BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: S-2891.5/05 5th draft
ATTY/TYPIST: LL:seg
BRIEF DESCRIPTION: Making 2005-07 operating appropriations.
AN ACT Relating to fiscal matters; amending RCW 28A.160.195, 28A.305.210, 28A.500.030, 41.05.120, 41.50.110, 41.50.110, 43.07.130, 43.08.190, 43.08.250, 43.10.180, 43.43.944, 43.70.320, 43.72.900, 66.16.010, 67.40.040, 69.50.520, 70.93.180, 70.105D.070, 70.146.030, 70.146.080, 70.148.020, 72.11.040, 74.09.5225, 74.46.431, 79.64.040, 79.90.245, and 86.26.007; reenacting and amending RCW 43.320.110; creating new sections; making appropriations; providing an effective date; providing expiration dates; and declaring an emergency.

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

NEW SECTION. Sec. 1. (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through VIII of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2005, and ending June 30, 2007, except as otherwise provided, out of 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
NEW SECTION. Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY

Department of Retirement Systems Expense Account--
State Appropriation . . . . . . . . . . . . . . . . . . $2,902,000

NEW SECTION. Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

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

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

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

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

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

NEW SECTION. Sec. 109. FOR THE SUPREME COURT

General Fund--State Appropriation (FY 2006) . . . . . . $5,836,000
General Fund--State Appropriation (FY 2007) . . . . . . $5,991,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . $11,827,000
NEW SECTION. Sec. 110. FOR THE LAW LIBRARY

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

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

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

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

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . $18,904,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $19,048,000
Public Safety and Education Account--State
  Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $55,879,000
Judicial Information Systems Account--State
  Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $25,199,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $119,030,000

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

(1) $900,000 of the general fund--state appropriation for fiscal year 2006 and $900,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for court-appointed special advocates in dependency matters. The administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain
more than six percent of total funding to cover administrative or any
other agency costs.

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

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

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

(5) Each fiscal year during the 2005-07 fiscal biennium, each
county shall report the number of petitions processed and the total
actual costs of processing truancy, children in need of services, and
at-risk youth petitions. Counties shall submit the reports to the
administrator for the courts no later than 45 days after the end of the
fiscal year. The administrator for the courts shall electronically
transmit this information to the chairs and ranking minority members of
the house of representatives appropriations committee and the senate
ways and means committee no later than 60 days after a fiscal year
ends. These reports are deemed informational in nature and are not for
the purpose of distributing funds.
(6) $7,231,000 of the public safety and education account--state appropriation is provided solely for distribution to local governments to pay for district and certain municipal court judges' salaries pursuant to Senate Bill No. 5454 (court operations). If Senate Bill No. 5454 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

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

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

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

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

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

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

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

(5) $4,000,000 of the public benefit account--state appropriation is provided solely for a criminal indigent defense pilot program. If Senate Bill No. 5287 (social card games) is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.
(a) The goal of the pilot program shall be to enhance the quality of legal representation of indigent criminal defendants charged with felony or misdemeanor offenses. To meet this goal, the pilot program shall include the following components:

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

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

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

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

NEW SECTION. Sec. 115. FOR THE OFFICE OF THE GOVERNOR
General Fund--State Appropriation (FY 2006) . . . . . . . . $5,474,000
General Fund--State Appropriation (FY 2007) . . . . . . . . $4,928,000
General Fund--Federal Appropriation . . . . . . . . . . . . $1,350,000
Water Quality Account--State Appropriation . . . . . . . . $4,112,000
Oil Spill Prevention Account--State Appropriation . . . . . $508,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . $16,372,000

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

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

(2) $200,000 of the general fund--state appropriation for fiscal year 2006, $200,000 of the general fund--state appropriation for fiscal year 2007, and $200,000 of the general fund--federal appropriation are
provided solely for one-time corrective actions to address Hood canal's
dissolved oxygen problems, the Puget Sound conservation and recovery
plan action item PSAT-07.

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

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

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

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

(5) $115,000 of the general fund--state appropriation for fiscal
year 2006 and $115,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for the implementation of Senate Bill No. 5278 (ocean policy review commission). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

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

NEW SECTION. Sec. 116. FOR THE LIEUTENANT GOVERNOR

General Fund--State Appropriation (FY 2006) ................. $715,000
General Fund--State Appropriation (FY 2007) ................. $726,000
TOTAL APPROPRIATION ........................................ $1,441,000

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

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

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

General Fund--State Appropriation (FY 2006) ................. $18,749,000
General Fund--State Appropriation (FY 2007) ................. $16,807,000
General Fund--Federal Appropriation ........................... $7,025,000
Archives and Records Management Account--State
  Appropriation .................................................. $8,023,000
Local Government Archives Account--State
  Appropriation .................................................. $11,773,000
Election Account--Federal Appropriation ......................... $46,993,000
TOTAL APPROPRIATION ........................................ $109,370,000

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

(1) $2,296,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.
(2) $1,999,000 of the general fund--state appropriation for fiscal year 2006 and $2,403,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

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

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

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

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

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

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of
Washington, or by the congress, or the adoption or rejection of any
rule, standard, rate, or other legislative enactment of any state
agency;
(ii) Making contributions reportable under chapter 42.17 RCW; or
(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
lodging, meals, or entertainment to a public officer or employee.

NEW SECTION. Sec. 119. FOR THE GOVERNOR’S OFFICE OF INDIAN
AFFAIRS
General Fund--State Appropriation (FY 2006) ....... $273,000
General Fund--State Appropriation (FY 2007) ....... $284,000
TOTAL APPROPRIATION ................. $557,000

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

NEW SECTION. Sec. 120. FOR THE COMMISSION ON ASIAN–PACIFIC–
AMERICAN AFFAIRS
General Fund--State Appropriation (FY 2006) ....... $233,000
General Fund--State Appropriation (FY 2007) ....... $234,000
TOTAL APPROPRIATION ................. $467,000

NEW SECTION. Sec. 121. FOR THE STATE TREASURER
State Treasurer’s Service Account--State
Appropriation ................................. $13,666,000

NEW SECTION. Sec. 122. FOR THE STATE AUDITOR
General Fund--State Appropriation (FY 2006) ....... $731,000
General Fund--State Appropriation (FY 2007) ....... $727,000
State Auditing Services Revolving Account--State
Appropriation ................................. $13,168,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $14,626,000

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

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

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

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $133,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $202,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $335,000

NEW SECTION. Sec. 124. FOR THE ATTORNEY GENERAL

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $5,172,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $5,052,000
General Fund--Federal Appropriation .............. $2,927,000
Public Safety and Education Account--State
  Appropriation ............................... $2,239,000
New Motor Vehicle Arbitration Account--State
  Appropriation ............................... $1,298,000
Legal Services Revolving Account--State Appropriation .. $182,267,000
Tobacco Prevention and Control Account--State
  Appropriation ............................... $270,000
  TOTAL APPROPRIATION ........................ $199,225,000

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

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

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

NEW SECTION.  Sec. 125.  FOR THE CASELOAD FORECAST COUNCIL
General Fund--State Appropriation (FY 2006) ................ $712,000
General Fund--State Appropriation (FY 2007) ................ $695,000
  TOTAL APPROPRIATION ........................ $1,407,000

NEW SECTION.  Sec. 126.  FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
General Fund--State Appropriation (FY 2006) ................ $66,916,000
General Fund--State Appropriation (FY 2007) ................ $69,548,000
General Fund--Federal Appropriation ....................... $246,457,000
General Fund--Private/Local Appropriation ................ $12,161,000
Public Safety and Education Account--State
  Appropriation ............................... $10,113,000
Public Works Assistance Account--State Appropriation ... $2,814,000
Tourism Development and Promotion Account

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1 Appropriation ........................................ $300,000
2 Drinking Water Assistance Administrative Account--
   State Appropriation ..................................... $213,000
3 Lead Paint Account--State Appropriation ............... $6,000
4 Building Code Council Account--State Appropriation ... $1,108,000
5 Administrative Contingency Account--State
   Appropriation ........................................ $1,808,000
6 Low-Income Weatherization Assistance Account--State
   Appropriation ........................................ $8,359,000
7 Violence Reduction and Drug Enforcement Account--State
   Appropriation ........................................ $10,198,000
8 Manufactured Home Installation Training Account--State
   Appropriation ........................................ $236,000
9 Community and Economic Development Fee Account--State
   Appropriation ........................................ $1,567,000
10 Washington Housing Trust Account--State
   Appropriation ........................................ $18,881,000
11 Homeless Families Service Account--State Appropriation ... $300,000
12 Public Facility Construction Loan Revolving
   Account--State Appropriation ....................... $601,000
13 Public Benefit Account--State Appropriation ........... $4,000,000
14 TOTAL APPROPRIATION ................................. $455,586,000

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

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

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

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

(a) $2,064,000 to local units of government to continue multijurisdictional narcotics task forces;
(b) $330,000 to the department to continue the drug prosecution assistance program in support of multijurisdictional narcotics task forces;
(c) $675,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces and for methamphetamine education and response;
(d) $20,000 to the department for tribal law enforcement;
(e) $345,000 to the department to continue domestic violence legal advocacy;
(f) $60,000 to the department for community-based advocacy services to victims of violent crime, other than sexual assault and domestic violence;
(g) $351,000 to the department of social and health services, division of alcohol and substance abuse, for juvenile drug courts in eastern and western Washington;
(h) $626,000 to the department of social and health services, juvenile rehabilitation administration, to continue youth violence prevention and intervention projects;
(i) $97,000 to the department to continue evaluation of this grant program;
(j) $290,000 to the office of financial management for criminal history records improvement;
(k) $580,000 to the department for required grant administration, monitoring, and reporting on justice assistance grant programs; and
(l) $464,000 to the department for distribution to small municipalities.

These amounts represent the maximum justice assistance grant expenditure authority for each program. No program may expend justice assistance grant funds in excess of the amounts provided in this subsection. If moneys in excess of those appropriated in this subsection become available, whether from prior or current fiscal year distributions, the department shall hold these moneys in reserve and may not expend them without specific appropriation. These moneys shall be carried forward and applied to the pool of moneys available for
appropriation for programs and projects in the succeeding fiscal year. As part of its budget request for the succeeding year, the department shall estimate and request authority to spend any justice assistance grant funds.

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

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

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

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

(8) $1,288,000 of the Washington housing trust account--state appropriation shall lapse if neither House Bill No. 1074 nor Senate Bill No. 5108 are enacted by June 30, 2005.
(9) $236,000 of the public works assistance account--state appropriation is provided solely for technical assistance to municipalities through the small communities initiative.

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

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

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

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

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

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

(16) $125,000 of the general fund--state appropriation for fiscal year 2006 and $125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the center for advanced manufacturing to assist and serve incubating manufacturing companies.
(17) $3,000,000 of the public benefit account--state appropriation is provided solely to increase grant funding for civil legal representation of indigent persons under RCW 43.08.260. If Senate Bill No. 5287 (social card games) is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

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

(19) $50,500 of the general fund--state appropriation is provided solely for work with the northwest food processors association on the food processing cluster development project.

NEW SECTION. Sec. 127. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL
General Fund--State Appropriation (FY 2006) .................. $568,000
General Fund--State Appropriation (FY 2007) .................. $503,000
TOTAL APPROPRIATION ................................. $1,071,000

NEW SECTION. Sec. 128. FOR THE OFFICE OF FINANCIAL MANAGEMENT
General Fund--State Appropriation (FY 2006) .............. $16,259,000
General Fund--State Appropriation (FY 2007) .............. $15,539,000
General Fund--Federal Appropriation ...................... $23,510,000
Public Works Assistance Account--State Appropriation .... $200,000
Violence Reduction and Drug Enforcement Account--State Appropriation ................... $246,000
State Auditing Services Revolving Account--State Appropriation ......................... $25,000
TOTAL APPROPRIATION ................................. $55,779,000

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

(1) $200,000 of the public works assistance account appropriation is provided solely for an inventory and evaluation of the most effective way to organize the state public infrastructure programs and funds. The inventory shall identify: The public infrastructure state programs and funds and the purposes each serve; how the program or fund
is implemented; the types of public infrastructure projects supported
by the program or fund; the dollar amount of the projects funded,
annual loan amounts, outstanding loans, and repayments by each program
or fund; and the geographic distribution of projects supported by a
program or fund. Where applicable, the inventory shall identify
overlaps or gaps in types of public infrastructure projects supported
through state programs or funds. The evaluation shall develop
recommendations to have the most efficient and effective programs that
fund: Economic development and job growth; repairing failing systems;
expanding systems to handle growth; geographic diversity; the type of
systems; and environmental improvements. The inventory and evaluation
shall be delivered to the governor and the appropriate committees of
the legislature by September 1, 2005.

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

(b) The study shall be overseen by an advisory group consisting of
thirteen members including one representative each of the governor's
office, the office of financial management or the department of social
and health services, and the Washington state developmental
disabilities council, appointed by the governor; two representatives of
labor, appointed by the governor; one representative of community
residential care providers, appointed by the governor; one
representative of residents of residential habilitation centers and
their families; one representative of individuals served in community
residential programs and their families, appointed by the governor; one
individual with a developmental disability who is or has been a
resident in a residential habilitation center and who is being or has
been served in a community residential program, appointed by the
governor; and two members of the house of representatives appointed by
the speaker of the house of representatives, one of whom shall be a
member of the majority caucus and one of whom shall be a member of the
minority caucus, and two members of the senate appointed by the
president of the senate, one of whom shall be a member of the majority
caucus and one of whom shall be a member of the minority caucus. The
governor shall appoint the chairperson. Legislative members of the
advisory group shall be reimbursed for travel expenses in accordance
with RCW 44.04.120. Nonlegislative members are entitled to be
reimbursed for travel expenses in accordance with RCW 43.03.050 and
43.03.060. The department of social and health services, the
developmental disabilities council, the office of financial management,
the house of representatives office of program research, and senate
committee services shall provide staff support.

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

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

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

(5) The office of financial management shall work with the
department of social and health services and legislative fiscal
committee staff, with data provided by the caseload forecast council
and the updated juvenile rehabilitation master plan, to determine at
what point closure or consolidation of Green Hill training school or
Maple Lane training school will be necessary based on declining
population, and to develop a plan for potential closure or consolidation with other department of social and health services facilities. The plan shall include, but not be limited to, recommendations for operating and capital budget decisions, including capital investments needed to facilitate closure or consolidation and provide the necessary range of services in the juvenile rehabilitation system if a facility is closed. The office of financial management shall report to the fiscal committees of the legislature not later than October 1, 2006.

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

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

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

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

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section may not be expended by the Washington state lottery to investigate, evaluate, develop, implement, or otherwise support any game that allows or
requires a player to become eligible for a prize or to otherwise play any portion of the game by using either (1) the internet; or (2) any interactive device or terminal involving electronic, digital, or video representations of pull-tabs, bingo, poker or other cards, dice, roulette, keno, or other games of chance.

NEW SECTION.  Sec. 132. FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund--State Appropriation (FY 2006) . . . . . . . $236,000
General Fund--State Appropriation (FY 2007) . . . . . . . $243,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . $479,000

NEW SECTION.  Sec. 133. FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund--State Appropriation (FY 2006) . . . . . . . $235,000
General Fund--State Appropriation (FY 2007) . . . . . . . $236,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . $471,000

NEW SECTION.  Sec. 134. FOR THE PERSONNEL APPEALS BOARD

Department of Personnel Service Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $1,006,000

NEW SECTION.  Sec. 135. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS

Dependent Care Administrative Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $406,000
Department of Retirement Systems Expense Account--
State Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . $43,708,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . $44,114,000

The appropriations in this section are subject to the following conditions and limitations: $16,000 of the department of retirement systems expense account appropriation is provided solely to implement Senate Bill No. 5522 (purchasing service credit). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

NEW SECTION.  Sec. 136. FOR THE STATE INVESTMENT BOARD

State Investment Board Expense Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $15,719,000
NEW SECTION.  Sec. 137. FOR THE DEPARTMENT OF REVENUE

General Fund--State Appropriation (FY 2006) ........... $86,930,000
General Fund--State Appropriation (FY 2007) ........... $86,143,000
Timber Tax Distribution Account--State Appropriation ... $5,446,000
Waste Reduction/Recycling/Litter Control--State
  Appropriation ............................................ $104,000
State Toxics Control Account--State Appropriation ....... $69,000
Oil Spill Prevention Account--State Appropriation ....... $14,000
  TOTAL APPROPRIATION .................................... $178,706,000

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

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

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

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

County Research Services Account--State Appropriation .... $787,000
City and Town Research Services Account--State
  Appropriation ............................................ $4,134,000
  TOTAL APPROPRIATION .................................... $4,921,000

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

OMWBE Enterprises Account--State Appropriation ......... $3,094,000

The appropriation in this section is subject to the following conditions and limitations: $180,000 of the OMWBE enterprises account appropriation is provided for management of private sector grants and
coordination of support services to small businesses in the state. It is the intent of the legislature that this amount be funded from new grant revenues and business fees.

NEW SECTION. Sec. 141. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

General Fund--State Appropriation (FY 2006) .................. $243,000
General Fund--State Appropriation (FY 2007) .................. $228,000
General Fund--Federal Appropriation .......................... $3,634,000
General Administration Service Account--State
  Appropriation ................................................. $32,651,000
  TOTAL APPROPRIATION ....................................... $36,953,000

NEW SECTION. Sec. 142. FOR THE DEPARTMENT OF INFORMATION SERVICES

Data Processing Revolving Account--State
  Appropriation ................................................. $3,552,000

NEW SECTION. Sec. 143. FOR THE INSURANCE COMMISSIONER

General Fund--Federal Appropriation .......................... $655,000
Insurance Commissioners Regulatory Account--State
  Appropriation ................................................. $39,023,000
  TOTAL APPROPRIATION ....................................... $39,678,000

The appropriations in this section are subject to the following conditions and limitations: The office of the insurance commissioner shall perform an evaluation of the feasibility of subscription air ambulance service pursuant to the provisions of Engrossed Substitute Senate Bill No. 5736.

NEW SECTION. Sec. 144. FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account--State
  Appropriation ................................................. $1,931,000

NEW SECTION. Sec. 145. FOR THE FORENSIC INVESTIGATION COUNCIL

Death Investigations Account--State Appropriation ............ $282,000

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

NEW SECTION. Sec. 146. FOR THE HORSE RACING COMMISSION
Horse Racing Commission Operating Account--State Appropriation $4,878,000

NEW SECTION. Sec. 147. FOR THE LIQUOR CONTROL BOARD
General Fund--State Appropriation (FY 2006) $1,528,000
General Fund--State Appropriation (FY 2007) $1,521,000
Liquor Control Board Construction and Maintenance Account--State Appropriation $12,832,000
Liquor Revolving Account--State Appropriation $149,810,000
TOTAL APPROPRIATION $165,691,000

The appropriations in this section are subject to the following conditions and limitations:
(1) As authorized under RCW 66.16.010, the liquor control board shall add an equivalent surcharge of $0.42 per liter on all retail sales of spirits, excluding licensee, military and tribal sales, effective no later than July 1, 2005. The intent of this surcharge is to generate additional revenues for the state general fund in the 2005-07 biennium.
(2) $154,000 of the liquor revolving account--state appropriation is provided solely for the lease of state vehicles from the department of general administration's motor pool.
(3) $2,228,000 of the liquor revolving account--state appropriation is provided solely for costs associated with the installation of a wide area network that connects all of the state liquor stores and the liquor control board headquarters.
(4) $186,000 of the liquor revolving account--state appropriation is provided solely for an alcohol education staff coordinator and associated alcohol educational resources targeted toward middle school and high school students.
(5) $2,261,000 of the liquor revolving account--state appropriation
is provided solely for replacement of essential computer equipment, improvement of security measures, and improvement to the core information technology infrastructure.

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

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

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

NEW SECTION. Sec. 148. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Public Service Revolving Account--State Appropriation . . $27,787,000
Pipepline Safety Account--State Appropriation . . . . . . $2,827,000
Pipepline Safety Account--Federal Appropriation . . . . . $1,476,000
NEW SECTION. Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS
Volunteer Firefighters’ and Reserve Officers’
Administrative Account--State Appropriation .................. $750,000

NEW SECTION. Sec. 150. FOR THE MILITARY DEPARTMENT
General Fund--State Appropriation (FY 2006) ................. $9,017,000
General Fund--State Appropriation (FY 2007) ................. $8,970,000
General Fund--Federal Appropriation ......................... $165,137,000
Enhanced 911 Account--State Appropriation .................. $34,705,000
Disaster Response Account--State Appropriation ............. $3,144,000
Disaster Response Account--Federal Appropriation ........... $11,008,000
Worker and Community Right-to-Know Account--State
Appropriation .............................................. $302,000
Nisqually Earthquake Account--State Appropriation ........ $6,687,000
Nisqually Earthquake Account--Federal Appropriation ...... $29,052,000
Military Department Rental and Lease Account--State
Appropriation .............................................. $378,000
TOTAL APPROPRIATION ................................... $268,400,000

The appropriations in this section are subject to the following
conditions and limitations:
(1) $2,277,000 of the disaster response account--state
appropriation and $11,008,000 of the disaster response account--federal
appropriation may be spent only on disasters declared by the governor
and with the approval of the office of financial management. The
military department shall submit a report quarterly to the office of
financial management and the legislative fiscal committees detailing
information on the disaster response account, including: (a) The
amount and type of deposits into the account; (b) the current available
fund balance as of the reporting date; and (c) the projected fund
balance at the end of the 2005-07 biennium based on current revenue and
expenditure patterns.
(2) $6,687,000 of the Nisqually earthquake account--state
appropriation and $29,052,000 of the Nisqually earthquake account--
federal appropriation are provided solely for response and recovery
costs associated with the February 28, 2001, earthquake. The military
department shall submit a report quarterly to the office of financial
management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2005-07 biennium based on current revenue and expenditure patterns.

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

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

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

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

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

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

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

<table>
<thead>
<tr>
<th>Source</th>
<th>Fiscal Year</th>
<th>Appropriation</th>
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<tbody>
<tr>
<td>General Fund--State Appropriation</td>
<td>FY 2006</td>
<td>$2,572,000</td>
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<tr>
<td>General Fund--State Appropriation</td>
<td>FY 2007</td>
<td>$2,574,000</td>
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<tr>
<td>Department of Personnel Service Account--State Appropriation</td>
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<td>$2,704,000</td>
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<td><strong>TOTAL APPROPRIATION</strong></td>
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<td>$7,850,000</td>
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**NEW SECTION.** Sec. 152. FOR THE GROWTH PLANNING HEARINGS BOARD

<table>
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<tr>
<td>General Fund--State Appropriation</td>
<td>FY 2006</td>
<td>$1,558,000</td>
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<tr>
<td>General Fund--State Appropriation</td>
<td>FY 2007</td>
<td>$1,550,000</td>
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<td><strong>TOTAL APPROPRIATION</strong></td>
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<td>$3,108,000</td>
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The appropriations in this section are subject to the following conditions and limitations: $9,000 of the general fund--state appropriation for fiscal year 2006 and $9,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Western Board to relocate. If the Western Board does not relocate by June 30, 2006, the amounts provided in this subsection shall lapse.

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

<table>
<thead>
<tr>
<th>Source</th>
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<tr>
<td>State Convention and Trade Center Account--State Appropriation</td>
<td>$30,512,000</td>
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<td>State Convention and Trade Center Operating Account--State Appropriation</td>
<td>$45,983,000</td>
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<td><strong>TOTAL APPROPRIATION</strong></td>
<td>$76,495,000</td>
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**NEW SECTION.** Sec. 154. FOR THE DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION

<table>
<thead>
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<th>Source</th>
<th>Appropriation</th>
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<tbody>
<tr>
<td>General Fund--State Appropriation</td>
<td>FY 2006</td>
</tr>
<tr>
<td>General Fund--State Appropriation</td>
<td>FY 2007</td>
</tr>
<tr>
<td>General Fund--Federal Appropriation</td>
<td></td>
</tr>
</tbody>
</table>
1  General Fund--Private/Local Appropriation . . . . . . . . . . . . $14,000
2  TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . . $2,559,000

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

NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH
SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM
General Fund--State Appropriation (FY 2006) . . . . . . $241,346,000
General Fund--State Appropriation (FY 2007) . . . . . . $248,038,000
General Fund--Federal Appropriation . . . . . . . . . . . . $413,111,000
General Fund--Private/Local Appropriation . . . . . . . . $400,000
Public Safety and Education Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . $21,871,000
Violence Reduction and Drug Enforcement Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . $1,515,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . $926,281,000

The appropriations in this section are subject to the following
conditions and limitations:
(1) $2,271,000 of the fiscal year 2006 general fund--state
appropriation, $2,271,000 of the fiscal year 2007 general fund--state
appropriation, and $1,584,000 of the general fund--federal
appropriation are provided solely for the category of services titled
"intensive family preservation services."
(2) $701,000 of the general fund--state fiscal year 2006
appropriation and $701,000 of the general fund--state fiscal year 2007
appropriation are provided to contract for the operation of one
pediatric interim care facility. The facility shall provide
residential care for up to thirteen children through two years of age.
Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

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

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

(5) $50,000 of the fiscal year 2006 general fund--state appropriation and $50,000 of the fiscal year 2007 general fund--state appropriation are provided solely for a street youth program in Spokane.
$1,382,000 of the fiscal year 2006 general fund--state appropriation, $2,502,000 of the fiscal year 2007 general fund--state appropriation, and $1,664,000 of the general fund--federal appropriation are provided for reforms to the child protective services and child welfare services programs, including 30-day face-to-face contact for children in out-of-home care, improved timeliness of child protective services investigations, and an enhanced in-home child welfare services program. The department shall report December 1st of each year on the status of the hiring of new staff, implementation status, and outcomes of the reform.

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

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

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

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

<table>
<thead>
<tr>
<th>Account</th>
<th>Appropriation (FY)</th>
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<tr>
<td>General Fund--State Appropriation (FY 2006)</td>
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<td>General Fund--State Appropriation (FY 2007)</td>
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<td>General Fund--Federal Appropriation</td>
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<td>General Fund--Private/Local Appropriation</td>
<td>$1,098,000</td>
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<tr>
<td>Violence Reduction and Drug Enforcement Account--State Appropriation</td>
<td>$38,453,000</td>
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</table>
Juvenile Accountability Incentive Account--Federal

Appropriation ........................................ $5,528,000

TOTAL APPROPRIATION ............................... $207,972,000

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

(1) $695,000 of the violence reduction and drug enforcement account appropriation is provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) $6,065,000 of the violence reduction and drug enforcement account appropriation is provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) $1,204,000 of the general fund--state appropriation for fiscal year 2006, $1,204,000 of the general fund--state appropriation for fiscal year 2007, and $5,262,000 of the violence reduction and drug enforcement account appropriation are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) $2,544,000 of the violence reduction and drug enforcement account appropriation is provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders.

(5) For the purposes of a pilot project, the juvenile rehabilitation administration shall provide a block grant, rather than categorical funding, for consolidated juvenile services, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition
alternative to the Pierce county juvenile court. To evaluate the
effect of decategorizing funding for youth services, the juvenile court
shall do the following:

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

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

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

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

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

(6) $245,000 of the general fund--state appropriation for fiscal
year 2006 and $491,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely to reimburse counties for local
juvenile disposition alternatives implemented pursuant to Senate Bill
No. 5502 (juvenile sentencing) and Senate Bill No. 5719 (community
commitment). The juvenile rehabilitation administration, in
consultation with the juvenile court administrators, shall develop an
equitable distribution formula for the funding provided in this
subsection, and negotiate contracts that would avoid the cost of a
youth kept in the community costing more than serving the youth in a
juvenile rehabilitation institution and parole program on an average
daily population basis. The juvenile rehabilitation administration may
adjust the funding level provided in this subsection in the event that
utilization rates of the disposition alternatives are lower than the
level anticipated by the total appropriation to the juvenile
rehabilitation administration in this section. The juvenile
rehabilitation administration shall report to the appropriate policy
and fiscal committees of the legislature on the use of the disposition
alternatives and revocations by December 1, 2006. If either bill is
not enacted by June 30, 2005, the amounts provided in this subsection
shall lapse.

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

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS
General Fund--State Appropriation (FY 2006) . . . . . . . $262,099,000
General Fund--State Appropriation (FY 2007) . . . . . . . $271,948,000
General Fund--Federal Appropriation . . . . . . . . . . . $336,768,000
General Fund--Private/Local Appropriation . . . . . . . $1,970,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . $872,785,000

The appropriations in this subsection are subject to the following
conditions and limitations:
(a) $77,600,000 of the general fund--state appropriation for fiscal
year 2006 and $77,600,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for persons and services not
covered by the medicaid program. The department shall distribute these
funds among the regional support networks according to a formula that,
consistent with RCW 74.24.035(13), assures continuation of previous
levels of service in each regional support network area for persons in
the following priority order: (i) Acutely mentally ill children and
adults, including crisis and commitment services and inpatient
treatment; (ii) chronically mentally ill adults and severely
emotionally disturbed children, including personal and residential
care; and (iii) seriously disturbed children and adults.
(b) From the general fund--state appropriations in this subsection,
the secretary of social and health services shall assure that regional
support networks reimburse the aging and disability services
administration for the general fund--state cost of medicaid personal
care services that enrolled regional support network consumers use
because of their psychiatric disability.
(c) Within funds appropriated in this subsection, the department
shall contract with the Clark county regional support network for
development and operation of a project demonstrating collaborative
methods for providing intensive mental health services in the school
setting for severely emotionally disturbed children who are medicaid
eligible. Project services are to be delivered by teachers and
teaching assistants who qualify as, or who are under the supervision
of, mental health professionals meeting the requirements of chapter
275-57 WAC. The department shall increase medicaid payments to the
regional support network by the amount necessary to cover the necessary
and allowable costs of the demonstration, not to exceed the upper
payment limit specified for the regional support network in the
department's medicaid waiver agreement with the federal government
after meeting all other medicaid spending requirements assumed in this
subsection. The regional support network shall provide the required
nonfederal share of the increased medicaid payment provided for
operation of this project.

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

(2) INSTITUTIONAL SERVICES

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

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

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

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

(c) $3,950,000 of the general fund--state appropriation for fiscal
year 2006 and $3,900,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely to operate at least one more
forensic ward at western state hospital than was operational in December 2005, and to employ professional staff in addition to those assigned in December 2005 to conduct outpatient evaluations of competency to stand trial.

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

(3) CIVIL COMMITMENT
General Fund—State Appropriation (FY 2006) . . . . . . . $42,837,000
General Fund—State Appropriation (FY 2007) . . . . . . . $45,383,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . $88,220,000

(4) SPECIAL PROJECTS
General Fund—State Appropriation (FY 2006) . . . . . . . $567,000
General Fund—State Appropriation (FY 2007) . . . . . . . $915,000
General Fund—Federal Appropriation . . . . . . . . . . . $3,167,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . $4,649,000

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

(5) PROGRAM SUPPORT
General Fund—State Appropriation (FY 2006) . . . . . . . $3,553,000
General Fund—State Appropriation (FY 2007) . . . . . . . $3,431,000
General Fund—Federal Appropriation . . . . . . . . . . . $6,529,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . $13,513,000

The appropriations in this subsection are subject to the following conditions and limitations: $125,000 of the general fund—state appropriation for fiscal year 2006, $125,000 of the general fund—state appropriation for fiscal year 2007, and $164,000 of the general fund—federal appropriation are provided solely for the institute for public
policy to continue the longitudinal analysis directed in chapter 334, Laws of 2001 (mental health performance audit), and, to the extent funds are available within these amounts, to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders).

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

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2006) . . . . . . $298,685,000
General Fund--State Appropriation (FY 2007) . . . . . . $311,177,000
General Fund--Federal Appropriation . . . . . . . . . $503,915,000
Health Services Account--State Appropriation . . . . . . $904,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . $1,114,681,000

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

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

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

(c) Any new funding for family support and high school transition along with a portion of existing funding for these programs shall be provided as supplemental security income (SSI) state supplemental payments for persons with developmental disabilities in families with taxable incomes at or below 150 percent of median family income. Individuals receiving family support or high school transition payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.
(d) The department may transfer funding provided in this subsection to meet the purposes of subsection (2) of this section to the extent that fewer residents of residential habilitation centers choose to move to community placements than was assumed in this appropriation.

(e) $822,000 of the general fund--state appropriation for fiscal year 2006, $719,000 of the general fund--state appropriation for fiscal year 2007, and $1,540,000 of the general fund--federal appropriation are provided solely for the purposes of settling all claims and meeting the terms of the settlement agreement in the consolidated lawsuits, Boyle v. Braddock, United States District Court Western District of Washington at Tacoma, Cause No. C01-5687 FDB and The Arc of Washington v. Quasim, et al., United States District Court Western District of Washington at Tacoma, Cause No. C-99-5577 FDB, covering waiver services. The expenditure of these amounts is contingent on the approval of the parties' settlement agreement by the federal district court and the issuance of a court order staying all waiver claims in both cases until at least April 1, 2008.

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

(g) $356,000 of the general fund--state appropriation for fiscal year 2006, $1,012,000 of the general fund--state appropriation for fiscal year 2007, and $1,368,000 of the general fund--federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed $300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

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

(i) The department shall provide a status report on the
implementation and operation of the four home and community-based
waivers. The department shall electronically report to the appropriate
committees of the legislature, within 45 days following each fiscal
year quarter through June 30, 2007, the following information for each
home and community-based waiver: Total projected state and federal
fiscal year expenditures, year-to-date actual expenditures compared to
projected expenditures, year-to-date unduplicated clients compared to
projected clients, actual average per capita costs compared to
projected per capita costs, number of transfers between waivers, amount
of emergency funds spent to date compared to projected emergency costs,
state and federal funds transferred from the medicaid personal care
program to the four home and community-based waiver programs, and the
year-to-date number of new clients added to a waiver program.

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

(2) INSTITUTIONAL SERVICES

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

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2006) . . . . . . . . . $2,236,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $1,556,000
General Fund--Federal Appropriation . . . . . . . . . . . . . $2,062,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . $5,854,000

The appropriations in this subsection are subject to the following
conditions and limitations: $300,000 of the general fund--state
appropriation fiscal year 2006 is provided solely for the purposes of
meeting the terms of the settlement agreement in regards to the award of attorneys fees in the consolidated lawsuits, Boyle v. Braddock, United States District Court Western District of Washington at Tacoma, Cause No. C01-5687 FDB and The Arc of Washington v. Quasim, et al., United States District Court Western District of Washington at Tacoma, Cause No. C-99-5577 FDB, covering waiver services. The expenditure of these amounts is contingent on the approval of the parties' settlement agreement by the federal district court and the issuance of a court order staying all waiver claims in both cases until at least April 1, 2008. The total settlement costs shall not exceed the amount provided in this subsection.

(4) SPECIAL PROJECTS

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<td>General Fund--State Appropriation (FY 2007)</td>
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<tr>
<td>General Fund--Federal Appropriation</td>
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<td>TOTAL APPROPRIATION</td>
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NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT SERVICES PROGRAM

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<td>General Fund--State Appropriation (FY 2006)</td>
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<td>General Fund--State Appropriation (FY 2007)</td>
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<td>General Fund--Federal Appropriation</td>
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<td>Health Services Account--State Appropriation</td>
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<td>TOTAL APPROPRIATION</td>
<td>$2,514,409,000</td>
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The appropriations in this section are subject to the following conditions and limitations:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . $477,660,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . $487,401,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . . . $1,238,360,000
General Fund--Private/Local Appropriation . . . . . . . . . . . . . $31,466,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . $2,234,887,000

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

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

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

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

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

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

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

(5)(a) $1,000,000 of the general fund--state appropriation for fiscal year 2006, and $1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement a child care career and wage ladder program. The child care career and wage ladder shall provide increased wages for child care workers based
on their work experience, level of responsibility, and education. To
the extent practicable within available funds, the program shall be
modeled after the child care career and wage ladder program in place
from 2000 to 2003. Licensed child care centers may be eligible only if
they meet the following criteria: (i) At least ten percent of child
care slots are dedicated to children whose care is subsidized by the
state, local government, or any political subdivision; (ii) they agree
to adopt the child care career and wage ladder, which, at a minimum,
shall be at the same pay schedule as existed in the previous child care
career and wage ladder pilot project; and (iii) they meet further
program standards as established by rule. Since available funds may
not be sufficient to allow all qualifying child care centers to
participate, the department shall develop a system for prioritizing
child care centers interested in adopting the child care career and
wage ladder.

(b) Child care centers meeting the criteria established in this
subsection (5) that are located in the urban areas of the department of
social and health services region one shall receive a minimum of
fifteen percent of funds allocated through the child care career and
wage ladder, and of these centers, child care centers that are
participating in the department's Spokane tiered reimbursement pilot
project shall have first priority for child care career and wage ladder
funding.

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH
SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM
General Fund--State Appropriation (FY 2006) . . . . . . . $54,546,000
General Fund--State Appropriation (FY 2007) . . . . . . . $69,114,000
General Fund--Federal Appropriation . . . . . . . . . . . . . $111,385,000
General Fund--Private/Local Appropriation . . . . . . . . . $626,000
Criminal Justice Treatment Account--State Appropriation . $16,500,000
Violence Reduction and Drug Enforcement Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $48,988,000
Problem Gambling Treatment Account--State Appropriation .. $1,500,000
Public Safety and Education Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $2,080,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . $304,739,000
The appropriations in this section are subject to the following conditions and limitations:

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

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

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

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

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

(6) $465,000 of the general fund--state appropriation for fiscal year 2006, $1,224,000 of the general fund--state appropriation for fiscal year 2007, $1,592,000 of the general fund--federal
appropriation, and $846,000 of the violence reduction and drug
enforcement account appropriation are provided solely for vendor rate
adjustments for residential treatment providers. To the extent that a
portion of this funding is sufficient to maintain sufficient
residential treatment capacity, remaining amounts may then be used to
provide vendor rate adjustments to other types of providers as
prioritized by the department in order to maintain or increase
treatment capacity.

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

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . $1,474,131,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $1,585,376,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . $4,022,745,000
General Fund--Private/Local Appropriation . . . . . . . . . . $2,000,000
Emergency Medical Services and Trauma Care Systems
  Trust Account--State Appropriation . . . . . . . . . . . . . $15,000,000
Health Services Account--State Appropriation . . . . . . . . $639,715,000
  TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . $7,738,967,000

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

(1) In accordance with RCW 74.46.625, $6,000,000 of the general
fund--federal appropriation is provided solely for supplemental
payments to nursing homes operated by public hospital districts. The
public hospital district shall be responsible for providing the
required nonfederal match for the supplemental payment, and the
payments shall not exceed the maximum allowable under federal rules.
It is the legislature's intent that the payments shall be supplemental
to and shall not in any way offset or reduce the payments calculated
and provided in accordance with part E of chapter 74.46 RCW. It is the
legislature's further intent that costs otherwise allowable for rate-
setting and settlement against payments under chapter 74.46 RCW shall
not be disallowed solely because such costs have been paid by revenues
retained by the nursing home from these supplemental payments.

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

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

(4) In response to the federal directive to eliminate
intergovernmental transfer transactions effective June 30, 2005, the
department is directed to implement the inpatient hospital certified
public expenditures program for the 2005-07 biennium. The program
shall apply to all public hospitals, including those owned or operated
by the state, except those classified as critical access hospitals.
Hospitals in the program shall be paid and shall retain (a) one hundred
percent of the federal portion of each medicaid inpatient fee-for-
service claim payable by the medical assistance administration; and (b)
one hundred percent of the federal portion of the maximum
disproportionate share hospital payment allowable under federal
regulations. Medicaid fee-for-service claim amounts shall be
established by applying the department's ratio of costs to charges
payment methodology. The department shall provide participating
hospitals with the information needed by the hospital to certify the public expenditures required to qualify for the federal portions of both the medicaid inpatient fee-for-service payments and the disproportionate share hospital payments. The legislature intends that hospitals in the program receive no less in combined state and federal payments than they would have received under the methodology that was in place during fiscal year 2005. The department shall therefore make additional grant payments, not to exceed the amounts provided in this subsection, to hospitals whose total payments under the program would otherwise be less than the total state and federal payments they would have received under the methodology in effect during fiscal year 2005. $37,034,000 of the general fund--state appropriation for fiscal year 2006, $37,552,000 of the general fund--state appropriation for fiscal year 2007, $8,300,000 of the emergency medical services and trauma care systems trust account--state appropriation, and $45,450,000 of the general fund--federal appropriation are provided solely for new state grant and upper payment limit programs for the participating hospitals. (5) $3,972,000 of the general fund--state appropriation for fiscal year 2006, $3,990,000 of the general fund--state appropriation for fiscal year 2007, and $63,279,000 of the general fund--federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system. (6) $150,000 of the general fund--state appropriation for fiscal year 2006, $75,000 of the general fund--state appropriation for fiscal year 2007, and $225,000 of the general fund--federal appropriation are provided solely for the department to contract for an independent analysis of the medical assistance administration's current system for establishing hospital inpatient payment rates, and for recommendations on a new or updated system. The department shall submit an interim report of study findings by December 1, 2005, and a final report by November 15, 2006. The interim report shall include a comparison of the strengths and weaknesses of the current rate-setting system relative to those used by other state, federal, and private payers. The final report shall include recommendations on the design and implementation of a new or updated system that will promote equity among hospitals, access to quality care for patients, and cost-control and efficiency for taxpayers. The study should make use of complete
and current cost data from a wide variety of hospitals, recognize unique aspects of hospital service delivery structures and medicaid payment systems in Washington, and provide opportunities for comment and participation by key interest groups in the identification and assessment of alternatives.

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

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

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

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

(11) By October 1, 2005, the department shall recommend to the governor and legislature at least two pilot project designs which seem likely to reduce avoidable emergency room utilization at no net cost to the state within the projects' first eighteen months of operation.
NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION PROGRAM

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

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

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

General Fund--State Appropriation (FY 2006) ........... $31,356,000
General Fund--State Appropriation (FY 2007) ........... $27,922,000
General Fund--Federal Appropriation .................... $50,785,000
General Fund--Private/Local Appropriation .............. $810,000
Public Safety and Education Account--State
   Appropriation ........................................ $2,452,000
Violence Reduction and Drug Enforcement Account--State
   Appropriation ........................................ $2,358,000
   TOTAL APPROPRIATION ............................... $115,683,000

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

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

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

(3) $3,195,000 of the general fund--state appropriation for fiscal year 2006, $639,000 of the general fund--state appropriation for fiscal
year 2007, and $3,833,000 of the general--fund federal appropriation are provided solely to implement the 2005-07 homecare worker collective bargaining agreement.

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

General Fund--State Appropriation (FY 2006) . . . . . . . $46,381,000
General Fund--State Appropriation (FY 2007) . . . . . . . $46,380,000
General Fund--Federal Appropriation . . . . . . . . . . . $45,103,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $137,864,000

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

General Fund--Federal Appropriation . . . . . . . . . . . $2,723,000
State Health Care Authority Administrative Account--
  State Appropriation . . . . . . . . . . . . . . . . . . . . . . . $21,756,000
Medical Aid Account--State Appropriation . . . . . . . . $171,000
Health Services Account--State Appropriation . . . . $459,376,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $484,026,000

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

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

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

(3) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or
(ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

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

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

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . . $2,484,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . $2,457,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . $1,872,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . $6,813,000

The appropriations in this section are subject to the following conditions and limitations: The commission shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing any changes in existing federal revenues for the remainder of the current fiscal year and changes in projections of federal revenue for the upcoming fiscal year.
NEW SECTION.  Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

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

    Appropriation .......................................................... $20,000

Accident Account--State Appropriation ................................. $17,135,000

Medical Aid Account--State Appropriation .............................. $17,134,000

    TOTAL APPROPRIATION .................................................. $34,289,000

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

NEW SECTION.  Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Public Safety and Education Account--State

    Appropriation .......................................................... $18,183,000

Death Investigations Account--State Appropriation .................... $148,000

Municipal Criminal Justice Assistance Account--
    Private/Local Appropriation ........................................... $460,000

Public Benefit Account--State Appropriation .......................... $150,000

    TOTAL APPROPRIATION .................................................. $18,941,000

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

    (1) $150,000 of the public benefit account--state appropriation is provided solely to expand training for prosecuting attorneys. If Senate Bill No. 5287 (social card games) is not enacted by June 30, 2005, then the amount provided in this subsection shall lapse.

    (2) During the 2005-2007 biennium, the criminal justice training commission is authorized to raise existing fees charged for firearms certification for bail bond recovery agents in excess of the fiscal growth factor established by Initiative Measure No. 601, if necessary, to meet the actual costs of conducting the certification program and the appropriation levels in this section.
NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

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<td>TOTAL APPROPRIATION</td>
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The appropriations in this section are subject to the following conditions and limitations:

1. The department shall delay the costs associated with implementation of phase II of its indirect cost allocation plan for the public works administration account until July 1, 2007.

2. $700,000 of accident account--state appropriation and $699,000 of medical aid account--state appropriation are provided solely to implement Substitute Senate Bill No. 5237 (mandatory electronic data reporting for workers' compensation self-insurers). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

3. $15,107,000 of family leave account--state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill...
No. 5069 (family leave insurance). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(4) $114,000 of the general fund--state appropriation for fiscal year 2006 and $88,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Engrossed Second Substitute Senate Bill No. 5773 (homeowner protections). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(5) $48,000 of electrical license account--state appropriation is provided solely to implement Senate Bill No. 5307 (amusement rides). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6) $158,000 of accident account--state appropriation and $158,000 of medical aid account--state appropriation are provided solely to implement Substitute Senate Bill No. 5614 (annual audits of the state industrial insurance fund). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

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

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

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

(b) In accordance with RCW 7.68.015, it is the policy of the state that the department of labor and industries operate the crime victims' compensation program within the amounts provided for this program in this subsection.
NEW SECTION. Sec. 218. FOR THE INDETERMINATE SENTENCE REVIEW BOARD

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

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

(1) HEADQUARTERS
General Fund--State Appropriation (FY 2006) . . . . . . . . $1,873,000
General Fund--State Appropriation (FY 2007) . . . . . . . . $1,807,000
Charitable, Educational, Penal, and Reformatory Institutions Account--State Appropriation . . . . . . . . . . . . . . . . . . . . $10,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $3,690,000

The appropriations in this subsection are subject to the following conditions and limitations: $70,000 of the general fund--state appropriation for fiscal year 2006 and $70,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Senate Bill No. 5539 (veterans conservation corps). If Senate Bill No. 5539 is not enacted by June 30, 2005, these amounts shall lapse.

(2) FIELD SERVICES
General Fund--State Appropriation (FY 2006) . . . . . . . . $2,750,000
General Fund--State Appropriation (FY 2007) . . . . . . . . $2,730,000
General Fund--Federal Appropriation . . . . . . . . . . . . . $318,000
General Fund--Private/Local Appropriation . . . . . . . . . . $1,943,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $7,741,000

(3) INSTITUTIONAL SERVICES
General Fund--State Appropriation (FY 2006) . . . . . . . . $7,210,000
General Fund--State Appropriation (FY 2007) . . . . . . . . $6,435,000
General Fund--Federal Appropriation . . . . . . . . . . . . . $31,799,000
General Fund--Private/Local Appropriation . . . . . . . . . . $26,454,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $71,898,000

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

General Fund--State Appropriation (FY 2006) . . . . . . . . $1,408,000
General Fund--State Appropriation (FY 2007) . . . . . . . . $1,576,000
General Fund--Federal Appropriation . . . . . . . . . . . . . $1,034,000
NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF HEALTH

General Fund--State Appropriation (FY 2006) .............. $63,142,000
General Fund--State Appropriation (FY 2007) .............. $62,741,000
General Fund--Federal Appropriation ....................... $452,484,000
General Fund--Private/Local Appropriation ............... $98,661,000
Hospital Commission Account--State Appropriation ....... $2,553,000
Health Professions Account--State Appropriation ....... $46,644,000
Aquatic Lands Enhancement Account--State Appropriation . $600,000
Emergency Medical Services and Trauma Care Systems
  Trust Account--State Appropriation ....................... $12,567,000
Safe Drinking Water Account--State Appropriation ....... $2,838,000
Drinking Water Assistance Account--Federal
  Appropriation ............................................. $15,969,000
Waterworks Operator Certification--State Appropriation .. $1,083,000
Drinking Water Assistance Administrative Account--
  State Appropriation ...................................... $326,000
Water Quality Account--State Appropriation ............. $3,502,000
State Toxics Control Account--State Appropriation ..... $2,756,000
Medical Test Site Licensure Account--State
  Appropriation ............................................. $1,752,000
Youth Tobacco Prevention Account--State Appropriation .. $1,806,000
Public Health Supplemental Account--Private/Local
  Appropriation ............................................. $3,306,000
Accident Account--State Appropriation .................... $266,000
Medical Aid Account--State Appropriation ............... $46,000
Health Services Account--State Appropriation .......... $37,915,000
Tobacco Prevention and Control Account--State
  Appropriation ............................................. $52,621,000
Public Benefit Account--State Appropriation ........... $1,000,000
TOTAL APPROPRIATION .................................... $864,578,000

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

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

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

(3) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state 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.

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

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

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

(7) $25,000 of the general fund--state appropriation for fiscal
year 2006 is provided solely to develop and implement best practices in
preventative health care for children. The department and the kids get
care program of public health - Seattle and King county will work in
collaboration with local health care agencies to disseminate strategic
interventions that are focused on evidence-based best practices for
improving health outcomes in children and saving health-care costs.

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

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

(1) ADMINISTRATION AND SUPPORT SERVICES
General Fund--State Appropriation (FY 2006) ............... $38,271,000
General Fund--State Appropriation (FY 2007) ............... $38,077,000
Violence Reduction and Drug Enforcement Account--
State Appropriation ............................................. $26,000
Public Safety and Education Account--State
Appropriation .................................................. $2,656,000
TOTAL APPROPRIATION ................................. $79,030,000

(2) CORRECTIONAL OPERATIONS
General Fund--State Appropriation (FY 2006) ............... $509,512,000
General Fund--State Appropriation (FY 2007) ............... $525,934,000
General Fund--Federal Appropriation ............... $4,422,000
Violence Reduction and Drug Enforcement Account--
State Appropriation .................................. $2,984,000
TOTAL APPROPRIATION ............................... $1,042,852,000

The appropriations in this subsection are subject to the following conditions and limitations:
(a) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase work release beds in facilities throughout the state for $8,561,000.
(b) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. Any funds generated in excess of actual costs shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as recovery of costs.
(c) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.
(d) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.
(e) During the 2005-07 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.
### Community Supervision

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal Year 2006</th>
<th>Fiscal Year 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State Appropriation</td>
<td>$81,398,000</td>
<td>$78,632,000</td>
</tr>
<tr>
<td>Public Safety and Education Account--State Appropriation</td>
<td>$15,989,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL APPROPRIATION</td>
<td>$176,019,000</td>
<td></td>
</tr>
</tbody>
</table>

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

### Correctional Industries

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal Year 2006</th>
<th>Fiscal Year 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State Appropriation</td>
<td>$1,298,000</td>
<td>$728,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATION</td>
<td>$2,026,000</td>
<td></td>
</tr>
</tbody>
</table>

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

### Interagency Payments

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal Year 2006</th>
<th>Fiscal Year 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State Appropriation</td>
<td>$33,565,000</td>
<td>$33,564,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATION</td>
<td>$67,129,000</td>
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</tbody>
</table>

### New Section

Section 223. For the Department of Services for the Blind

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal Year 2006</th>
<th>Fiscal Year 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State Appropriation</td>
<td>$1,872,000</td>
<td>$1,897,000</td>
</tr>
<tr>
<td>General Fund--Federal Appropriation</td>
<td>$15,080,000</td>
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</tr>
<tr>
<td>General Fund--Private/Local Appropriation</td>
<td>$80,000</td>
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<tr>
<td>TOTAL APPROPRIATION</td>
<td>$18,929,000</td>
<td></td>
</tr>
</tbody>
</table>

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . . . $846,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . . . . $835,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $1,681,000

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . . . $37,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . . . . . . . $257,246,000
General Fund--Private/Local Appropriation . . . . . . . . . . . . . . . . . . $30,964,000
Unemployment Compensation Administration Account--
Federal Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $202,817,000
Administrative Contingency Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $14,629,000
Employment Service Administrative Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $23,830,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . . $529,523,000

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

(1) $2,087,000 of the unemployment compensation administration account--federal appropriation is provided from funds made available to the state by section 903(d) of the Social Security Act (Reed Act). These funds are provided to replace obsolete information technology infrastructure.

(2) $12,734,556 of the unemployment compensation administration account--federal appropriation is provided from funds made available to the state by section 903(d) of the Social Security Act (Reed Act). These funds are authorized for state choice administrative functions. The department shall submit recommendations by September 1, 2007, to the office of financial management and the legislative fiscal committees for options reducing the costs of the state choice administrative functions for the 2007-2009 biennium. If these options require any statutory changes, the department shall submit agency request legislation to the appropriate legislative policy committees and fiscal committees by December 15, 2007.

(3) $37,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to implement Substitute Senate Bill No. 5551 (studying the minimum wage). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.
(4) The appropriations in this section provide funding to implement House Bill No. 2255 (making adjustments to improve benefit equity in the unemployment insurance system).

(5) $9,016,000 of the unemployment compensation administration account--federal appropriation is provided from funds made available to the state by section 903(d) of the Social Security Act (Reed Act). These funds are authorized to provide fraud detection and collection, employer outreach, correction clearinghouse activities, and labor market information.

(End of part)
## PART III
### NATURAL RESOURCES

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

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Appropriation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State</td>
<td>(FY 2006)</td>
<td>$466,000</td>
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<tr>
<td>General Fund--State</td>
<td>(FY 2007)</td>
<td>$469,000</td>
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<tr>
<td>General Fund--Private/Local</td>
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<td>$845,000</td>
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<tr>
<td><strong>TOTAL APPROPRIATION</strong></td>
<td></td>
<td><strong>$1,780,000</strong></td>
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</table>

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

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Appropriation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State</td>
<td>(FY 2006)</td>
<td>$39,964,000</td>
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<tr>
<td>General Fund--State</td>
<td>(FY 2007)</td>
<td>$38,756,000</td>
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<tr>
<td>General Fund--Federal</td>
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<td>$72,286,000</td>
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<tr>
<td>General Fund--Private/Local</td>
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<td>$13,225,000</td>
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<tr>
<td>Special Grass Seed Burning Research</td>
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<td>$14,000</td>
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<tr>
<td>Reclamation Account--State</td>
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<td>$2,531,000</td>
</tr>
<tr>
<td>Flood Control Assistance Account--State</td>
<td></td>
<td>$3,042,000</td>
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<tr>
<td>State Emergency Water Projects</td>
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<td>$14,789,000</td>
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<tr>
<td>Account--State</td>
<td></td>
<td>$2,531,000</td>
</tr>
<tr>
<td>Waste Reduction/Recycling/Litter Control</td>
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<td>$157,000</td>
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<tr>
<td>Account--State</td>
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<td>$42,000</td>
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<tr>
<td>State Drought Preparedness Account</td>
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<tr>
<td>Account (Water Supply Facilities)</td>
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<td>$2,876,000</td>
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<td>Vessel Response Account--State</td>
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<td>$637,000</td>
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<td>Site Closure Account--State</td>
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<td>$28,400,000</td>
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<td>Water Quality Account--State</td>
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<td>$357,000</td>
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<td>Wood Stove Education and Enforcement</td>
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<td>$2,053,000</td>
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<td>Account--State</td>
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<td>$76,244,000</td>
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<td>Worker and Community Right-to-Know</td>
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<td>Account--State</td>
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<td>State Toxics Control Account</td>
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<tr>
<td>Account--State</td>
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<td>State Toxics Control Account</td>
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<tr>
<td>Account</td>
<td>Appropriation</td>
<td></td>
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<tr>
<td>------------------------------------------------</td>
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<tr>
<td>Appropriation</td>
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<tr>
<td>Local Toxics Control Account--State Appropriation</td>
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<td>Water Quality Permit Account--State Appropriation</td>
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<tr>
<td>Underground Storage Tank Account--State Appropriation</td>
<td>$2,794,000</td>
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<td>Environmental Excellence Account--State Appropriation</td>
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<tr>
<td>Biosolids Permit Account--State Appropriation</td>
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<tr>
<td>Hazardous Waste Assistance Account--State</td>
<td>$4,963,000</td>
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<td>Air Pollution Control Account--State Appropriation</td>
<td>$11,103,000</td>
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<tr>
<td>Oil Spill Prevention Account--State Appropriation</td>
<td>$10,255,000</td>
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<td>Air Operating Permit Account--State Appropriation</td>
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<tr>
<td>Freshwater Aquatic Weeds Account--State</td>
<td>$2,519,000</td>
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<tr>
<td>Oil Spill Response Account--State Appropriation</td>
<td>$7,078,000</td>
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<td>Metals Mining Account--State Appropriation</td>
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<td>Water Pollution Control Revolving Account--State</td>
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<tr>
<td>Water Pollution Control Revolving Account--Federal</td>
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<tr>
<td>Freshwater Aquatic Algae Control Account--State</td>
<td>$509,000</td>
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</tr>
</tbody>
</table>

**TOTAL APPROPRIATION** ............................... $379,992,000

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

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

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

3. $170,000 of the oil spill prevention account appropriation is provided solely for implementation of the Puget Sound conservation and recovery plan action item UW-02 through a contract with the University.
of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

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

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

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

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

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

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

cost, by fund source, of the data storage systems housing each

monitoring activity identified within the agency.

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

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

(9) $462,000 of the general fund--state appropriation for fiscal

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

(10) $509,000 of the freshwater aquatic algae control account--

state is provided solely for implementation of Senate Bill No. 5699
(aquatic invasive species). If the bill is not enacted by June 30,
2005, the amount provided in this subsection shall lapse.

(11) $153,000 of the general fund--state appropriation for fiscal

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

(12) $261,000 of the state toxic control account--state

appropriation is provided solely for implementation of Substitute
Senate Bill No. 5515 (brominated flame retardants). From within these
funds, the department shall determine expenditures related to
persistent bioaccumulative toxins (PBTs) by fund source and fiscal year
over the past six fiscal years and report these findings to the
appropriate fiscal committees of the legislature. The report shall
also estimate the need for future funding related to PBTs and recommend
possible reductions in lower priority agency programs sufficient to pay
for the needed funding for PBTs. If the bill is not enacted by June
30, 2005, the amount provided in this subsection shall lapse.

(13) $200,000 of the water quality account--state appropriation is
provided solely for the department to contract with the state conservation commission to provide statewide coordination and support for coordinated resource management.

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

General Fund--State Appropriation (FY 2006) ................... $32,389,000
General Fund--State Appropriation (FY 2007) ................... $31,212,000
General Fund--Federal Appropriation ......................... $2,697,000
General Fund--Private/Local Appropriation ................... $66,000
Winter Recreation Program Account--State
  Appropriation ............................................. $1,092,000
Off Road Vehicle Account--State Appropriation ............ $189,000
Snowmobile Account--State Appropriation ................. $4,797,000
Aquatic Lands Enhancement Account--State
  Appropriation ............................................. $340,000
Parks Renewal and Stewardship Account--State
  Appropriation ............................................. $37,811,000
Parks Renewal and Stewardship Account--Private/Local
  Appropriation ............................................. $300,000
TOTAL APPROPRIATION ........................................ $110,893,000

The appropriations in this section are subject to the following conditions and limitations:
(1) Fees approved by the state parks and recreation commission in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.
(2) $79,000 of the general fund--state appropriation for fiscal year 2006 and $79,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a grant for the operation of the Northwest avalanche center.
(3) $191,000 of the aquatic lands enhancement account appropriation is provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action item PRC-02.
(4) $59,000 of the parks renewal and stewardship account--state appropriation for fiscal year 2006 and $26,000 of the parks renewal and stewardship account--state appropriation for fiscal year 2007 are provided solely to develop a plan for public education and tourist
orientation and interpretation at selected state park sites along the
route of the ice age floods from Spokane to the Pacific ocean.

NEW SECTION.  Sec. 304.  FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR
RECREATION

General Fund--State Appropriation (FY 2006) . . . . . . . . . $1,400,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $1,410,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . $18,341,000
General Fund--Private/Local Appropriation . . . . . . . . . . $250,000
Aquatic Lands Enhancement Account--State Appropriation . . $254,000
Water Quality Account--State Appropriation . . . . . . . . . $200,000
Firearms Range Account--State Appropriation . . . . . . . . $24,000
Recreation Resources Account--State Appropriation . . . . $3,006,000
NOVA Program Account--State Appropriation . . . . . . . . $809,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $25,694,000

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

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

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

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

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

(3) During the 2005-07 fiscal biennium, any county that purchased land before 1978 for off-road vehicle sports park recreation pursuant to 1972 ex.s. c 153 and 1975 1st ex.s. c 34 may discharge its contractual obligations for state-funded capital improvements on those lands if it sells on the open market not later than June 30, 2007, at the highest price achievable, all such lands and related facilities and equipment. After deducting reasonable expenses for the cost of sale, all remaining funds will be deposited within thirty days of closing to the nonhighway and off-road vehicle activities program account in the office of the state treasurer. Any funds derived from such sale shall be used solely for the benefit of motorized off-road vehicle recreation programs and facilities in areas west of the crest of the Cascade Mountains with preference for developing a new off-road vehicle sports park, and with the review and advice of the nonhighway and off-road vehicle activities advisory committee.

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

NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE
General Fund--State Appropriation (FY 2006) . . . . . . . . . . $1,040,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . $1,033,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . $2,073,000

NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION
General Fund--State Appropriation (FY 2006) . . . . . . . . . . $2,379,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . $2,387,000
Water Quality Account--State Appropriation . . . . . . . . . . . $4,019,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $8,785,000

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

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

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

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

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

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

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

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<td>Recreation Resources Account--State Appropriation</td>
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The appropriations in this section are subject to the following conditions and limitations:

(1) $1,556,714 of the general fund--state appropriation for fiscal year 2006 and $1,556,713 of the general fund--state appropriation for
fiscal year 2007 are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DFW-01 through DFW-06, DFW-08 through DFW-12, and DFW-16.

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

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

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

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

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

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

(8) The department shall prepare a report detailing the hydraulic permit approval program applications and project types. The department shall coordinate with the office of financial management in determining
the contents of the report. At minimum, the report shall include permits by applicant (name, state, local, federal, tribal entity, etc.), project type (pamphlet, minor, medium, major, extension, revision, etc.) and project location (county and water resource inventory area). The department shall submit the report to the office of financial management and legislative fiscal committees no later than September 1, 2006.

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

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

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

The department shall provide a status report summarizing progress to the governor's forum on monitoring and watershed health and the office of financial management by March 1, 2006. A final report to the governor's forum on monitoring and watershed health, the office of financial management, and legislative fiscal committees is due no later than September 1, 2006.
(11) $75,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for a grant to the grizzly bear outreach project to disseminate accurate information about grizzly bears and the grizzly bear recovery process in the north Cascades mountains.

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

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

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

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<td>Resources Management Cost Account--State</td>
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<td>Disaster Response Account--State</td>
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<td>State Toxics Control Account--State Appropriation</td>
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Air Pollution Control Account--State Appropriation . . . . . . . . . . . $540,000
Derelict Vessel Removal Account--State Appropriation . . . $1,132,000
Agricultural College Trust Management
  Account--State Appropriation . . . . . . . . . . . . . . . . . . . . . $1,903,000
  TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . $268,638,000

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

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

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

3. $10,700,000 of the general fund--state appropriation for fiscal year 2006, $16,570,000 of the general fund--state appropriation for fiscal year 2007, and $4,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. Of these amounts, up to $250,000 may be expended for staff and other necessary resources to design and implement a fire data-collection system that includes financial- and performance-management information for fires over 10 acres in size.

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

4. $582,000 of the aquatic lands enhancement account appropriation is provided solely for spartina control.

5. Fees approved by the board of natural resources in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.
(6) $9,000,000 of the general fund--state appropriation for fiscal year 2006 and $2,000,000 of the aquatic lands enhancement account--state appropriation are provided solely for the purposes of settling all claims in U.S., et al. v. State of Washington, et al. Subproceeding No. 89-3 (Shellfish), United States District Court for the Western District of Washington at Seattle, Case No. C70-9213. The expenditure of this appropriation is contingent on the release of all claims in this subproceeding. In the event that the federal government does not appropriate $22,000,000 for this purpose by June 30, 2006, the amounts provided in this subsection shall lapse.

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

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

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

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

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

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

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

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

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

(c) A comparison of the competitive position of Washington's forest products industry globally, and with other leading forest products
states, or regions, of the United States. This evaluation should compare the relative tax burden for growing and harvesting timber between the states or regions and the relative cost of adhering to regulations, and identify the competitive advantages of each state or region.

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

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

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

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

(12) $4,000 of the general fund--state appropriation for fiscal year 2004 and $4,000 of the general fund--state appropriation for
fiscal year 2005 are provided solely to compensate the forest board
trust for a portion of the lease to the Crescent television improvement
district consistent with RCW 79.13.520.

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State Appropriation (FY 2006)</td>
<td>$9,844,000</td>
</tr>
<tr>
<td>General Fund--State Appropriation (FY 2007)</td>
<td>$9,612,000</td>
</tr>
<tr>
<td>General Fund--Federal Appropriation</td>
<td>$10,280,000</td>
</tr>
<tr>
<td>General Fund--Private/Local Appropriation</td>
<td>$410,000</td>
</tr>
<tr>
<td>Aquatic Lands Enhancement Account--State</td>
<td>$1,968,000</td>
</tr>
<tr>
<td>Water Quality Account--State Appropriation</td>
<td>$949,000</td>
</tr>
<tr>
<td>State Toxics Control Account--State Appropriation</td>
<td>$3,367,000</td>
</tr>
<tr>
<td>Water Quality Permit Account--State Appropriation</td>
<td>$238,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATION</strong></td>
<td>$36,668,000</td>
</tr>
</tbody>
</table>

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

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

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

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

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Pollution Liability Insurance Program Trust</td>
<td>$849,000</td>
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</table>

(End of part)
NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2006) ................ $1,750,000
General Fund--State Appropriation (FY 2007) ................ $1,532,000
Architects' License Account--State Appropriation .......... $717,000
Cemetery Account--State Appropriation ....................... $220,000
Professional Engineers' Account--State Appropriation .... $3,096,000
Real Estate Commission Account--State Appropriation .... $7,362,000
Master License Account--State Appropriation ............... $11,343,000
Uniform Commercial Code Account--State Appropriation ... $2,851,000
Real Estate Education Account--State Appropriation .... $275,000
Real Estate Appraiser Commission Account--State Appropriation .... $1,326,000
Business and Professions Account--State Appropriation ... $7,927,000
Real Estate Research Account--State Appropriation .... $301,000
Funeral Directors and Embalmers Account--State Appropriation .... $523,000
Geologists' Account--State Appropriation .................... $34,000
Data Processing Revolving Account--State Appropriation .... $29,000
Derelict Vessel Removal Account--State Appropriation .... $31,000
TOTAL APPROPRIATION .......................................... $39,317,000

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

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

(4) $7,927,000 of the business and professions account--state appropriation is subject to enactment of Substitute House Bill No. 1394 (business and professions account). If the bill is not enacted by June 30, 2005, the appropriations out of this account shall be made from the general fund.

NEW SECTION. Sec. 402. FOR THE STATE PATROL

| General Fund--State Appropriation (FY 2006) | $23,519,000 |
| General Fund--State Appropriation (FY 2007) | $22,589,000 |
| General Fund--Federal Appropriation          | $4,269,000 |
| General Fund--Private/Local Appropriation   | $582,000 |
| Death Investigations Account--State Appropriation | $5,791,000 |
| Public Safety and Education Account--State   | $23,346,000 |
| Enhanced 911 Account--State Appropriation    | $572,000 |
| County Criminal Justice Assistance           | $2,790,000 |
| Account--State Appropriation                 | $1,123,000 |
| Fire Service Trust Account--State Appropriation | $131,000 |
| Fire Service Training Account--State Appropriation | $7,476,000 |
| State Toxics Control Account--State Appropriation | $450,000 |
| Violence Reduction and Drug Enforcement      | $300,000 |
| Account--State Appropriation                 | $6,120,000 |
| DNA Data Base Account--State Appropriation   | $150,000 |

TOTAL APPROPRIATION: $99,208,000

The appropriations in this section are subject to the following conditions and limitations: $200,000 of the fire service training account--state appropriation is provided solely for two FTE's in the
office of state fire marshal to exclusively review K-12 construction
documents for fire and life safety in accordance with the state
building code. It is the intent of this appropriation to provide these
services only to those districts that are located in counties without
qualified review capabilities.

(End of part)
NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2006) ........ $12,815,000
General Fund--State Appropriation (FY 2007) ........ $12,303,000
General Fund--Federal Appropriation ........... $29,522,000

TOTAL APPROPRIATION .................. $54,640,000

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) $509,000 of the general fund--state appropriation for fiscal year 2006 and $504,000 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
educator standards board shall pursue the implementation of recent study recommendations including: (i) Revision of teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies; and (ii) development of mathematics specialist endorsement. Sufficient funding is provided in this subsection to accomplish the additional responsibilities of the professional educators standards board under Substitute Senate Bill No. 5732 (education governance).

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

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

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

(2) STATEWIDE PROGRAMS

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . $8,935,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . . $8,818,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . . . . $47,465,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $65,218,000

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

(a) HEALTH AND SAFETY

(i) A maximum of $2,541,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $2,541,000 of the
general fund--state appropriation for fiscal year 2007 are provided for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

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

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

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

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

(iv) $40,000 of the general fund--state appropriation is provided solely for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools.
throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

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

(b) TECHNOLOGY

A maximum of $1,939,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $1,939,000 of the general fund--state appropriation for fiscal year 2007 are provided for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

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

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

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

(iv) A maximum of $612,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $612,000 of the general fund--state appropriation for fiscal year 2007 are provided for in-service training and educational programs conducted by the Pacific Science Center.
(v) A maximum of $540,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $540,000 of the general fund--state appropriation for fiscal year 2007 are provided for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific Science Center.

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

(vii) A maximum of $146,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $146,000 of the general fund--state appropriation for fiscal year 2007 are provided for the Washington civil liberties education program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent
enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;
(c)(i) On the basis of full-time equivalent enrollment in:
(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and
(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;
(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support; and
(iii) Indirect cost charges by a school district to vocational-secondary programs shall not exceed 15 percent of the combined basic education and vocational enhancement allocations of state funds;
(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the state board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:
(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and
(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;
(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

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

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

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

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

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

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

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and
(h) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

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

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

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

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

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

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

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

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.
(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of $9,112 per certificated staff unit in the 2005-06 school year and a maximum of $9,285 per certificated staff unit in the 2006-07 school year.

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

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

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

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

(9) The superintendent may distribute a maximum of $7,622,000 outside the basic education formula during fiscal years 2006 and 2007 as follows:
(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of $513,000 may be expended in fiscal year 2006 and a maximum of $523,000 may be expended in fiscal year 2007;

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

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

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

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

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

(11) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (h) of this section, the following shall apply:
(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

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

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

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

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

(2) For the purposes of this section:

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

(b) "LEAP Document 12E" means the computerized tabulation of 2005-06 and 2006-07 school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the
1 legislative evaluation and accountability program committee on March
2 28, 2005, at 10:15 hours.
3
4 (3) Incremental fringe benefit factors shall be applied to salary
5 adjustments at a rate of 10.58 percent for school year 2005-06 and
6 10.58 percent for school year 2006-07 for certificated staff and for
7 classified staff 11.34 percent for school year 2005-06 and 11.34
8 percent for the 2006-07 school year.
9
10 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
11 allocation schedules for certificated instructional staff are
12 established for basic education salary allocations:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>BA</th>
<th>BA+15</th>
<th>BA+30</th>
<th>BA+45</th>
<th>BA+90</th>
<th>BA+135</th>
<th>MA</th>
<th>MA+45 or PHD</th>
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K-12 Salary Allocation Schedule For Certificated Instructional Staff
2006-07 School Year

Code Rev/LL:seg 101 S-2891.5/05 5th draft
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<tr>
<th>Years of Service</th>
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<th>BA+90</th>
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<th>MA+45</th>
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<td>58,241</td>
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<td></td>
</tr>
</tbody>
</table>

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

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

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

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

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

(6) No more than ninety college quarter-hour credits received by
any employee after the baccalaureate degree may be used to determine
compensation allocations under the state salary allocation schedule and
LEAP documents referenced in this act, or any replacement schedules and
documents, unless:
   (a) The employee has a masters degree; or
   (b) The credits were used in generating state salary allocations
before January 1, 1992.

(7) The certificated instructional staff base salary specified for
each district in LEAP Document 12E and the salary schedules in
subsection (4)(a) of this section include two learning improvement
days. A school district is eligible for the learning improvement day
funds only if the learning improvement days have been added to the 180-
day contract year. If fewer days are added, the additional learning
improvement allocation shall be adjusted accordingly. The additional
days shall be limited to specific activities identified in the state
required school improvement plan related to improving student learning
that are consistent with education reform implementation, and shall not
be considered part of basic education. The principal in each school
shall assure that the days are used to provide the necessary school-
wide, all staff professional development that is tied directly to the
school improvement plan. The school principal and the district
superintendent shall maintain documentation as to their approval of
these activities. The length of a learning improvement day shall not
be less than the length of a full day under the base contract. The
superintendent of public instruction shall ensure that school districts
adhere to the intent and purposes of this subsection.

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

NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC
INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS
General Fund--State Appropriation (FY 2006) . . . . . . . . $76,714,000
General Fund--State Appropriation (FY 2007) . . . . . . . . $192,776,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . $1,195,000
TOTAL APPROPRIATION ................. $270,685,000

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

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

(a) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

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

<table>
<thead>
<tr>
<th>School Year</th>
<th>2005-06</th>
<th>2006-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pupil Transportation (per weighted pupil mile)</td>
<td>$0.28</td>
<td>$0.67</td>
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<tr>
<td>Highly Capable (per formula student)</td>
<td>$2.96</td>
<td>$7.21</td>
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<tr>
<td>Transitional Bilingual Education (per eligible bilingual student)</td>
<td>$7.94</td>
<td>$19.32</td>
</tr>
<tr>
<td>Learning Assistance (per formula student)</td>
<td>$3.97</td>
<td>$9.66</td>
</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th>School Year</th>
<th>2005-06</th>
<th>2006-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pupil Transportation (per weighted pupil mile)</td>
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<td>Transitional Bilingual Education (per eligible bilingual student)</td>
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<tr>
<td>Learning Assistance (per formula student)</td>
<td>$6.30</td>
<td>$13.13</td>
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</table>

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

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

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

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

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

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

(3) $5,000 of the fiscal year 2006 appropriation and $5,000 of the fiscal year 2007 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.
(4) Allocations for transportation of students shall be based on reimbursement rates of $41.56 per weighted mile in the 2005-06 school year and $41.80 per weighted mile in the 2006-07 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

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

(6) Beginning with the 2005-06 school year, the superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of prices in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the current state price. The superintendent may include a weighting or other adjustment factor in the averaging formula to ease the transition from the current-price depreciation system to the average depreciation system. Prior to making any depreciation payment in the 2005-06 school year, the superintendent shall notify the office of financial management and the fiscal committees of the legislature of the specific depreciation formula to be used. The replacement cost shall be based on the lowest quote in the appropriate bus category for that school year.
In addition to the allocations for transportation of students in subsection (4) of this section, school districts shall be allocated $0.17 per weighted mile in the 2005-06 school year and $0.17 per weighted mile in the 2006-07 school year exclusive of salary and benefit adjustments provided in section 504 of this act. For the purposes of this subsection, the weighted miles will be calculated based on the actual reported amounts for the 2004-05 school year. The total amount allocated pursuant to this subsection shall be limited to $1,534,000 for the 2005-07 biennium.

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . $3,100,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $3,100,000
General Fund--Federal Appropriation . . . . . . . . . . . . . $287,403,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $293,603,000

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

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

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . . . $456,306,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $464,586,000
General Fund--Federal Appropriation . . . . . . . . . . . . . $435,453,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $1,356,345,000

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

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

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

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

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

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

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

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

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

(i) A district's annual average headcount enrollment of developmentally delayed infants and toddlers ages birth through two, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and
(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and
(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) A maximum of $100,000 of the general fund--federal appropriation shall be expended to create a special education ombudsman program within the office of superintendent of public instruction. The purpose of the program is to provide support to parents, guardians, educators, and students with disabilities. The program will provide information to help families and educators understand state laws, rules, and regulations, and access training and support, technical information services, and mediation services. The ombudsman program will provide data, information, and appropriate recommendations to the office of superintendent of public instruction, school districts, educational service districts, state need projects, and the parent and teacher information center.

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

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

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

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

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

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

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

General Fund--State Appropriation (FY 2006) . . . . . . . $3,702,000
General Fund--State Appropriation (FY 2007) . . . . . . . $3,702,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . $7,404,000

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The appropriations in this section are subject to the following conditions and limitations:
(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

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

(3) $170,000 of the fiscal year 2006 appropriation and $170,000 of the fiscal year 2007 appropriation are provided for the centrum program at Fort Worden state park.

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

NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD LEFT BEHIND ACT
General Fund--Federal Appropriation . . . . . . . . . . . . $22,084,000

NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS
General Fund--State Appropriation (FY 2006) . . . . . . $36,995,000
General Fund--State Appropriation (FY 2007) . . . . . . $33,255,000
General Fund--Federal Appropriation . . . . . . . . . . $123,264,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $193,514,000

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

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

(2) PROFESSIONAL DEVELOPMENT

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

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

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

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

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

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

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

(a) $313,000 of the general fund--state appropriation for fiscal year 2006 and $313,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (i) Development of an individualized professional growth plan for a new principal or principal candidate; and (ii) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, $50,000 per year shall be used to support additional participation of secondary principals.

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

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

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

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

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

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

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

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

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

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

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

(e) A maximum of $250,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $250,000 of the general fund--state appropriation for fiscal year 2007 are provided for summer accountability institutes offered by the superintendent of public instruction. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, social studies, including civics, and guidance and counseling. The superintendent of public instruction shall emphasize issues of high school reform and mathematics instruction when offering summer institute programs supported by funds provided in this subsection.

(f) $515,000 of the general fund--state appropriation for fiscal year 2006 and $515,000 of the general fund--state appropriation for fiscal year 2007 are provided for the evaluation of reading and
mathematics textbooks, other instructional materials, and diagnostic tools to determine the extent to which they are aligned with the state standards. A scorecard of the analysis shall be made available to school districts. The superintendent shall also develop and disseminate information on essential components of comprehensive, school-based math and reading programs and shall develop and disseminate grade level expectations for reading and math which shall include professional development modules and web-based materials.

(4) STUDENT SUPPORTS

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

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

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

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

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

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

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

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

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

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

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

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

(1) The general fund--state appropriations in this section are subject to the following conditions and limitations:
(a) Each general fund--state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
(b) Funding for school district learning assistance programs shall be allocated at maximum rates of $458.93 per funded unit for the 2005-06 school year and $459.84 per funded unit for the 2006-07 school year exclusive of salary and benefit adjustments provided under section 504 of this act.
(c) For purposes of this section, "test results" refers to the district results from the 2004-05 school year for a norm-referenced test administered in the specified grade level. The norm-referenced test results used for the third and sixth grade calculations shall be consistent with the third and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.
(d) A school district's general fund--state funded units for the 2005-06 and 2006-07 school years shall be the sum of the following:

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

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

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

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

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

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

(e) In addition to amounts allocated in (b) and (d) of this subsection, an additional amount shall be allocated to a school district for each school year in which the district's allocation is less than the amount the district received for the general fund--state learning assistance program allocation in the 2004-05 school year. The
amount of the allocation in this section shall be sufficient to
maintain the 2004-05 school year allocation.

(2) The general fund--federal appropriation in this section is
provided for Title I Part A allocations of the no child left behind act

(3) A school district may carry over from one year to the next up
to 10 percent of the general fund--state funds allocated under this
program; however, carryover funds shall be expended for the learning
assistance program.

NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC
INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM
Student Achievement Account--State Appropriation . . . . $629,356,000

The appropriation in this section is subject to the following
conditions and limitations:
(1) Funding for school district student achievement programs shall
be allocated at a maximum rate of $300.00 per FTE student for the 2005-
06 school year and $375.00 per FTE student for the 2006-07 school year.
For the purposes of this section and in accordance with RCW 84.52.068,
FTE student refers to the annual average full-time equivalent
enrollment of the school district in grades kindergarten through twelve
for the prior school year.
(2) The appropriation is allocated for the following uses as
specified in RCW 28A.505.210:
(a) To reduce class size by hiring certificated elementary
classroom teachers in grades K-4 and paying nonemployee-related costs
associated with those new teachers;
(b) To make selected reductions in class size in grades 5-12, such
as small high school writing classes;
(c) To provide extended learning opportunities to improve student
academic achievement in grades K-12, including, but not limited to,
extended school year, extended school day, before-and-after-school
programs, special tutoring programs, weekend school programs, summer
school, and all-day kindergarten;
(d) To provide additional professional development for educators
including additional paid time for curriculum and lesson redesign and
alignment, training to ensure that instruction is aligned with state
standards and student needs, reimbursement for higher education costs
related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection (2).

(3) $138,238,000 of the student achievement account—state appropriation is provided solely for the implementation of Senate Bill No. 6096 (generating new tax revenue for education funding). If the bill is not enacted before June 30, 2005, the amount provided in this subsection shall lapse.

(4) The superintendent of public instruction shall distribute the school year allocation according to the monthly apportionment schedule defined in RCW 28A.510.250.

NEW SECTION. Sec. 517. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS. State general fund and state student achievement fund appropriations provided to the superintendent of public instruction for state entitlement programs in the public schools in this part V of this act may be expended as needed by the superintendent for adjustments to apportionment for prior fiscal periods. Recoveries of state general fund moneys from school districts and educational service districts for a prior fiscal period shall be made as reductions in apportionment payments for the current fiscal period and shall be shown as prior year adjustments on apportionment reports for the current period. Such recoveries shall not be treated as revenues to the state, but as a reduction in the amount expended against the appropriation for the current fiscal period.

NEW SECTION. Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION. Appropriations made in this act to the office of superintendent of public instruction shall initially be allotted as
required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act.

(End of part)
NEW SECTION. Sec. 601. The appropriations in sections 603 through 609 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act.

(2)(a) The salary increases provided or referenced in this subsection and described in sections 938 through 968 of this act shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1).

(b) For employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1), salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) Each institution of higher education receiving appropriations for salary increases under sections 604 through 609 of this act may provide additional salary increases from other sources to instructional and research faculty, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Any additional salary increase granted under the authority of this subsection (2)(c) shall not be included in an institution's salary base for future state funding. It is the intent of the legislature that general fund--state support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (2)(c).

(d) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes.
Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the department of personnel for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) The tuition fees, as defined in chapter 28B.15 RCW, charged to full-time students at the state's institutions of higher education for the 2005-06 and 2006-07 academic years, other than the summer term, shall be adjusted by the governing boards of the state universities, regional universities, The Evergreen State College, and the state board for community and technical colleges. Tuition fees may be increased in excess of the fiscal growth factor.

For the 2005-06 academic year, the governing boards of the state universities may implement an increase no greater than seven percent over tuition fees charged to full-time resident undergraduate students for the 2004-05 academic year. The governing boards of the regional universities and The Evergreen State College may implement an increase no greater than six percent over tuition fees charged to full-time resident undergraduate students for the 2004-05 academic year. The state board for community and technical colleges may implement an increase no greater than five percent over tuition fees charged to full-time resident students for the 2004-05 academic year.

For the 2006-07 academic year, the governing boards of the state universities may implement an increase no greater than seven percent over tuition fees charged to full-time resident undergraduate students for the 2005-06 academic year. The governing boards of the regional universities and The Evergreen State College may implement an increase no greater than six percent over tuition fees charged to full-time resident undergraduate students for the 2005-06 academic year. The state board for community and technical colleges may implement an increase no greater than five percent over tuition fees charged to full-time resident students for the 2005-06 academic year.

(4) For the 2005-07 biennium, the state board for community and technical colleges may increase tuition fees differentially based on student credit hour load at their discretion.
(5) For the 2005-07 biennium, the governing boards and the state board may adjust full-time operating fees for factors that may include time of day and day of week, as well as delivery method and campus, to encourage full use of the state's educational facilities and resources.

(6) Technical colleges may increase their building fee in excess of the fiscal growth factor until parity is reached with the community colleges.

(7) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(8) Pursuant to RCW 43.135.055, institutions of higher education receiving appropriations under sections 603 through 609 of this act are authorized to increase summer term tuition in excess of the fiscal growth factor during the 2005-07 biennium. Tuition levels increased pursuant to this subsection shall not exceed the per credit hour rate calculated from the academic year tuition levels adopted under this act.

(9) Pursuant to RCW 43.135.055, community and technical colleges are authorized to increase services and activities fee charges in excess of the fiscal growth factor during the 2005-2007 biennium. The services and activities fee charges increased pursuant to this subsection shall not exceed the maximum level authorized by the state board for community and technical colleges.

(10) Pursuant to RCW 43.135.055, the governing boards of the state universities, regional universities, and The Evergreen State College are authorized to increase application fees in excess of the fiscal growth factor during the 2005-2007 biennium. The application fee levels increased pursuant to this subsection shall not exceed fifty dollars per application. This authority is contingent upon the institution charging a fee for electronic admission applications that is at least twenty-five percent less than the fee charged for written admission applications.

NEW SECTION. Sec. 602. (1) The appropriations in sections 603 through 609 of this act provide state general fund support for full-
time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institutions assumed in this act.

<table>
<thead>
<tr>
<th>Institution</th>
<th>2005-06</th>
<th>2006-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Average</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University of Washington</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main campus</td>
<td>33,165</td>
<td>33,473</td>
</tr>
<tr>
<td>Bothell branch</td>
<td>1,337</td>
<td>1,409</td>
</tr>
<tr>
<td>Tacoma branch</td>
<td>1,744</td>
<td>1,944</td>
</tr>
<tr>
<td>Washington State University</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main campus</td>
<td>18,773</td>
<td>19,034</td>
</tr>
<tr>
<td>Tri-Cities branch</td>
<td>720</td>
<td>765</td>
</tr>
<tr>
<td>Vancouver branch</td>
<td>1,428</td>
<td>1,628</td>
</tr>
<tr>
<td>Central Washington University</td>
<td>8,313</td>
<td>8,627</td>
</tr>
<tr>
<td>Eastern Washington University</td>
<td>8,638</td>
<td>9,007</td>
</tr>
<tr>
<td>The Evergreen State College</td>
<td>4,044</td>
<td>4,155</td>
</tr>
<tr>
<td>Western Washington University</td>
<td>11,509</td>
<td>11,629</td>
</tr>
<tr>
<td>State Board for Community and Technical Colleges</td>
<td>130,915</td>
<td>132,976</td>
</tr>
</tbody>
</table>

(2) For the state universities, the number of full-time equivalent student enrollments enumerated in this section for the branch campuses are the minimum required enrollment levels for those campuses. At the start of an academic year, the governing board of a state university may transfer full-time equivalent student enrollments from the main campus to one or more branch campus. Intent notice shall be provided to the office of financial management and reassignment of funded enrollment is contingent upon satisfying data needs of the forecast division who is responsible to track and monitor state-supported college enrollment.

NEW SECTION. Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND
TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2006) ........ $573,379,000
General Fund--State Appropriation (FY 2007) ........ $585,545,000
Administrative Contingency Account--State

Appropriation ............................................ $11,950,000
TOTAL APPROPRIATION ................................. $1,170,874,000

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

(1) The technical colleges may increase tuition and fees in excess of the fiscal growth factor to conform with the percentage increase in community college operating fees.

(2) $540,000 of the general fund--state appropriation for fiscal year 2006 and $540,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the displaced homemakers program.

(3) $50,000 of the general fund--state appropriation for fiscal year 2006 and $50,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(4) $28,761,000 of the general fund--state appropriation for fiscal year 2006 and $28,761,000 of the general fund--state appropriation for fiscal year 2007 are provided solely as special funds for training and related support services, including financial aid, as specified in chapter 226, Laws of 1993 (employment and training for unemployed workers). Funding is provided to support up to 6,200 full-time equivalent students in each fiscal year.

(5) $2,000,000 of the general fund--state appropriation for fiscal year 2006 and $2,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for basic skills education at community and technical colleges and community-based providers. These funds may be used to align or integrate adult basic education and English as a second language courses with vocational training.

(6) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 938 through 968 of this act are estimated to increase the total per student funding by $324 during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the community and
technical colleges as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, the state board for community and technical colleges shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

(a) Increase the number of academic students who are eligible to transfer to baccalaureate institutions;
(b) Increase the number of students prepared for work; and
(c) Increase the number of basic skills students who demonstrate substantive skill gain.

Specific six-year targets for the goals stated in this subsection shall be established by the state board and the office of financial management and shall be determined based on the per student funding level assumed in this act.

The state board for community and technical colleges shall provide a summary of the progress and ongoing efforts toward meeting the provisions of this section to the governor and the appropriate fiscal and policy committees of the legislature prior to November 1, 2006.

(7) $7,172,000 of the general fund--state appropriation for fiscal year 2006 and $14,343,000 of the general fund--state appropriation for fiscal year 2007 are provided to increase budgeted enrollments by 1,572 student FTEs in academic year 2006 and an additional 1,572 student FTEs in academic year 2007. $2,904,000 of the general fund--state appropriation for fiscal year 2006, $5,816,000 of the general fund--state appropriation for fiscal year 2007, and $3,000,000 of the administrative contingency account--state appropriation are provided solely to increase enrollments by 488 student FTEs in academic year 2006 and an additional 489 student FTEs in academic year 2007 in high demand fields as measured by both student and employer demand. The state board for community and technical colleges shall track enrollments, graduation rates, and job placement for each program that receives high-demand enrollments using data provided by each recipient institution. The board shall report on these outcomes on November 1st of each fiscal year to the office of financial management and the fiscal and higher education committees of the legislature. The enrollment increases provided in this section shall be limited to new students only and may not be used to pay for students currently enrolled by the institutions.
(8) $2,250,000 of the general fund--state appropriation for fiscal year 2006 and $2,250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to increase salaries and related benefits for part-time faculty. The board shall report by January 30, 2006, to the office of financial management and the appropriate fiscal and policy committees of the legislature on (a) the distribution of state funds, and (b) wage adjustments for part-time faculty.

(9) $2,250,000 of the general fund--state appropriation for fiscal year 2006 and $2,250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for faculty salary increments and associated benefits and may be used in combination with salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount.

(10) $50,000 of the general fund--state appropriation for fiscal year 2006 and $50,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to establish the southwest Washington allied health and human services educational consortium at Washington State University-Vancouver, Clark College, and Lower Columbia College. Clark College shall serve as the fiscal agent of the consortium. The consortium shall define the regional education and training priorities for the health and human services industry, reporting to the state legislature recommendations for meeting the growth needs of southwest Washington.

(11) $8,950,000 of the administrative contingency account--state appropriation is provided solely for administration and customized training contracts through the job skills program, which shall be made available broadly and not to the exclusion of private nonprofit baccalaureate degree granting institutions or vocational arts career schools operating in Washington state who partner with a firm, hospital, group, or industry association concerned with commerce, trade, manufacturing, or the provision of services to train current or prospective employees. The state board shall make an annual report by January 1 of each fiscal year to the governor and appropriate policy and fiscal committees of the legislature regarding the implementation
of this section listing the scope of grant awards, the distribution of
funds by educational sector and region of the state, and the successful
partnerships supported by these state funds.

NEW SECTION. Sec. 604. FOR THE UNIVERSITY OF WASHINGTON

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund--State Appropriation (FY 2006)</td>
<td>$334,345,000</td>
</tr>
<tr>
<td>General Fund--State Appropriation (FY 2007)</td>
<td>$338,534,000</td>
</tr>
<tr>
<td>General Fund--Private/Local Appropriation</td>
<td>$300,000</td>
</tr>
<tr>
<td>Accident Account--State Appropriation</td>
<td>$6,217,000</td>
</tr>
<tr>
<td>Medical Aid Account--State Appropriation</td>
<td>$6,153,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATION</td>
<td>$685,549,000</td>
</tr>
</tbody>
</table>

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

1. $165,000 of the general fund--state appropriation for fiscal
year 2006 and $165,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for the implementation of the
Puget Sound work plan and agency action item UW-01.

2. $300,000 of the general fund--private/local appropriation is
provided solely for shellfish biotoxin monitoring as specified in
chapter 263, Laws of 2003 (SSB 6073, shellfish license fee).

3. $3,190,000 of the general fund--state appropriation for fiscal
year 2006 and $6,380,000 of the general fund--state appropriation for
fiscal year 2007 are provided as the state subsidy for 616 new
enrollments at the Seattle campus, 400 new enrollments at the Tacoma
campus, and 144 new enrollments at the Bothell campus. The amounts
provided in this subsection are contingent upon the university
accepting applicants for transfer from Washington community and
technical colleges who meet the admission requirements of the
university in numbers consistent with the proportionality agreements
for specific campuses between the university and the state board for
community and technical colleges. The enrollment increases provided in
this section shall be limited to new students only and may not be used
to pay for students currently enrolled by the university.

4. The appropriations for higher education employee compensation
increases provided or referenced in this section and described in
sections 938 through 968 of this act are estimated to increase the
total per student funding by $585 during the 2005-2007 biennium. This
increase in total per student funding is in addition to the tuition
revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, the University of Washington shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

(a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
(b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
(c) Improve freshman retention rates;
(d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;
(e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and
(f) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before October 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to November 1, 2006.

(5) $2,430,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to support research in life science fields.

(6) $350,000 of the general fund--state appropriation for fiscal year 2006 and $350,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to maintain the autism center at the University of Washington-Tacoma campus. The facility will continue to function as a satellite facility to the autism center at the
University of Washington medical center in Seattle and provide clinical
service and professional training.

(7) $500,000 of the general fund--state appropriation for fiscal
year 2007 is provided solely to assist the transition of University of
Washington-Tacoma from a branch campus serving upper-division students,
to a four-year campus serving freshmen, sophomores, and upper-division
students. Funds may be used to develop curricula, recruit new faculty,
and expand student services. Consistent with the recommendations of
the higher education coordinating board, UW-Tacoma may begin enrolling
lower-division students beginning in fiscal year 2008.

(8) $75,000 of the general fund--state appropriation for fiscal
year 2006 and $75,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for the Olympic natural resources
center.

NEW SECTION.  Sec. 605. FOR WASHINGTON STATE UNIVERSITY

General Fund--State Appropriation (FY 2006) . . . . . . . $208,316,000
General Fund--State Appropriation (FY 2007) . . . . . . . $211,293,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $419,609,000

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

(1) $210,000 of the general fund--state appropriation for fiscal
year 2006 and $210,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for the implementation of the
Puget Sound work plan and agency action item WSU-01.

(2) $2,783,000 of the general fund--state appropriation for fiscal
year 2006 and $5,566,000 of the general fund--state appropriation for
fiscal year 2007 are provided as the state subsidy for 522 new
enrollments at the Pullman campus, 400 new enrollments at the Vancouver
campus, and 90 new enrollments at the Tri-Cities campus. The amounts
provided in this subsection are contingent upon the university
accepting applicants for transfer from Washington community and
technical colleges who meet the admission requirements of the
university in numbers consistent with the proportionality agreements
for specific campuses between the university and the state board for
community and technical colleges. The enrollment increases provided in
this section shall be limited to new students only and may not be used
to pay for students currently enrolled by the university.
(3) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 938 through 968 of this act are estimated to increase the total per student funding by $726 during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Washington State University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

(a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
(b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
(c) Improve freshman retention rates;
(d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;
(e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and
(f) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before October 1, 2006 the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to November 1, 2006.

(4) $1,014,000 of the general fund--state appropriation for fiscal year 2006 and $1,014,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to expand the entering class of
veterinary medicine students by 16 resident student FTEs each academic year during the 2005-2007 biennium.

(5) $200,000 of the general fund--state appropriation for fiscal year 2006 and $200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to conduct research on alternatives for controlling ghost shrimp in Willapa bay.

(6) $500,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to assist the transition of Washington State University-Vancouver from a branch campus serving only upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. Consistent with the recommendations of the higher education coordinating board, WSU-Vancouver may begin enrolling lower-division students beginning in fiscal year 2007.

NEW SECTION.  Sec. 606.  FOR EASTERN WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2006) . . . . . . . $47,373,000
General Fund--State Appropriation (FY 2007) . . . . . . . $48,382,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $95,755,000

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

(1) $2,030,000 of the general fund--state appropriation for fiscal year 2006 and $4,059,000 of the general fund--state appropriation for fiscal year 2007 are provided as the state subsidy for 738 new enrollments. The amounts provided in this subsection are contingent upon the university accepting applicants for transfer from Washington community and technical colleges who meet the admission requirements of the university in numbers consistent with the proportionality agreements for specific campuses between the university and the state board for community and technical colleges. The enrollment increases provided in this section shall be limited to new students only and may not be used to pay for students currently enrolled by the university.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 938 through 968 of this act are estimated to increase the total per student funding by $480 during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition
revenues that will be generated and retained by the university as a 
result of the tuition increases that are authorized in section 601 of 
this act. Given these increases in core funding, Eastern Washington 
University shall, by June 30, 2007, show demonstrable progress toward 
achieving the following six-year programmatic goals:

(a) Improve time to degree as measured by the percent of admitted 
students who graduate within 125% of the credits required for a degree;

(b) Preserve access for low-income students as measured by the 
percentage of total degrees awarded to Pell Grant recipients;

(c) Improve freshman retention rates;

(d) Improve and sustain the quality of its degree programs as 
measured by the number of programs that receive national accreditation; 
and

(e) Improve its ability to prepare students for the workforce as 
measured by the job placement or graduate school acceptance rates among 
graduates.

Specific six-year targets for the goals stated in this subsection 
shall be established by the university, the office of financial 
management, and the higher education coordinating board and shall be 
determined based on the per student funding level assumed in this act.

On or before October 1, 2006, the university shall submit to the 
higher education coordinating board a report that outlines the 
institution's progress and ongoing efforts toward meeting the 
provisions of this section. The higher education coordinating board 
shall compile and analyze all responses and provide a summary to the 
governor and the appropriate fiscal and policy committees of the 
legislature prior to November 1, 2006.

(3) $212,000 of the general fund--state appropriation for fiscal 
year 2006 and $213,000 of the general fund--state appropriation for 
fiscal year 2007 are provided solely for the northeast autism center to 
provide community based approaches to assisting children and adults 
with autism spectrum disorder and to include the establishment of a 
preschool at Eastern Washington University to serve children identified 
with autism spectrum disorder.

NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY
General Fund--State Appropriation (FY 2006) . . . . . . . . . $46,885,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $48,425,000
The appropriations in this section are subject to the following conditions and limitations:

(1) $1,727,000 of the general fund--state appropriation for fiscal year 2006 and $3,454,000 of the general fund--state appropriation for fiscal year 2007 are provided as the state subsidy for 628 new enrollments. The amounts provided in this subsection are contingent upon the university accepting applicants for transfer from Washington community and technical colleges who meet the admission requirements of the university in numbers consistent with the proportionality agreements for specific campuses between the university and the state board for community and technical colleges. The enrollment increases provided in this section shall be limited to new students only and may not be used to pay for students currently enrolled by the university.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 938 through 968 of this act are estimated to increase the total per student funding by $499 during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Central Washington University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

(a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
(b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
(c) Improve freshman retention rates;
(d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation; and
(e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial
management, and the higher education coordinating board and shall be
determined based on the per student funding level assumed in this act.

On or before October 1, 2006, the university shall submit to the
higher education coordinating board a report that outlines the
institution's progress and ongoing efforts toward meeting the
provisions of this section. The higher education coordinating board
shall compile and analyze all responses and provide a summary to the
governor and the appropriate fiscal and policy committees of the
legislature prior to November 1, 2006.

NEW SECTION. Sec. 608. FOR THE EVERGREEN STATE COLLEGE

General Fund--State Appropriation (FY 2006) ........... $25,868,000
General Fund--State Appropriation (FY 2007) ........... $25,919,000
TOTAL APPROPRIATION ......................... $51,787,000

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

(1) $611,000 of the general fund--state appropriation for fiscal
year 2006 and $1,221,000 of the general fund--state appropriation for
fiscal year 2007 are provided as the state subsidy for 222 new
enrollments. The amounts provided in this subsection are contingent
upon the college accepting applicants for transfer from Washington
community and technical colleges who meet the admission requirements of
the college in numbers consistent with the proportionality agreements
for specific campuses between the college and the state board for
community and technical colleges. The enrollment increases provided in
this section shall be limited to new students and may not be used to
pay for students currently enrolled by the institution.

(2) The appropriations for higher education employee compensation
increases provided or referenced in this section and described in
sections 938 through 968 of this act are estimated to increase the
total per student funding by $482 during the 2005-2007 biennium. This
increase in total per student funding is in addition to the tuition
revenues that will be generated and retained by the college as a result
of the tuition increases that are authorized in section 601 of this
act. Given these increases in core funding, The Evergreen State
College shall, by June 30, 2007, show demonstrable progress toward
achieving the following six-year programmatic goals:
(a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
(b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
(c) Improve freshman retention rates;
(d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation;
(e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before October 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to November 1, 2006.

(3) $50,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the Washington state institute for public policy to conduct an examination of educational outcome of immigrant students. The examination shall include, but is not limited to, a review of the following: The current educational performance and graduation rates of immigrant students; the qualifications and capabilities of teachers and paraprofessional to teach students from diverse backgrounds for whom English may be a second language; the use of technology, such as distance learning, in the transitional bilingual program and other instruction provided to immigrant students; and potential changes that would result in more effective instruction and cost-effectiveness. The office of superintendent of public instruction shall provide technical assistance and needed data to assist in the institute's examination. The institute shall provide a report of its findings to the governor and appropriate committees of the legislature by January 1, 2006.
(4) $265,000 of the general fund--state appropriation for fiscal year 2006 and $316,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Washington state institute for public policy to conduct studies of integrated treatment pilot projects, mental health clubhouses, and the net present value of prevention and intervention programs, as required by Senate Bill No. 5763 (mental disorders). If Senate Bill No. 5763 is not enacted by June 30, 2005, then the amounts provided in this subsection shall lapse.

(5) $150,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the Washington state institute for public policy to study the minimum wage and the issues referred to in Substitute Senate Bill No. 5551. The institute shall report its finding to the governor and the appropriate standing committees of the legislature by December 1, 2005. If Substitute Senate Bill No. 5551 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

NEW SECTION.  Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2006) .......... $60,342,000
General Fund--State Appropriation (FY 2007) .......... $60,857,000
TOTAL APPROPRIATION ................................ $121,199,000

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

(1) $980,400 of the general fund--state appropriation for fiscal year 2006 and $980,400 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operations of the North Snohomish, Island, Skagit (NSIS) higher education consortium.

(2) $660,000 of the general fund--state appropriation for fiscal year 2006 and $1,320,000 of the general fund--state appropriation for fiscal year 2007 are provided as the state subsidy for 240 new enrollments. The amounts provided in this subsection are contingent upon the university accepting applicants for transfer from Washington community and technical colleges who meet the admission requirements of the university in numbers consistent with the proportionality agreements for specific campuses between the university and the state board for community and technical colleges. The enrollment increases
provided in this section shall be limited to new students only, and may not be used to pay for students currently enrolled by the university.

(3) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 938 through 968 of this act are estimated to increase the total per student funding by $486 during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Western Washington University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

(a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;

(b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;

(c) Improve freshman retention rates;

(d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation; and

(e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before October 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to November 1, 2006.

NEW SECTION. Sec. 610. FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND ADMINISTRATION

General Fund--State Appropriation (FY 2006) . . . . . . . . . . $2,688,000
General Fund--State Appropriation (FY 2007) . . . . . . $2,669,000
General Fund--Federal Appropriation . . . . . . . . $4,314,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . $9,671,000

The appropriations in this section are subject to the following
conditions and limitations: $300,000 of the general fund--state
appropriation for fiscal year 2006 and $300,000 of the general fund--
state appropriation for fiscal year 2007 are provided solely to develop
college readiness standards for English and science.

NEW SECTION. Sec. 611. FOR THE HIGHER EDUCATION COORDINATING
BOARD--FINANCIAL AID AND GRANT PROGRAMS

General Fund--State Appropriation (FY 2006) . . . . . . $207,163,000
General Fund--State Appropriation (FY 2007) . . . . . . $218,015,000
General Fund--Federal Appropriation . . . . . . . . $13,060,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . $438,238,000

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

(1) $273,000 of the general fund--state appropriation for fiscal
year 2006 and $273,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for the western interstate
commission for higher education.

(2) $75,000 of the general fund--state appropriation for fiscal
year 2006 and $75,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for higher education student child
care matching grants under chapter 28B.135 RCW.

(3) $25,000 of the general fund--state appropriation for fiscal
year 2006 and $25,000 of the general fund--state appropriation for
fiscal year 2007 are provided solely for the benefit of students who
participate in college assistance migrant programs (CAMP) operating in
Washington state. To ensure timely state aid, the board may establish
a date after which no additional grants would be available for the
2005-06 and 2006-07 academic years. The board shall disperse grants in
equal amounts to eligible post-secondary institutions so that state
money in all cases supplements federal CAMP awards.

(4) $172,163,000 of the general fund--state appropriation for
fiscal year 2006 and $188,044,000 of the general fund--state
appropriation for fiscal year 2007 are provided solely for the state
need grant program. After April 1st of each fiscal year, up to one percent of the annual appropriation for the state need grant program may be transferred to the state work study program.

(5) $17,942,000 of the general fund--state appropriation for fiscal year 2006 and $19,070,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the state work study program. After April 1st of each fiscal year, up to one percent of the annual appropriation for the state work study program may be transferred to the state need grant program. In addition to the administrative allowance in subsection (11) of this section, four percent of the general fund--state amount in this subsection may be expended for state work study program administration.

(6) $2,867,000 of the general fund--state appropriation for fiscal year 2006 and $2,867,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for educational opportunity grants pursuant to chapter 233, Laws of 2003 (ESB 5676). The board may deposit sufficient funds from its appropriation into the state education trust fund as established in RCW 28B.10.821 to provide a one-year renewal of the grant for each new recipient of the educational opportunity grant award.

(7) $2,384,000 of the general fund--state appropriation for fiscal year 2006 and $2,549,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement the Washington scholars program. Any Washington scholars program moneys not awarded by April 1st of each year may be transferred by the board to the Washington award for vocational excellence.

(8) $794,000 of the general fund--state appropriation for fiscal year 2006 and $846,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Washington award for vocational excellence program. Any Washington award for vocational program moneys not awarded by April 1st of each year may be transferred by the board to the Washington scholars program.

(9) $246,000 of the general fund--state appropriation for fiscal year 2006 and $246,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for community scholarship matching grants of $2,000 each and up to a total of $46,000 per year in grants for nonprofit community organizations to administer the scholarship matching grants. To be eligible for the matching grant, a nonprofit
community organization organized under section 501(c)(3) of the internal revenue code must demonstrate that it has raised $2,000 in new moneys for college scholarships after the effective date of this section. An organization may receive more than one $2,000 matching grant and preference shall be given to organizations affiliated with Scholarship America.

(10) Subject to state need grant service requirements pursuant to chapter 28B.119 RCW, $8,620,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the Washington promise scholarship program. The Washington promise scholarship program is terminated following fiscal year 2006. No Washington promise scholarship awards may be offered to students beyond the graduating high school class of 2004.

(11) $2,820,000 of the general fund--state appropriation for fiscal year 2006 and $2,820,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for financial aid administration, in addition to the four percent cost allowance provision for state work study under subsection (5) of this section. These funds are provided to administer all the financial aid and grant programs assigned to the board by the legislature and administered by the agency. To the extent the executive director finds the agency will not require the full sum provided in this subsection, a portion may be transferred to supplement financial grants-in-aid to eligible clients after notifying the board and the office of financial management of the intended transfer.

NEW SECTION. Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . $1,219,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . . $1,215,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . . . . . $53,875,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . $56,309,000

NEW SECTION. Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . $1,554,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . . $1,568,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . $3,122,000
NEW SECTION. Sec. 614. FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund--State Appropriation (FY 2006) ............... $2,304,000
General Fund--State Appropriation (FY 2007) ............... $2,311,000
General Fund--Federal Appropriation ....................... $1,300,000
Public Benefit Account--State Appropriation ............... $200,000
TOTAL APPROPRIATION ....................................... $6,115,000

The appropriations in this section are subject to the following conditions and limitations: $200,000 of the public benefit account--state appropriation is provided solely for increased funding of quality art programs in the state. If Senate Bill No. 5287 (taxation of social card rooms) is not enacted by June 30, 2005, the amount provided shall lapse.

NEW SECTION. Sec. 615. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund--State Appropriation (FY 2006) ............... $3,334,000
General Fund--State Appropriation (FY 2007) ............... $2,651,000
TOTAL APPROPRIATION ....................................... $5,985,000

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

(1) $102,000 of the general fund--state appropriation for fiscal year 2006 and $95,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Senate Bill No. 5707 (women's history consortium). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) $262,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to coordinate and fund programs related to the Lewis and Clark bicentennial commemoration.

(3) $155,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for reimbursement of costs incurred by the Pacific county sheriff's office resulting from Lewis and Clark bicentennial commemoration events.

(4) $100,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for reimbursement of costs incurred by local law enforcement resulting from Lewis and Clark bicentennial commemoration events scheduled in the cities of Clarkston, Dayton, Kennewick, Stevenson, Toppenish, and Vancouver.
NEW SECTION. Sec. 616. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund--State Appropriation (FY 2006) . . . . . . . . . . $1,539,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . $1,562,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $3,101,000

NEW SECTION. Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND

General Fund--State Appropriation (FY 2006) . . . . . . . . . . $5,036,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . $5,018,000
General Fund--Private/Local Appropriation . . . . . . . . . . . . $1,335,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $11,389,000

NEW SECTION. Sec. 618. FOR THE STATE SCHOOL FOR THE DEAF

General Fund--State Appropriation (FY 2006) . . . . . . . . . . $8,279,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . $8,256,000
General Fund--Private/Local Appropriation . . . . . . . . . . . . $232,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $16,767,000

(End of part)
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
GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund--State Appropriation (FY 2006) ............ $24,588,000
General Fund--State Appropriation (FY 2007) ............ $26,743,000
Nondebt-Limit Reimbursable Bond Retirement
Account--State Appropriation ......................... $131,844,000
TOTAL APPROPRIATION .............................. $183,175,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

NEW SECTION. Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund--State Appropriation (FY 2006) ............ $1,357,000
General Fund--State Appropriation (FY 2007) ............ $1,357,000
State Building Construction Account--State Appropriation . $1,080,000
State Taxable Building Construction
Account--State Appropriation ......................... $13,000
Gardner-Evans Higher Education Construction
Account--State Appropriation ......................... $452,000
TOTAL APPROPRIATION .............................. $4,259,000

NEW SECTION. Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL

Disaster Response Account--State Appropriation ........... $4,000,000

The sum of $4,000,000 is appropriated from the disaster response account for the purpose of making allocations to the Washington state patrol for fire mobilizations costs or to the department of natural resources for fire suppression costs.

NEW SECTION. Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMERGENCY FUND

General Fund--State Appropriation (FY 2006) ............ $850,000
General Fund--State Appropriation (FY 2007) ............ $850,000
TOTAL APPROPRIATION .............................. $1,700,000

The appropriations in this section are subject to the following
The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

**NEW SECTION.** Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--SEX OFFENDER SENTENCING IMPACT

| General Fund--State Appropriation (FY 2006) | $45,000 |
| General Fund--State Appropriation (FY 2007) | $792,000 |
| **TOTAL APPROPRIATION** | **$837,000** |

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for distribution to counties to pay for the costs of implementing chapter 176, Laws of 2004, which makes amendments to the special sex offender sentencing alternative.

**NEW SECTION.** Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--SMALL AGENCY INFORMATION TECHNOLOGY POOL

| General Fund--State Appropriation (FY 2006) | $500,000 |

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for deposit into the data processing revolving account.

**NEW SECTION.** Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--CAPITOL BUILDING CONSTRUCTION ACCOUNT

| General Fund--State Appropriation (FY 2006) | $600,000 |
| General Fund--State Appropriation (FY 2007) | $1,000,000 |
| **TOTAL APPROPRIATION** | **$1,600,000** |

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for deposit in the capitol building construction account.

**NEW SECTION.** Sec. 710. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE

| Health Services Account--State Appropriation | $48,000,000 |

The appropriation in this section is subject to the following conditions and limitations: The director of the department of
community, trade, and economic development shall distribute the appropriations to the following counties and health districts in the amounts designated:

<table>
<thead>
<tr>
<th>Health District</th>
<th>FY 2006</th>
<th>FY 2007</th>
<th>FY 2005-07 Biennium</th>
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NEW SECTION. Sec. 711. BELATED CLAIMS. The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

NEW SECTION. Sec. 712. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS. The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2005, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

- General Fund--State Appropriation (FY 2006) . . . . . . $31,400,000
- General Fund--State Appropriation (FY 2007) . . . . . . $37,400,000

(2) There is appropriated for contributions to the judicial retirement system:

- General Fund--State Appropriation (FY 2006) . . . . . . $6,000,000
- General Fund--State Appropriation (FY 2007) . . . . . . $6,000,000

(3) There is appropriated for contributions to the judges retirement system:

- General Fund--State Appropriation (FY 2006) . . . . . . $300,000
- General Fund--State Appropriation (FY 2007) . . . . . . $300,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . $81,400,000

NEW SECTION. Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION TECHNOLOGY REVOLVING ACCOUNT

- General Fund--State Appropriation (FY 2006) . . . . . . $8,550,000
- General Fund--State Appropriation (FY 2007) . . . . . . $8,550,000
The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for deposit in the education technology revolving account for the purpose of covering ongoing operational and equipment replacement costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

NEW SECTION.  Sec. 714.  FOR THE GOVERNOR--LIFE SCIENCES DISCOVERY FUND AUTHORITY

General Fund--State Appropriation (FY 2006) . . . . . . . . . . $150,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for a grant to the life sciences discovery fund authority to be used in accordance with Second Substitute House Bill No. 1623 or Engrossed Second Substitute Senate Bill No. 5581. If neither bill is enacted by June 30, 2005, the appropriation in this section shall lapse.

NEW SECTION.  Sec. 715.  STRATEGIC PURCHASING STRATEGY.  (1) The office of financial management shall work with the appropriate state agencies to generate savings of $50,000,000, of which $25,000,000 shall be from the state general fund, that can arise from a strategic purchasing strategy. From appropriations in this act, the office of financial management shall reduce general fund--state allotments by $8 million for fiscal year 2006 and by $17 million for fiscal year 2007 to reflect the savings from the strategic purchasing strategy. The allotment reductions shall be placed in unallotted status and remain unexpended.

(2) The department of general administration, with the assistance of the department of information services and the department of printing and in consultation with the office of financial management, shall conduct an analysis of the state's purchasing processes to identify the most reasonable strategy of attaining a statewide savings target of $50,000,000 without affecting direct program activities. The analysis shall identify savings by agency and fund that will result from the implementation of a strategic purchasing strategy. The results of this analysis shall then be provided to the director of
financial management by October 1, 2005, so the director may use it as
the basis to achieve the savings identified in subsection (1) of this
section.

(3) Before the purchase of goods and services, all state agencies
and higher education institutions shall first consider the utilization
of current or existing master contracts. All state agencies and higher
education institutions shall strive to use master contracts when that
use is consistent with the agency's requirements and purchase is
financially cost effective.

NEW SECTION. Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--
EXTRAORDINARY CRIMINAL JUSTICE COSTS

General Fund--State Appropriation (FY 2006) . . . . . . . . . $70,000

The appropriation in this section is subject to the following
conditions and limitations: The director of financial management shall
distribute the appropriation to the following county in the amounts
designated for extraordinary criminal justice costs:

    Grant . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $70,000

NEW SECTION. Sec. 717. DOUBLE-FILLED PERSONNEL POSITIONS. From
appropriations in this act, the director of financial management shall
reduce general fund--state appropriations for fiscal year 2006 by
$1,333,000 and general fund--state appropriations for fiscal year 2007
by $2,667,000 to reflect the elimination of double-filled personnel
positions in which two or more persons occupy the same position in the
state personnel system. The allotment reductions shall be placed in
unallotted status and remain unexpended.

NEW SECTION. Sec. 718. INCENTIVE SAVINGS--FY 2006. The sum of
one hundred million dollars or so much thereof as may be available on
June 30, 2006, from the total amount of unspent fiscal year 2006 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. 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,
and judicial employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Appropriations in this section are provided for a 1.6% salary increase effective July 1, 2006, until June 30, 2007, 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. The appropriations are also sufficient to fund a 1.6% salary increase effective July 1, 2006, until June 30, 2007, for general government, legislative, and judicial employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(4)(a) No salary increase may be paid under this section to any person whose salary has been Y-rated pursuant to rules adopted by the personnel resources board or the director of personnel, as applicable.

(b) The average salary increases paid under this section to agency officials whose maximum salaries are established by the committee on agency official salaries shall not exceed the average increases provided under subsections (2) and (3) of this section.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document 2005-33 dated March 28, 2005.

NEW SECTION. Sec. 721. NONREPRESENTED EMPLOYEE SALARY SURVEY

General Fund--State Appropriation (FY 2006) . . . . . . . . . . . . . $4,169,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . . . . $4,412,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . . . $1,737,000
General Fund--Private/Local Appropriation . . . . . . . . . . . . . $314,000
Dedicated Funds and Accounts Appropriation . . . . . . . . . . . . . $3,455,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $14,087,000

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: For state employees, except those
represented by a bargaining unit under the personnel system reform act of 2002, funding is provided for implementation of the department of personnel's 2002 salary survey, for job classes more than 25% below market rates.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document 2005-78Z dated March 28, 2005.

NEW SECTION. Sec. 722. CLASSIFICATION REVISIONS

General Fund--State Appropriation (FY 2006) ............... $566,000
General Fund--State Appropriation (FY 2007) ............... $1,144,000
General Fund--Federal Appropriation ....................... $250,000
General Fund--Private/Local Appropriation ................. $3,000
Dedicated Funds and Accounts Appropriation ............... $608,000
TOTAL APPROPRIATION ....................................... $2,571,000

The appropriations in this section, or as much thereof as may be necessary, shall be expended solely for the purposes designated in this section and are subject to the following conditions and limitations:
Funding is provided for partial implementation of classification consolidation and revisions under the personnel system reform act of 2002. Groups 2 and 3 of the department of personnel's initial class consolidation plan are affected.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in OFM document 2005-07-8Q dated March 21, 2005.

NEW SECTION. Sec. 723. COLLECTIVE BARGAINING AGREEMENTS.

Provisions of the collective bargaining agreements contained in sections 723 through 730 are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements.

NEW SECTION. Sec. 724. COLLECTIVE BARGAINING AGREEMENT--WFSE

General Fund--State Appropriation (FY 2006) ............ $21,730,000
General Fund--State Appropriation (FY 2007) ............ $31,698,000
General Fund--Federal Appropriation ....................... $23,902,000
General Fund--Private/Local Appropriation . . . . . . . . . $2,233,000
Dedicated Funds and Accounts Appropriation . . . . . . . . $34,670,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $114,233,000

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: Funding is provided for the collective bargaining agreement reached between the governor and the Washington federation of state employees under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document 2005-780 dated March 28, 2005.

NEW SECTION. Sec. 725. COLLECTIVE BARGAINING AGREEMENT--WPEA

General Fund--State Appropriation (FY 2006) . . . . . . . . . $1,859,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . $2,750,000
General Fund--Federal Appropriation . . . . . . . . . . . . . . $647,000
General Fund--Private/Local Appropriation . . . . . . . . . . $74,000
Dedicated Funds and Accounts Appropriation . . . . . . . . . $4,362,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $9,692,000

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: Funding is provided for the collective bargaining agreement reached between the governor and the Washington public employees association under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this
section, as identified by agency and account in LEAP document 2005-781 dated March 28, 2005.

NEW SECTION. Sec. 726. COLLECTIVE BARGAINING AGREEMENT--UFCW
Dedicated Funds and Accounts Appropriation . . . . . . . . . . $1,138,000

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: Funding is provided for the collective bargaining agreement reached between the governor and the United Food and Commercial Workers under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in OFM document 2005-07-83 dated March 21, 2005.

NEW SECTION. Sec. 727. COLLECTIVE BARGAINING AGREEMENT--TEAMSTERS
General Fund--State Appropriation (FY 2006) . . . . . . . . . . $7,325,000
General Fund--State Appropriation (FY 2007) . . . . . . . . . . $13,613,000
Dedicated Funds and Accounts Appropriation . . . . . . . . . . $3,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $20,941,000

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: Funding is provided for the collective bargaining agreement reached between the governor and the Brotherhood of Teamsters under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 2.9% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in OFM document 2005-07-82 dated March 21, 2005.
NEW SECTION. Sec. 728. COLLECTIVE BARGAINING AGREEMENT--COALITION

General Fund--State Appropriation (FY 2006) .......... $701,000
General Fund--State Appropriation (FY 2007) .......... $926,000
General Fund--Federal Appropriation ................. $86,000
General Fund--Private/Local Appropriation .......... $225,000
Dedicated Funds and Accounts Appropriation .......... $3,239,000
TOTAL APPROPRIATION ......................... $5,177,000

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: Funding is provided for the collective bargaining agreement reached between the governor and the coalition under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document 2005-786 dated March 28, 2005.

NEW SECTION. Sec. 729. COLLECTIVE BARGAINING AGREEMENT--IFPTE

General Fund--State Appropriation (FY 2006) .......... $96,000
General Fund--State Appropriation (FY 2007) .......... $145,000
TOTAL APPROPRIATION ......................... $241,000

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: Funding is provided for the collective bargaining agreement reached between the governor and the international federation of professional and technical engineers local 17 under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.
The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document 2005-784 dated March 28, 2005.

**NEW SECTION. Sec. 730. COLLECTIVE BARGAINING AGREEMENT--SEIU-1199**

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<th>Type of Appropriation</th>
<th>Fiscal Year</th>
<th>Amount</th>
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<td>General Fund--State</td>
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<td>FY 2007</td>
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<td>General Fund--Federal</td>
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<td>General Fund--Private</td>
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<td>$188,000</td>
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**TOTAL APPROPRIATION** $5,678,000

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: Funding is provided for the collective bargaining agreement reached between the governor and the service employees international union, local 1199 NW under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates, and for adjustments to the salary grid.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in OFM document 2005-07-85 dated March 21, 2005.

**NEW SECTION. Sec. 731. FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

<table>
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<th>Type of Appropriation</th>
<th>Fiscal Year</th>
<th>Amount</th>
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<td>General Fund--State</td>
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<td>FY 2007</td>
<td>($17,516,000)</td>
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<td>General Fund--Federal</td>
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<td>($12,534,000)</td>
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<td>General Fund--Private</td>
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<td>($1,260,000)</td>
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<td>Dedicated Funds and</td>
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<td>($17,188,000)</td>
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<tr>
<td>Accounts Appropriation</td>
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<td>($65,502,000)</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATION** $65,502,000

The appropriations in this section are subject to the following conditions and limitations: Funding in this section is provided solely

NEW SECTION. Sec. 732. FOR THE OFFICE OF FINANCIAL MANAGEMENT--
COMPENSATION--INSURANCE BENEFITS IN BARGAINED AGREEMENTS

General Fund--State Appropriation (FY 2006) ............. $19,705,000
General Fund--State Appropriation (FY 2007) ............. $39,403,000
General Fund--Federal Appropriation ................. $19,182,000
General Fund--Private/Local Appropriation .......... $1,347,000
Dedicated Funds and Accounts Appropriation ........ $22,270,000
TOTAL APPROPRIATION ................................ $101,907,000

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: Funding is provided for the health insurance collective bargaining agreement reached between the governor and the health insurance coalition under the personnel system reform act of 2002 as per the specifications in section 943 of this act. The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document 2005-35 dated March 28, 2005.

NEW SECTION. Sec. 733. FOR THE OFFICE OF FINANCIAL MANAGEMENT--
COMPENSATION--INSURANCE BENEFITS FOR NONREPRESENTED EMPLOYEES

General Fund--State Appropriation (FY 2006) ............. $6,753,000
General Fund--State Appropriation (FY 2007) ............. $3,001,000
General Fund--Federal Appropriation ................. $2,302,000
General Fund--Private/Local Appropriation .......... $178,000
Dedicated Funds and Accounts Appropriation ........ $5,216,000
TOTAL APPROPRIATION ................................ $17,450,000

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: Funding is provided for state employee health insurance benefits for nonrepresented state employees as per the
specifications in section 943 of this act. The office of financial
management shall update agency appropriations schedules to reflect the
addition of the funding in this section, as identified by agency and

NEW SECTION. Sec. 734. INSURANCE BENEFITS. The legislature
finds that the trend in the rate of medical expense inflation is
downward and projects an 8.5% rate of inflation for the 2005-07 fiscal
biennium. The funds provided in sections 504, 732, and 733 of this act
are anticipated to be sufficient to hold the average employee share of
medical insurance premiums to no more than 12% of costs under this 8.5%
inflation assumption. If the actual growth in employee medical
insurance costs is greater than 8.5%, the legislature intends to
appropriate additional funds to cover the cost of inflation, up to a
maximum of 11%, in order to maintain the average employee share of
medical premiums at no more than 12% for school district employees and
for state employees represented by a collective bargaining unit under
the personnel system reform act of 2002.

NEW SECTION. Sec. 735. STATE EMPLOYEE INSURANCE BENEFIT
RESERVE. $20,000,000 in the public employees' and retirees' insurance
account shall be held in reserve and may be expended only to the extent
that the annual rate of employee health insurance premium inflation is
greater than 8.5%, shall be used only to fund health benefits for
school district employees and state employees represented by a
collective bargaining unit under the personnel system reform act of
2002, and shall not be used to expand benefits or to reduce the average
employee share of medical insurance premium costs to less than 12%.

NEW SECTION. Sec. 736. FOR THE OFFICE OF FINANCIAL MANAGEMENT--
PENSION CONTRIBUTION ADJUSTMENTS FOR THE PUBLIC SAFETY EMPLOYEES'
RETIREMENT SYSTEM
General Fund--State Appropriation (FY 2007) . . . . . . . . $4,400,000
Special Account Retirement Contribution Increase

Revolving Account Appropriation . . . . . . . . . . . . . . . ($3,900,000)

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $500,000

The appropriations in this section are subject to the following
conditions and limitations:
(1) The appropriations in this section are provided solely to make adjustments to agency appropriations to reflect the costs associated with the entry of employees into the public safety employees' retirement system as created by chapter 242, Laws of 2004.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special account retirement contribution increase revolving account in accordance with schedules provided by the office of financial management.

(End of part)
NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES
FOR DISTRIBUTION

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

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.
NEW SECTION. Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY
CRIMINAL JUSTICE ASSISTANCE ACCOUNT
Impaired Driving Safety Account Appropriation . . . . . . $1,913,400

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. Sec. 803. FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT
Impaired Driving Safety Account Appropriation . . . . . . $1,275,600

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).
NEW SECTION.  Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES
FOR DISTRIBUTION
General Fund Appropriation for federal grazing
fees distribution . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $1,632,000
General Fund Appropriation for federal flood
control funds distribution . . . . . . . . . . . . . . . . . . . . . . . . . $68,000
Forest Reserve Fund Appropriation for federal
forest reserve fund distribution . . . . . . . . . . . . . . . . . . . . . $84,500,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . $86,200,000
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.

NEW SECTION.  Sec. 805. FOR THE STATE TREASURER--TRANSFERS.  For
transfers in this section to the state general fund, pursuant to RCW
43.135.035(5), the state expenditure limit shall be increased by the
amount of the transfer. The increase shall occur in the fiscal year in
which the transfer occurs.

State Convention and Trade Center Account:
For transfer to the state general fund,
$5,150,000 for fiscal year 2006 and $5,150,000
for fiscal year 2007 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $10,300,000

General Fund--State Account:
For transfer to the tourism development
and promotion account, $150,000 for fiscal
year 2006 and $150,000 for fiscal year 2007 . . . . . . . . . . . . . $300,000

Financial Services Regulation Account:  For transfer
to the state general fund, $778,000 for
fiscal year 2006 and $779,000 for fiscal
year 2007 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $1,557,000

Public Works Assistance Account:  For
transfer to the drinking water
assistance account, $8,400,000 for fiscal
year 2006 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $8,400,000

Tobacco Settlement Account:  For transfer
to the health services account, in an
amount not to exceed the actual balance
of the tobacco settlement account . . . . . . . . . . . . . . . $185,823,000
Health Services Account: For transfer to the state general fund, $45,000,000 for fiscal year 2006.

Health Services Account: For transfer to the tobacco prevention and control account, $23,366,000.

Health Services Account: For transfer to the water quality account, $7,885,000.

Health Services Account: For transfer to the violence reduction and drug enforcement account, $6,932,000.

Public Employees’ and Retirees’ Insurance Account: For transfer to the state general fund, $40,000,000 for fiscal year 2006 and $45,000,000 for fiscal year 2007.

Department of Retirement Systems Expense Account: For transfer to the state general fund, $2,000,000 for fiscal year 2006.

Secretary of State’s Revolving Account: For transfer to the state general fund, $250,000 for fiscal year 2006 and $250,000 for fiscal year 2007.

Pollution Liability Insurance Program Trust Account: For transfer to the state general fund, $7,500,000 for fiscal year 2006 and $7,500,000 for fiscal year 2007.

State Treasurer’s Service Account: For transfer to the state general fund, $5,500,000 for fiscal year 2006 and $5,000,000 for fiscal year 2007.

State Toxics Control Account: For transfer to the state general fund, $3,600,000 for fiscal year 2006 and $3,600,000 for fiscal year 2007.

General Fund: For transfer to the water quality account, $13,137,000.

Water Quality Account: For transfer to the water pollution control revolving account, $10,534,000.

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment...
Waste Reduction, Recycling, and Litter Control Account: For transfer to the state general fund, $1,000,000 for fiscal year 2006 and $1,000,000 for fiscal year 2007.

Public Works Assistance Account: For transfer to the public facility construction loan revolving account, $4,500,000 for fiscal year 2006.

Student Achievement Account: For transfer to the state general fund, $87,300,000 for fiscal year 2006 and $77,900,000 for fiscal year 2007.

Nisqually Earthquake Account: For transfer to the disaster response account, $3,000,000 for fiscal year 2006.

General Fund: For transfer to the public safety and education account, $10,000,000 for fiscal year 2006 and $10,000,000 for fiscal year 2007.

General Fund: For transfer to the violence reduction and drug enforcement account, $3,000,000 for fiscal year 2006.

Natural Resources Equipment Revolving Fund: For transfer to the state general fund for fiscal year 2006.

NEW SECTION. Sec. 806. FOR THE STATE TREASURER--TRANSFERS. For transfers in this section to the state general fund, pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased by the amount of the transfer. The increase shall occur in the fiscal year in which the transfer occurs. The transfers are subject to the enactment of Senate Bill No. 5391. If the bill is not enacted by June 30, 2005, the transfers shall not be made.

Public Employees' and Retirees' Insurance Account: For transfer to the state general fund, $5,000,000 for fiscal year 2006 and $12,000,000 for fiscal year 2007.

(End of part)
NEW SECTION. Sec. 901. EXPENDITURE AUTHORIZATIONS. The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2003-05 biennium.

NEW SECTION. Sec. 902. INFORMATION SYSTEMS PROJECTS. Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

(a) System refurbishment, acquisitions, and development efforts;
(b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
(c) Assessment of overall information processing performance, resources, and capabilities;
(d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
(e) Progress toward enabling electronic access to public information.
(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance
responsibilities, and a statement of reporting requirements. The
quality assurance plans shall set out the functionality requirements
for each phase of a project.

(7) A copy of each feasibility study, project management plan, and
quality assurance plan shall be provided to the department of
information services, the office of financial management, and
legislative fiscal committees. The plans and studies shall demonstrate
a sound business case that justifies the investment of taxpayer funds
on any new project, an assessment of the impact of the proposed system
on the existing information technology infrastructure, the disciplined
use of preventative measures to mitigate risk, and the leveraging of
private-sector expertise as needed. Authority to expend any funds for
individual information systems projects is conditioned on the approval
of the relevant feasibility study, project management plan, and quality
assurance plan by the department of information services and the office
of financial management.

(8) Quality assurance status reports shall be submitted to the
department of information services, the office of financial management,
and legislative fiscal committees at intervals specified in the
project's quality assurance plan.

NEW SECTION. Sec. 903. BUSINESS CONTINUITY AND DISASTER
RECOVERY. State agencies shall comply with the business continuity and
disaster recovery policies, guidelines, and statements of direction
developed by the department of information services and the information
services board in consultation with state agencies. To ensure that
agency business continuity and disaster recovery activities identify
the primary risks across state agencies, account for dependencies
between agencies, capitalize on economies of scale, and avoid
unnecessary duplication of costs and efforts, state agencies shall
receive the prior approval of the department of information services
before implementing business continuity and disaster recovery
strategies and expending funds for business continuity activities.

NEW SECTION. Sec. 904. VIDEO TELECOMMUNICATIONS. The department
of information services shall act as lead agency in coordinating video
telecommunications services for state agencies. As lead agency, the
department shall develop standards and common specifications for leased
and purchased telecommunications equipment and assist state agencies in developing a video telecommunications expenditure plan. No agency may spend any portion of any appropriation in this act for new video telecommunication equipment, new video telecommunication transmission, or new video telecommunication programming, or for expanding current video telecommunication systems without first complying with chapter 43.105 RCW, including but not limited to, RCW 43.105.041(2), and without first submitting a video telecommunications expenditure plan, in accordance with the policies of the department of information services, for review and assessment by the department of information services under RCW 43.105.052. Prior to any such expenditure by a public school, a video telecommunications expenditure plan shall be approved by the superintendent of public instruction. The office of the superintendent of public instruction shall submit the plans to the department of information services in a form prescribed by the department. The office of the superintendent of public instruction shall coordinate the use of video telecommunications in public schools by providing educational information to local school districts and shall assist local school districts and educational service districts in telecommunications planning and curriculum development. Prior to any such expenditure by a public institution of postsecondary education, a telecommunications expenditure plan shall be approved by the higher education coordinating board. The higher education coordinating board shall coordinate the use of video telecommunications for instruction and instructional support in postsecondary education, including the review and approval of instructional telecommunications course offerings.

NEW SECTION. Sec. 905. PROGRAM COST SHIFTS. Any program costs or moneys in this act that are shifted to the general fund from another fund or account require an adjustment to the expenditure limit under RCW 43.135.035(5).

NEW SECTION. Sec. 906. EMERGENCY FUND ALLOCATIONS. Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the
repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. No appropriation shall be necessary to effect such repayment.

NEW SECTION. Sec. 907. STATUTORY APPROPRIATIONS. In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system plan 2, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

NEW SECTION. Sec. 908. BOND EXPENSES. In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. Sec. 909. VOLUNTARY SEPARATION INCENTIVES. As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may offer voluntary separation and/or downshifting incentives and options according to procedures and guidelines established by the department of personnel and the department of retirement systems in consultation with the office of financial management. The options may include, but are not limited to, financial incentives for: Voluntary resignation and retirement, voluntary leave-without-pay, voluntary workweek or work hour reduction, voluntary downward movement, or temporary separation for development purposes. No employee shall have a contractual right to a financial incentive offered pursuant to this section. Agencies shall report on the outcomes of their plans, and offers shall be reviewed and monitored jointly by the department of personnel and the department of retirement systems, for reporting to the office of financial management by December 1, 2006.
NEW SECTION.  Sec. 910. VOLUNTARY RETIREMENT INCENTIVES.  It is the intent of the legislature that agencies may implement a voluntary retirement incentive program that is cost neutral or results in cost savings provided that such a program is approved by the director of retirement systems and the office of financial management. Agencies participating in this authorization are required to submit a report by June 30, 2007, to the legislature and the office of financial management on the outcome of their approved retirement incentive program. The report should include information on the details of the program including resulting service delivery changes, agency efficiencies, the cost of the retirement incentive per participant, the total cost to the state, and the projected or actual net dollar savings over the 2005-07 biennium.

NEW SECTION.  Sec. 911. AGENCY EXPENDITURES FOR MOTOR VEHICLES. The use of hybrid motor vehicles reduces air contaminants, greenhouse gas emissions and reliance on imported sources of petroleum. To foster the use of hybrid motor vehicles, beginning July 1, 2005, before the purchase or lease of a motor vehicle, state agencies should first consider the feasibility of hybrid motor vehicles. State agencies should strive to purchase or lease a hybrid motor vehicle when the use of such vehicle is consistent with and can accomplish the agency's mission and when the purchase is financially reasonable. The financial assessment should include savings accruing from reduced fuel purchases over the life of the vehicle. Agencies shall report on their purchases of hybrid vehicles in their biennial sustainability plans as required under executive order 02-03.

Sec. 912.  RCW 28A.160.195 and 2004 c 276 s 904 are each amended to read as follows:

(1) The superintendent of public instruction, in consultation with the regional transportation coordinators of the educational service districts, shall establish a minimum number of school bus categories considering the capacity and type of vehicles required by school districts in Washington. The superintendent, in consultation with the regional transportation coordinators of the educational service districts, shall establish competitive specifications for each category of school bus. The categories shall be developed to produce minimum
long-range operating costs, including costs of equipment and all costs in operating the vehicles. The categories, for purposes of comparative studies, will be at a minimum the same as those in the beginning of the 1994-95 school year. The competitive specifications shall meet federal motor vehicle safety standards, minimum state specifications as established by rule by the superintendent, and supported options as determined by the superintendent in consultation with the regional transportation coordinators of the educational service districts. In fiscal ((year 2005)) years 2006 and 2007, the superintendent may solicit and accept price quotes for a rear-engine category school bus that shall be reimbursed at the price of the corresponding front engine category.

(2) After establishing school bus categories and competitive specifications, the superintendent of public instruction shall solicit competitive price quotes from school bus dealers to be in effect for one year and shall (a) except in fiscal ((year 2005)) years 2006 and 2007, establish a list of the lowest competitive price quotes obtained under this subsection, and (b) in fiscal ((year 2005)) years 2006 and 2007, establish a list of all accepted price quotes in each category obtained under this subsection.

(3) The superintendent shall base the level of reimbursement to school districts and educational service districts for school buses on the lowest quote in each category.

(4) Notwithstanding RCW 28A.335.190, school districts and educational service districts may purchase at the quoted price directly from the dealer who is providing the lowest competitive price quote on the list established under subsection (2) of this section and in fiscal ((year 2005)) years 2006 and 2007 from any dealer on the list established under subsection (2)(b) of this section. School districts and educational service districts may make their own selections for school buses, but shall be reimbursed at the rates determined under subsection (3) of this section and RCW 28A.160.200. District-selected options shall not be reimbursed by the state. For the ((2003-05)) 2005-2007 fiscal biennium, school districts and educational service districts shall be reimbursed for buses purchased only through a lowest-price competitive bid process conducted pursuant to RCW 28A.335.190 or through the state bid process established by this section.
This section does not prohibit school districts or educational service districts from conducting their own competitive bid process.

The superintendent of public instruction may adopt rules under chapter 34.05 RCW to implement this section.

Sec. 913. RCW 28A.305.210 and 2003 1st sp.s. c 25 s 911 are each amended to read as follows:

(1) The state board of education, by rule or regulation, may require the assistance of educational service district boards and/or superintendents in the performance of any duty, authority, or power imposed upon or granted to the state board of education by law, upon such terms and conditions as the state board of education shall establish. Such authority to assist the state board of education shall be limited to the service function of information collection and dissemination and the attestation to the accuracy and completeness of submitted information.

(2) During the (2003-05) 2005-2007 biennium, educational service districts may, at the request of the state board of education, receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education postsite visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

Sec. 914. RCW 28A.500.030 and 2003 1st sp.s. c 25 s 912 are each amended to read as follows:

Allocation of state matching funds to eligible districts for local effort assistance shall be determined as follows:

(1) Funds raised by the district through maintenance and operation levies shall be matched with state funds using the following ratio of state funds to levy funds:

(a) The difference between the district's twelve percent levy rate and the statewide average twelve percent levy rate; to

(b) The statewide average twelve percent levy rate.

(2) The maximum amount of state matching funds for districts eligible for local effort assistance shall be the district's twelve percent levy amount, multiplied by the following percentage:
(a) The difference between the district's twelve percent levy rate and the statewide average twelve percent levy rate; divided by (b) The district's twelve percent levy rate.

(3) Calendar year 2003 allocations and maximum eligibility under this chapter shall be multiplied by 0.99.

(4) From January 1, 2004, to December 31, 2005, allocations and maximum eligibility under this chapter shall be multiplied by 0.937.

Sec. 915. RCW 41.05.050 and 2003 c 158 s 1 are each amended to read as follows:

(1) Every department, division, or separate agency of state government, and such county, municipal, school district, educational service district, or other political subdivisions as are covered by this chapter, shall provide contributions to insurance and health care plans for its employees and their dependents, the content of such plans to be determined by the authority. Contributions, paid by the county, the municipality, or other political subdivision for their employees, shall include an amount determined by the authority to pay such administrative expenses of the authority as are necessary to administer the plans for employees of those groups, except as provided in subsection (4) of this section.

(2) If the authority at any time determines that the participation of a county, municipal, or other political subdivision covered under this chapter adversely impacts insurance rates for state employees, the authority shall implement limitations on the participation of additional county, municipal, or other political subdivisions.

(3) The contributions of any department, division, or separate agency of the state government, and such county, municipal, or other political subdivisions as are covered by this chapter, shall be set by the authority, subject to the approval of the governor for availability of funds as specifically appropriated by the legislature for that purpose. Insurance and health care contributions for ferry employees shall be governed by RCW 47.64.270.

(4)(a) Beginning September 1, 2003, the authority shall collect from each participating school district and educational service district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and...
family size as would be charged to state employees, for groups of
district employees enrolled in authority plans as of January 1, 2003.
However, during the 2005-07 fiscal biennium, the authority shall
collect from each participating school district and educational service
district an amount equal to the insurance benefit allocations provided
in section 504 of this act, plus any additional funding provided by the
legislature for school employee health benefits, plus an amount equal
to the employee premiums by plan and family size as would be charged to
state employees, for groups of district employees enrolled in authority
plans as of July 1, 2005.

(b) For all groups of district employees enrolling in authority
plans for the first time after September 1, 2003, the authority shall
collect from each participating school district an amount equal to the
composite rate charged to state agencies, plus an amount equal to the
employee premiums by plan and by family size as would be charged to
state employees, only if the authority determines that this method of
billing the districts will not result in a material difference between
revenues from districts and expenditures made by the authority on
behalf of districts and their employees.

(c) If the authority determines at any time that the conditions in
(b) of this subsection cannot be met, the authority shall offer
enrollment to additional groups of district employees on a tiered rate
structure until such time as the authority determines there would be no
material difference between revenues and expenditures under a composite
rate structure for all district employees enrolled in authority plans.

(d) The authority may charge districts a one-time set-up fee for
employee groups enrolling in authority plans for the first time.

(e) For the purposes of this subsection:
  (i) "District" means school district and educational service
district; and
  (ii) "Tiered rates" means the amounts the authority must pay to
insuring entities by plan and by family size.

(f) Notwithstanding this subsection and RCW 41.05.065(3), the
authority may allow districts enrolled on a tiered rate structure prior
to September 1, 2002, to continue participation based on the same rate
structure and under the same conditions and eligibility criteria.

(5) The authority shall transmit a recommendation for the amount of
the employer contribution to the governor and the director of financial
management for inclusion in the proposed budgets submitted to the
legislature.

Sec. 916. RCW 41.05.120 and 1994 c 153 s 9 are each amended to
read as follows:

(1) The public employees' and retirees' insurance account is hereby
established in the custody of the state treasurer, to be used by the
administrator for the deposit of contributions, the remittance paid by
school districts and educational service districts (under RCW
28A.400.400), reserves, dividends, and refunds, and for payment of
premiums for employee and retiree insurance benefit contracts and
subsidy amounts provided under RCW 41.05.085. Moneys from the account
shall be disbursed by the state treasurer by warrants on vouchers duly
authorized by the administrator.

(2) The state treasurer and the state investment board may invest
moneys in the public employees' and retirees' insurance account. All
such investments shall be in accordance with RCW 43.84.080 or
43.84.150, whichever is applicable. The administrator shall determine
whether the state treasurer or the state investment board or both shall
invest moneys in the public employees' insurance account.

(3) During the 2005-07 fiscal biennium, the legislature may
transfer from the public employees' and retirees' insurance account
such amounts as reflect the excess fund balance of the fund.

Sec. 917. RCW 41.50.110 and 2003 1st sp.s. c 25 s 914 are each
amended to read as follows:

(1) Except as provided by RCW 41.50.255 and subsection (6) of this
section, all expenses of the administration of the department, the
expenses of administration of the retirement systems, and the expenses
of the administration of the office of the state actuary created in
chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 43.43, and
44.44 RCW shall be paid from the department of retirement systems
expense fund.

(2) In order to reimburse the department of retirement systems
expense fund on an equitable basis the department shall ascertain and
report to each employer, as defined in RCW 41.26.030, 41.32.010,
41.35.010, or 41.40.010, the sum necessary to defray its proportional
share of the entire expense of the administration of the retirement system that the employer participates in during the ensuing biennium or fiscal year whichever may be required. Such sum is to be computed in an amount directly proportional to the estimated entire expense of the administration as the ratio of monthly salaries of the employer's members bears to the total salaries of all members in the entire system. It shall then be the duty of all such employers to include in their budgets or otherwise provide the amounts so required.

(3) The department shall compute and bill each employer, as defined in RCW 41.26.030, 41.32.010, 41.35.010, or 41.40.010, at the end of each month for the amount due for that month to the department of retirement systems expense fund and the same shall be paid as are its other obligations. Such computation as to each employer shall be made on a percentage rate of salary established by the department. However, the department may at its discretion establish a system of billing based upon calendar year quarters in which event the said billing shall be at the end of each such quarter.

(4) The director may adjust the expense fund contribution rate for each system at any time when necessary to reflect unanticipated costs or savings in administering the department.

(5) An employer who fails to submit timely and accurate reports to the department may be assessed an additional fee related to the increased costs incurred by the department in processing the deficient reports. Fees paid under this subsection shall be deposited in the retirement system expense fund.

(a) Every six months the department shall determine the amount of an employer's fee by reviewing the timeliness and accuracy of the reports submitted by the employer in the preceding six months. If those reports were not both timely and accurate the department may prospectively assess an additional fee under this subsection.

(b) An additional fee assessed by the department under this subsection shall not exceed fifty percent of the standard fee.

(c) The department shall adopt rules implementing this section.

(6) Expenses other than those under RCW 41.34.060(3) shall be paid pursuant to subsection (1) of this section.

(7) During the (2003-) 2005-2007 fiscal biennium, the legislature may transfer from the department of retirement systems' expense fund to
the state general fund such amounts as reflect the excess fund balance of the fund.

**Sec. 918.** RCW 41.50.110 and 2004 c 242 s 46 are each amended to read as follows:

(1) Except as provided by RCW 41.50.255 and subsection (6) of this section, all expenses of the administration of the department, the expenses of administration of the retirement systems, and the expenses of the administration of the office of the state actuary created in chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43, and 44.44 RCW shall be paid from the department of retirement systems expense fund.

(2) In order to reimburse the department of retirement systems expense fund on an equitable basis the department shall ascertain and report to each employer, as defined in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its proportional share of the entire expense of the administration of the retirement system that the employer participates in during the ensuing biennium or fiscal year whichever may be required. Such sum is to be computed in an amount directly proportional to the estimated entire expense of the administration as the ratio of monthly salaries of the employer's members bears to the total salaries of all members in the entire system. It shall then be the duty of all such employers to include in their budgets or otherwise provide the amounts so required.

(3) The department shall compute and bill each employer, as defined in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the end of each month for the amount due for that month to the department of retirement systems expense fund and the same shall be paid as are its other obligations. Such computation as to each employer shall be made on a percentage rate of salary established by the department. However, the department may at its discretion establish a system of billing based upon calendar year quarters in which event the said billing shall be at the end of each such quarter.

(4) The director may adjust the expense fund contribution rate for each system at any time when necessary to reflect unanticipated costs or savings in administering the department.

(5) An employer who fails to submit timely and accurate reports to the department may be assessed an additional fee related to the
increased costs incurred by the department in processing the deficient reports. Fees paid under this subsection shall be deposited in the retirement system expense fund.

(a) Every six months the department shall determine the amount of an employer's fee by reviewing the timeliness and accuracy of the reports submitted by the employer in the preceding six months. If those reports were not both timely and accurate the department may prospectively assess an additional fee under this subsection.

(b) An additional fee assessed by the department under this subsection shall not exceed fifty percent of the standard fee.

(c) The department shall adopt rules implementing this section.

(6) Expenses other than those under RCW 41.34.060(3) shall be paid pursuant to subsection (1) of this section.

(7) During the 2003-2007 fiscal biennium, the legislature may transfer from the department of retirement systems' expense fund to the state general fund such amounts as reflect the excess fund balance of the fund.

Sec. 919. RCW 43.07.130 and 1994 c 211 s 1311 are each amended to read as follows:

There is created within the state treasury a revolving fund, to be known as the "secretary of state's revolving fund," which shall be used by the office of the secretary of state to defray the costs of printing, reprinting, or distributing printed matter authorized by law to be issued by the office of the secretary of state, and any other cost of carrying out the functions of the secretary of state under Title 23B RCW, or chapters 18.100, 23.86, 23.90, 24.03, 24.06, 24.12, 24.20, 24.24, 24.28, 24.36, 25.15, or 25.10 RCW.

The secretary of state is hereby authorized to charge a fee for such publications in an amount which will compensate for the costs of printing, reprinting, and distributing such printed matter. Fees recovered by the secretary of state under RCW 43.07.120(2), 23B.01.220 (1)(e), (6) and (7), 23B.18.050, 24.03.410, 24.06.455, or 46.64.040, and such other moneys as are expressly designated for deposit in the secretary of state's revolving fund shall be placed in the secretary of state's revolving fund.

During the 2005-2007 fiscal biennium, the legislature may transfer
from the secretary of state's revolving fund to the state general fund such amounts as reflect the excess fund balance of the fund.

Sec. 920. RCW 43.08.190 and 2003 1st sp.s. c 25 s 916 are each amended to read as follows:

There is hereby created a fund within the state treasury to be known as the "state treasurer's service fund". Such fund shall be used solely for the payment of costs and expenses incurred in the operation and administration of the state treasurer's office.

Moneys shall be allocated monthly and placed in the state treasurer's service fund equivalent to a maximum of one percent of the trust and treasury average daily cash balances from the earnings generated under the authority of RCW 43.79A.040 and 43.84.080 other than earnings generated from investment of balances in funds and accounts specified in RCW ((43.79.040)) 43.79A.040 or 43.84.092(4)(b). The allocation shall precede the distribution of the remaining earnings as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a uniform allocation rate based on the appropriations for the treasurer's office.

During the ((2003-)) 2005-2007 fiscal biennium, the legislature may transfer from the state treasurer's service fund to the state general fund such amounts as reflect the excess fund balance of the fund.

Sec. 921. RCW 43.08.250 and 2003 1st sp.s. c 25 s 918 are each amended to read as follows:

The money received by the state treasurer from fees, fines, forfeitures, penalties, reimbursements or assessments by any court organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be deposited in the public safety and education account which is hereby created in the state treasury. The legislature shall appropriate the funds in the account to promote traffic safety education, highway safety, criminal justice training, crime victims' compensation, judicial education, the judicial information system, civil representation of indigent persons, winter recreation parking, drug court operations, and state game programs. During the fiscal biennium ending June 30, ((2005)) 2007, the legislature may appropriate moneys from the public safety and education account for purposes of appellate indigent defense and other operations of the office of public defense,
the criminal litigation unit of the attorney general's office, the
treatment alternatives to street crimes program, crime victims advocacy
programs, justice information network telecommunication planning,
treatment for supplemental security income clients, sexual assault
treatment, operations of the office of administrator for the courts,
security in the common schools, alternative school start-up grants,
programs for disruptive students, criminal justice data collection,
Washington state patrol criminal justice activities, drug court
operations, unified family courts, local court backlog assistance,
financial assistance to local jurisdictions for extraordinary costs
incurred in the adjudication of criminal cases, domestic violence
treatment and related services, the department of corrections' costs in
implementing chapter 196, Laws of 1999, reimbursement of local
governments for costs associated with implementing criminal and civil
justice legislation, the replacement of the department of corrections'
offender-based tracking system, secure and semi-secure crisis
residential centers, HOPE beds, the family policy council and community
public health and safety networks, the street youth program, public
notification about registered sex offenders, and narcotics or
methamphetamine-related enforcement, education, training, and drug and
alcohol treatment services.

Sec. 922. RCW 43.10.180 and 2003 1st sp.s. c 25 s 917 are each
amended to read as follows:

(1) The attorney general shall keep such records as are necessary
to facilitate proper allocation of costs to funds and agencies served
and the director of financial management shall prescribe appropriate
accounting procedures to accurately allocate costs to funds and
agencies served. Billings shall be adjusted in line with actual costs
incurred at intervals not to exceed six months.

(2) During the (2003-05) 2005-2007 fiscal biennium, all expenses
for administration of the office of the attorney general shall be
allocated to and paid from the legal services revolving fund in
accordance with accounting procedures prescribed by the director of
financial management.

Sec. 923. RCW 43.43.944 and 2003 1st sp.s. c 25 s 919 are each
amended to read as follows:
(1) The fire service training account is hereby established in the state treasury. The fund shall consist of:
   (a) All fees received by the Washington state patrol for fire service training;
   (b) All grants and bequests accepted by the Washington state patrol under RCW 43.43.940; and
   (c) Twenty percent of all moneys received by the state on fire insurance premiums.
(2) Moneys in the account may be appropriated only for fire service training. During the 2005-2007 fiscal biennium, the legislature may appropriate funds from this account for school fire prevention activities within the Washington state patrol.

Sec. 924. RCW 43.70.320 and 1993 c 492 s 411 are each amended to read as follows:
(1) There is created in the state treasury an account to be known as the health professions account. All fees received by the department for health professions licenses, registration, certifications, renewals, or examinations and the civil penalties assessed and collected by the department under RCW 18.130.190 shall be forwarded to the state treasurer who shall credit such moneys to the health professions account.
(2) All expenses incurred in carrying out the health professions licensing activities of the department shall be paid from the account as authorized by legislative appropriation. Any residue in the account shall be accumulated and shall not revert to the general fund at the end of the biennium.
(3) The secretary shall biennially prepare a budget request based on the anticipated costs of administering the health professions licensing activities of the department which shall include the estimated income from health professions fees.
(4) During the 2005-07 fiscal biennium, the legislature may appropriate moneys in the health professions account for the purpose of grants to a central nursing resource center.

Sec. 925. RCW 43.72.900 and 2003 c 259 s 1 are each amended to read as follows:
(1) The health services account is created in the state treasury.
Moneys in the account may be spent only after appropriation. Subject to the transfers described in subsection (3) of this section, moneys in the account may be expended only for maintaining and expanding health services access for low-income residents, maintaining and expanding the public health system, maintaining and improving the capacity of the health care system, containing health care costs, and the regulation, planning, and administering of the health care system.

(2) Funds deposited into the health services account under RCW 82.24.028 and 82.26.028 shall be used solely as follows:

(a) Five million dollars for the state fiscal year beginning July 1, 2002, and five million dollars for the state fiscal year beginning July 1, 2003, shall be appropriated by the legislature for programs that effectively improve the health of low-income persons, including efforts to reduce diseases and illnesses that harm low-income persons. The department of health shall submit a report to the legislature on March 1, 2002, evaluating the cost-effectiveness of programs that improve the health of low-income persons and address diseases and illnesses that disproportionately affect low-income persons, and making recommendations to the legislature on which of these programs could most effectively utilize the funds appropriated under this subsection.

(b) Ten percent of the funds deposited into the health services account under RCW 82.24.028 and 82.26.028 remaining after the appropriation under (a) of this subsection shall be transferred no less frequently than annually by the treasurer to the tobacco prevention and control account established by RCW 43.79.480. The funds transferred shall be used exclusively for implementation of the Washington state tobacco prevention and control plan and shall be used only to supplement, and not supplant, funds in the tobacco prevention and control account as of January 1, 2001, however, these funds may be used to replace funds appropriated by the legislature for further implementation of the Washington state tobacco prevention and control plan for the biennium beginning July 1, 2001. For each state fiscal year beginning on and after July 1, 2002, the legislature shall appropriate no less than twenty-six million two hundred forty thousand dollars from the tobacco prevention and control account for implementation of the Washington state tobacco prevention and control plan.
(c) Because of its demonstrated effectiveness in improving the health of low-income persons and addressing illnesses and diseases that harm low-income persons, the remainder of the funds deposited into the health services account under RCW 82.24.028 and 82.26.028 shall be appropriated solely for Washington basic health plan enrollment as provided in chapter 70.47 RCW. Funds appropriated under this subsection may be used to support outreach and enrollment activities only to the extent necessary to achieve the enrollment goals described in this section.

(3) Prior to expenditure for the purposes described in subsection (2) of this section, funds deposited into the health services account under RCW 82.24.028 and 82.26.028 shall first be transferred to the following accounts to ensure the continued availability of previously dedicated revenues for certain existing programs:

(a) To the violence reduction and drug enforcement account under RCW 69.50.520, two million two hundred forty-nine thousand five hundred dollars for the state fiscal year beginning July 1, 2001, four million two hundred forty-eight thousand dollars for the state fiscal year beginning July 1, 2002, seven million seven hundred eighty-nine thousand dollars for the biennium beginning July 1, 2003, six million nine hundred thirty-two thousand dollars for the biennium beginning July 1, 2005, and six million nine hundred thirty-two thousand dollars for each biennium thereafter, as required by RCW 82.24.020(2);

(b) To the health services account under this section, nine million seventy-seven thousand dollars for the state fiscal year beginning July 1, 2001, seventeen million one hundred eighty-eight thousand dollars for the state fiscal year beginning July 1, 2002, thirty-one million seven hundred fifty-five thousand dollars for the biennium beginning July 1, 2003, twenty-eight million six hundred twenty-two thousand dollars for the biennium beginning July 1, 2005, and twenty-eight million six hundred twenty-two thousand dollars for each biennium thereafter, as required by RCW 82.24.020(3); and

(c) To the water quality account under RCW 70.146.030, two million two hundred three thousand five hundred dollars for the state fiscal year beginning July 1, 2001, four million two hundred forty-nine thousand dollars for the state fiscal year beginning July 1, 2002, eight million one hundred eighty-two thousand dollars for the biennium beginning July 1, 2003, seven million eight hundred eighty-five thousand dollars for the biennium beginning July 1, 2005, and seven million eight hundred eighty-five thousand dollars for each biennium thereafter, as required by RCW 82.24.020(3); and
thousand dollars for the biennium beginning July 1, 2005, and seven
million eight hundred eighty-five thousand dollars for each biennium
thereafter, as required by RCW 82.24.027(2)(a).

During the (2001-2003) 2005-2007 fiscal biennium, the legislature
may transfer from the health services account such amounts as reflect
the excess fund balance of the account to the state general fund.

Sec. 926. RCW 43.320.110 and 2003 1st sp.s. c 25 s 921 and 2003 c
288 s 1 are each reenacted and amended to read as follows:

There is created a local fund known as the "financial services
regulation fund" which shall consist of all moneys received by the
divisions of the department of financial institutions, except for the
division of securities which shall deposit thirteen percent of all
moneys received, except as provided in RCW 43.320.115, and which shall
be used for the purchase of supplies and necessary equipment; the
payment of salaries, wages, and utilities; the establishment of
reserves; and other incidental costs required for the proper regulation
of individuals and entities subject to regulation by the department.
The state treasurer shall be the custodian of the fund. Disbursements
from the fund shall be on authorization of the director of financial
institutions or the director's designee. In order to maintain an
effective expenditure and revenue control, the fund shall be subject in
all respects to chapter 43.88 RCW, but no appropriation is required to
permit expenditures and payment of obligations from the fund.

During the 2005-2007 fiscal biennium, the legislature may transfer
from the financial services regulation fund to the state general fund
such amounts as reflect the excess fund balance of the fund.

Sec. 927. RCW 50.20.190 and 2003 2nd sp.s. c 4 s 26 are each
amended to read as follows:

(1) An individual who is paid any amount as benefits under this
title to which he or she is not entitled shall, unless otherwise
released pursuant to this section, be liable for repayment of the
amount overpaid. The department shall issue an overpayment assessment
setting forth the reasons for and the amount of the overpayment. The
amount assessed, to the extent not collected, may be deducted from any
future benefits payable to the individual: PROVIDED, That in the
absence of a back pay award, a settlement affecting the allowance of
benefits, fraud, misrepresentation, or willful nondisclosure, every
determination of liability shall be mailed or personally served not
later than two years after the close of or final payment made on the
individual's applicable benefit year for which the purported
overpayment was made, whichever is later, unless the merits of the
claim are subjected to administrative or judicial review in which event
the period for serving the determination of liability shall be extended
to allow service of the determination of liability during the six-month
period following the final decision affecting the claim.

(2) The commissioner may waive an overpayment if the commissioner
finds that the overpayment was not the result of fraud,
misrepresentation, willful nondisclosure, or fault attributable to the
individual and that the recovery thereof would be against equity and
good conscience: PROVIDED, HOWEVER, That the overpayment so waived
shall be charged against the individual's applicable entitlement for
the eligibility period containing the weeks to which the overpayment
was attributed as though such benefits had been properly paid.

(3) Any assessment herein provided shall constitute a determination
of liability from which an appeal may be had in the same manner and to
the same extent as provided for appeals relating to determinations in
respect to claims for benefits: PROVIDED, That an appeal from any
determination covering overpayment only shall be deemed to be an appeal
from the determination which was the basis for establishing the
overpayment unless the merits involved in the issue set forth in such
determination have already been heard and passed upon by the appeal
tribunal. If no such appeal is taken to the appeal tribunal by the
individual within thirty days of the delivery of the notice of
determination of liability, or within thirty days of the mailing of the
notice of determination, whichever is the earlier, the determination of
liability shall be deemed conclusive and final. Whenever any such
notice of determination of liability becomes conclusive and final, the
commissioner, upon giving at least twenty days notice by certified mail
return receipt requested to the individual's last known address of the
intended action, may file with the superior court clerk of any county
within the state a warrant in the amount of the notice of determination
of liability plus a filing fee under RCW 36.18.012(10). The clerk of
the county where the warrant is filed shall immediately designate a
superior court cause number for the warrant, and the clerk shall cause
to be entered in the judgment docket under the superior court cause number assigned to the warrant, the name of the person(s) mentioned in the warrant, the amount of the notice of determination of liability, and the date when the warrant was filed. The amount of the warrant as docketed shall become a lien upon the title to, and any interest in, all real and personal property of the person(s) against whom the warrant is issued, the same as a judgment in a civil case duly docketed in the office of such clerk. A warrant so docketed shall be sufficient to support the issuance of writs of execution and writs of garnishment in favor of the state in the manner provided by law for a civil judgment. A copy of the warrant shall be mailed to the person(s) mentioned in the warrant by certified mail to the person's last known address within five days of its filing with the clerk.

(4) On request of any agency which administers an employment security law of another state, the United States, or a foreign government and which has found in accordance with the provisions of such law that a claimant is liable to repay benefits received under such law, the commissioner may collect the amount of such benefits from the claimant to be refunded to the agency. In any case in which under this section a claimant is liable to repay any amount to the agency of another state, the United States, or a foreign government, such amounts may be collected without interest by civil action in the name of the commissioner acting as agent for such agency if the other state, the United States, or the foreign government extends such collection rights to the employment security department of the state of Washington, and provided that the court costs be paid by the governmental agency benefiting from such collection.

(5) Any employer who is a party to a back pay award or settlement due to loss of wages shall, within thirty days of the award or settlement, report to the department the amount of the award or settlement, the name and social security number of the recipient of the award or settlement, and the period for which it is awarded. When an individual has been awarded or receives back pay, for benefit purposes the amount of the back pay shall constitute wages paid in the period for which it was awarded. For contribution purposes, the back pay award or settlement shall constitute wages paid in the period in which it was actually paid. The following requirements shall also apply:
(a) The employer shall reduce the amount of the back pay award or settlement by an amount determined by the department based upon the amount of unemployment benefits received by the recipient of the award or settlement during the period for which the back pay award or settlement was awarded;

(b) The employer shall pay to the unemployment compensation fund, in a manner specified by the commissioner, an amount equal to the amount of such reduction;

(c) The employer shall also pay to the department any taxes due for unemployment insurance purposes on the entire amount of the back pay award or settlement notwithstanding any reduction made pursuant to (a) of this subsection;

(d) If the employer fails to reduce the amount of the back pay award or settlement as required in (a) of this subsection, the department shall issue an overpayment assessment against the recipient of the award or settlement in the amount that the back pay award or settlement should have been reduced; and

(e) If the employer fails to pay to the department an amount equal to the reduction as required in (b) of this subsection, the department shall issue an assessment of liability against the employer which shall be collected pursuant to the procedures for collection of assessments provided herein and in RCW 50.24.110.

(6) When an individual fails to repay an overpayment assessment that is due and fails to arrange for satisfactory repayment terms, the commissioner shall impose an interest penalty of one percent per month of the outstanding balance. Interest shall accrue immediately on overpayments assessed pursuant to RCW 50.20.070 and shall be imposed when the assessment becomes final. For any other overpayment, interest shall accrue when the individual has missed two or more of the individual's monthly payments either partially or in full. The interest penalty shall be used, first, to fully fund either social security number cross-match audits or other more effective activities that ensure that individuals are entitled to all amounts of benefits that they are paid, second, to fund other detection and recovery of overpayment and collection activities and, third, during the 2005-07 fiscal biennium, to the cost of the job skills program and one-time funding associated with expanding curricula and enrollment in
Sec. 928. RCW 50.16.010 and 2003 2nd sp.s. c 4 s 23 and 2003 1st sp.s. c 25 s 925 are each reenacted and amended to read as follows:

(1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund, an administrative contingency fund, and a federal interest payment fund, which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.

(2)(a) The unemployment compensation fund shall consist of:

(i) All contributions collected under RCW 50.24.010 and payments in lieu of contributions collected pursuant to the provisions of this title;

(ii) Any property or securities acquired through the use of moneys belonging to the fund;

(iii) All earnings of such property or securities;

(iv) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;

(v) All money recovered on official bonds for losses sustained by the fund;

(vi) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;

(vii) All money received from the federal government as reimbursement pursuant to section 204 of the federal-state extended compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

(viii) All moneys received for the fund from any other source.

(b) All moneys in the unemployment compensation fund shall be commingled and undivided.

(3)(a) Except as provided in (b) of this subsection, the administrative contingency fund shall consist of:

(i) All interest on delinquent contributions collected pursuant to this title;

(ii) All fines and penalties collected pursuant to the provisions of this title;
(iii) All sums recovered on official bonds for losses sustained by
the fund; and

(iv) Revenue received under RCW 50.24.014.

(b) All fees, fines, forfeitures, and penalties collected or
assessed by a district court because of the violation of this title or
rules adopted under this title shall be remitted as provided in chapter
3.62 RCW.

(c) Moneys available in the administrative contingency fund, other
than money in the special account created under RCW 50.24.014(1)(a),
shall be expended upon the direction of the commissioner, with the
approval of the governor, whenever it appears to him or her that such
expenditure is necessary solely for:

(i) The proper administration of this title and no federal funds
are available for the specific purpose to which such expenditure is to
be made, provided, the moneys are not substituted for appropriations
from federal funds which, in the absence of such moneys, would be made
available.

(ii) The proper administration of this title for which purpose
appropriations from federal funds have been requested but not yet
received, provided, the administrative contingency fund will be
reimbursed upon receipt of the requested federal appropriation.

(iii) The proper administration of this title for which compliance
and audit issues have been identified that establish federal claims
requiring the expenditure of state resources in resolution. Claims
must be resolved in the following priority: First priority is to
provide services to eligible participants within the state; second
priority is to provide substitute services or program support; and last
priority is the direct payment of funds to the federal government.

(d) During the (2003-2005) 2005-2007 fiscal biennium, the cost of
the job skills program and (the alliance for corporate education at)
one-time funding associated with expanding curricula and enrollment in
high-demand fields by the community and technical colleges as
appropriated by the legislature.

Money in the special account created under RCW 50.24.014(1)(a) may
only be expended, after appropriation, for the purposes specified in
this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014,
50.44.053, and 50.22.010.
Sec. 929. RCW 66.16.010 and 2003 1st sp.s. c 25 s 928 are each amended to read as follows:

(1) There shall be established at such places throughout the state as the liquor control board, constituted under this title, shall deem advisable, stores to be known as "state liquor stores," for the sale of liquor in accordance with the provisions of this title and the regulations: PROVIDED, That the prices of all liquor shall be fixed by the board from time to time so that the net annual revenue received by the board therefrom shall not exceed thirty-five percent. Effective no later than ((September 1, 2003)) July 1, 2005, the liquor control board shall add an equivalent surcharge of $0.42 per liter on all retail sales of spirits, excluding licensee, military, and tribal sales. The intent of this surcharge is to raise ((14,000,000 in additional revenue)) for the ((2003-2007)) biennium. ((To the extent that a lesser surcharge is sufficient to raise $14,000,000, the board may reduce the amount of the surcharge.)) The board shall remove the surcharge ((once it generates $14,000,000, but no later than)) June 30, ((2005)) 2007.

(2) The liquor control board may, from time to time, fix the special price at which pure ethyl alcohol may be sold to physicians and dentists and institutions regularly conducted as hospitals, for use or consumption only in such hospitals; and may also fix the special price at which pure ethyl alcohol may be sold to schools, colleges and universities within the state for use for scientific purposes. Regularly conducted hospitals may have right to purchase pure ethyl alcohol on a federal permit.

(3) The liquor control board may also fix the special price at which pure ethyl alcohol may be sold to any department, branch or institution of the state of Washington, federal government, or to any person engaged in a manufacturing or industrial business or in scientific pursuits requiring alcohol for use therein.

(4) The liquor control board may also fix a special price at which pure ethyl alcohol may be sold to any private individual, and shall make regulations governing such sale of alcohol to private individuals as shall promote, as nearly as may be, the minimum purchase of such alcohol by such persons.
Sec. 930. RCW 67.40.040 and 2003 1st sp.s. c 25 s 929 are each amended to read as follows:

(1) The proceeds from the sale of the bonds authorized in RCW 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and 67.40.130, and all other moneys received by the state convention and trade center from any public or private source which are intended to fund the acquisition, design, construction, expansion, exterior cleanup and repair of the Eagles building, conversion of various retail and other space to meeting rooms, purchase of the land and building known as the McKay Parcel, development of low-income housing, or renovation of the center, and those expenditures authorized under RCW 67.40.170 shall be deposited in the state convention and trade center account hereby created in the state treasury and in such subaccounts as are deemed appropriate by the directors of the corporation.

(2) Moneys in the account, including unanticipated revenues under RCW 43.79.270, shall be used exclusively for the following purposes in the following priority:

(a) For reimbursement of the state general fund under RCW 67.40.060;

(b) After appropriation by statute:

(i) For payment of expenses incurred in the issuance and sale of the bonds issued under RCW 67.40.030;

(ii) For expenditures authorized in RCW 67.40.170;

(iii) For acquisition, design, and construction of the state convention and trade center; and

(iv) For reimbursement of any expenditures from the state general fund in support of the state convention and trade center; and

(c) For transfer to the state convention and trade center operations account.

(3) The corporation shall identify with specificity those facilities of the state convention and trade center that are to be financed with proceeds of general obligation bonds, the interest on which is intended to be excluded from gross income for federal income tax purposes. The corporation shall not permit the extent or manner of private business use of those bond-financed facilities to be inconsistent with treatment of such bonds as governmental bonds under applicable provisions of the Internal Revenue Code of 1986, as amended.
(4) In order to ensure consistent treatment of bonds authorized under RCW 67.40.030 with applicable provisions of the Internal Revenue Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment earnings on bond proceeds deposited in the state convention and trade center account in the state treasury shall be retained in the account, and shall be expended by the corporation for the purposes authorized under chapter 386, Laws of 1995 and in a manner consistent with applicable provisions of the Internal Revenue Code of 1986, as amended.

(5) During the ((2003-2005)) 2005-2007 fiscal biennium, the legislature may transfer from the state convention and trade center account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 931. RCW 69.50.520 and 2004 c 276 s 912 are each amended to read as follows:

The violence reduction and drug enforcement account is created in the state treasury. All designated receipts from RCW 9.41.110(8), 66.24.210(4), 66.24.290(2), 69.50.505(9)(a), 82.08.150(5), 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989 shall be deposited into the account. Expenditures from the account may be used only for funding services and programs under chapter 271, Laws of 1989 and chapter 7, Laws of 1994 sp. sess., including state incarceration costs. Funds from the account may also be appropriated to reimburse local governments for costs associated with implementing criminal justice legislation including chapter 338, Laws of 1997. During the ((2003-2005)) 2005-2007 biennium, funds from the account may also be used for costs associated with providing grants to local governments in accordance with chapter 338, Laws of 1997, funding drug offender treatment services in accordance with RCW 70.96A.350, maintenance and operating costs of the Washington association of sheriffs and police chiefs jail reporting system, maintenance and operating costs of the juvenile rehabilitation administration's client activity tracking system, civil indigent legal representation, multijurisdictional narcotics task forces, and grants to community networks under chapter 70.190 RCW by the family policy council.

Sec. 932. RCW 70.93.180 and 1998 c 257 s 5 are each amended to read as follows:
(1) There is hereby created an account within the state treasury to be known as the "waste reduction, recycling, and litter control account". Moneys in the account may be spent only after appropriation. Expenditures from the waste reduction, recycling, and litter control account shall be used as follows:

(a) Fifty percent to the department of ecology, for use by the departments of ecology, natural resources, revenue, transportation, and corrections, and the parks and recreation commission, for use in litter collection programs, to be distributed under RCW 70.93.220. The amount to the department of ecology shall also be used for a central coordination function for litter control efforts statewide, for the biennial litter survey under RCW 70.93.200(8), and for statewide public awareness programs under RCW 70.93.200(7). The amount to the department shall also be used to defray the costs of administering the funding, coordination, and oversight of local government programs for waste reduction, litter control, and recycling, so that local governments can apply one hundred percent of their funding to achieving program goals. The amount to the department of revenue shall be used to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

(b) Twenty percent to the department for local government funding programs for waste reduction, litter control, and recycling activities by cities and counties under RCW 70.93.250, to be administered by the department of ecology; and

(c) Thirty percent to the department of ecology for waste reduction and recycling efforts.

(2) All taxes imposed in RCW 82.19.010 and fines and bail forfeitures collected or received pursuant to this chapter shall be deposited in the waste reduction, recycling, and litter control account and used for the programs under subsection (1) of this section.

(3) Not less than five percent and no more than ten percent of the amount appropriated into the waste reduction, recycling, and litter control account every biennium shall be reserved for capital needs, including the purchase of vehicles for transporting crews and for collecting litter and solid waste. Capital funds shall be distributed among state agencies and local governments according to the same criteria provided in RCW 70.93.220 for the remainder of the funds, so that the most effective waste reduction, litter control, and recycling programs receive the most funding. The intent of this subsection is to
provide funds for the purchase of equipment that will enable the
department to account for the greatest return on investment in terms of
reaching a zero litter goal.

(4) During the 2005-2007 fiscal biennium, the legislature may
transfer from the waste reduction, recycling, and litter control
account to the state general fund such amounts as reflect the excess
fund balance of the account.

Sec. 933. RCW 70.105D.070 and 2003 1st sp.s. c 25 s 933 are each
amended to read as follows:

(1) The state toxics control account and the local toxics control
account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics
control account: (a) Those revenues which are raised by the tax
imposed under RCW 82.21.030 and which are attributable to that portion
of the rate equal to thirty-three one-hundredths of one percent; (b) the
costs of remedial actions recovered under this chapter or chapter
70.105A RCW; (c) penalties collected or recovered under this chapter;
and (d) any other money appropriated or transferred to the account by
the legislature. Moneys in the account may be used only to carry out
the purposes of this chapter, including but not limited to the
following activities:

(i) The state's responsibility for hazardous waste planning,
management, regulation, enforcement, technical assistance, and public
education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning,
management, regulation, enforcement, technical assistance, and public
education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this
chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with
chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling,
or disposal of hazardous wastes from households, small businesses, and
agriculture;

(vii) Hazardous materials emergency response training;
(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; and

(xii) Development and demonstration of alternative management technologies designed to carry out the top two hazardous waste management priorities of RCW 70.105.150.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from abandoned or derelict vessels that pose a threat to human health or the environment. For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel. Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During the 1999-2001 fiscal biennium, moneys in the account may also be used
for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2003-2005 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as specified in the omnibus operating budget bill for methamphetamine lab cleanup. During the 2005-2007 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(b) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) One percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in lobbying activities, and applicants may not be awarded grants if their cumulative grant awards under this section exceed two hundred thousand dollars. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation.
The department shall adopt rules for grant or loan issuance and performance.

During the 2005-2007 fiscal biennium, the legislature may transfer from the state toxics control account to the state general fund such amounts as reflect the excess fund balance of the fund.

Sec. 934. RCW 70.146.030 and 2004 c 277 s 909 are each amended to read as follows:

(1) The water quality account is hereby created in the state treasury. Moneys in the account may be used only in a manner consistent with this chapter. Moneys deposited in the account shall be administered by the department of ecology and shall be subject to legislative appropriation. Moneys placed in the account shall include tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390, principal and interest from the repayment of any loans granted pursuant to this chapter, and any other moneys appropriated to the account by the legislature.

(2) The department may use or permit the use of any moneys in the account to make grants or loans to public bodies, including grants to public bodies as cost-sharing moneys in any case where federal, local, or other funds are made available on a cost-sharing basis, for water pollution control facilities and activities, or for purposes of assisting a public body to obtain an ownership interest in water pollution control facilities and/or to defray a part of the payments made by a public body to a service provider under a service agreement entered into pursuant to RCW 70.150.060, within the purposes of this chapter and for related administrative expenses. For the period July 1, ((2003)) 2005, to June 30, ((2005)) 2007, moneys in the account may be used to process applications received by the department that seek to make changes to or transfer existing water rights, for water conveyance projects, and for grants and technical assistance to public bodies for watershed planning under chapter 90.82 RCW. No more than three percent of the moneys deposited in the account may be used by the department to pay for the administration of the grant and loan program authorized by this chapter.

(3) Beginning with the biennium ending June 30, 1997, the department shall present a biennial progress report on the use of moneys from the account to the chairs of the senate committee on ways
and means and the house of representatives committee on appropriations. The first report is due June 30, 1996, and the report for each succeeding biennium is due December 31 of the odd-numbered year. The report shall consist of a list of each recipient, project description, and amount of the grant, loan, or both.

**Sec. 935.** RCW 70.146.080 and 2003 1st sp.s. c 25 s 935 are each amended to read as follows:

Within thirty days after June 30, 1987, and within thirty days after each succeeding fiscal year thereafter, the state treasurer shall determine the tax receipts deposited into the water quality account for the preceding fiscal year. If the tax receipts deposited into the account in each of the fiscal years 1988 and 1989 are less than forty million dollars, the state treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total receipts in each fiscal year up to forty million dollars.

For the biennium ending June 30, 1991, if the tax receipts deposited into the water quality account and the earnings on investment of balances credited to the account are less than ninety million dollars, the treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total revenue up to ninety million dollars. The determination and transfer shall be made by July 31, 1991.

For fiscal year 1992 and for fiscal years 1995 and 1996 and thereafter, if the tax receipts deposited into the water quality account for each fiscal year are less than forty-five million dollars, the treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total revenue up to forty-five million dollars. However, during the (2003-05) 2005-2007 fiscal biennium, the legislature may specify the transfer of a different amount in the operating budget bill. Determinations and transfers shall be made by July 31 for the preceding fiscal year.

**Sec. 936.** RCW 70.148.020 and 1999 c 73 s 1 are each amended to read as follows:

(1) The pollution liability insurance program trust account is established in the custody of the state treasurer. All funds appropriated for this chapter and all premiums collected for
reinsurance shall be deposited in the account. Expenditures from the account shall be used exclusively for the purposes of this chapter including payment of costs of administering the pollution liability insurance and underground storage tank community assistance programs. Expenditures for payment of administrative and operating costs of the agency are subject to the allotment procedures under chapter 43.88 RCW and may be made only after appropriation by statute. No appropriation is required for other expenditures from the account.

(2) Each calendar quarter, the director shall report to the insurance commissioner the loss and surplus reserves required for the calendar quarter. The director shall notify the department of revenue of this amount by the fifteenth day of each calendar quarter.

(3) Each calendar quarter the director shall determine the amount of reserves necessary to fund commitments made to provide financial assistance under RCW 70.148.130 to the extent that the financial assistance reserves do not jeopardize the operations and liabilities of the pollution liability insurance program. The director shall notify the department of revenue of this amount by the fifteenth day of each calendar quarter. The director may immediately establish an initial financial assistance reserve of five million dollars from available revenues. The director may not expend more than fifteen million dollars for the financial assistance program.

(4) During the 2005-2007 fiscal biennium, the legislature may transfer from the pollution liability insurance program trust account to the state general fund such amounts as reflect the excess fund balance of the account.

(5) This section expires June 1, ((2001-2007)) 2007.

Sec. 937. RCW 72.11.040 and 2003 1st sp.s. c 25 s 936 are each amended to read as follows:

The cost of supervision fund is created in the custody of the state treasurer. All receipts from assessments made under RCW 9.94A.780 and 72.04A.120 shall be deposited into the fund. Expenditures from the fund may be used only to support the collection of legal financial obligations. During the ((2003-2005)) 2005-2007 biennium, funds from the account may also be used for costs associated with the department's supervision of the offenders in the community. Only the secretary of the department of corrections or the secretary's designee may authorize
expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

**Sec. 938.** RCW 74.09.5225 and 2001 2nd sp.s. c 2 s 2 are each amended to read as follows:

1. Payments for recipients eligible for medical assistance programs under this chapter for services provided by hospitals, regardless of the beneficiary's managed care enrollment status, shall be made based on allowable costs incurred during the year, when services are provided by a rural hospital certified by the health care financing administration as a critical access hospital. Any additional payments made by the medical assistance administration for the healthy options program shall be no more than the additional amounts per service paid under this section for other medical assistance programs.

2. During the 2005-2007 fiscal biennium, a moratorium shall be placed on additional hospitals participating in the medical assistance program under chapter 74.09 RCW as described in subsection (1) of this section. However, rural hospitals that applied for certification to the centers for medicare and medicaid services prior to January 1, 2005, but have not yet completed the process or have not yet been approved for certification, remain eligible for medical assistance reimbursement.

**Sec. 939.** RCW 74.46.431 and 2004 c 276 s 913 are each amended to read as follows:

1. Effective July 1, 1999, nursing facility medicaid payment rate allocations shall be facility-specific and shall have seven components: Direct care, therapy care, support services, operations, property, financing allowance, and variable return. The department shall establish and adjust each of these components, as provided in this section and elsewhere in this chapter, for each medicaid nursing facility in this state.

2. All component rate allocations for essential community providers as defined in this chapter shall be based upon a minimum facility occupancy of eighty-five percent of licensed beds, regardless of how many beds are set up or in use. For all facilities other than essential community providers, effective July 1, 2001, component rate
allocations in direct care, therapy care, support services, variable
return, operations, property, and financing allowance shall continue to
be based upon a minimum facility occupancy of eighty-five percent of
licensed beds. For all facilities other than essential community
providers, effective July 1, 2002, the component rate allocations in
operations, property, and financing allowance shall be based upon a
minimum facility occupancy of ninety percent of licensed beds,
regardless of how many beds are set up or in use.

(3) Information and data sources used in determining medicaid
payment rate allocations, including formulas, procedures, cost report
periods, resident assessment instrument formats, resident assessment
methodologies, and resident classification and case mix weighting
methodologies, may be substituted or altered from time to time as
determined by the department.

(4)(a) Direct care component rate allocations shall be established
using adjusted cost report data covering at least six months. Adjusted
cost report data from 1996 will be used for October 1, 1998, through
June 30, 2001, direct care component rate allocations; adjusted cost
report data from 1999 will be used for July 1, 2001, through June 30,
2005, direct care component rate allocations. Unless the legislature
provides otherwise in the biennial appropriations act, adjusted cost
report data from 1999 will continue to be used for July 1, 2005, and
later direct care component rate allocations.

(b) Direct care component rate allocations based on 1996 cost
report data shall be adjusted annually for economic trends and
conditions by a factor or factors defined in the biennial
appropriations act. A different economic trends and conditions
adjustment factor or factors may be defined in the biennial
appropriations act for facilities whose direct care component rate is
set equal to their adjusted June 30, 1998, rate, as provided in RCW
74.46.506(5)(i).

(c) Direct care component rate allocations based on 1999 cost
report data shall be adjusted annually for economic trends and
conditions by a factor or factors defined in the biennial
appropriations act. A different economic trends and conditions
adjustment factor or factors may be defined in the biennial
appropriations act for facilities whose direct care component rate is
set equal to their adjusted June 30, 1998, rate, as provided in RCW 74.46.506(5) (i).

(5)(a) Therapy care component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 will be used for October 1, 1998, through June 30, 2001, therapy care component rate allocations; adjusted cost report data from 1999 will be used for July 1, 2001, through June 30, 2005, therapy care component rate allocations. Unless the legislature provides otherwise in the biennial appropriations act, adjusted cost report data from 1999 will continue to be used for July 1, 2005, and later therapy care component rate allocations.

(b) Therapy care component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(6)(a) Support services component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, support services component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2005, support services component rate allocations. Unless the legislature provides otherwise in the biennial appropriations act, adjusted cost report data from 1999 will continue to be used for July 1, 2005, and later support services component rate allocations.

(b) Support services component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(7)(a) Operations component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, operations component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2005, operations component rate allocations. Unless the legislature provides otherwise in the biennial appropriations act, adjusted cost report data from 1999 will continue to be used for July 1, 2005, and later operations component rate allocations.

(b) Operations component rate allocations shall be adjusted
annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(8) For July 1, 1998, through September 30, 1998, a facility's property and return on investment component rates shall be the facility's June 30, 1998, property and return on investment component rates, without increase. For October 1, 1998, through June 30, 1999, a facility's property and return on investment component rates shall be rebased utilizing 1997 adjusted cost report data covering at least six months of data.

(9) Total payment rates under the nursing facility medicaid payment system shall not exceed facility rates charged to the general public for comparable services.

(10) Medicaid contractors shall pay to all facility staff a minimum wage of the greater of the state minimum wage or the federal minimum wage.

(11) The department shall establish in rule procedures, principles, and conditions for determining component rate allocations for facilities in circumstances not directly addressed by this chapter, including but not limited to: The need to prorate inflation for partial-period cost report data, newly constructed facilities, existing facilities entering the medicaid program for the first time or after a period of absence from the program, existing facilities with expanded new bed capacity, existing medicaid facilities following a change of ownership of the nursing facility business, facilities banking beds or converting beds back into service, facilities temporarily reducing the number of set-up beds during a remodel, facilities having less than six months of either resident assessment, cost report data, or both, under the current contractor prior to rate setting, and other circumstances.

(12) The department shall establish in rule procedures, principles, and conditions, including necessary threshold costs, for adjusting rates to reflect capital improvements or new requirements imposed by the department or the federal government. Any such rate adjustments are subject to the provisions of RCW 74.46.421.

(13) Effective July 1, 2001, medicaid rates shall continue to be revised downward in all components, in accordance with department rules, for facilities converting banked beds to active service under chapter 70.38 RCW, by using the facility's increased licensed bed capacity to recalculate minimum occupancy for rate setting. However,
for facilities other than essential community providers which bank beds
under chapter 70.38 RCW, after May 25, 2001, medicaid rates shall be
revised upward, in accordance with department rules, in direct care,
therapy care, support services, and variable return components only, by
using the facility's decreased licensed bed capacity to recalculate
minimum occupancy for rate setting, but no upward revision shall be
made to operations, property, or financing allowance component rates.
(14) Facilities obtaining a certificate of need or a certificate of
need exemption under chapter 70.38 RCW after June 30, 2001, must have
a certificate of capital authorization in order for (a) the
depreciation resulting from the capitalized addition to be included in
calculation of the facility's property component rate allocation; and
(b) the net invested funds associated with the capitalized addition to
be included in calculation of the facility's financing allowance rate
allocation.

Sec. 940.  RCW 79.64.040 and 2004 c 199 s 227 are each amended to
read as follows:
The board shall determine the amount deemed necessary in order to
achieve the purposes of this chapter and shall provide by rule for the
deduction of this amount from the moneys received from all leases,
sales, contracts, licenses, permits, easements, and rights of way
issued by the department and affecting state lands and aquatic lands,
provided that no deduction shall be made from the proceeds from
agricultural college lands.  Moneys received as deposits from
successful bidders, advance payments, and security under RCW 79.15.100,
79.15.080, and 79.11.150 prior to December 1, 1981, which have not been
subjected to deduction under this section are not subject to deduction
under this section.  The deductions authorized under this section shall
in no event exceed twenty-five percent of the moneys received by the
department in connection with any one transaction pertaining to state
lands and aquatic lands other than second class tide and shore lands
and the beds of navigable waters, and fifty percent of the moneys
received by the department pertaining to second class tide and shore
lands and the beds of navigable waters.  During the fiscal biennium
beginning July 1, 2005, the twenty-five percent limitation on
deductions is temporarily increased to thirty percent.  The department
shall submit a report to the appropriate committees of the legislature
by December 1, 2005, that recommends changes in state laws and
department policies that will reduce the administrative costs of
managing state trust lands.

In the event that the department sells logs using the contract
harvesting process described in RCW 79.15.500 through 79.15.530, the
moneys received subject to this section are the net proceeds from the
contract harvesting sale.

Sec. 941. RCW 79.90.245 and 2004 c 276 s 914 are each amended to
read as follows:

After deduction for management costs as provided in RCW 79.64.040
and payments to towns under RCW 79.92.110(2), all moneys received by
the state from the sale or lease of state-owned aquatic lands and from
the sale of valuable material from state-owned aquatic lands shall be
deposited in the aquatic lands enhancement account which is hereby
created in the state treasury. After appropriation, these funds shall
be used solely for aquatic lands enhancement projects; for the
purchase, improvement, or protection of aquatic lands for public
purposes; for providing and improving access to such lands; and for
volunteer cooperative fish and game projects.

In providing grants for aquatic lands enhancement projects, the
department shall require grant recipients to incorporate the
environmental benefits of the project into their grant applications,
and the department shall utilize the statement of environmental
benefits in its prioritization and selection process. The department
shall also develop appropriate outcome-focused performance measures to
be used both for management and performance assessment of the grants.
To the extent possible, the department should coordinate its
performance measure system with other natural resource-related agencies
as defined in RCW 43.41.270. The department shall consult with
affected interest groups in implementing this section.

During the fiscal biennium ending June 30, ((2005)) 2007, the funds
may be appropriated for boating safety((, settlement costs for aquatic
lands cleanup, and shellfish management, enforcement, and enhancement))
and assistance to local governments for septic system surveys and data
bases.
Sec. 942. RCW 86.26.007 and 2003 1st sp.s. c 25 s 943 are each amended to read as follows:

The flood control assistance account is hereby established in the state treasury. At the beginning of the ((1997-99 fiscal biennium and each)) 2005-2007 fiscal biennium, the state treasurer shall transfer three million dollars from the general fund to the flood control assistance account. Each biennium thereafter the state treasurer shall transfer four million dollars from the general fund to the flood control assistance account. Moneys in the flood control assistance account may be spent only after appropriation for purposes specified under this chapter. ((During the 2003-2005 fiscal biennium, the legislature may transfer from the flood control assistance account to the state general fund such amounts as reflect the excess fund balance of the account.))

NEW SECTION. Sec. 943. COMPENSATION--INSURANCE BENEFITS. The appropriations for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $663.00 per eligible employee for fiscal year 2006. For fiscal year 2007 the monthly employer funding rate shall not exceed $744.00 per eligible represented employee or $618.00 per eligible nonrepresented employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.
(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2006, through December 31, 2006, the subsidy shall be $131.87. Starting January 1, 2007, the subsidy shall be $149.67 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, $48.71 per month beginning September 1, 2005, and $56.59 beginning September 1, 2006;

(b) For each part-time employee who, at the time of the remittance, is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, $48.71 each month beginning September 1, 2005, and $56.59 beginning September 1, 2006, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

NEW SECTION. Sec. 944. NONREPRESENTED EMPLOYEE COMPENSATION.
The appropriations for nonrepresented employee compensation adjustments are provided solely for:

(1) Salary Cost of Living Adjustments.

(a) Appropriations are provided for a 3.2% salary 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 of the state schools for the deaf and blind and employees of community and technical colleges 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. However, community and technical colleges shall increase salaries of all classified and
instructorial staff not covered by Initiative Measure No. 732 or by a
collective bargaining agreement under the personnel system reform act
of 2002 by 3.2% of pay. The appropriations are also sufficient to fund
for the four-year higher education institutions an average salary
increase of 3.2% effective July 1, 2005, for faculty, exempt
administrative and professional staff, graduate assistants, and other
nonclassified staff. Funds provided in this section may not be used
for any other purpose by institutions of higher education, including
for other pay increases.

The appropriations are also sufficient to fund a 3.2% salary
increase effective July 1, 2005, for general government, legislative,
and judicial employees exempt from merit system rules whose maximum
salaries are not set by the commission on salaries for elected
officials.

(b) Appropriations are provided for a 1.6% salary increase
effective July 1, 2006, until June 30, 2007, 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 of the state schools for the deaf and blind and
employees of community and technical colleges 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. However, community and technical colleges
shall increase salaries of all classified and instructional staff not
covered by Initiative Measure No. 732 or by a collective bargaining
agreement under the personnel system reform act of 2002 by 1.6% of pay
for the period specified. The appropriations are also sufficient to
fund for the four-year higher education institutions an average salary
increase of 1.6% effective July 1, 2006, for faculty, exempt
administrative and professional staff, graduate assistants, and other
nonclassified staff. Funds provided in this section may not be used
for any other purpose by institutions of higher education, including
for other pay increases. The appropriations are also sufficient to
fund a 1.6% salary increase effective July 1, 2005, until June 30,
2007, for general government, legislative, and judicial employees
exempt from merit system rules whose maximum salaries are not set by
the commission on salaries for elected officials.
(2) Salary Survey.

For state employees, except those represented by a bargaining unit under the personnel system reform act of 2002, funding is provided for implementation of the department of personnel's 2002 salary survey, for job classes more than 25% below market rates.

NEW SECTION. Sec. 945. CLASSIFICATION REVISIONS. Funding is provided for partial implementation of classification consolidation and revisions under the personnel system reform act of 2002. Groups 2 and 3 of the department of personnel's initial class consolidation plan are affected.

NEW SECTION. Sec. 946. COLLECTIVE BARGAINING AGREEMENTS. Provisions of collective bargaining agreements contained in sections 943 and 945 through 975 of this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements.

NEW SECTION. Sec. 947. COLLECTIVE BARGAINING AGREEMENT--WFSE. Funding is provided for the collective bargaining agreement reached between the governor and the Washington federation of state employees under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

NEW SECTION. Sec. 948. COLLECTIVE BARGAINING AGREEMENT--WPEA. Funding is provided for the collective bargaining agreement reached between the governor and the Washington public employees association under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.
NEW SECTION. Sec. 949. COLLECTIVE BARGAINING AGREEMENT--UFCW.

Funding is provided for the collective bargaining agreement reached between the governor and the United Food and Commercial Workers under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006 until June 30, 2007.

NEW SECTION. Sec. 950. COLLECTIVE BARGAINING AGREEMENT--TEAMSTERS. Funding is provided for the collective bargaining agreement reached between the governor and the Brotherhood of Teamsters under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 2.9% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

NEW SECTION. Sec. 951. COLLECTIVE BARGAINING--COALITION.

Funding is provided for the collective bargaining agreement reached between the governor and the coalition under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

NEW SECTION. Sec. 952. COLLECTIVE BARGAINING--IFPTE. Funding is provided for the collective bargaining agreement reached between the governor and the International Federation of Professional and Technical Engineers local 17 under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.
NEW SECTION. Sec. 953. COLLECTIVE BARGAINING AGREEMENT--SEIU 1199. Funding is provided for the collective bargaining agreement reached between the governor and the service employees international union, local 1199 NW under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates, and for adjustments to the salary grid.

NEW SECTION. Sec. 954. COLLECTIVE BARGAINING AGREEMENT--WFSE HIGHER EDUCATION. Funding is provided for the collective bargaining agreement reached between the governor and the Washington federation of state employees in higher education under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

NEW SECTION. Sec. 955. COLLECTIVE BARGAINING AGREEMENT--WPEA HIGHER EDUCATION. Funding is provided for the collective bargaining agreement reached between the governor and the Washington public employees association in higher education under the personnel system reform act of 2002. For employees covered under this agreement, funding is provided for a 3.2% salary increase effective July 1, 2005. Funding is also provided for a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

NEW SECTION. Sec. 956. COLLECTIVE BARGAINING AGREEMENT--WESTERN WASHINGTON UNIVERSITY, WFSE BU A. Budget amounts reflect the collective bargaining agreement reached between the Western Washington University and the Washington federation of state employees bargaining unit A under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase
1 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until
2 June 30, 2007, and implementation of the department of personnel 2002
3 salary survey for classes more than 25% below market rates.

4 NEW SECTION. Sec. 957. COLLECTIVE BARGAINING AGREEMENT--WESTERN
5 WASHINGTON UNIVERSITY, WFSE BU B. Budget amounts reflect the
6 collective bargaining agreement reached between the Western Washington
7 University and the Washington federation of state employees bargaining
8 unit B under the personnel system reform act of 2002. For employees
9 covered under this agreement, provisions include a 3.2% salary increase
10 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until
11 June 30, 2007, and implementation of the department of personnel 2002
12 salary survey for classes more than 25% below market rates.

13 NEW SECTION. Sec. 958. COLLECTIVE BARGAINING AGREEMENT--
14 WPEA/PROFESSIONAL LOCAL 365 UNIT C--WESTERN WASHINGTON UNIVERSITY.
15 Budget amounts reflect the collective bargaining agreement reached
16 between the Western Washington University and the Washington Public
17 Employees Association bargaining unit C under the personnel system
18 reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005.
19 Provisions also include a 1.6% increase effective July 1, 2006, until
20 June 30, 2007, and for implementation of the department of personnel
21 2002 salary survey for classes more than 25% below market rates.

23 NEW SECTION. Sec. 959. COLLECTIVE BARGAINING AGREEMENT--WESTERN
24 WASHINGTON UNIVERSITY, WFSE BU E. Budget amounts reflect the
25 collective bargaining agreement reached between the Western Washington
26 University and the Washington federation of state employees bargaining
27 unit E under the personnel system reform act of 2002. For employees
28 covered under this agreement, provisions include a 3.2% salary increase
29 effective July 1, 2005, and a 1.6% increase effective July 1, 2006,

31 NEW SECTION. Sec. 960. COLLECTIVE BARGAINING AGREEMENT--
32 WASHINGTON STATE UNIVERSITY, WSU POLICE GUILD. Budget amounts reflect
33 the collective bargaining agreement reached between Washington State
34 University and the Washington State University police guild bargaining
unit under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005, and a 2.9% lump sum payment effective July 1, 2006.

NEW SECTION. Sec. 961. COLLECTIVE BARGAINING AGREEMENT--WASHINGTON STATE UNIVERSITY, WFSE BU 1 AND 11. Budget amounts reflect the collective bargaining agreement reached between Washington State University and the Washington federation of state employees bargaining unit 1--research and extension units west of the Cascades, bargaining unit 5--library and bargaining unit 11--intercollegiate college of nursing under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005. Provisions also include a 2% lump sum payment effective July 1, 2006.

NEW SECTION. Sec. 962. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON, SEIU 925. Budget amounts reflect the collective bargaining agreements reached between the University of Washington and the service employees international union university-wide nonsupervisory, university-wide supervisory, research technologist, research technologist supervisor, and medical/laboratory technologist bargaining units under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005, a 1.6% increase effective July 1, 2006, until June 30, 2007, implementation of a University of Washington salary survey, and adjustment to the salary grid.

NEW SECTION. Sec. 963. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON, WFSE. Budget amounts reflect the collective bargaining agreements reached between the University of Washington and the Washington federation of state employees campus-wide, library, custodial supervisor, Harborview medical center, and Harborview medical center public safety officers bargaining units under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005, a
1 1.6% increase effective July 1, 2006, until June 30, 2007, and
2 implementation of a University of Washington salary survey.

NEW SECTION. Sec. 964. COLLECTIVE BARGAINING AGREEMENT--
UNIVERSITY OF WASHINGTON, WFSE, SKILLED TRades. Budget amounts reflect
the collective bargaining agreements reached between the University of
Washington and the Washington federation of state employees, skilled
trades bargaining unit under the personnel system reform act of 2002. For
employees covered under this agreement, provisions include a $1.00
per hour increase effective July 1, 2005, an increase in shift
differential pay, and an adjustment to the grid.

NEW SECTION. Sec. 965. COLLECTIVE BARGAINING AGREEMENT--
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW PROFESSIONAL AND TECHNICAL. Budget amounts reflect the collective bargaining agreement reached
between the University of Washington and the service employee
international union Harborview medical center professional and
technical bargaining unit under the personnel system reform act of
2002. For employees covered under this agreement, provisions include
a 1.5% salary increase effective January 1, 2006, a 1.5% salary
increase effective January 1, 2007, an adjustment to the salary grid,
and changes in premium pay.

NEW SECTION. Sec. 966. COLLECTIVE BARGAINING AGREEMENT--
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW NURSES. Budget amounts
reflect the collective bargaining agreement reached between the
University of Washington and the service employee international union
Harborview medical center registered nurse bargaining unit under the
personnel system reform act of 2002. For employees covered under this
agreement, provisions include a 2.0% salary increase effective July 1,
2005, a 2.0% salary increase effective July 1, 2006, a 2.0% salary
increase effective January 1, 2007, an adjustment to the salary grid,
and changes in premium pay.

NEW SECTION. Sec. 967. COLLECTIVE BARGAINING AGREEMENT--
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW SOCIAL WORK. Budget amounts reflect the collective bargaining agreements reached between
the University of Washington and the service employee international
union Harborview medical center social work and health care specialist bargaining units under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 2.0% salary increase effective July 1, 2005, a 2.0% salary increase effective July 1, 2006, a 1.0% salary increase effective January 1, 2007, an adjustment to the salary grid, and changes in premium pay.

NEW SECTION. Sec. 968. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON POLICE OFFICERS ASSOCIATION. Budget amounts reflect the collective bargaining agreements reached between the University of Washington and the University of Washington police officers association bargaining unit under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005, a 1.6% increase effective July 1, 2006, and longevity pay increases.

NEW SECTION. Sec. 969. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON WFSE UW POLICE MANAGEMENT. Budget amounts reflect the collective bargaining agreements reached between the University of Washington and the Washington federation of state employees police management bargaining unit under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005, and a 15% supervisory differential effective July 1, 2006.

NEW SECTION. Sec. 970. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON WASHINGTON STATE NURSES ASSOCIATION. Budget amounts reflect the collective bargaining agreement reached between the University of Washington and the Washington state nurses association university medical center registered nurses bargaining unit under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 2.0% salary increase effective July 1, 2005, a 2.0% salary increase effective July 1, 2006, a 2.0% salary increase effective January 1, 2007, an adjustment to the salary grid, and changes in premium pay.

NEW SECTION. Sec. 971. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON INLAND BOATMEN'S UNION. Budget amounts
reflect the collective bargaining agreement reached between the University of Washington and the inland boatmen's union of the Pacific Thompson research vessel crew bargaining unit under the personnel system return act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2006, and a 1.6% salary increase effective July 1, 2006, until June 30, 2007.

NEW SECTION. Sec. 972. COLLECTIVE BARGAINING AGREEMENT--WFSE UNIT 2 EASTERN WASHINGTON UNIVERSITY. Budget amounts reflect the collective bargaining agreement reached between Eastern Washington University and the Washington federation of state employees bargaining unit 2 under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005. Provisions also include a 1.6% salary increase effective July 1, 2006, until June 30, 2007, and for a $500 lump-sum payment to full-time employees, and pro-rated for part-time employees, effective July 1, 2005.

NEW SECTION. Sec. 973. COLLECTIVE BARGAINING AGREEMENT--WFSE UNIT 1 EASTERN WASHINGTON UNIVERSITY. Budget amounts reflect the collective bargaining agreement reached between Eastern Washington University and the Washington federation of state employees bargaining unit 1 under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005. Provisions also include a $500 lump-sum payment to full-time employees, and pro-rated for part-time employees, effective July 1, 2005, and a lump sum payment of 1.6% of annual salary effective July 1, 2006.

NEW SECTION. Sec. 974. COLLECTIVE BARGAINING AGREEMENT--WFSE UNIT 2 CENTRAL WASHINGTON UNIVERSITY. Budget amounts reflect the collective bargaining agreement reached between Central Washington University and the Washington federation of state employees bargaining unit 2 under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective July 1, 2005. Provisions also include a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of
the department of personnel 2002 salary survey for classes more than
25% below market rates.

NEW SECTION. Sec. 975. COLLECTIVE BARGAINING AGREEMENT--WFSE
UNIT 1 CENTRAL WASHINGTON UNIVERSITY. Budget amounts reflect the
collective bargaining agreement reached between Central Washington
University and the Washington federation of state employees bargaining
unit 1 under the personnel system reform act of 2002. For employees
covered under this agreement, provisions include a 3.2% salary increase
effective July 1, 2005. Provisions also include a 1.6% increase
effective July 1, 2006, until June 30, 2007, and for implementation of
the department of personnel 2002 salary survey for classes more than
25% below market rates.

NEW SECTION. Sec. 976. If any provision of this act or its
application to any person or circumstance is held invalid, the
remainder of the act or the application of the provision to other
persons or circumstances is not affected.

NEW SECTION. Sec. 977. Except for section 918 of this act, this
act is necessary for the immediate preservation of the public peace,
health, or safety, or support of the state government and its existing
public institutions, and takes effect immediately.

NEW SECTION. Sec. 978. Section 918 (RCW 41.50.110) of this act
takes effect July 1, 2006.

NEW SECTION. Sec. 979. Section 917 (RCW 41.50.110) of this act
expires July 1, 2006.

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