding is provided for a 3.2% salary increase
16 effective July 1, 2005. Funding is also provided for a 1.6% increase
17 effective July 1, 2006, until June 30, 2007, and for implementation of
18 the department of personnel 2002 salary survey for classes more than
19 25% below market rates.

20 NEW SECTION. **Sec. 945. COLLECTIVE BARGAINING AGREEMENT--WPEA.**
21 Funding is provided for the collective bargaining agreement reached
22 between the governor and the Washington public employees association
23 under the personnel system reform act of 2002. For employees covered
24 under this agreement, funding is provided for a 3.2% salary increase
25 effective July 1, 2005. Funding is also provided for a 1.6% increase
26 effective July 1, 2006, until June 30, 2007, and for implementation of
27 the department of personnel 2002 salary survey for classes more than
28 25% below market rates.

29 NEW SECTION. **Sec. 946. COLLECTIVE BARGAINING AGREEMENT--UFCW.**
30 Funding is provided for the collective bargaining agreement reached
31 between the governor and the united food and commercial workers under
32 the personnel system reform act of 2002. For employees covered under
33 this agreement, funding is provided for a 3.2% salary increase

1 effective July 1, 2005. Funding is also provided for a 1.6% increase
2 effective July 1, 2006 until June 30, 2007.

3 NEW SECTION. **Sec. 947. COLLECTIVE BARGAINING AGREEMENT--**
4 **TEAMSTERS.** Funding is provided for the collective bargaining agreement
5 reached between the governor and the brotherhood of teamsters under the
6 personnel system reform act of 2002. For employees covered under this
7 agreement, funding is provided for a 3.2% salary increase effective
8 July 1, 2005. Funding is also provided for a 2.9% increase effective
9 July 1, 2006, until June 30, 2007, and for implementation of the
10 department of personnel 2002 salary survey for classes more than 25%
11 below market rates.

12 NEW SECTION. **Sec. 948. COLLECTIVE BARGAINING--COALITION.**
13 Funding is provided for the collective bargaining agreement reached
14 between the governor and the coalition under the personnel system
15 reform act of 2002. For employees covered under this agreement,
16 funding is provided for a 3.2% salary increase effective July 1, 2005.
17 Funding is also provided for a 1.6% increase effective July 1, 2006,
18 until June 30, 2007, and for implementation of the department of
19 personnel 2002 salary survey for classes more than 25% below market
20 rates.

21 NEW SECTION. **Sec. 949. COLLECTIVE BARGAINING--IFPTE.** Funding
22 is provided for the collective bargaining agreement reached between the
23 governor and the international federation of professional and technical
24 engineers local 17 under the personnel system reform act of 2002. For
25 employees covered under this agreement, funding is provided for a 3.2%
26 salary increase effective July 1, 2005. Funding is also provided for
27 a 1.6% increase effective July 1, 2006, until June 30, 2007, and for
28 implementation of the department of personnel 2002 salary survey for
29 classes more than 25% below market rates.

30 NEW SECTION. **Sec. 950. COLLECTIVE BARGAINING AGREEMENT--SEIU**
31 **1199.** Funding is provided for the collective bargaining agreement
32 reached between the governor and the service employees international
33 union, local 1199 NW under the personnel system reform act of 2002.
34 For employees covered under this agreement, funding is provided for a

1 3.2% salary increase effective July 1, 2005. Funding is also provided
2 for a 1.6% increase effective July 1, 2006, until June 30, 2007, for
3 implementation of the department of personnel 2002 salary survey for
4 classes more than 25% below market rates, and for adjustments to the
5 salary grid.

6 NEW SECTION. **Sec. 951. COLLECTIVE BARGAINING AGREEMENT--WFSE**
7 **HIGHER EDUCATION.** Funding is provided for the collective bargaining
8 agreement reached between the governor and the Washington federation of
9 state employees in higher education under the personnel system reform
10 act of 2002. For employees covered under this agreement, funding is
11 provided for a 3.2% salary increase effective July 1, 2005. Funding is
12 also provided for a 1.6% increase effective July 1, 2006, until June
13 30, 2007, and for implementation of the department of personnel 2002
14 salary survey for classes more than 25% below market rates.

15 NEW SECTION. **Sec. 952. COLLECTIVE BARGAINING AGREEMENT--WPEA**
16 **HIGHER EDUCATION.** Funding is provided for the collective bargaining
17 agreement reached between the governor and the Washington public
18 employees association in higher education under the personnel system
19 reform act of 2002. For employees covered under this agreement,
20 funding is provided for a 3.2% salary increase effective July 1, 2005.
21 Funding is also provided for a 1.6% increase effective July 1, 2006,
22 until June 30, 2007, and for implementation of the department of
23 personnel 2002 salary survey for classes more than 25% below market
24 rates.

25 NEW SECTION. **Sec. 953. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
26 **WASHINGTON UNIVERSITY, WFSE BU A.** Budget amounts reflect the
27 collective bargaining agreement reached between the Western Washington
28 University and the Washington federation of state employees bargaining
29 unit A under the personnel system reform act of 2002. For employees
30 covered under this agreement, provisions include a 3.2% salary increase
31 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until
32 June 30, 2007, and implementation of the department of personnel 2002
33 salary survey for classes more than 25% below market rates.

1 NEW SECTION. **Sec. 954. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
2 **WASHINGTON UNIVERSITY, WFSE BU B.** Budget amounts reflect the
3 collective bargaining agreement reached between the Western Washington
4 University and the Washington federation of state employees bargaining
5 unit B under the personnel system reform act of 2002. For employees
6 covered under this agreement, provisions include a 3.2% salary increase
7 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until
8 June 30, 2007, and implementation of the department of personnel 2002
9 salary survey for classes more than 25% below market rates.

10 NEW SECTION. **Sec. 955. COLLECTIVE BARGAINING AGREEMENT--**
11 **WPEA/PROFESSIONAL LOCAL 365 UNIT C--WESTERN WASHINGTON UNIVERSITY.**
12 Budget amounts reflect the collective bargaining agreement reached
13 between the Western Washington University and the Washington Public
14 Employees Association bargaining unit C under the personnel system
15 reform act of 2002. For employees covered under this agreement,
16 provisions include a 3.2% salary increase effective July 1, 2005.
17 Provisions also include a 1.6% increase effective July 1, 2006, until
18 June 30, 2007, and for implementation of the department of personnel
19 2002 salary survey for classes more than 25% below market rates.

20 NEW SECTION. **Sec. 956. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
21 **WASHINGTON UNIVERSITY, WFSE BU E.** Budget amounts reflect the
22 collective bargaining agreement reached between the Western Washington
23 University and the Washington federation of state employees bargaining
24 unit E under the personnel system reform act of 2002. For employees
25 covered under this agreement, provisions include a 3.2% salary increase
26 effective July 1, 2005, and a 1.6% increase effective July 1, 2006,
27 until June 30, 2007.

28 NEW SECTION. **Sec. 957. COLLECTIVE BARGAINING AGREEMENT--**
29 **WASHINGTON STATE UNIVERSITY, WSU POLICE GUILD.** Budget amounts reflect
30 the collective bargaining agreement reached between Washington State
31 University and the Washington State University police guild bargaining
32 unit under the personnel system reform act of 2002. For employees
33 covered under this agreement, provisions include a 3.2% salary increase
34 effective July 1, 2005, and a 2.9% lump sum payment effective July 1,
35 2006.

1 NEW SECTION. **Sec. 958. COLLECTIVE BARGAINING AGREEMENT--**
2 **WASHINGTON STATE UNIVERSITY, WFSE BU 1 AND 11.** Budget amounts reflect
3 the collective bargaining agreement reached between Washington State
4 University and the Washington federation of state employees bargaining
5 unit 1--research and extension units west of the Cascades, and
6 bargaining unit 11--intercollegiate college of nursing under the
7 personnel system reform act of 2002. For employees covered under this
8 agreement, provisions include a 3.2% salary increase effective July 1,
9 2005. Provisions also include a 2% lump sum payment effective July 1,
10 2006.

11 NEW SECTION. **Sec. 959. COLLECTIVE BARGAINING AGREEMENT--**
12 **UNIVERSITY OF WASHINGTON, SEIU 925.** Budget amounts reflect the
13 collective bargaining agreements reached between the University of
14 Washington and the service employees international union university-
15 wide nonsupervisory, university-wide supervisory, research
16 technologist, research technologist supervisor, and medical/laboratory
17 technologist bargaining units under the personnel system reform act of
18 2002. For employees covered under this agreement, provisions include
19 a 3.2% salary increase effective July 1, 2005, a 1.6% increase
20 effective July 1, 2006, until June 30, 2007, implementation of a
21 University of Washington salary survey, and adjustment to the salary
22 grid.

23 NEW SECTION. **Sec. 960. COLLECTIVE BARGAINING AGREEMENT--**
24 **UNIVERSITY OF WASHINGTON, WFSE.** Budget amounts reflect the collective
25 bargaining agreements reached between the University of Washington and
26 the Washington federation of state employees campus-wide, library,
27 custodial supervisor, Harborview medical center, and Harborview medical
28 center public safety officers bargaining units under the personnel
29 system reform act of 2002. For employees covered under this agreement,
30 provisions include a 3.2% salary increase effective July 1, 2005, a
31 1.6% increase effective July 1, 2006, until June 30, 2007, and
32 implementation of a University of Washington salary survey.

33 NEW SECTION. **Sec. 961. COLLECTIVE BARGAINING AGREEMENT--**
34 **UNIVERSITY OF WASHINGTON, WFSE, SKILLED TRADES.** Budget amounts reflect
35 the collective bargaining agreements reached between the University of

1 Washington and the Washington federation of state employees, skilled
2 trades bargaining unit under the personnel system reform act of 2002.
3 For employees covered under this agreement, provisions include a \$1.00
4 per hour increase effective July 1, 2005, an increase in shift
5 differential pay, and an adjustment to the grid.

6 NEW SECTION. **Sec. 962. COLLECTIVE BARGAINING AGREEMENT--**
7 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW PROFESSIONAL AND TECHNICAL.**
8 Budget amounts reflect the collective bargaining agreement reached
9 between the University of Washington and the service employee
10 international union Harborview medical center professional and
11 technical bargaining unit under the personnel system reform act of
12 2002. For employees covered under this agreement, provisions include
13 a 1.5% salary increase effective January 1, 2006, a 1.5% salary
14 increase effective January 1, 2007, an adjustment to the salary grid,
15 and changes in premium pay.

16 NEW SECTION. **Sec. 963. COLLECTIVE BARGAINING AGREEMENT--**
17 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW NURSES.** Budget amounts
18 reflect the collective bargaining agreement reached between the
19 University of Washington and the service employee international union
20 Harborview medical center registered nurse bargaining unit under the
21 personnel system reform act of 2002. For employees covered under this
22 agreement, provisions include a 2.0% salary increase effective July 1,
23 2005, a 2.0% salary increase effective July 1, 2006, a 2.0% salary
24 increase effective January 1, 2007, an adjustment to the salary grid,
25 and changes in premium pay.

26 NEW SECTION. **Sec. 964. COLLECTIVE BARGAINING AGREEMENT--**
27 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW SOCIAL WORK.** Budget
28 amounts reflect the collective bargaining agreements reached between
29 the University of Washington and the service employee international
30 union Harborview medical center social work and health care specialist
31 bargaining units under the personnel system reform act of 2002. For
32 employees covered under this agreement, provisions include a 2.0%
33 salary increase effective July 1, 2005, a 2.0% salary increase
34 effective July 1, 2006, a 1.0% salary increase effective January 1,
35 2007, an adjustment to the salary grid, and changes in premium pay.

1 NEW SECTION. **Sec. 969. COLLECTIVE BARGAINING AGREEMENT--WFSE**
2 **UNIT 2 EASTERN WASHINGTON UNIVERSITY.** Budget amounts reflect the
3 collective bargaining agreement reached between Eastern Washington
4 University and the Washington federation of state employees bargaining
5 unit 2 under the personnel system reform act of 2002. For employees
6 covered under this agreement, provisions include a 3.2% salary increase
7 effective July 1, 2005. Provisions also include a 1.6% salary increase
8 effective July 1, 2006, until June 30, 2007, and for a \$500 lump-sum
9 payment to full-time employees, and pro-rated for part-time employees,
10 effective July 1, 2005.

11 NEW SECTION. **Sec. 970. COLLECTIVE BARGAINING AGREEMENT--WFSE**
12 **UNIT 1 EASTERN WASHINGTON UNIVERSITY.** Budget amounts reflect the
13 collective bargaining agreement reached between Eastern Washington
14 University and the Washington federation of state employees bargaining
15 unit 1 under the personnel system reform act of 2002. For employees
16 covered under this agreement, provisions include a 3.2% salary increase
17 effective July 1, 2005. Provisions also include a \$500 lump-sum
18 payment to full-time employees, and pro-rated for part-time employees,
19 effective July 1, 2005, and a lump sum payment of 1.6% of annual salary
20 effective July 1, 2006.

21 NEW SECTION. **Sec. 971. COLLECTIVE BARGAINING AGREEMENT--WFSE**
22 **UNIT 2 CENTRAL WASHINGTON UNIVERSITY.** Budget amounts reflect the
23 collective bargaining agreement reached between Central Washington
24 University and the Washington federation of state employees bargaining
25 unit 2 under the personnel system reform act of 2002. For employees
26 covered under this agreement, provisions include a 3.2% salary increase
27 effective July 1, 2005. Provisions also include a 1.6% increase
28 effective July 1, 2006, until June 30, 2007, and for implementation of
29 the department of personnel 2002 salary survey for classes more than
30 25% below market rates.

31 NEW SECTION. **Sec. 972. COLLECTIVE BARGAINING AGREEMENT--WFSE**
32 **UNIT 1 CENTRAL WASHINGTON UNIVERSITY.** Budget amounts reflect the
33 collective bargaining agreement reached between Central Washington
34 University and the Washington federation of state employees bargaining
35 unit 1 under the personnel system reform act of 2002. For employees

1 covered under this agreement, provisions include a 3.2% salary increase
2 effective July 1, 2005. Provisions also include a 1.6% increase
3 effective July 1, 2006, until June 30, 2007, and for implementation of
4 the department of personnel 2002 salary survey for classes more than
5 25% below market rates.

6 NEW SECTION. **Sec. 973.** If any provision of this act or its
7 application to any person or circumstance is held invalid, the
8 remainder of the act or the application of the provision to other
9 persons or circumstances is not affected.

10 NEW SECTION. **Sec. 974.** Except for section 917 of this act, this
11 act is necessary for the immediate preservation of the public peace,
12 health, or safety, or support of the state government and its existing
13 public institutions, and takes effect immediately.

14 NEW SECTION. **Sec. 975.** Section 917 (RCW 41.50.110) of this act
15 takes effect July 1, 2006.

16 NEW SECTION. **Sec. 976.** Section 916 (RCW 41.50.110) of this act
17 expires July 1, 2006.

(End of part)

INDEX	PAGE #
ADMINISTRATOR FOR THE COURTS	4
AGENCY EXPENDITURES FOR MOTOR VEHICLES	170
ATTORNEY GENERAL	12
BELATED CLAIMS	147
BOARD FOR VOLUNTEER FIREFIGHTERS	26
BOARD OF ACCOUNTANCY	24
BOARD OF INDUSTRIAL INSURANCE APPEALS	55
BOARD OF TAX APPEALS	23
BOND EXPENSES	169
BUSINESS CONTINUITY AND DISASTER RECOVERY	167
CASELOAD FORECAST COUNCIL	13
CENTRAL WASHINGTON UNIVERSITY	132
CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS	12
CLASSIFICATION REVISIONS	152, 202
COLLECTIVE BARGAINING AGREEMENT	
COALITION	155
IFPTE	155
SEIU 1199	203
SEIU-1199	156
TEAMSTERS	154, 203
UFCW	154, 202
UNIVERSITY OF WASHINGTON INLAND BOATMEN'S UNION	208
UNIVERSITY OF WASHINGTON POLICE OFFICERS ASSOCIATION	208
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW NURSES	207
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW PROF AND TECH	207
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW SOCIAL WORK	207
UNIVERSITY OF WASHINGTON WASHINGTON STATE NURSES ASSOC	208
UNIVERSITY OF WASHINGTON WFSE UW POLICE MANAGEMENT	208
UNIVERSITY OF WASHINGTON, SEIU 925	206
UNIVERSITY OF WASHINGTON, WFSE	206
UNIVERSITY OF WASHINGTON, WFSE, SKILLED TRADES	206
WASHINGTON STATE UNIVERSITY, WFSE BU 1 AND 11	206
WASHINGTON STATE UNIVERSITY, WSU POLICE GUILD	205
WESTERN WASHINGTON UNIVERSITY, WFSE BU A	204
WESTERN WASHINGTON UNIVERSITY, WFSE BU B	205
WESTERN WASHINGTON UNIVERSITY, WFSE BU E	205
WFSE	152, 202

WFSE HIGHER EDUCATION	204
WFSE UNIT 1 CENTRAL WASHINGTON UNIVERSITY	209
WFSE UNIT 1 EASTERN WASHINGTON UNIVERSITY	209
WFSE UNIT 2 CENTRAL WASHINGTON UNIVERSITY	209
WFSE UNIT 2 EASTERN WASHINGTON UNIVERSITY	209
WPEA	153, 202
WPEA HIGHER EDUCATION	204
WPEA/PROF LOCAL 365 UNIT C--WESTERN WA UNIVERSITY	205
COLLECTIVE BARGAINING AGREEMENTS	152
COLLECTIVE BARGAINING AGREEMENTS	202
COLLECTIVE BARGAINING	
COALITION	203
IFPTE	203
COLUMBIA RIVER GORGE COMMISSION	65
COMMISSION ON AFRICAN-AMERICAN AFFAIRS	22
COMMISSION ON ASIAN-PACIFIC-AMERICAN AFFAIRS	11
COMMISSION ON HISPANIC AFFAIRS	21
COMMISSION ON JUDICIAL CONDUCT	4
COMPENSATION--INSURANCE BENEFITS	199
CONSERVATION COMMISSION	71
COURT OF APPEALS	4
CRIMINAL JUSTICE TRAINING COMMISSION	55
DEPARTMENT OF AGRICULTURE	81
DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION	29
DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT	13
COUNTY PUBLIC HEALTH ASSISTANCE	145
DEPARTMENT OF CORRECTIONS	61
DEPARTMENT OF ECOLOGY	65
DEPARTMENT OF FISH AND WILDLIFE	73
DEPARTMENT OF GENERAL ADMINISTRATION	23
DEPARTMENT OF HEALTH	58
DEPARTMENT OF INFORMATION SERVICES	24
DEPARTMENT OF LABOR AND INDUSTRIES	55
DEPARTMENT OF LICENSING	82
DEPARTMENT OF NATURAL RESOURCES	76
DEPARTMENT OF PERSONNEL	21
DEPARTMENT OF RETIREMENT SYSTEMS	
CONTRIBUTIONS TO RETIREMENT SYSTEMS	147
OPERATIONS	22
DEPARTMENT OF REVENUE	22

DEPARTMENT OF SERVICES FOR THE BLIND	63
DEPARTMENT OF SOCIAL AND HEALTH SERVICES	30
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM	52
AGING AND ADULT SERVICES PROGRAM	43
ALCOHOL AND SUBSTANCE ABUSE PROGRAM	46
CHILDREN AND FAMILY SERVICES PROGRAM	31
DEVELOPMENTAL DISABILITIES PROGRAM	38
ECONOMIC SERVICES PROGRAM	45
JUVENILE REHABILITATION PROGRAM	33
MEDICAL ASSISTANCE PROGRAM	48
MENTAL HEALTH PROGRAM	36
PAYMENTS TO OTHER AGENCIES PROGRAM	53
VOCATIONAL REHABILITATION PROGRAM	52
DEPARTMENT OF VETERANS AFFAIRS	57
DOUBLE-FILLED PERSONNEL POSITIONS	149
EASTERN WASHINGTON STATE HISTORICAL SOCIETY	141
EASTERN WASHINGTON UNIVERSITY	131
ECONOMIC AND REVENUE FORECAST COUNCIL	18
EMERGENCY FUND ALLOCATIONS	168
EMPLOYMENT SECURITY DEPARTMENT	63
ENVIRONMENTAL HEARINGS OFFICE	71
EXPENDITURE AUTHORIZATIONS	165
FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION	118
FORENSIC INVESTIGATION COUNCIL	24
GOVERNOR	
LIFE SCIENCES DISCOVERY FUND AUTHORITY	148
GOVERNOR'S OFFICE OF INDIAN AFFAIRS	11
GROWTH PLANNING HEARINGS BOARD	29
HIGHER EDUCATION COORDINATING BOARD	
FINANCIAL AID AND GRANT PROGRAMS	138
POLICY COORDINATION AND ADMINISTRATION	137
HOME CARE QUALITY AUTHORITY	58
HORSE RACING COMMISSION	24
HOUSE OF REPRESENTATIVES	2
HUMAN RIGHTS COMMISSION	54
INCENTIVE SAVINGS	
FY 2006	149
FY 2007	150
INDETERMINATE SENTENCE REVIEW BOARD	57
INFORMATION SYSTEMS PROJECTS	165

INSURANCE BENEFITS	158
INSURANCE COMMISSIONER	24
INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION	70
JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE	2
JOINT LEGISLATIVE SYSTEMS COMMITTEE	3
K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS	118
LAW LIBRARY	4
LEGISLATIVE AGENCIES	3
LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE	2
LIEUTENANT GOVERNOR	9
LIQUOR CONTROL BOARD	25
MILITARY DEPARTMENT	26
MUNICIPAL RESEARCH COUNCIL	23
NONREPRESENTED EMPLOYEE COMPENSATION	200
NONREPRESENTED EMPLOYEE SALARY COST OF LIVING ADJUSTMENT	150
NONREPRESENTED EMPLOYEE SALARY SURVEY	151
OFFICE OF ADMINISTRATIVE HEARINGS	21
OFFICE OF FINANCIAL MANAGEMENT	18
CAPITOL BUILDING CONSTRUCTION ACCOUNT	145
COMPENSATION--INSURANCE BENEFITS FOR NONREPRESENTED EMPLOYEES	157
COMPENSATION--INSURANCE BENEFITS IN BARGAINED AGREEMENTS	157
CONTRIBUTIONS TO RETIREMENT SYSTEMS	156
EDUCATION TECHNOLOGY REVOLVING ACCOUNT	147
EMERGENCY FUND	144
EXTRAORDINARY CRIMINAL JUSTICE COSTS	149
FIRE CONTINGENCY POOL	144
PENSION CONTRIBUTION ADJUSTMENTS FOR THE PSE RETIREMENT SYSTEM	158
SEX OFFENDER SENTENCING IMPACT	145
SMALL AGENCY INFORMATION TECHNOLOGY POOL	145
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES	23
OFFICE OF PUBLIC DEFENSE	6
OFFICE OF THE GOVERNOR	7
OFFICE OF THE STATE ACTUARY	3
PERSONNEL APPEALS BOARD	22
PROGRAM COST SHIFTS	168
PUBLIC DISCLOSURE COMMISSION	9
PUBLIC EMPLOYMENT RELATIONS COMMISSION	28
SECRETARY OF STATE	9
SENATE	2
SENTENCING GUIDELINES COMMISSION	63

SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE	140
STATE AUDITOR	11
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES	123
STATE CONVENTION AND TRADE CENTER	29
STATE EMPLOYEE INSURANCE BENEFIT RESERVE	158
STATE HEALTH CARE AUTHORITY	53
STATE INVESTMENT BOARD	22
STATE PARKS AND RECREATION COMMISSION	69
STATE PATROL	83
STATE SCHOOL FOR THE BLIND	141
STATE SCHOOL FOR THE DEAF	142
STATE TREASURER	11
BOND RETIREMENT AND INTEREST	143, 144
COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT	161
FEDERAL REVENUES FOR DISTRIBUTION	162
MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT	161
STATE REVENUES FOR DISTRIBUTION	160
TRANSFERS	162
STATUTE LAW COMMITTEE	3
STATUTORY APPROPRIATIONS	169
STRATEGIC PURCHASING STRATEGY	148
SUPERINTENDENT OF PUBLIC INSTRUCTION	85
BASIC EDUCATION EMPLOYEE COMPENSATION	97
EDUCATION REFORM PROGRAMS	111
EDUCATIONAL SERVICE DISTRICTS	108
ELEMENTARY/SECONDARY SCHOOL IMPROVEMENT AND NO CHILD LEFT BEHIND ACTS	111
GENERAL APPORTIONMENT	89
INSTITUTIONAL EDUCATION PROGRAMS	109
LEARNING ASSISTANCE PROGRAM	115
LOCAL EFFORT ASSISTANCE	109
PROGRAMS FOR HIGHLY CAPABLE STUDENTS	110
PUPIL TRANSPORTATION	102
SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS	100
SCHOOL FOOD SERVICE PROGRAMS	104
SPECIAL EDUCATION PROGRAMS	104
STUDENT ACHIEVEMENT PROGRAM	117
TRANSITIONAL BILINGUAL PROGRAMS	114
SUPREME COURT	3
THE EVERGREEN STATE COLLEGE	134
UNIVERSITY OF WASHINGTON	127

UTILITIES AND TRANSPORTATION COMMISSION	26
VIDEO TELECOMMUNICATIONS	167
VOLUNTARY RETIREMENT INCENTIVES	170
VOLUNTARY SEPARATION INCENTIVES	169
WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM	81
WASHINGTON STATE ARTS COMMISSION	140
WASHINGTON STATE HISTORICAL SOCIETY	141
WASHINGTON STATE LOTTERY	21
WASHINGTON STATE UNIVERSITY	129
WESTERN WASHINGTON UNIVERSITY	136
WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD	140

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