

ESSB 6002 - H AMD
By Representative Hunter

ADOPTED AND ENGROSSED 3/4/14

1 Strike everything after the enacting clause and insert the
2 following:

3 "PART I
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2013 2nd sp.s. c 4 s 101 (uncodified) is amended to read
6 as follows:

7 **FOR THE HOUSE OF REPRESENTATIVES**

8	General Fund--State Appropriation (FY 2014)	((\$30,789,000))
9		<u>\$30,923,000</u>
10	General Fund--State Appropriation (FY 2015)	((\$31,075,000))
11		<u>\$31,207,000</u>
12	Motor Vehicle Account--State Appropriation	\$1,765,000
13	TOTAL APPROPRIATION	((\$63,629,000))
14		<u>\$63,895,000</u>

15 **Sec. 102.** 2013 2nd sp.s. c 4 s 102 (uncodified) is amended to read
16 as follows:

17 **FOR THE SENATE**

18	General Fund--State Appropriation (FY 2014)	((\$21,150,000))
19		<u>\$21,240,000</u>
20	General Fund--State Appropriation (FY 2015)	((\$23,405,000))
21		<u>\$23,495,000</u>
22	Motor Vehicle Account--State Appropriation	\$1,514,000
23	TOTAL APPROPRIATION	((\$46,069,000))
24		<u>\$46,249,000</u>

25 **Sec. 103.** 2013 2nd sp.s. c 4 s 103 (uncodified) is amended to read
26 as follows:

1 **FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

2	General Fund--State Appropriation (FY 2014)	\$62,000
3	General Fund--State Appropriation (FY 2015)	(\$111,000)
4		<u>\$113,000</u>
5	Performance Audits of Government Account--State	
6	Appropriation	\$5,641,000
7	Medical Aid Account--State Appropriation	\$332,000
8	Accident Account--State Appropriation	\$332,000
9	TOTAL APPROPRIATION	(\$6,478,000)
10		<u>\$6,480,000</u>

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

13 (1) Notwithstanding the provisions of this section, the joint
14 legislative audit and review committee may adjust the due dates for
15 projects included on the committee's 2013-15 work plan as necessary to
16 efficiently manage workload.

17 (2) \$332,000 of the medical aid account--state appropriation and
18 \$332,000 of the accident account--state appropriation are provided for
19 the purposes of chapter 37, Laws of 2011 (workers' compensation).

20 (3) \$323,000 of the performance audits of government account--state
21 appropriation is provided for consultant and staff costs related to the
22 economic analysis of tax preferences as directed by chapter 43.136 RCW.

23 (4) The joint legislative audit and review committee shall conduct
24 an audit of Washington's state research universities. The purpose of
25 the audit is to identify cost and profit centers within, and in
26 partnership with, the research universities. The audit must focus on
27 public funds; student fees, in particular tuition; and auxiliary
28 enterprises, which for the purposes of the audit at the University of
29 Washington includes University of Washington medical center, the
30 internal lending program, the W fund, and the center for
31 commercialization. The audit at each university must achieve the
32 following:

33 (a) Assess the university's policies and practices for tracking
34 per-student expenditures for instruction and identify the average
35 amount per student that the university has spent on instruction for
36 undergraduate students in each of the past five fiscal years;

37 (b) Obtain the university's definition of auxiliary enterprises and
38 determine the number of auxiliary enterprises, including the University

1 of Washington medical center, the University of Washington internal
2 lending program, the W fund, and the center for commercialization, that
3 exist in the university system, the methods the university uses to
4 track revenue and expenditures of auxiliary enterprises, and the
5 policies and practices the university has in place to ensure that state
6 funding is not used to supplement or guarantee projects or programs
7 authorized by auxiliary enterprises;

8 (c) Identify how much money is being spent on undergraduate
9 education and to what extent undergraduate education is subsidizing
10 graduate education; and

11 (d) Determine how tuition funds are being used and to what extent
12 they are being used to fund the University of Washington medical
13 center, the University of Washington internal lending program, the W
14 fund, and the center for commercialization and to back bonds authorized
15 by the university.

16 (5) The committee shall conduct a study of the current methods of
17 collecting legal financial obligations and compare those methods with
18 other debt collection methods, including contracting for debt
19 collection of legal financial obligations. The study shall include
20 analysis of the costs and revenues of current methods and compare those
21 to alternatives, and include analysis of the impact of current methods
22 and alternatives to revenues received by the state. Included shall be
23 an examination of costs and revenue generation before and after the
24 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,
25 Laws of 2005 (SSB 5256) and analysis of whether these changes met the
26 legislative goals of reducing costs and increasing collections. A
27 report on the results of the analysis shall be presented to the
28 appropriate committees of the legislature by December 2014.

29 (6) The committee shall conduct a study of economic development
30 programs and projects supported by the state general fund in the
31 department of commerce. The study shall first review the extent to
32 which these programs: (a) Included specific economic development
33 targets; (b) monitored economic development targets; (c) required for
34 programs which provided support or services through contracts, whether
35 the contracts were structured such that if economic development targets
36 were not met, contracts were reviewed or revised; and (d) changed the
37 economic development targets of associate development organizations
38 relative to funding increases since 2007. The study will include the

1 feasibility of determining how to isolate other factors, such as
2 general economic trends, from the impacts of economic development
3 programs. The costs and options for conducting future analysis of the
4 outcomes specific to economic development programs shall be included
5 and a briefing report shall be provided to the appropriate committees
6 of the legislature by December 1, 2013. A complete report with study
7 data and conclusions shall be provided to the appropriate committees of
8 the legislature by December 1, 2014.

9 (7) The committee shall analyze the incidence and level of taxation
10 and business incentives available to the financial services industry in
11 Washington State, and identify the relative differences in taxes and
12 business incentives compared to California. A report shall be provided
13 to the appropriate committees of the legislature by December 1, 2014.

14 (8) The committee shall conduct an analysis of how school districts
15 use school days. The analysis must include:

16 (a) How school districts define classroom time, nonclassroom time,
17 instructional time, noninstructional time, and any other definitions of
18 how the school day is divided or used;

19 (b) Estimates of time in each category;

20 (c) How noninstructional time is distributed over the annual number
21 of school days;

22 (d) When noninstructional hours occur;

23 (e) How noninstructional hours are used, including how much
24 noninstructional time is devoted to professional development for the
25 purposes of teacher and principal evaluation training or common core
26 state standards training; and

27 (f) The extent to which the use of each category of time is
28 identified or defined in collective bargaining agreements.

29 To the extent data is not available at the statewide level, the
30 committee may use case studies or other methods to conduct the
31 analysis. The committee shall submit a report of its findings to the
32 education committees of the legislature by December 1, 2014.

33 (9) The committee shall review funding enhancement formulas that
34 provide minimum staffing unit funding to small school districts and
35 districts with school plants that have been judged by the state board
36 of education to be remote and necessary. The committee will make an
37 assessment of the current formulas and report any recommended
38 adjustments to the legislative fiscal committees of the senate and the

1 house of representatives by November 1, 2014. In assessing the current
 2 formulas, the committee may consider: Enhancements being made to basic
 3 education funding in the 2013-2015 omnibus appropriations act and
 4 committed to under Engrossed Substitute House Bill No. 2261 (chapter
 5 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,
 6 Laws of 2010); developments in technology or educational service
 7 delivery since the formulas were established; practices in other
 8 states; districts' ability to provide students with access to a program
 9 of education; and inter-district equity.

10 ~~((12))~~ (10) In carrying out the report required by RCW 44.28.157,
 11 the committee shall include by December 2014, an analysis of the
 12 impacts of using the Washington health benefit exchange established in
 13 chapter 43.71 RCW as a mechanism for providing health insurance for
 14 part-time certificated and classified K-12 public school employees.
 15 The analysis shall be conducted in coordination with the health care
 16 authority and shall include a review of how the exchange, federal
 17 health premium tax credits and subsidies for out-of-pocket expenses
 18 administered through the exchange, and Medicaid expansion have
 19 impacted, or could impact, health care costs for individuals, school
 20 districts, and the state. The analysis shall also include a review of
 21 the cost of stand-alone dental plans.

22 (11) Within the appropriations in this section, the joint
 23 legislative audit and review committee shall review the tax exemption
 24 provided under Engrossed House Bill No. 2447 (small business
 25 incubators) and its actual fiscal impact on state revenues to determine
 26 if the fiscal impact to state revenues reasonably conforms to the
 27 fiscal estimate in the fiscal note for this legislation.

28 **Sec. 104.** 2013 2nd sp.s. c 4 s 104 (uncodified) is amended to read
 29 as follows:

30 **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

31	General Fund--State Appropriation (FY 2014)	\$1,653,000
32	General Fund--State Appropriation (FY 2015)	(\$1,811,000)
33		<u>\$1,812,000</u>
34	TOTAL APPROPRIATION	(\$3,464,000)
35		<u>\$3,465,000</u>

1 **Sec. 105.** 2013 2nd sp.s. c 4 s 105 (uncodified) is amended to read
2 as follows:

3 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

4	General Fund--State Appropriation (FY 2014)	((\$8,004,000))
5		<u>\$8,126,000</u>
6	General Fund--State Appropriation (FY 2015)	((\$7,973,000))
7		<u>\$8,095,000</u>
8	TOTAL APPROPRIATION	((\$15,977,000))
9		<u>\$16,221,000</u>

10 **Sec. 106.** 2013 2nd sp.s. c 4 s 106 (uncodified) is amended to read
11 as follows:

12 **FOR THE OFFICE OF THE STATE ACTUARY**

13	Department of Retirement Systems Expense	
14	Account--State Appropriation	((\$3,529,000))
15		<u>\$3,543,000</u>

16 **Sec. 107.** 2013 2nd sp.s. c 4 s 107 (uncodified) is amended to read
17 as follows:

18 **FOR THE STATUTE LAW COMMITTEE**

19	General Fund--State Appropriation (FY 2014)	((\$3,895,000))
20		<u>\$3,903,000</u>
21	General Fund--State Appropriation (FY 2015)	((\$4,102,000))
22		<u>\$4,110,000</u>
23	TOTAL APPROPRIATION	((\$7,997,000))
24		<u>\$8,013,000</u>

25 **Sec. 108.** 2013 2nd sp.s. c 4 s 108 (uncodified) is amended to read
26 as follows:

27 **FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**

28	General Fund--State Appropriation (FY 2014)	((\$3,686,000))
29		<u>\$3,708,000</u>
30	General Fund--State Appropriation (FY 2015)	((\$3,684,000))
31		<u>\$3,708,000</u>
32	TOTAL APPROPRIATION	((\$7,370,000))
33		<u>\$7,416,000</u>

1 **Sec. 109.** 2013 2nd sp.s. c 4 s 110 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPREME COURT**

4	General Fund--State Appropriation (FY 2014)	((\$6,911,000))
5		<u>\$7,048,000</u>
6	General Fund--State Appropriation (FY 2015)	((\$6,836,000))
7		<u>\$6,970,000</u>
8	TOTAL APPROPRIATION	((\$13,747,000))
9		<u>\$14,018,000</u>

10 **Sec. 110.** 2013 2nd sp.s. c 4 s 111 (uncodified) is amended to read
11 as follows:

12 **FOR THE LAW LIBRARY**

13	General Fund--State Appropriation (FY 2014)	((\$1,481,000))
14		<u>\$1,484,000</u>
15	General Fund--State Appropriation (FY 2015)	((\$1,468,000))
16		<u>\$1,474,000</u>
17	TOTAL APPROPRIATION	((\$2,949,000))
18		<u>\$2,958,000</u>

19 **Sec. 111.** 2013 2nd sp.s. c 4 s 112 (uncodified) is amended to read
20 as follows:

21 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

22	General Fund--State Appropriation (FY 2014)	((\$1,068,000))
23		<u>\$1,071,000</u>
24	General Fund--State Appropriation (FY 2015)	((\$994,000))
25		<u>\$1,006,000</u>
26	TOTAL APPROPRIATION	((\$2,062,000))
27		<u>\$2,077,000</u>

28 **Sec. 112.** 2013 2nd sp.s. c 4 s 113 (uncodified) is amended to read
29 as follows:

30 **FOR THE COURT OF APPEALS**

31	General Fund--State Appropriation (FY 2014)	((\$15,691,000))
32		<u>\$15,865,000</u>
33	General Fund--State Appropriation (FY 2015)	((\$15,685,000))
34		<u>\$15,980,000</u>
35	TOTAL APPROPRIATION	((\$31,376,000))

1 \$31,845,000

2 **Sec. 113.** 2013 2nd sp.s. c 4 s 114 (uncodified) is amended to read
3 as follows:

4 **FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund--State Appropriation (FY 2014)	((\$51,085,000))
	<u>\$51,542,000</u>
General Fund--State Appropriation (FY 2015)	((\$50,771,000))
	<u>\$51,747,000</u>
General Fund--Federal Appropriation	\$2,125,000
General Fund--Private/Local Appropriation	\$658,000
Judicial Information Systems Account--State Appropriation	((\$46,611,000))
	<u>\$53,634,000</u>
Judicial Stabilization Trust Account--State Appropriation	\$6,691,000
TOTAL APPROPRIATION	((\$157,941,000))
	<u>\$166,397,000</u>

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

20 (1) \$1,500,000 of the judicial information systems account--state
21 appropriation is provided solely for development and implementation of
22 the information network hub project.

23 (2) \$2,138,000 of the judicial information systems account--state
24 appropriation is provided solely for replacement of computer equipment,
25 including servers, routers, and storage system upgrades.

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

31 ~~((+5))~~ (4) \$1,199,000 of the judicial information systems
32 account--state appropriation is provided solely for replacing computer
33 equipment at state courts and state judicial agencies.

34 ~~((+6))~~ (5) ~~((~~\$108,000 of the general fund--state appropriation for~~~~
35 ~~fiscal year 2014 and~~)) \$108,000 of the general fund--state
36 appropriation for fiscal year 2015 ~~((are))~~ is provided solely for the
37 implementation of chapter 210, Laws of 2013 (Senate Bill No. 5052)

1 (superior court judges Whatcom county). The funds provided in this
2 subsection shall be expended only if the fourth superior court judge
3 position in Whatcom county is appointed and serving on the bench.

4 ~~((7))~~ (6) ~~(\$108,000 of the general fund--state appropriation for~~
5 ~~fiscal year 2014 and))~~ \$108,000 of the general fund--state
6 appropriation for fiscal year 2015 ~~((are))~~ is provided solely for the
7 implementation of chapter 142, Laws of 2013 (House Bill No. 1175)
8 (superior court judges Benton/Franklin counties). The funds provided
9 in this subsection shall be expended only if the seventh superior court
10 judge position in Benton and Franklin counties jointly is appointed and
11 serving on the bench.

12 ~~((8) \$11,300,000 of the judicial information systems account--~~
13 ~~state appropriation is provided solely for continued implementation of~~
14 ~~the superior court case management system project. The administrative~~
15 ~~office of the courts, in consultation with the judicial information~~
16 ~~systems committee, the superior court case management system project~~
17 ~~steering committee, and the office of the chief information officer~~
18 ~~shall develop a revised charter to implement the next phases of the~~
19 ~~superior court case management system. The revised charter shall~~
20 ~~insure that the superior court case management system project steering~~
21 ~~committee continues to provide contract oversight, in collaboration~~
22 ~~with the judicial information system committee, through the~~
23 ~~implementation period and various phases of the project. Oversight~~
24 ~~responsibilities throughout the various phases of the project must~~
25 ~~include, but are not limited to, vendor management, contract and~~
26 ~~deliverable management, and assuring satisfaction of the business and~~
27 ~~technical needs at the local level. The superior court case management~~
28 ~~system project steering committee may solicit input from user groups as~~
29 ~~deemed appropriate. The revised charter shall be approved by the~~
30 ~~judicial information systems committee))~~ (7) \$16,606,000 of the
31 judicial information systems account--state appropriation is provided
32 solely for continued implementation of the superior court case
33 management system project. The administrative office of the courts, in
34 consultation with the judicial information systems committee and the
35 office of the chief information officer shall develop a revised
36 superior court case management steering committee charter to implement
37 the next phases of the superior court case management system. The
38 steering committee members shall be appointed by the judicial

1 information systems committee and shall consist of two members
2 representing each of the following groups: Court administrators,
3 superior court judges, county clerks, and the administrative office of
4 the courts. The revised charter shall insure that voting members of
5 the steering committee represent the administrative office of the
6 courts and those courts that have implemented, or have committed to
7 implement, the statewide superior court vendor solution as selected by
8 the judicial information systems committee. The revised charter shall
9 also insure that the superior court case management system project
10 steering committee continues to provide contract oversight in
11 collaboration with the judicial information system committee through
12 the implementation period. Oversight responsibilities of the steering
13 committee throughout the various phases of the project must include,
14 but are not limited to, vendor management, contract and deliverable
15 management, assuring reasonable satisfaction of the business and
16 technical needs at the local level, receipt of stakeholder feedback,
17 and communication between the various stakeholder groups and the
18 judicial information systems committee. Issues of significant scope,
19 schedule or budget changes, and risk mitigation strategies must be
20 escalated to the judicial information systems committee for
21 consideration. In the event that a majority of the steering committee
22 members cannot reach a decision, the issue must be escalated to the
23 judicial information systems committee for consideration. The superior
24 court case management system project steering committee may solicit
25 input from user groups as deemed appropriate. The revised charter
26 shall be approved by the judicial information systems committee.

27 ((+9+)) (8) \$1,399,000 of the general fund--state appropriation for
28 fiscal year 2014 and \$1,399,000 of the general fund--state
29 appropriation for fiscal year 2015 are provided solely for school
30 districts for petitions to juvenile court for truant students as
31 provided in RCW 28A.225.030 and 28A.225.035. The administrator for the
32 courts shall develop an interagency agreement with the superintendent
33 of public instruction to allocate the funding provided in this
34 subsection. Allocation of this money to school districts shall be
35 based on the number of petitions filed. This funding includes amounts
36 school districts may expend on the cost of serving petitions filed
37 under RCW 28A.225.030 by certified mail or by personal service or for

1 the performance of service of process for any hearing associated with
2 RCW 28A.225.030.

3 ~~((+10))~~ (9)(a) \$7,313,000 of the general fund--state appropriation
4 for fiscal year 2014 and \$7,313,000 of the general fund--state
5 appropriation for fiscal year 2015 are provided solely for distribution
6 to county juvenile court administrators to fund the costs of processing
7 truancy, children in need of services, and at-risk youth petitions.
8 The administrator for the courts, in conjunction with the juvenile
9 court administrators, shall develop an equitable funding distribution
10 formula. The formula shall neither reward counties with higher than
11 average per-petition processing costs nor shall it penalize counties
12 with lower than average per-petition processing costs.

13 (b) Each fiscal year during the 2013-2015 fiscal biennium, each
14 county shall report the number of petitions processed and the total
15 actual costs of processing truancy, children in need of services, and
16 at-risk youth petitions. Counties shall submit the reports to the
17 administrator for the courts no later than 45 days after the end of the
18 fiscal year. The administrator for the courts shall electronically
19 transmit this information to the chairs and ranking minority members of
20 the house of representatives and senate fiscal committees no later than
21 60 days after a fiscal year ends. These reports are deemed
22 informational in nature and are not for the purpose of distributing
23 funds.

24 ~~((+11))~~ (10) \$274,000 of the general fund--state appropriation for
25 fiscal year 2014 and \$274,000 of the general fund--state appropriation
26 for fiscal year 2015 are provided solely for the office of public
27 guardianship to continue guardianship services for those low-income
28 incapacitated persons who were receiving services on June 30, 2013.

29 ~~((+12)---\$333,000))~~ (11) \$1,426,000 of the judicial information
30 systems account--state appropriation is provided solely for the content
31 management system for the appellate courts.

32 (12) The administrative office of the courts and the judicial
33 information systems committee shall develop statewide superior court
34 data collection and exchange standards. Upon implementation, these
35 standards must be met by each superior court in order to continue to
36 receive judicial information systems account funding or equipment and
37 services funded by the account. For those courts that do not use the
38 statewide superior court vendor solution as chosen by the judicial

1 information systems committee, judicial information systems account
2 funds may not be allocated for (a) the costs to meet the data
3 collection and exchange standards developed by administrative office of
4 the courts and judicial information systems committee, and (b) the
5 costs to develop and implement local court case management systems.

6 **Sec. 114.** 2013 2nd sp.s. c 4 s 115 (uncodified) is amended to read
7 as follows:

8 **FOR THE OFFICE OF PUBLIC DEFENSE**

9	General Fund--State Appropriation (FY 2014)	((\$30,410,000))
10		<u>\$30,662,000</u>
11	General Fund--State Appropriation (FY 2015)	((\$33,719,000))
12		<u>\$33,722,000</u>
13	Judicial Stabilization Trust Account--State	
14	Appropriation	\$3,648,000
15	General Fund--Federal Appropriation	((\$152,000))
16		<u>\$304,000</u>
17	TOTAL APPROPRIATION	((\$67,929,000))
18		<u>\$68,336,000</u>

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

- 21 (1) The amounts provided include funding for expert and
22 investigative services in death penalty personal restraint petitions.
- 23 (2) \$3,378,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely to expand the parents representation
25 program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman
26 counties.

27 **Sec. 115.** 2013 2nd sp.s. c 4 s 116 (uncodified) is amended to read
28 as follows:

29 **FOR THE OFFICE OF CIVIL LEGAL AID**

30	General Fund--State Appropriation (FY 2014)	\$10,862,000
31	General Fund--State Appropriation (FY 2015)	((\$10,870,000))
32		<u>\$11,149,000</u>
33	Judicial Stabilization Trust Account--State	
34	Appropriation	\$1,454,000
35	TOTAL APPROPRIATION	((\$23,186,000))
36		<u>\$23,465,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations: An amount not to exceed \$40,000 of the
3 general fund--state appropriation for fiscal year 2014 and an amount
4 not to exceed \$40,000 of the general fund--state appropriation for
5 fiscal year 2015 may be used to provide telephonic legal advice and
6 assistance to otherwise eligible persons who are sixty years of age or
7 older on matters authorized by RCW 2.53.030(2) (a) through (k)
8 regardless of household income or asset level.

9 **Sec. 116.** 2013 2nd sp.s. c 4 s 117 (uncodified) is amended to read
10 as follows:

11 **FOR THE OFFICE OF THE GOVERNOR**

12	General Fund--State Appropriation (FY 2014)	((\$5,509,000))
13		<u>\$5,565,000</u>
14	General Fund--State Appropriation (FY 2015)	((\$5,217,000))
15		<u>\$5,277,000</u>
16	Economic Development Strategic Reserve Account--State	
17	Appropriation	\$4,000,000
18	TOTAL APPROPRIATION	((\$14,726,000))
19		<u>\$14,842,000</u>

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

22 (1) \$4,000,000 of the economic development strategic reserve
23 account appropriation is provided solely for efforts to assist with
24 currently active industrial recruitment efforts that will bring new
25 jobs to the state or will retain headquarter locations of major
26 companies currently housed in the state.

27 (2) \$684,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$684,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for the office of the education
30 ombudsman.

31 (3) \$258,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for implementation of Engrossed Second
33 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
34 bill is not enacted by June 30, 2013, the amount provided in this
35 subsection shall lapse.

36 (4) \$35,000 of the general fund--state appropriation for fiscal
37 year 2014 is provided solely for the implementation of Second

1 Substitute House Bill No. 1709 (foreign language interpreters). If the
2 bill is not enacted by June 30, 2014, the amount provided in this
3 subsection shall lapse.

4 (5) \$50,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for the office of the education ombuds to
6 provide special education ombuds services. Beginning in fiscal year
7 2015, the superintendent of public instruction must enter into an
8 interagency agreement with the office of the education ombuds to
9 provide support for additional special education ombuds services.

10 (6) Within appropriated funds, the office of the education ombuds
11 shall develop a scope of work and proposed plan for a task force on
12 success for students with special needs that will: (a) Define and
13 assess barriers that students placed or qualified to be placed in
14 special education and students with a plan for accommodation under
15 section 504 of the federal rehabilitation act of 1973 face in earning
16 a high school diploma and fully accessing the educational program
17 provided by the public schools; and (b) outline recommendations for
18 systemic changes and successful models for education and service
19 delivery, including improved coordination of early learning through
20 postsecondary education and career preparation. With input from
21 interested parents, educators, state agencies, and organizations
22 representing students placed or qualified to be placed in special
23 education and students with a section 504 plan, the office of the
24 education ombuds shall invite representative individuals to participate
25 in the task force. The office of the education ombuds shall submit the
26 scope of work and proposed task force plan to the education and fiscal
27 committees of the legislature by December 1, 2014, along with a request
28 for additional funds necessary to implement the plan. To the extent
29 possible within appropriated funds, the office of the education ombuds
30 may convene the task force and commence its work before June 30, 2015.

31 **Sec. 117.** 2013 2nd sp.s. c 4 s 118 (uncodified) is amended to read
32 as follows:

33 **FOR THE LIEUTENANT GOVERNOR**

34	General Fund--State Appropriation (FY 2014)	\$654,000
35	General Fund--State Appropriation (FY 2015)	(\$658,000)
36		\$665,000
37	General Fund--Private/Local Appropriation	\$90,000

1 TOTAL APPROPRIATION ((~~\$1,402,000~~))
2 \$1,409,000

3 **Sec. 118.** 2013 2nd sp.s. c 4 s 119 (uncodified) is amended to read
4 as follows:

5 **FOR THE PUBLIC DISCLOSURE COMMISSION**
6 General Fund--State Appropriation (FY 2014) ((~~\$2,082,000~~))
7 \$2,087,000
8 General Fund--State Appropriation (FY 2015) ((~~\$2,015,000~~))
9 \$2,189,000
10 TOTAL APPROPRIATION ((~~\$4,097,000~~))
11 \$4,276,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: \$100,000 of the general fund--state
14 appropriation for fiscal year 2015 is provided solely for the
15 implementation of Engrossed Third Substitute House Bill No. 1005
16 (campaign report filing). If the bill is not enacted by June 30, 2014,
17 the amount provided in this subsection shall lapse.

18 **Sec. 119.** 2013 2nd sp.s. c 4 s 120 (uncodified) is amended to read
19 as follows:

20 **FOR THE SECRETARY OF STATE**
21 General Fund--State Appropriation (FY 2014) ((~~\$11,356,000~~))
22 \$11,827,000
23 General Fund--State Appropriation (FY 2015) ((~~\$9,535,000~~))
24 \$9,628,000
25 General Fund--Federal Appropriation ((~~\$7,419,000~~))
26 \$7,450,000
27 General Fund--Private/Local Appropriation \$20,000
28 Public Records Efficiency, Preservation, and Access
29 Account--State Appropriation ((~~\$7,361,000~~))
30 \$7,538,000
31 Charitable Organization Education Account--State
32 Appropriation \$364,000
33 Local Government Archives Account--State
34 Appropriation ((~~\$8,467,000~~))
35 \$8,510,000
36 Election Account--Federal Appropriation \$12,016,000

1 county, city, town, or other political subdivision of the state of
2 Washington, or by the congress, or the adoption or rejection of any
3 rule, standard, rate, or other legislative enactment of any state
4 agency;

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

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

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

11 (4) It is the intent of the legislature to consider during the 2014
12 legislative session funding for the publication and distribution of a
13 primary election voters pamphlet.

14 (5) \$771,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$772,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the state library to purchase
17 statewide on-line access to the information technology academy to allow
18 public access to on-line courses and learning resources through public
19 libraries.

20 (6) \$44,000 of the general fund--state appropriation for fiscal
21 year 2015 is provided solely for implementation of Substitute House
22 Bill No. 2552 (signature gathering). If the bill is not enacted by
23 June 30, 2014, the amount provided in this subsection shall lapse.

24 (7) The legislature finds that the volume of state records retained
25 in paper format continues to grow, increasing the records storage costs
26 for the state. The secretary of state shall convene a work group to
27 study methods for retaining records in electronic formats and for
28 shorter periods of time, with the goal of reducing the volume of stored
29 paper records by ten percent by the end of 2016, and an additional ten
30 percent by the end of 2018. The following state agencies shall
31 participate in the work group, which shall report back to the
32 appropriate committees of the legislature by December 31, 2014, and
33 December 31, 2015:

34 (a) Office of the secretary of state;

35 (b) Office of the attorney general;

36 (c) Office of the state auditor;

37 (d) Office of financial management;

38 (e) Department of corrections;

1 **FOR THE STATE TREASURER**

2 State Treasurer's Service Account--State
3 Appropriation ((~~\$14,924,000~~))
4 \$14,945,000

5 The appropriation in this section is subject to the following
6 conditions and limitations: \$150,000 of the state treasurer's service
7 account--state appropriation is provided solely for legal fees related
8 to additional legal assistance due to changes in federal financial
9 regulations and an increase in complex and high profile litigation.

10 **Sec. 123.** 2013 2nd sp.s. c 4 s 124 (uncodified) is amended to read
11 as follows:

12 **FOR THE STATE AUDITOR**

13 General Fund--State Appropriation (FY 2014) ((~~\$728,000~~))
14 \$755,000
15 General Fund--State Appropriation (FY 2015) ((~~\$733,000~~))
16 \$763,000

17 State Auditing Services Revolving Account--State
18 Appropriation ((~~\$9,573,000~~))
19 \$9,580,000

20 (~~Performance Audits of Government Account--State~~
21 ~~Appropriation \$56,000~~)
22 TOTAL APPROPRIATION ((~~\$11,090,000~~))
23 \$11,098,000

24 The appropriations in this section are subject to the following
25 conditions and limitations: ((~~+1~~ ~~\$728,000~~)) \$755,000 of the general
26 fund--state appropriation for fiscal year 2014 and ((~~\$733,000~~))
27 \$763,000 of the general fund--state appropriation for fiscal year 2015
28 are provided solely for staff and related costs to verify the accuracy
29 of reported school district data submitted for state funding purposes;
30 conduct school district program audits of state funded public school
31 programs; establish the specific amount of state funding adjustments
32 whenever audit exceptions occur and the amount is not firmly
33 established in the course of regular public school audits; and to
34 assist the state special education safety net committee when requested.

35 **Sec. 124.** 2013 2nd sp.s. c 4 s 125 (uncodified) is amended to read
36 as follows:

1 **FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

2	General Fund--State Appropriation (FY 2014)	((\$141,000))
3		<u>\$138,000</u>
4	General Fund--State Appropriation (FY 2015)	((\$171,000))
5		<u>\$175,000</u>
6	TOTAL APPROPRIATION	((\$312,000))
7		<u>\$313,000</u>

8 **Sec. 125.** 2013 2nd sp.s. c 4 s 126 (uncodified) is amended to read
9 as follows:

10 **FOR THE ATTORNEY GENERAL**

11	General Fund--State Appropriation (FY 2014)	((\$10,456,000))
12		<u>\$11,019,000</u>
13	General Fund--State Appropriation (FY 2015)	((\$10,132,000))
14		<u>\$10,764,000</u>
15	General Fund--Federal Appropriation	\$7,114,000
16	New Motor Vehicle Arbitration Account--State	
17	Appropriation	\$997,000
18	Legal Services Revolving Account--State	
19	Appropriation	((\$191,286,000))
20		<u>\$199,707,000</u>
21	Tobacco Prevention and Control Account--State	
22	Appropriation	\$271,000
23	Medicaid Fraud Penalty Account--State Appropriation	\$2,279,000
24	Public Services Revolving Account--State	
25	Appropriation	\$2,093,000
26	TOTAL APPROPRIATION	((\$224,628,000))
27		<u>\$234,244,000</u>

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

30 (1) The attorney general shall report each fiscal year on actual
31 legal services expenditures and actual attorney staffing levels for
32 each agency receiving legal services. The report shall be submitted to
33 the office of financial management and the fiscal committees of the
34 senate and house of representatives no later than ninety days after the
35 end of each fiscal year. As part of its by agency report to the
36 legislative fiscal committees and the office of financial management,

1 the office of the attorney general shall include information detailing
2 the agency's expenditures for its agency-wide overhead and a breakdown
3 by division of division administration expenses.

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

9 (3) The attorney general shall annually report to the fiscal
10 committees of the legislature all new *cy pres* awards and settlements
11 and all new accounts, disclosing their intended uses, balances, the
12 nature of the claim or account, proposals, and intended timeframes for
13 the expenditure of each amount. The report shall be distributed
14 electronically and posted on the attorney general's web site. The
15 report shall not be printed on paper or distributed physically.

16 (4) The executive ethics board shall: (a) Develop a statewide
17 plan, with performance measures, to provide overall direction and
18 accountability in all executive branch agencies and statewide elected
19 offices; (b) coordinate and work with the commission on judicial
20 conduct and the legislative ethics board; (c) assess and evaluate each
21 agency's ethical culture through employee and stakeholder surveys,
22 review Washington state quality award feedback reports, and publish an
23 annual report on the results to the public; and (d) solicit outside
24 evaluations, studies, and recommendations for improvements from
25 academics, nonprofit organizations, the public disclosure commission,
26 or other entities with expertise in ethics, integrity, and the public
27 sector.

28 (5) \$424,000 of the legal services revolving account--state
29 appropriation is provided solely for replacement of a portion of the
30 agency's personal computers. The amount provided in this subsection is
31 conditioned on the department satisfying the requirements of the
32 project management oversight standards and policies established by the
33 office of the chief information officer and section 945 of this act,
34 personal computer acquisition and replacement.

35 (6) \$609,000 of the legal services revolving account--state
36 appropriation is provided solely for upgrades to software programs.
37 The amount provided in this subsection is conditioned on the department

1 satisfying the requirements of the project management oversight
2 standards and policies established by the office of the chief
3 information officer.

4 (7) \$150,000 of the legal services revolving account--state
5 appropriation is provided solely for the implementation of Engrossed
6 Second Substitute Senate Bill No. 5405 (extended foster care). If the
7 bill is not enacted by June 30, 2013, the amount provided in this
8 subsection shall lapse.

9 (8) \$50,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$50,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the implementation of
12 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If
13 the bill is not enacted by June 30, 2013, the amount provided in this
14 subsection shall lapse.

15 (9) \$189,000 of the legal services revolving account--state
16 appropriation is provided solely for the implementation of Substitute
17 House Bill No. 1420 (transportation improvement projects). If the bill
18 is not enacted by June 30, 2013, the amount provided in this subsection
19 shall lapse.

20 (10) \$2,093,000 of the public service revolving account--state
21 appropriation is provided solely for the work of the public counsel
22 section of the office of the attorney general.

23 (11) \$353,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$353,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for a grant to the Washington
26 coalition of crime victim advocates to provide training, certification,
27 and technical assistance for crime victim service center advocates.

28 (12) \$69,000 of the general fund--state appropriation for fiscal
29 year 2015 is provided solely for implementation of Substitute House
30 Bill No. 2171 (veterans, military personnel). If the bill is not
31 enacted by June 30, 2014, the amount provided in this subsection shall
32 lapse.

33 (13) \$141,000 of the legal services revolving account--state
34 appropriation is provided solely for implementation of Substitute House
35 Bill No. 2331 (public works payroll records). If the bill is not
36 enacted by June 30, 2014, the amount provided in this subsection shall
37 lapse.

1	Lead Paint Account--State Appropriation	\$147,000
2	Building Code Council Account--State Appropriation	\$13,000
3	Home Security Fund Account--State Appropriation	(\$25,452,000)
4		<u>\$25,468,000</u>
5	Affordable Housing for All Account--State	
6	Appropriation	(\$11,915,000)
7		<u>\$11,910,000</u>
8	Financial Fraud and Identity Theft Crimes Investigation	
9	and Prosecution Account--State Appropriation	(\$969,000)
10		<u>\$1,166,000</u>
11	Low-Income Weatherization Assistance Account--State	
12	Appropriation	(\$1,882,000)
13		<u>\$1,879,000</u>
14	Community and Economic Development Fee Account--State	
15	Appropriation	(\$5,303,000)
16		<u>\$5,300,000</u>
17	Washington Housing Trust Account--State	
18	Appropriation	(\$19,592,000)
19		<u>\$18,633,000</u>
20	Prostitution Prevention and Intervention Account--	
21	State Appropriation	\$98,000
22	Public Facility Construction Loan Revolving	
23	Account--State Appropriation	(\$758,000)
24		<u>\$773,000</u>
25	Washington Community Technology Opportunity Account--	
26	Private/Local Appropriation	\$10,000
27	Liquor Revolving Account--State Appropriation	\$5,605,000
28	TOTAL APPROPRIATION	(\$469,094,000)
29		<u>\$472,129,000</u>

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

32 (1) Repayments of outstanding mortgage and rental assistance
33 program loans administered by the department under RCW 43.63A.640 shall
34 be remitted to the department, including any current revolving account
35 balances. The department shall collect payments on outstanding loans,
36 and deposit them into the state general fund. Repayments of funds owed
37 under the program shall be remitted to the department according to the
38 terms included in the original loan agreements.

1 (2) \$500,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$500,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for a grant to resolution
4 Washington to building statewide capacity for alternative dispute
5 resolution centers and dispute resolution programs that guarantee that
6 citizens have access to low-cost resolution as an alternative to
7 litigation.

8 (3) \$306,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$306,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for a grant to the retired senior
11 volunteer program.

12 (4) The department shall administer its growth management act
13 technical assistance and pass-through grants so that smaller cities and
14 counties receive proportionately more assistance than larger cities or
15 counties.

16 (5) \$375,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$375,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely as pass-through funding to Walla
19 Walla Community College for its water and environmental center.

20 (6) \$1,800,000 of the home security fund--state appropriation is
21 provided for transitional housing assistance or partial payments for
22 rental assistance under the independent youth housing program.

23 (7) \$5,000,000 of the home security fund--state appropriation is
24 for the operation, repair, and staffing of shelters in the homeless
25 family shelter program.

26 (8) \$198,000 of the general fund--state appropriation for fiscal
27 year 2014 and (~~(\$198,000)~~) \$398,000 of the general fund--state
28 appropriation for fiscal year 2015 are provided solely for the
29 Washington new Americans program.

30 (9) \$2,949,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$2,949,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for associate development
33 organizations. During the 2013-2015 fiscal biennium, the department
34 shall consider an associate development organization's total resources
35 when making contracting and fund allocation decisions, in addition to
36 the schedule provided in RCW 43.330.086.

37 (10) \$234,000 of the general fund--state appropriation for fiscal

1 year 2014 and \$233,000 of the general fund--state appropriation for
2 fiscal year 2015 are provided solely for the Washington asset building
3 coalitions.

4 (11) \$5,605,000 of the liquor revolving account--state
5 appropriation is provided solely for the department to contract with
6 the municipal research and services center of Washington.

7 (12) \$500,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$500,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the purposes of purchasing
10 contracted services to expand and promote the tourism industry in the
11 state of Washington.

12 (a) The department must contract with the Washington tourism
13 alliance. Expenditure of state moneys is contingent upon the
14 contractor providing a dollar for dollar cash or in-kind match.
15 Funding must be provided for the following services:

16 (i) Serving as a central point of contact through developing and
17 maintaining a web portal for Washington tourism, operating a call
18 center, and mailing travel guides;

19 (ii) Promoting Washington as a tourism destination to national and
20 international markets, with emphasis on markets in Europe and Asia;

21 (iii) Providing information to businesses and local communities on
22 tourism opportunities that could expand local revenues; and

23 (iv) Conducting tourism-related research, including market research
24 and measuring the return on investment of funded activities.

25 (b) The department may not use more than 4 percent of the funds to
26 administer, monitor, and report the outcomes of the services. The
27 department must electronically submit performance metrics by January 1,
28 2014, and report the outcomes of the services by January 1, 2015, to
29 the economic development committees of the legislature.

30 (c) The department has the authority to designate one or more
31 alternative contractors if necessary due to performance or other
32 significant issues. Such change must only be made after consultation
33 with the Washington tourism alliance, the governor's office, and the
34 chairs and ranking members of the economic development committees of
35 the legislature.

36 (13) \$72,000 of the prostitution prevention and intervention
37 account is provided solely for implementation of Engrossed Substitute

1 House Bill No. 1291 (sex trade victims). If the bill is not enacted by
2 June 30, 2013, the amount provided in this subsection shall lapse.

3 (14) \$49,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$49,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for implementation of House Bill
6 No. 1818 (business and government streamlining). If the bill is not
7 enacted by June 30, 2013, the amounts provided in this subsection shall
8 lapse.

9 (15) \$36,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$37,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the department to develop an
12 economic cluster strategy to leverage the state's unique maritime
13 assets, geography, history, and infrastructure. Goals include growing
14 employment, targeted economic activity, environmental considerations,
15 tax revenue to state and local governments, and quality of life
16 associated with the maritime sector by working with the industry to
17 understand workforce needs, parity considerations with Oregon and
18 British Columbia, and tax structure and regulatory barriers. The
19 department will report its findings to the appropriate committees of
20 the legislature no later than December 1, 2014.

21 (16) \$2,000,000 of the Washington housing trust account--state
22 appropriation is provided solely for the department of commerce for
23 services to homeless families through the Washington families fund.

24 (17) \$5,000,000 of the home security account--state appropriation
25 is provided solely for the department of commerce to provide emergency
26 assistance to homeless families in the temporary assistance for needy
27 families program.

28 (18) \$75,000 of the general fund--state appropriation for fiscal
29 year 2014 is provided solely for the economic development commission to
30 retain one current administrative position. The department shall
31 convene a work group, chaired by the current chair of the economic
32 development commission, of representatives of associate development
33 organizations and the economic development commission to recommend:
34 (1) Changes to the economic development commission's purpose and source
35 and amount of funding; (2) objective benchmarks and outcome-based
36 performance measures for evaluating state investments in economic
37 development; (3) high priority regulatory reforms to foster a favorable
38 business climate for long-term private sector job creation and

1 competitiveness; and (4) organizational roles responsibilities and
2 structures to strengthen cohesive planning, streamline execution, and
3 improve outcomes. The work group shall be comprised of representatives
4 from no less than eight associate development organizations
5 representing both urban and rural counties and counties on both sides
6 of the Cascade range. The department shall submit a report of the work
7 group's recommendation to the fiscal and economic development policy
8 committees of the legislature by December 15, 2013.

9 (19) (~~(\$4,000,000)~~) \$2,515,000 of the general fund--state
10 appropriation for fiscal year 2014 and (~~(\$850,000)~~) \$3,779,000 of the
11 general fund--state appropriation for fiscal year 2015 are provided
12 solely for purposes of creating and operating a community health care
13 and education and innovation center at the Pacific Medical Center in
14 Seattle. Amounts provided in this subsection must be used for lease,
15 maintenance, operations, and other required related expenses for
16 Seattle community colleges allied health programs and other related
17 uses identified by the department of commerce. The department is
18 authorized to enter into a thirty-year lease for the Pacific Medical
19 Center property.

20 (20) Within the appropriations in this section, the department
21 shall, by December 1, 2013, develop a comprehensive start-up Washington
22 strategy to facilitate the growth of start-ups and enhance the state's
23 competitiveness in recruiting and retaining businesses that start up in
24 Washington. This shall include but is not limited to: Business and
25 occupation tax relief, capital investment, regulatory burdens,
26 workforce and infrastructure needs and support. Start-up businesses
27 interactions with state government and other public entities as a
28 customer shall also be considered.

29 (21) \$700,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$700,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the department to identify and
32 invest in strategic growth areas, support key sectors, and align
33 existing economic development programs and priorities. The department
34 must consider Washington's position as the most trade dependent state
35 when identifying priority investments. The department must engage
36 states and provinces in the northwest as well as associate development
37 organizations, small business development centers, chambers of
38 commerce, ports, and other partners to leverage the funds provided.

1 For each dollar expended the department must receive a one hundred
2 percent match. The match may be provided by the department through
3 nongeneral fund sources, or any partnering governments or
4 organizations. The department must develop performance metrics and
5 milestones. The department must electronically submit the performance
6 metrics and performance-to-date by January 1, 2014, to the economic
7 development committees of the legislature.

8 (22) The department is authorized to suspend issuing any
9 nonstatutorily required grants or contracts of an amount less than
10 \$1,000,000 per year.

11 (23) The department is authorized to require an applicant to pay an
12 application fee to cover the cost of reviewing the project and
13 preparing an advisory opinion on whether a proposed electric generation
14 project or conservation resource qualifies to meet mandatory
15 conservation targets.

16 (24) \$25,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$25,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the economic impact and
19 infrastructure cost study for Covington town center.

20 (25) The department is directed to work with innovation partnership
21 zone administrators to review the existing grant program, including the
22 criteria for designation as an innovation partnership zone and the
23 grant funding criteria. The department shall submit its report to the
24 legislature by December 1, 2013.

25 (26) \$250,000 of the general fund--state appropriation for fiscal
26 year 2015 is provided solely for the implementation of Second
27 Substitute House Bill No. 1072 (agricultural labor skills and safety).
28 If the bill is not enacted by June 30, 2014, the amount provided in
29 this subsection shall lapse.

30 (27) \$26,000 of the home security fund account--state appropriation
31 is provided solely for the implementation of Substitute House Bill No.
32 2415 (homeless status certify). If the bill is not enacted by June 30,
33 2014, the amount provided in this subsection shall lapse.

34 (28) \$67,000 of the general fund--federal appropriation, \$111,000
35 of the public works assistance account--state appropriation, \$129,000
36 of the Washington housing trust account--state appropriation, and
37 \$18,000 of the public facility construction loan revolving account--
38 state appropriation are provided solely for the implementation of

1 Substitute House Bill No. 2331 (public works payroll records). If the
2 bill is not enacted by June 30, 2014, the amounts provided in this
3 subsection shall lapse.

4 (29) \$466,000 of the Washington housing trust account--state
5 appropriation is provided solely for the department to provide one-time
6 funding to the Tacoma housing authority to offset expenses associated
7 with remediating units of low-income housing that have been
8 contaminated by the manufacture or use of methamphetamine. The Tacoma
9 housing authority must be required to provide sufficient documentation
10 to verify the costs associated with remediating units of low-income
11 housing that have been contaminated by the manufacture or use of
12 methamphetamine for which they request support. The department may
13 make full or partial payment once sufficient documentation has been
14 provided.

15 (30) If Engrossed Substitute House Bill No. 2368 (homeless housing
16 surcharge) is not enacted by June 30, 2014, the department must, within
17 the amounts appropriated in this section, conduct a study on the
18 impacts in the 2015-2017 and 2017-2019 fiscal biennia of the scheduled
19 reduction of the local homeless housing and assistance document
20 surcharge from \$40 in the current biennium to \$30 in 2015, and to \$10
21 in 2017. The study must look at a variety of areas including but not
22 limited to estimated impacts on local housing programs, rates of
23 homelessness, criminal justice systems, and private rental markets.
24 The department must submit a report on the findings of this study, to
25 the extent it is required in this subsection, by December 1, 2014.

26 **Sec. 128.** 2013 2nd sp.s. c 4 s 129 (uncodified) is amended to read
27 as follows:

28 **FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

29	General Fund--State Appropriation (FY 2014)	(((\$764,000))
30		\$758,000
31	General Fund--State Appropriation (FY 2015)	(((\$802,000))
32		\$818,000
33	Lottery Administrative Account--State Appropriation	\$50,000
34	TOTAL APPROPRIATION	(((\$1,616,000))
35		\$1,626,000

1 care benefits through a collective bargaining agreement negotiated with
2 the state under chapter 74.39A RCW, but would otherwise be eligible for
3 medicaid under the federal expanded eligibility provisions that take
4 effect January 1, 2014.

5 The report must be submitted to the appropriate fiscal committees
6 of the legislature by January 6, 2014.

7 (2) \$350,000 of the general fund--state appropriation for fiscal
8 year 2014 is provided solely for implementation of Engrossed Second
9 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
10 bill is not enacted by June 30, 2013, the amount provided in this
11 subsection shall lapse.

12 (3) \$536,000 of the general fund--state appropriation for fiscal
13 year 2014 is provided solely for a study of the state's medical and
14 public assistance eligibility systems and infrastructure with the goal
15 of simplifying procedures, improving customer service, and reducing
16 state expenditures. The study must also examine which state entities
17 play various roles in the eligibility and data verification processes
18 in order to determine if eligibility processes can be further
19 streamlined in light of changes related to the federal affordable care
20 act. The study must identify how costs will be allocated between state
21 and federal funding sources and options for maximizing federal
22 participation. The office of financial management shall provide a
23 report on its findings and recommendations to the relevant policy and
24 fiscal committees of the legislature by January 1, 2014.

25 (4)(a) The legislature finds that the state's nationally recognized
26 student achievement initiative has led to significant improvements at
27 two-year institutions of higher education. With the goal of creating
28 such efficiencies within the four-year institutions of higher
29 education, the office of financial management shall convene, in
30 coordination with the joint committee on higher education and the
31 student achievement council, a technical incentive funding model task
32 force to propose an incentive funding model for the four-year
33 institutions of higher education. The model will provide new incentive
34 funding to four-year institutions of higher education that demonstrate
35 improvement on existing performance measures and control resident
36 undergraduate tuition growth. Participation in the program is
37 voluntary; however, funding appropriated for this program shall only be

1 available to those institutions that have chosen to participate in the
2 program.

3 (b) The task force must include the following members:

4 (i) One representative from the student achievement council;

5 (ii) One representative from the education data center created in
6 RCW 43.41.400; and

7 (iii) One representative from each of the four-year institutions of
8 higher education.

9 (c) The program shall include, but shall not be limited to:

10 (i) A system for allocating new incentive funding to participating
11 institutions based on an institution's:

12 (A) Performance in specific metrics;

13 (B) Control and reduction where possible of resident undergraduate
14 and graduate tuition; and

15 (C) Efficient utilization of classrooms, laboratories, and online
16 and other high technology instructional methods;

17 (ii) A methodology for allocating funding for performance as
18 specified in (c)(i)(A) of this subsection that is based on performance
19 metrics reported in the accountability monitoring and reporting system
20 established in RCW 28B.77.090 and that recognizes each institution's
21 unique mission by measuring each institution's performance in these
22 metrics against its past performance;

23 (iii) A methodology for investing any unallocated incentive funds
24 to the state need grant program created in chapter 28B.92 RCW to expand
25 access to low-income and underserved student populations; and

26 (iv) A methodology for establishing a baseline level of state
27 funding that:

28 (A) Fully supports the state's need for an increasing portion of
29 its citizens to gain post-secondary education and qualifications;

30 (B) Recognizes the acute need of the state's high-technology
31 economy for a sufficient number of graduates in high employer demand
32 programs of study;

33 (C) Achieves a more equitable share of support between the state
34 and students and their families; and

35 (D) Provides for funding enhancements based on demonstrated
36 improvements in institutional performance within the educational
37 achievement and tuition reduction incentive program.

1 (d) The workgroup shall submit a final report containing an
2 incentive funding model to the governor and higher education and fiscal
3 committees of the legislature by December 31, 2013.

4 (5) \$121,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for the implementation of Substitute House
6 Bill No. 2651 (higher education transparency) and Substitute House Bill
7 No. 2336 (higher education department budgets). If neither of the
8 bills is enacted by June 30, 2014, the amount provided in this
9 subsection shall lapse.

10 (6) \$37,000 of the data processing revolving account--state
11 appropriation is provided solely for the implementation of Engrossed
12 Second Substitute House Bill No. 2192 (state agency permitting). If
13 the bill is not enacted by June 30, 2014, the amounts provided in this
14 subsection shall lapse.

15 (7) \$262,000 of the general fund--state appropriation for fiscal
16 year 2015 is provided solely for the implementation of Substitute House
17 Bill No. 2739 (student success in schools). If the bill is not enacted
18 by June 30, 2014, the amount provided in this subsection shall lapse.

19 (8) \$300,000 of the general fund--state appropriation for fiscal
20 year 2015 is provided solely for an analysis of statewide jail needs
21 and how operational costs are incurred among local governments. The
22 analysis must examine, among other things, how regional capacity is
23 currently being utilized at the state and local level and the financial
24 impact to counties of providing felon and juvenile detention. A report
25 of findings must be provided to the governor and legislative fiscal
26 committees by November 1, 2014.

27 (9) The office of the chief information officer shall survey and
28 review agency security policies and standards including, but not
29 limited to, compliance with employee information technology security
30 training policies and agency standards and policies for decommissioning
31 personal computers. The office must report to the legislature by
32 December 1, 2014 with findings and recommendations from the survey and
33 review.

34 (10) The office of financial management and the office of the chief
35 information officer shall survey and review agency policies and
36 standards for hardware, software, and information technology equipment
37 recycle or replacement. The review will include information on the
38 frequency of replacement, financing methods, extent that funds used to

1 recycle/refresh equipment are in the base budgets for agencies, and the
2 extent that agencies are meeting their policies and standards. The
3 office of financial management and the office of the chief information
4 officer must report to the legislature with findings and
5 recommendations from the review by December 1, 2014.

6 (11) The office of financial management shall direct state agencies
7 to include an information technology request summary table with each
8 agency budget submission. The table must provide summary information
9 on each budget request that has an information technology component,
10 and must include: The agency's priority ranking of the request among
11 all the agency's information technology requests; the amount of funding
12 being requested in the budget; the estimated total costs and time to
13 complete the item; and a categorization of the request as high, medium,
14 or low priority.

15 (12) \$300,000 of the general fund--state appropriation for fiscal
16 year 2015 is provided solely for an evidence-based comprehensive study
17 and progress report of staffing ratios and safety assessments in
18 department of corrections facilities. For the purposes of this study,
19 "department of corrections facilities" means facilities operated by the
20 department of corrections to house persons convicted of a criminal
21 offense who are in full confinement.

22 (a) The office of financial management shall contract with
23 consultants with expertise related to the subject matters included in
24 this study. The office of financial management and the consultants
25 shall consult with (i) the department of corrections, (ii) stakeholder
26 groups that represent the people served in these institutions, (iii)
27 labor organizations that represent employees who work in these
28 institutions; and (iv) other persons or entities with expertise in the
29 areas being studied.

30 (b) In conducting this study, the consultants shall consider the
31 following factors as appropriate: (i) The number and type of staff at
32 each of the department of corrections facilities; (ii) the adequacy and
33 costs of current staffing at department of corrections facilities;
34 (iii) the need, availability, and costs of improving staffing at
35 department of corrections facilities; (iv) the geographic factors
36 associated with staffing department of corrections facilities,
37 including the impact of staffing on the local economy and the economic
38 impact of reducing or increasing staffing at department of corrections

1 facilities; (v) the safety of employees at department of corrections
2 facilities including all reported incidents of assault or other crimes
3 committed against such employees; (vi) a review of all the
4 security-related policies and procedures at department of corrections
5 facilities; (vii) the implementation and consistent application of
6 policy recommendations resulting from the national institute of
7 corrections review of prison safety and the statewide security advisory
8 committee regarding security issues in department of corrections
9 facilities as provided for in chapter 252 Laws of 2011, (ESB 5907).

10 (c) The office of financial management shall submit a final report
11 to the governor, the house of representatives and the appropriate
12 policy and fiscal committees of the legislature by December 1, 2014.
13 The report shall provide any recommendations and a plan, if necessary,
14 to improve staffing ratios and employee safety at department of
15 corrections facilities. The report shall include an individual
16 assessment of staffing and safety at each department of corrections
17 facility, and any costs or savings associated with each recommendation.
18 The office of financial management shall submit a report on the
19 progress by the department of corrections of implementing the
20 recommendations and plan to the same committees of the legislature no
21 later than December 1, 2015.

22 **Sec. 130.** 2013 2nd sp.s. c 4 s 131 (uncodified) is amended to read
23 as follows:

24 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

25 Administrative Hearings Revolving Account--State
26 Appropriation ((\$37,772,000))
27 \$38,212,000

28 The appropriation in this section is subject to the following
29 conditions and limitations:

30 (1) \$151,000 of the administrative hearings revolving account--
31 state appropriation is provided solely for replacement of computer
32 equipment, including servers, routers, and storage system upgrades.
33 The amount provided in this subsection is conditioned on the department
34 satisfying the requirements of the project management oversight
35 standards and policies established by the office of the chief
36 information officer.

Sec. 134. 2013 2nd sp.s. c 4 s 135 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS

General Fund--State Appropriation (FY 2015)	\$594,000
Department of Retirement Systems Expense	
Account--State Appropriation	(\$50,728,000)
	\$50,889,000
<u>TOTAL APPROPRIATION</u>	<u>\$51,483,000</u>

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

(1) \$250,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the department of retirement systems to investigate options for private sector retirement accounts. The department of retirement systems is authorized to explore alternatives for retirement savings accounts for employees of private sector and nonprofit organizations, especially workers in small and medium-sized firms. This may include work to develop a plan or plans for submittal to the United States internal revenue service for approval under the tax code. In developing plans, the department shall minimize financial and other liability to the state, as well as the cost of the plan. The department of retirement systems may: (a) Consult with service organizations that promote retirement savings; and (b) partner with any other state, local, or federal agencies engaged in similar efforts to develop retirement savings programs for employees of private and nonprofit sector organizations. The department shall inform the office of financial management of the results of its work under this section by June 30, 2015. The department shall not implement or accept enrollments in any state-run or sponsored retirement savings plan under this subsection without prior legislative approval.

(2) \$344,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of House Bill No. 2474 (save toward retirement plan). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(3) \$71,000 of the department of retirement systems expense account--state appropriation is provided solely to implement House Bill

1 No. 2018 (individual employer contribution rates). If the bill is not
2 enacted by June 30, 2014, the amount provided in this subsection shall
3 lapse.

4 **Sec. 135.** 2013 2nd sp.s. c 4 s 136 (uncodified) is amended to read
5 as follows:

6 **FOR THE DEPARTMENT OF REVENUE**

7	General Fund--State Appropriation (FY 2014)	((\$107,985,000))
8		<u>\$108,332,000</u>
9	General Fund--State Appropriation (FY 2015)	((\$106,301,000))
10		<u>\$107,152,000</u>
11	Timber Tax Distribution Account--State	
12	Appropriation	((\$6,102,000))
13		<u>\$6,113,000</u>
14	Waste Reduction/Recycling/Litter Control--State	
15	Appropriation	\$132,000
16	State Toxics Control Account--State Appropriation	\$93,000
17	((Master License Fund--State Appropriation	\$17,082,000))
18	<u>Business License Account Appropriation</u>	<u>\$17,103,000</u>
19	Data Processing Revolving Account--State Appropriation . . .	\$6,751,000
20	TOTAL APPROPRIATION	((\$244,446,000))
21		<u>\$245,676,000</u>

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

24 (1) The department of revenue is authorized to increase the master
25 application fee to nineteen dollars and the renewal fee to eleven
26 dollars consistent with RCW 19.02.075.

27 (2) \$6,751,000 of the data processing revolving account--state
28 appropriation and \$4,853,000 of the master license fund--state
29 appropriation are provided solely for the replacement of the
30 department's legacy business systems. The amounts provided in this
31 subsection are conditioned on the department satisfying the
32 requirements of the project management oversight standards and policies
33 established by the office of the chief information officer.

34 (3) \$495,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$431,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the implementation of House

1 Bill No. 1971 or Senate Bill No. 5873 (communications services reform).
2 If neither bill is enacted by June 30, 2013, the amounts provided in
3 the subsection shall lapse.

4 (4) \$641,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$297,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the implementation of Senate
7 Bill No. 5882 or House Bill No. 2081 (tax preferences and
8 transparency). If neither bill is enacted by June 30, 2013, the
9 amounts provided in the subsection shall lapse.

10 (5) \$65,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$93,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for implementation of Second
13 Substitute House Bill No. 1170 (property tax relief programs). If the
14 bill is not enacted by June 30, 2014, the amounts provided in this
15 subsection shall lapse.

16 (6) \$292,000 of the general fund--state appropriation for fiscal
17 year 2015 is provided solely for implementation of Substitute House
18 Bill No. 2201 (state tax preference). If the bill is not enacted by
19 June 30, 2014, the amount provided in this subsection shall lapse.

20 (7) \$78,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$262,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for implementation of Second
23 Engrossed Substitute House Bill No. 1467 (unpaid wage collection). If
24 the bill is not enacted by June 30, 2014, the amounts provided in this
25 subsection shall lapse.

26 (8) \$6,000 of the general fund--state appropriation for fiscal year
27 2014 is provided solely for implementation of Engrossed Substitute
28 House Bill No. 2306 (farm and agricultural land/current use). If the
29 bill is not enacted by June 30, 2014, the amount provided in this
30 subsection shall lapse.

31 (9) \$8,000 of the general fund--state appropriation for fiscal year
32 2014 is provided solely for implementation of Second Engrossed Second
33 Substitute House Bill No. 2493 (land use/horticulture). If the bill is
34 not enacted by June 30, 2014, the amount provided in this subsection
35 shall lapse.

36 (10) \$14,000 of the general fund--state appropriation for fiscal
37 year 2015 is provided solely for implementation of Engrossed Substitute

1 House Bill No. 1287 (Indian tribes/property tax). If the bill is not
2 enacted by June 30, 2014, the amount provided in this subsection shall
3 lapse.

4 (11) \$25,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for implementation of Substitute House
6 Bill No. 1634 (property tax levy limit). If the bill is not enacted by
7 June 30, 2014, the amount provided in this subsection shall lapse.

8 (12) The department must consult with counties it determines to be
9 directly affected by the United States open golf championship held in
10 June 2015 in Washington state for the purpose of establishing metrics
11 to estimate the additional state sales tax revenue attributable to that
12 event. The department must report the additional state sales tax
13 revenue attributable to the United States open golf championship to the
14 fiscal committees of the legislature not later than December 1, 2015.

15 **Sec. 136.** 2013 2nd sp.s. c 4 s 137 (uncodified) is amended to read
16 as follows:

17 **FOR THE BOARD OF TAX APPEALS**

18 General Fund--State Appropriation (FY 2014)	(((\$1,217,000))
	<u>\$1,203,000</u>
20 General Fund--State Appropriation (FY 2015)	(((\$1,178,000))
	<u>\$1,201,000</u>
22 TOTAL APPROPRIATION	(((\$2,395,000))
	<u>\$2,404,000</u>

24 **Sec. 137.** 2013 2nd sp.s. c 4 s 138 (uncodified) is amended to read
25 as follows:

26 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

27 OMWBE Enterprises Account--State Appropriation	(((\$4,077,000))
	<u>\$3,500,000</u>

29 The appropriation in this section is subject to the following
30 conditions and limitations: ~~(((\$200,000 of the minority and women's~~
31 ~~business enterprises account--state appropriation is provided for~~
32 ~~implementation of a certification program for small business~~
33 ~~enterprises.))~~ The agency will collaborate with the department of
34 transportation to certify small businesses as small business
35 enterprises. Funding for this work is provided through interagency
36 agreement with the state department of transportation.

1	FOR THE LIQUOR CONTROL BOARD	
2	<u>Dedicated Marijuana Fund--State Appropriation</u>	<u>\$7,726,000</u>
3	Liquor Revolving Account--State Appropriation	((\$65,146,000))
4		<u>\$55,951,000</u>
5	General Fund--Federal Appropriation	\$945,000
6	General Fund--Private/Local Appropriation	\$25,000
7	TOTAL APPROPRIATION	((\$66,116,000))
8		<u>\$64,647,000</u>

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

11 ~~(1) ((\$2,494,000 of the liquor revolving account state~~
12 ~~appropriation is provided solely for the liquor control board to~~
13 ~~implement Initiative Measure No. 502.~~

14 ~~(2))~~(a) The liquor control board must work with the department of
15 health and the department of revenue to develop recommendations for the
16 legislature regarding the interaction of medical marijuana regulations
17 and the provisions of Initiative Measure No. 502. At a minimum, the
18 recommendations must include provisions addressing the following:

- 19 (i) Age limits;
- 20 (ii) Authorizing requirements for medical marijuana;
- 21 (iii) Regulations regarding health care professionals;
- 22 (iv) Collective gardens;
- 23 (v) Possession amounts;
- 24 (vi) Location requirements;
- 25 (vii) Requirements for medical marijuana producing, processing, and
- 26 retail licensing;
- 27 (viii) Taxation of medical marijuana in relation to recreational
- 28 marijuana; and
- 29 (ix) The state agency that should be the regulatory body for
- 30 medical cannabis.

31 (b) The board must submit its recommendations to the appropriate
32 committees of the legislature by January 1, 2014.

33 (2) For the purposes of RCW 43.88.110(7), any initial cash deficit
34 in the dedicated marijuana fund must be liquidated over the remainder
35 of the 2013-2015 fiscal biennium.

36 (3) \$376,000 of the dedicated marijuana fund--state appropriation
37 is provided solely for implementation of Engrossed Second Substitute

1 House Bill No. 2149 (medical marijuana). If the bill is not enacted by
2 June 30, 2014, the amount provided in this subsection shall lapse.

3 **Sec. 141.** 2013 2nd sp.s. c 4 s 142 (uncodified) is amended to read
4 as follows:

5 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

6	General Fund--Federal Appropriation	\$150,000
7	General Fund--Private/Local Appropriation	((\$11,228,000))
8		<u>\$11,230,000</u>
9	Public Service Revolving Account--State	
10	Appropriation	((\$29,893,000))
11		<u>\$29,946,000</u>
12	Pipeline Safety Account--State Appropriation	((\$4,411,000))
13		<u>\$4,414,000</u>
14	Pipeline Safety Account--Federal Appropriation	\$1,938,000
15	TOTAL APPROPRIATION	((\$47,620,000))
16		<u>\$47,678,000</u>

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

19 (1) The commission shall work with the Idaho public utilities
20 commission and the public utility commission of Oregon to identify
21 common regulatory functions that can be performed jointly, with the
22 goal of formalizing an agreement that protects essential services while
23 increasing regulatory effectiveness and efficiencies through economies
24 of scale. The commission is authorized to enter into an agreement with
25 such other state public utility commissions to work jointly in
26 administering specified respective regulatory functions.

27 (2) Up to \$200,000 of the total appropriation is provided for the
28 commission to continue to evaluate the regulatory processes for energy
29 companies and identify and implement administrative actions to improve
30 those processes. The commission shall develop and adopt a schedule for
31 such administrative actions.

32 **Sec. 142.** 2013 2nd sp.s. c 4 s 143 (uncodified) is amended to read
33 as follows:

34 **FOR THE MILITARY DEPARTMENT**

35	General Fund--State Appropriation (FY 2014)	((\$1,880,000))
36		<u>\$1,862,000</u>

1 the governor's domestic security advisory group recommendations;
2 homeland security revenues and expenditures, including estimates of
3 total federal funding for the state; and incremental changes from the
4 previous estimate.

5 (3) \$7,000 of the general fund--state appropriation for fiscal year
6 2014 and \$30,000 of the general fund--state appropriation for fiscal
7 year 2015 are provided solely for implementation of Engrossed Second
8 Substitute House Bill No. 2347 (oil transportation safety). If the
9 bill is not enacted by June 30, 2014, the amount provided in this
10 subsection shall lapse.

11 (4) \$160,000 of the general fund--federal appropriation is provided
12 solely for a grant to the Spokane regional health district for
13 operation of the biosafety level three laboratory in fiscal year 2015.

14 **Sec. 143.** 2013 2nd sp.s. c 4 s 144 (uncodified) is amended to read
15 as follows:

16 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

17	General Fund--State Appropriation (FY 2014)	((\$1,977,000))
18		<u>\$1,993,000</u>
19	General Fund--State Appropriation (FY 2015)	((\$2,036,000))
20		<u>\$2,079,000</u>
21	Higher Education Personnel Services Account--State	
22	Appropriation	((\$521,000))
23		<u>\$522,000</u>
24	Personnel Service Account--State Appropriation	((\$3,300,000))
25		<u>\$3,334,000</u>
26	TOTAL APPROPRIATION	((\$7,834,000))
27		<u>\$7,928,000</u>

28 **Sec. 144.** 2013 2nd sp.s. c 4 s 145 (uncodified) is amended to read
29 as follows:

30 **FOR THE BOARD OF ACCOUNTANCY**

31	Certified Public Accountants' Account--State	
32	Appropriation	((\$2,699,000))
33		<u>\$2,705,000</u>

34 **Sec. 145.** 2013 2nd sp.s. c 4 s 147 (uncodified) is amended to read
35 as follows:

1 delivery of services under this subsection. The legislative agencies
2 named in this subsection shall continue to enjoy all of the same rights
3 of occupancy and space use on the capitol campus as historically
4 established.

5 (2) In accordance with RCW 46.08.172 and 43.135.055, the department
6 is authorized to increase parking fees in fiscal years 2014 and 2015 as
7 necessary to meet the actual costs of conducting business.

8 (3) The building code council account appropriation is provided
9 solely for the operation of the state building code council as required
10 by statute and modified by the standards established by executive order
11 10-06. The council shall not consider any proposed code amendment or
12 take any other action not authorized by statute or in compliance with
13 the standards established in executive order 10-06. No member of the
14 council may receive compensation, per diem, or reimbursement for
15 activities other than physical attendance at those meetings of the
16 state building code council or the council's designated committees, at
17 which the opportunity for public comment is provided generally and on
18 all agenda items upon which the council proposes to take action. The
19 building code council shall comply with chapter 19.85 RCW, known as the
20 regulatory fairness act, by including with all proposed substantial
21 code amendments an analysis addressing cost effectiveness, net
22 benefits, payback periods, and life-cycle costs.

23 ~~((+5))~~ (4) The department of enterprise services shall purchase
24 flags needed for ceremonial occasions on the capitol campus in order to
25 fully represent the countries that have an international consulate in
26 Washington state.

27 ~~((+6))~~ (5) Before any agency may purchase a passenger motor
28 vehicle as defined in RCW 43.19.560, the agency must have written
29 approval from the director of the department of enterprise services.

30 ~~((+7))~~ (6) \$2,400,000 of the ~~((data processing revolving account))~~
31 enterprise services account--state appropriation is provided solely for
32 the implementation of a pilot program to implement a strategy and
33 action plan to modernize the state's enterprise financial and
34 administrative systems. The department, the office of financial
35 management, and the office of the chief information officer, will lead
36 the planning effort and establish advisory committees composed of key
37 stakeholders. The plan will include an assessment of the readiness of
38 state government to conduct a business transformation and system

1 replacement project of this scale. The plan shall incorporate the
2 objectives of lean management and should include recommendations on:
3 Project scope, phasing and timeline, expected outcomes and measures of
4 success, product strategy, budget and financing strategy options, risk
5 mitigation, staffing and organization, and strategies to close
6 readiness gaps. The department shall submit the implementation plan to
7 the fiscal committees of the legislature by December 15, (~~(2013)~~) 2014.

8 The amounts provided in this subsection are conditioned on the
9 department satisfying the requirements of the project management
10 oversight standards and policies established by the office of the chief
11 information officer.

12 (~~((8) \$8,013,000)~~) (7) \$7,062,000 of the data processing revolving
13 account--state appropriation is provided solely for the implementation
14 of a pilot program to implement a time, leave, and attendance
15 enterprise system. The amounts provided in this subsection are
16 conditioned on the department satisfying the requirements of the
17 project management oversight standards and policies established by the
18 office of the chief information officer.

19 (~~((9))~~) (8) From the fee charged to master contract vendors, the
20 department shall transfer to the office of minority and women's
21 business enterprises in equal monthly installments \$2,039,000 in fiscal
22 year 2014 and \$2,038,000 in fiscal year 2015.

23 (~~((10))~~) (9) The legislature intends to review for purchase parcel
24 number one and surrounding property on McNeil Island. The department
25 shall coordinate with the federal government to obtain an appraisal
26 determining the fair market value and shall provide an estimate to the
27 legislative fiscal committees by October 1, 2013.

28 (10) Pursuant to chapter 39.94 RCW, the department is authorized to
29 enter into a financing contract for up to \$69,000,000 plus financing
30 expenses and required reserves to construct a new office building at
31 1063 Capitol Way South, Olympia.

32 **Sec. 147.** 2013 2nd sp.s. c 4 s 149 (uncodified) is amended to read
33 as follows:

34 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

35 Volunteer Firefighters' and Reserve Officers'

36 Administrative Account--State Appropriation (~~(\$1,044,000)~~)
37 \$967,000

1 integrated care project (MICP), the health care authority and the
2 department may combine and transfer such medicaid funds appropriated
3 under sections 204, 206, 208, and 213 of this act as may be necessary
4 to finance a unified health care plan for the WMIP and the MICP program
5 enrollment. The WMIP pilot projects shall not exceed a daily
6 enrollment of 6,000 persons, nor expand beyond one county during the
7 2013-2015 fiscal biennium. The amount of funding assigned from each
8 program may not exceed the average per capita cost assumed in this act
9 for individuals covered by that program, actuarially adjusted for the
10 health condition of persons enrolled, times the number of clients
11 enrolled. In implementing the WMIP and the MICP, the health care
12 authority and the department may: (i) Withhold from calculations of
13 "available resources" as set forth in RCW 71.24.025 a sum equal to the
14 capitated rate for enrolled individuals; and (ii) employ capitation
15 financing and risk-sharing arrangements in collaboration with health
16 care service contractors licensed by the office of the insurance
17 commissioner and qualified to participate in both the medicaid and
18 medicare programs.

19 (b) If Washington has been selected to participate in phase two of
20 the federal demonstration project for persons dually-eligible for both
21 medicare and medicaid, the department and the authority may initiate
22 the MICP. Participation in the project shall be limited to persons who
23 are eligible for both medicare and medicaid and to counties in which
24 the county legislative authority has agreed to the terms and conditions
25 under which it will operate. The purpose of the project shall be to
26 demonstrate and evaluate ways to improve care while reducing state
27 expenditures for persons enrolled both in medicare and medicaid. To
28 that end, prior to initiating the project, the department and the
29 authority shall assure that state expenditures shall be no greater on
30 either a per person or total basis than the state would otherwise
31 incur. Individuals who are solely eligible for medicaid may also
32 participate if their participation is agreed to by the health care
33 authority, the department, and the county legislative authority.

34 (4) The legislature finds that medicaid payment rates, as
35 calculated by the department pursuant to the appropriations in this
36 act, bear a reasonable relationship to the costs incurred by
37 efficiently and economically operated facilities for providing quality
38 services and will be sufficient to enlist enough providers so that care

1 and services are available to the extent that such care and services
2 are available to the general population in the geographic area. The
3 legislature finds that cost reports, payment data from the federal
4 government, historical utilization, economic data, and clinical input
5 constitute reliable data upon which to determine the payment rates.

6 (5) The department shall to the maximum extent practicable use the
7 same system for delivery of spoken-language interpreter services for
8 social services appointments as the one established for medical
9 appointments in section 213 of this act. When contracting directly
10 with an individual to deliver spoken language interpreter services, the
11 department shall only contract with language access providers who are
12 working at a location in the state and who are state-certified or
13 state-authorized, except that when such a provider is not available,
14 the department may use a language access provider who meets other
15 certifications or standards deemed to meet state standards, including
16 interpreters in other states.

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

25 (7)(a) The appropriations to the department of social and health
26 services in this act shall be expended for the programs and in the
27 amounts specified in this act. However, after May 1, 2014, unless
28 specifically prohibited by this act, the department may transfer
29 general fund--state appropriations for fiscal year 2014 among programs
30 after approval by the director of financial management. However, the
31 department shall not transfer state moneys that are provided solely for
32 a specified purpose except as expressly provided in (b) of this
33 subsection.

34 (b) To the extent that transfers under (a) of this subsection are
35 insufficient to fund actual expenditures in excess of fiscal year 2014
36 caseload forecasts and utilization assumptions in the long-term care,
37 foster care, adoptions support, medicaid personal care, and child
38 support programs, the department may transfer state moneys that are

1 provided solely for a specified purpose. The department shall not
2 transfer funds, and the director of financial management shall not
3 approve the transfer, unless the transfer is consistent with the
4 objective of conserving, to the maximum extent possible, the
5 expenditure of state funds. The director of financial management shall
6 notify the appropriate fiscal committees of the senate and house of
7 representatives in writing seven days prior to approving any allotment
8 modifications or transfers under this subsection. The written
9 notification shall include a narrative explanation and justification of
10 the changes, along with expenditures and allotments by budget unit and
11 appropriation, both before and after any allotment modifications or
12 transfers.

13 **Sec. 202.** 2013 2nd sp.s. c 4 s 202 (uncodified) is amended to read
14 as follows:

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

17	General Fund--State Appropriation (FY 2014)	((\$296,676,000))
18		<u>\$297,587,000</u>
19	General Fund--State Appropriation (FY 2015)	((\$297,641,000))
20		<u>\$298,458,000</u>
21	General Fund--Federal Appropriation	((\$489,939,000))
22		<u>\$493,990,000</u>
23	General Fund--Private/Local Appropriation	\$1,354,000
24	Home Security Fund Account--State Appropriation	\$10,741,000
25	Domestic Violence Prevention Account--State	
26	Appropriation	\$1,240,000
27	Child and Family Reinvestment Account--State	
28	Appropriation	((\$6,491,000))
29		<u>\$2,647,000</u>
30	<u>Education Legacy Trust Account--State Appropriation</u>	<u>\$446,000</u>
31	TOTAL APPROPRIATION	((\$1,104,082,000))
32		<u>\$1,106,463,000</u>

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

- 35 (1) Within amounts provided for the foster care and adoption
36 support programs, the department shall control reimbursement decisions

1 for foster care and adoption support cases such that the aggregate
2 average cost per case for foster care and for adoption support does not
3 exceed the amounts assumed in the projected caseload expenditures.

4 (2) \$668,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$668,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely to contract for the operation of
7 one pediatric interim care center. The center shall provide
8 residential care for up to thirteen children through two years of age.
9 Seventy-five percent of the children served by the center must be in
10 need of special care as a result of substance abuse by their mothers.
11 The center shall also provide on-site training to biological, adoptive,
12 or foster parents. The center shall provide at least three months of
13 consultation and support to the parents accepting placement of children
14 from the center. The center may recruit new and current foster and
15 adoptive parents for infants served by the center. The department
16 shall not require case management as a condition of the contract.

17 (3) \$538,500 of the general fund--state appropriation for fiscal
18 year 2014, \$539,500 of the general fund--state appropriation for fiscal
19 year 2015, \$656,000 of the general fund--private/local appropriation,
20 and \$253,000 of the general fund--federal appropriation are provided
21 solely for children's administration to contract with an educational
22 advocacy provider with expertise in foster care educational outreach.
23 The amounts in this subsection are provided solely for contracted
24 education coordinators to assist foster children in succeeding in K-12
25 and higher education systems and to assure a focus on education during
26 the transition to performance based contracts. Funding shall be
27 prioritized to regions with high numbers of foster care youth and/or
28 regions where backlogs of youth that have formerly requested
29 educational outreach services exist. The department shall utilize
30 private matching funds to maintain educational advocacy services.

31 (4) \$10,741,000 of the home security fund--state appropriation is
32 provided solely for the department to contract for services pursuant to
33 RCW 13.32A.030 and 74.15.220. The department shall contract and
34 collaborate with service providers in a manner that maintains the
35 availability and geographic representation of secure and semi-secure
36 crisis residential centers and HOPE centers. To achieve efficiencies
37 and increase utilization, the department shall allow the co-location of
38 these centers, except that a youth may not be placed in a secure

1 facility or the secure portion of a co-located facility except as
2 specifically authorized by chapter 13.32A RCW. The reductions to
3 appropriations in this subsection related to semi-secure crisis
4 residential centers reflect a reduction to the number of beds for semi-
5 secure crisis residential centers and not a reduction in rates. Any
6 secure crisis residential center or semi-secure crisis residential
7 center bed reduction shall not be based solely upon bed utilization.
8 The department is to exercise its discretion in reducing the number of
9 beds but to do so in a manner that maintains availability and
10 geographic representation of semi-secure and secure crisis residential
11 centers.

12 (5) \$125,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$125,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for a community-based organization
15 that has innovated, developed, and replicated a foster care delivery
16 model that includes a licensed hub home. The community-based
17 organization will provide training and technical assistance to the
18 children's administration to develop five hub home models in region 2
19 that will improve child outcomes, support foster parents, and encourage
20 the least restrictive community placements for children.

21 (6) \$73,000 of the general fund--state appropriation for fiscal
22 year 2014, \$20,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$31,000 of the general fund--federal appropriation are
24 provided solely for implementation of Second Substitute House Bill No.
25 1566 (youth in out-of-home care). If the bill is not enacted by June
26 30, 2013, the amounts provided in this subsection shall lapse.

27 (7) \$88,000 of the general fund--state appropriation for fiscal
28 year 2014, \$2,000 of the general fund--state appropriation for fiscal
29 year 2015, and \$28,000 of the general fund--federal appropriation are
30 provided solely for implementation of Engrossed Substitute House Bill
31 No. 1774 (child welfare system). If the bill is not enacted by June
32 30, 2013, the amounts provided in this subsection shall lapse.

33 (8) \$1,698,000 of the general fund--state appropriation for fiscal
34 year 2014, \$2,788,000 of the general fund--state appropriation for
35 fiscal year 2015, and \$1,894,000 of the general fund--federal
36 appropriation are provided solely for implementation of Engrossed
37 Second Substitute Senate Bill No. 5405 (extended foster care). If the

1 bill is not enacted by June 30, 2013, the amounts provided in this
2 subsection shall lapse.

3 (9) \$579,000 of the general fund--state appropriation for fiscal
4 year 2014, \$579,000 of the general fund--state appropriation for fiscal
5 year 2015, and \$109,000 of the general fund--federal appropriation are
6 provided solely for a receiving care center east of the Cascade
7 mountains.

8 (10)(a) \$446,000 of the general fund--state appropriation for
9 fiscal year 2014 and \$446,000 of the general fund--state appropriation
10 for fiscal year 2015 are provided solely for a contract with a
11 nongovernmental entity or entities to establish one demonstration site
12 in a school district or group of school districts in western
13 Washington.

14 (b) The children's administration and the nongovernmental entity or
15 entities shall collaboratively select the demonstration site. The
16 demonstration site should be a school district or group of school
17 districts with a significant number of students who are dependent
18 pursuant to chapter 13.34 RCW.

19 (c) The demonstration site established under this subsection must
20 be selected by September 1, 2013.

21 (d) The purpose of the demonstration site is to improve the
22 educational outcomes of students who are dependent pursuant to chapter
23 13.34 RCW by providing individualized education services and monitoring
24 and supporting dependent youths' completion of educational milestones,
25 remediation needs, and special education needs.

26 (e) The demonstration site established under this subsection must
27 facilitate the educational progress and graduation of dependent youth.
28 The contract must be performance-based with a stated goal of improving
29 the graduation rates of foster youth by two percent per year over five
30 school year periods, starting with the 2014-15 school year and ending
31 with the 2019-20 school year. The demonstration site must develop and
32 provide services aimed at improving the educational outcomes of foster
33 youth. These services must include:

34 (i) Direct advocacy for foster youth to eliminate barriers to
35 educational access and success;

36 (ii) Consultation with department of social and health services
37 case workers to develop educational plans for and with participating
38 youth;

1 (iii) Monitoring education progress of participating youth;
2 (iv) Providing participating youth with school and local resources
3 that may assist in educational access and success; and
4 (v) Coaching youth, caregivers, and social workers to advocate for
5 dependent youth in the educational system.

6 (f) The contracted nongovernmental entity or entities must report
7 demonstration site outcomes to the department of social and health
8 services and the office of public instruction by June 30, 2014, for the
9 2013-14 school year, and by June 30, 2015, for the 2014-15 school year.

10 (g) The children's administration must proactively refer all
11 students fifteen years or older, within the demonstration site area, to
12 the selected nongovernmental entity for educational services.

13 (h) The children's administration must report quarterly to the
14 legislature on the number of eligible youth and number of youth
15 referred for services beginning at the close of the second quarter of
16 fiscal year 2014 and through the final quarter of fiscal year 2015.

17 (i) The contracted nongovernmental entity or entities shall report
18 to the legislature by June 30, 2015, on the effectiveness of the
19 demonstration site in increasing graduation rates for dependent youth.

20 (11) \$50,000 of the general fund--state appropriation for fiscal
21 year 2014, and \$50,000 of the general fund--state appropriation for
22 fiscal year 2015, and \$256,000 of the general fund--federal
23 appropriation are provided solely for implementation of Substitute
24 Senate Bill No. 5315 (Powell fatality team). If the bill is not
25 enacted by June 30, 2013, the amounts provided in this subsection shall
26 lapse.

27 (12) \$670,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$670,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for services provided through
30 children's advocacy centers.

31 (13)(a) \$22,695,000 of the general fund--state appropriation for
32 fiscal year 2014, \$22,695,000 of the general fund--state appropriation
33 for fiscal year 2015, and \$28,450,000 of the general fund--federal
34 appropriation are provided solely for services for children and
35 families. Prior to approval of contract services pursuant to RCW
36 74.13B.020, the amounts provided in this section shall be allotted on
37 a monthly basis and expenditures shall not exceed allotments based on

1 a three-month rolling average without approval of the office of
2 financial management following notification to the legislative fiscal
3 committees.

4 (b) The department shall provide these services to safely reduce
5 the number of children in out-of-home care, the time spent in out-of-
6 home care prior to achieving permanency, and the number of children
7 returning to out-of-home care following permanency.

8 (14) \$244,000 of the general fund--state appropriation for fiscal
9 year 2014, ((~~\$1,783,000~~)) \$5,832,000 of the general fund--state
10 appropriation for fiscal year 2015, ((~~\$6,491,000~~)) \$2,647,000 of the
11 child and family reinvestment account--state appropriation, and
12 \$8,274,000 of the general fund--federal appropriation, are provided
13 solely for the implementation and operations of the family assessment
14 response program.

15 (15) \$100,000 of the general fund--state appropriation for fiscal
16 year 2015 and \$60,000 of the general fund--federal appropriation are
17 provided solely to implement Engrossed Second Substitute House Bill No.
18 1675 (adoption process). If the bill is not enacted by June 30, 2014,
19 the amounts provided in this subsection shall lapse.

20 (16) \$15,000 of the general fund--state appropriation for fiscal
21 year 2015 is provided solely to implement Second Substitute House Bill
22 No. 2616 (parents with developmental disabilities). If the bill is not
23 enacted by June 30, 2014, the amount provided in this subsection shall
24 lapse.

25 (17) \$150,000 of the general fund--state appropriation for fiscal
26 year 2015 is provided solely for training, technical assistance, and
27 fidelity oversight for an open source parenting program developed by a
28 university-based child welfare research entity. Expenditure of the
29 amount provided in this subsection is contingent upon the availability
30 of private funds necessary for the research entity to develop the open
31 source parenting curriculum. The children's administration must make
32 the open source parenting program available to parents with an open
33 child welfare case beginning in the last six months of fiscal year
34 2015.

35 (18) Effective January 2015, in addition to the youth eligible for
36 extended foster care services under RCW 13.34.267 and 74.13.031, the
37 department is authorized to provide extended foster care services to
38 nonminor dependents who are engaged in employment for eighty hours or

1 more per month. \$83,000 of the general fund--state appropriation for
2 fiscal year 2015 and \$23,000 of the general fund--federal appropriation
3 are provided solely for such services.

4 (19) Within amounts appropriated in this section, the advisory
5 committee convened by the department in RCW 74.13.096 shall consult
6 with the governor's office of Indian affairs, the Washington state
7 commission on African-American affairs, the Washington state commission
8 on Asian Pacific American affairs, and the Washington state commission
9 on Hispanic affairs to develop membership rules by August 1, 2014. The
10 membership rules must be included in the annual secretary's report
11 required under RCW 74.13.096(6).

12 (20) \$446,000 of the education legacy trust account--state
13 appropriation and \$65,000 of the general fund--federal appropriation
14 are provided solely for implementation of Engrossed Second Substitute
15 House Bill No. 2377 (early care and education). This funding is
16 provided for costs related to the 2 percent quality payments and tiered
17 reimbursement rate increases.

18 **Sec. 203.** 2013 2nd sp.s. c 4 s 203 (uncodified) is amended to read
19 as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
21 **REHABILITATION PROGRAM**

22	General Fund--State Appropriation (FY 2014)	((\$89,967,000))
23		<u>\$89,982,000</u>
24	General Fund--State Appropriation (FY 2015)	((\$90,255,000))
25		<u>\$89,889,000</u>
26	General Fund--Federal Appropriation	\$3,464,000
27	General Fund--Private/Local Appropriation	\$1,981,000
28	Washington Auto Theft Prevention Authority Account--	
29	State Appropriation	\$196,000
30	Reinvesting in Youth--State Appropriation	\$383,000
31	Juvenile Accountability Incentive Account--Federal	
32	Appropriation	\$2,801,000
33	TOTAL APPROPRIATION	((\$189,047,000))
34		<u>\$188,696,000</u>

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

1 (1) \$331,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$331,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for deposit in the county criminal
4 justice assistance account for costs to the criminal justice system
5 associated with the implementation of chapter 338, Laws of 1997
6 (juvenile code revisions). The amounts provided in this subsection are
7 intended to provide funding for county adult court costs associated
8 with the implementation of chapter 338, Laws of 1997 and shall be
9 distributed in accordance with RCW 82.14.310.

10 (2) \$2,716,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$2,716,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the implementation of chapter
13 338, Laws of 1997 (juvenile code revisions). The amounts provided in
14 this subsection are intended to provide funding for county impacts
15 associated with the implementation of chapter 338, Laws of 1997 and
16 shall be distributed to counties as prescribed in the current
17 consolidated juvenile services (CJS) formula.

18 (3) \$3,482,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$3,482,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely to implement community juvenile
21 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
22 code revisions). Funds provided in this subsection may be used solely
23 for community juvenile accountability grants, administration of the
24 grants, and evaluations of programs funded by the grants.

25 (4) \$1,130,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$1,130,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely to implement alcohol and substance
28 abuse treatment programs for locally committed offenders. The juvenile
29 rehabilitation administration shall award these moneys on a competitive
30 basis to counties that submitted a plan for the provision of services
31 approved by the division of alcohol and substance abuse. The juvenile
32 rehabilitation administration shall develop criteria for evaluation of
33 plans submitted and a timeline for awarding funding and shall assist
34 counties in creating and submitting plans for evaluation.

35 (5) \$3,123,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$3,123,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for grants to county juvenile
38 courts for the following programs identified by the Washington state

1 institute for public policy (institute) in its October 2006 report:
2 "Evidence-Based Public Policy Options to Reduce Future Prison
3 Construction, Criminal Justice Costs and Crime Rates": Functional
4 family therapy, multi-systemic therapy, aggression replacement training
5 and interagency coordination programs, or other programs with a
6 positive benefit-cost finding in the institute's report. County
7 juvenile courts shall apply to the juvenile rehabilitation
8 administration for funding for program-specific participation and the
9 administration shall provide grants to the courts consistent with the
10 per-participant treatment costs identified by the institute.

11 (6) \$1,537,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$1,537,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for expansion of the following
14 treatments and therapies in juvenile rehabilitation administration
15 programs identified by the Washington state institute for public policy
16 in its October 2006 report: "Evidence-Based Public Policy Options to
17 Reduce Future Prison Construction, Criminal Justice Costs and Crime
18 Rates": Multidimensional treatment foster care, family integrated
19 transitions, and aggression replacement training, or other programs
20 with a positive benefit-cost finding in the institute's report. The
21 administration may concentrate delivery of these treatments and
22 therapies at a limited number of programs to deliver the treatments in
23 a cost-effective manner.

24 (7)(a) The juvenile rehabilitation administration shall administer
25 a block grant, rather than categorical funding, of consolidated
26 juvenile service funds, community juvenile accountability act grants,
27 the chemical dependency disposition alternative funds, the mental
28 health disposition alternative, and the sentencing disposition
29 alternative for the purpose of serving youth adjudicated in the
30 juvenile justice system. In making the block grant, the juvenile
31 rehabilitation administration shall follow the following formula and
32 will prioritize evidence-based programs and disposition alternatives
33 and take into account juvenile courts program-eligible youth in
34 conjunction with the number of youth served in each approved evidence-
35 based program or disposition alternative: (i) Thirty-seven and one-
36 half percent for the at-risk population of youth ten to seventeen years
37 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
38 twenty-five percent for evidence-based program participation; (iv)

1 seventeen and one-half percent for minority populations; (v) three
2 percent for the chemical dependency disposition alternative; and (vi)
3 two percent for the mental health and sentencing dispositional
4 alternatives. Funding for the special sex offender disposition
5 alternative (SSODA) shall not be included in the block grant, but
6 allocated on the average daily population in juvenile courts. Funding
7 for the evidence-based expansion grants shall be excluded from the
8 block grant formula. Funds may be used for promising practices when
9 approved by the juvenile rehabilitation administration and juvenile
10 courts, through the community juvenile accountability act committee,
11 based on the criteria established in consultation with Washington state
12 institute for public policy and the juvenile courts.

13 (b) The juvenile rehabilitation administration and the juvenile
14 courts shall establish a block grant funding formula oversight
15 committee with equal representation from the juvenile rehabilitation
16 administration and the juvenile courts. The purpose of this committee
17 is to assess the ongoing implementation of the block grant funding
18 formula, utilizing data-driven decision making and the most current
19 available information. The committee will be cochaired by the juvenile
20 rehabilitation administration and the juvenile courts, who will also
21 have the ability to change members of the committee as needed to
22 achieve its purpose. Initial members will include one juvenile court
23 representative from the finance committee, the community juvenile
24 accountability act committee, the risk assessment quality assurance
25 committee, the executive board of the Washington association of
26 juvenile court administrators, the Washington state center for court
27 research, and a representative of the superior court judges
28 association; two representatives from the juvenile rehabilitation
29 administration headquarters program oversight staff, two
30 representatives of the juvenile rehabilitation administration regional
31 office staff, one representative of the juvenile rehabilitation
32 administration fiscal staff and a juvenile rehabilitation
33 administration division director. The committee may make changes to
34 the formula categories other than the evidence-based program and
35 disposition alternative categories if it is determined the changes will
36 increase statewide service delivery or effectiveness of evidence-based
37 program or disposition alternative resulting in increased cost benefit
38 savings to the state. Long-term cost benefit must be considered.

1 Percentage changes may occur in the evidence-based program or
2 disposition alternative categories of the formula should it be
3 determined the changes will increase evidence-based program or
4 disposition alternative delivery and increase the cost benefit to the
5 state. These outcomes will also be considered in determining when
6 evidence-based expansion or special sex offender disposition
7 alternative funds should be included in the block grant or left
8 separate.

9 (c) The juvenile courts and administrative office of the courts
10 shall be responsible for collecting and distributing information and
11 providing access to the data systems to the juvenile rehabilitation
12 administration and the Washington state institute for public policy
13 related to program and outcome data. The juvenile rehabilitation
14 administration and the juvenile courts will work collaboratively to
15 develop program outcomes that reinforce the greatest cost benefit to
16 the state in the implementation of evidence-based practices and
17 disposition alternatives.

18 (8) The juvenile courts and administrative office of the courts
19 shall collect and distribute information related to program outcome and
20 provide access to these data systems to the juvenile rehabilitation
21 administration and Washington state institute for public policy. The
22 agreements between administrative office of the courts, the juvenile
23 courts, and the juvenile rehabilitation administration shall be
24 executed to ensure that the juvenile rehabilitation administration
25 receives the data that the juvenile rehabilitation administration
26 identifies as needed to comply with this subsection. This includes,
27 but is not limited to, information by program at the statewide
28 aggregate level, individual court level, and individual client level
29 for the purpose of the juvenile rehabilitation administration providing
30 quality assurance and oversight for the locally committed youth block
31 grant and associated funds and at times as specified by the juvenile
32 rehabilitation administration as necessary to carry out these
33 functions. The data shall be provided in a manner that reflects the
34 collaborative work the juvenile rehabilitation administration and
35 juvenile courts have developed regarding program outcomes that
36 reinforce the greatest cost benefit to the state in the implementation
37 of evidence-based practices and disposition alternatives.

1 (9) \$445,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$445,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for funding of the teamchild
4 project.

5 (10) \$178,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$178,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for the juvenile detention
8 alternatives initiative.

9 (11) \$250,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$250,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for a grant program focused on
12 criminal street gang prevention and intervention. The Washington state
13 partnership council on juvenile justice may award grants under this
14 subsection. The council shall give priority to applicants who have
15 demonstrated the greatest problems with criminal street gangs.
16 Applicants composed of, at a minimum, one or more local governmental
17 entities and one or more nonprofit, nongovernmental organizations that
18 have a documented history of creating and administering effective
19 criminal street gang prevention and intervention programs may apply for
20 funding under this subsection.

21 (12) \$100,000 of the general fund--state appropriation for fiscal
22 year 2015 is provided solely to implement Engrossed Substitute House
23 Bill No. 2164 (juvenile firearms offenders). If the bill is not
24 enacted by June 30, 2014, the amount provided in this subsection shall
25 lapse.

26 (13) \$500,000 of the general fund--state appropriation for fiscal
27 year 2015 is provided solely for competitive grants to community-based
28 organizations to provide at-risk youth intervention services, including
29 but not limited to, case management, employment services, educational
30 services, and street outreach intervention programs. Projects funded
31 should focus on preventing, intervening, and suppressing behavioral
32 problems and violence while linking at-risk youth to pro-social
33 activities. The costs of administration may not exceed four percent of
34 appropriated funding for each grant recipient. Each entity receiving
35 funds must report to the juvenile rehabilitation administration on the
36 number and types of youth served, the services provided, and the impact
37 of those services upon the youth and the community.

1 **Sec. 204.** 2013 2nd sp.s. c 4 s 204 (uncodified) is amended to read
2 as follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
4 **PROGRAM**

5 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

6	General Fund--State Appropriation (FY 2014)	((\$327,467,000))
7		<u>\$328,527,000</u>
8	General Fund--State Appropriation (FY 2015)	((\$308,723,000))
9		<u>\$329,211,000</u>
10	General Fund--Federal Appropriation	((\$561,394,000))
11		<u>\$666,113,000</u>
12	General Fund--Private/Local Appropriation	\$17,864,000
13	TOTAL APPROPRIATION	((\$1,215,448,000))
14		<u>\$1,341,715,000</u>

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

17 (a) \$104,999,000 of the general fund--state appropriation for
18 fiscal year 2014 and ((~~\$85,895,000~~)) \$88,895,000 of the general fund--
19 state appropriation for fiscal year 2015 are provided solely for
20 persons and services not covered by the medicaid program. To the
21 extent possible, levels of regional support network spending shall be
22 maintained in the following priority order: Crisis and commitment
23 services; community inpatient services; and residential care services,
24 including personal care and emergency housing assistance. This is a
25 reduction in flexible nonmedicaid funding of \$4,343,000 for fiscal year
26 2014 and ((~~\$23,446,000~~)) \$20,446,000 for fiscal year 2015. This
27 reduction reflects offsets in state funding related to services that
28 will now be funded with federal dollars through the affordable care act
29 medicaid expansion. This reduction shall be distributed ((~~as follows:~~

30 (~~i) The \$4,343,000 reduction in fiscal year 2014 and \$11,723,000 of~~
31 ~~the reduction in fiscal year 2015 must be distributed~~) among regional
32 support networks based on a formula that equally weights each regional
33 support networks proportion of individuals who become newly eligible
34 and enroll in medicaid under the expansion provisions of the affordable
35 care act ((~~in fiscal year 2014~~)) and each regional support network's
36 spending of flexible nonmedicaid funding on services that would be
37 reimbursable for federal medicaid matching funds if provided to
38 medicaid enrollees in the 2011-2013 fiscal biennium.

1 ~~((ii) The remaining \$11,723,000 reduction in fiscal year 2015 must~~
2 ~~be distributed among regional support networks based on each regional~~
3 ~~support network's proportion of individuals who become newly eligible~~
4 ~~and enroll in medicaid under the expansion provisions of the affordable~~
5 ~~care act through fiscal year 2015.))~~

6 (b) \$6,590,000 of the general fund--state appropriation for fiscal
7 year 2014, \$6,590,000 of the general fund--state appropriation for
8 fiscal year 2015, and \$7,620,000 of the general fund--federal
9 appropriation are provided solely for the department and regional
10 support networks to continue to contract for implementation of high-
11 intensity programs for assertive community treatment (PACT) teams. In
12 determining the proportion of medicaid and nonmedicaid funding provided
13 to regional support networks with PACT teams, the department shall
14 consider the differences between regional support networks in the
15 percentages of services and other costs associated with the teams that
16 are not reimbursable under medicaid. The department may allow regional
17 support networks which have nonmedicaid reimbursable costs that are
18 higher than the nonmedicaid allocation they receive under this section
19 to supplement these funds with local dollars or funds received under
20 section 204(1)(a) of this act. The department and regional support
21 networks shall maintain consistency with all essential elements of the
22 PACT evidence-based practice model in programs funded under this
23 section.

24 (c) \$5,850,000 of the general fund--state appropriation for fiscal
25 year 2014, \$5,850,000 of the general fund--state appropriation for
26 fiscal year 2015, and \$1,300,000 of the general fund--federal
27 appropriation are provided solely for the western Washington regional
28 support networks to provide either community- or hospital campus-based
29 services for persons who require the level of care previously provided
30 by the program for adaptive living skills (PALS) at western state
31 hospital.

32 (d) The number of nonforensic beds allocated for use by regional
33 support networks at eastern state hospital shall be 192 per day. The
34 number of nonforensic beds allocated for use by regional support
35 networks at western state hospital shall be 557 per day.

36 (e) From the general fund--state appropriations in this subsection,
37 the secretary of social and health services shall assure that regional
38 support networks reimburse the aging and disability services

1 administration for the general fund--state cost of medicaid personal
2 care services that enrolled regional support network consumers use
3 because of their psychiatric disability.

4 (f) The department is authorized to continue to contract directly,
5 rather than through contracts with regional support networks, for
6 children's long-term inpatient facility services.

7 (g) \$750,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$750,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely to continue performance-based
10 incentive contracts to provide appropriate community support services
11 for individuals with severe mental illness who were discharged from the
12 state hospitals as part of the expanding community services initiative.
13 These funds will be used to enhance community residential and support
14 services provided by regional support networks through other state and
15 federal funding.

16 (h) \$1,125,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,125,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the Spokane regional support
19 network to implement services to reduce utilization and the census at
20 eastern state hospital. Such services shall include:

21 (i) High intensity treatment team for persons who are high
22 utilizers of psychiatric inpatient services, including those with co-
23 occurring disorders and other special needs;

24 (ii) Crisis outreach and diversion services to stabilize in the
25 community individuals in crisis who are at risk of requiring inpatient
26 care or jail services;

27 (iii) Mental health services provided in nursing facilities to
28 individuals with dementia, and consultation to facility staff treating
29 those individuals; and

30 (iv) Services at the sixteen-bed evaluation and treatment facility.

31 At least annually, the Spokane regional support network shall
32 assess the effectiveness of these services in reducing utilization at
33 eastern state hospital, identify services that are not optimally
34 effective, and modify those services to improve their effectiveness.

35 (i) \$1,529,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$1,529,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely to reimburse Pierce and Spokane

1 counties for the cost of conducting 180-day commitment hearings at the
2 state psychiatric hospitals.

3 (j) Regional support networks may use local funds to earn
4 additional federal medicaid match, provided the locally matched rate
5 does not exceed the upper-bound of their federally allowable rate
6 range, and provided that the enhanced funding is used only to provide
7 medicaid state plan or waiver services to medicaid clients.
8 Additionally, regional support networks may use a portion of the state
9 funds allocated in accordance with (a) of this subsection to earn
10 additional medicaid match, but only to the extent that the application
11 of such funds to medicaid services does not diminish the level of
12 crisis and commitment, community inpatient, residential care, and
13 outpatient services presently available to persons not eligible for
14 medicaid.

15 (k) \$3,436,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$2,291,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for mental health services for
18 mentally ill offenders while confined in a county or city jail and for
19 facilitating access to programs that offer mental health services upon
20 release from confinement.

21 (l) \$523,000 of the general fund--state appropriation for fiscal
22 year 2014, \$775,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$854,000 of the general fund--federal appropriation are
24 provided solely for implementation of sections 3 through 5 of chapter
25 289, Laws of 2013 (E2SHB 1114). Regional support networks must use
26 this funding for the development of intensive community programs that
27 allow individuals to be diverted or transitioned from the state
28 hospitals in accordance with plans approved by the department.

29 (m) \$5,986,000 of the general fund--state appropriation for fiscal
30 year 2014, \$11,592,000 of the general fund--state appropriation for
31 fiscal year 2015, and \$10,160,000 of the general fund--federal
32 appropriation are provided solely for implementation of chapter 335,
33 Laws of 2013 (ESSB 5480). Regional support networks must use this
34 funding for the development of intensive community programs that allow
35 individuals to be diverted or transitioned from the state hospitals in
36 accordance with plans approved by the department.

37 (n) Due to recent approval of federal medicaid matching funds for
38 the disability lifeline and the alcohol and drug abuse treatment

1 support act programs, the department shall charge regional support
2 networks for only the state share rather than the total cost of
3 community psychiatric hospitalization for persons enrolled in those
4 programs.

5 (o) The legislature finds that the circumstances of the Chelan-
6 Douglas regional support network (CD-RSN) make it necessary for CD-RSN
7 to undergo restructuring in order to provide mental health services
8 essential to the health and wellness of the citizens within its service
9 area. The legislature intends to provide additional temporary
10 financial relief to the CD-RSN while it undergoes internal
11 restructuring or negotiates a merger with another regional support
12 network.

13 The department shall negotiate relief for outstanding fiscal year
14 2013 reimbursements owed by CD-RSN to the state provided that the CD-
15 RSN has a plan in place that is approved by the department by August 1,
16 2013, that demonstrates how CD-RSN will maintain financial viability
17 and stability or will merge with another regional support network.

18 For the period of July 1, 2013, through December 31, 2013, the
19 department may alter collection of reimbursement from CD-RSN for
20 overuse of state hospital beds. To receive a reduction to the required
21 reimbursement for overuse of state hospital beds, CD-RSN must continue
22 to prioritize services that reduce its utilization and census at
23 eastern state hospital and be actively implementing an approved plan to
24 maintain financial viability or pursuing a future merger with another
25 regional support network. Up to \$298,000 of the general fund--state
26 appropriation for fiscal year 2014 is for the department to provide
27 payments to regional support networks in eastern Washington which have
28 used less than their allocated or contracted patient days of care at
29 the state hospital to replace the share of the reimbursements from CD-
30 RSN that the regional support networks would have received under RCW
31 71.24.320.

32 (p) \$266,000 of the general fund--state appropriation for fiscal
33 year 2014 (~~is~~) and \$1,500,000 of the general fund--state
34 appropriation for fiscal year 2015 are provided solely to maintain
35 services for the King county regional support network as it works to
36 transition services to settings that are eligible for federal
37 participation for individuals covered under the medicaid program.

1 (q) Within the amounts appropriated in this section, funding is
2 provided for the department to develop and phase in intensive mental
3 health services for high needs youth consistent with the settlement
4 agreement in T.R. v. Dreyfus and Porter.

5 (r) \$7,281,000 of the general fund--state appropriation for fiscal
6 year 2015 and \$4,589,000 of the general fund--federal appropriation are
7 provided solely for implementation of Substitute House Bill No. 2725
8 (involuntary commitment) and enhancement of community mental health
9 services. The department must contract these funds for the operation
10 of the following community programs that allow individuals to be
11 diverted or transitioned from the state hospitals: (i) Community
12 hospital or free standing evaluation and treatment services providing
13 short-term detention and commitment services under the involuntary
14 treatment act to be located in the geographic areas of the King
15 regional support network, the Spokane regional support network outside
16 of Spokane county, and the Thurston Mason regional support network;
17 (ii) one new full program of an assertive community treatment team in
18 the King regional support network and two new half programs of
19 assertive community treatment teams in the Spokane regional support
20 network and the Pierce regional support network; and (iii) three new
21 recovery support services programs in the Grays Harbor regional support
22 network, the Greater Columbia regional support network, and the North
23 Sound regional support network. In contracting for community
24 evaluation and treatment services, the department may not use these
25 resources in facilities that meet the criteria to be classified under
26 federal law as institutions for mental diseases. If the department is
27 unable to come to a contract agreement with a designated regional
28 support network for any of the services identified above, it may
29 consider contracting for that service in another regional support
30 network that has the need for such service.

31 (2) INSTITUTIONAL SERVICES

32	General Fund--State Appropriation (FY 2014)	(((\$135,246,000))
33		\$141,113,000
34	General Fund--State Appropriation (FY 2015)	(((\$131,863,000))
35		\$130,819,000
36	General Fund--Federal Appropriation	(((\$150,863,000))
37		\$159,324,000
38	General Fund--Private/Local Appropriation	(((\$63,097,000))

1		<u>\$58,848,000</u>
2	TOTAL APPROPRIATION	((\$481,069,000))
3		<u>\$490,104,000</u>

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

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

9 (b) \$231,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$231,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for a community partnership
12 between western state hospital and the city of Lakewood to support
13 community policing efforts in the Lakewood community surrounding
14 western state hospital. The amounts provided in this subsection (2)(b)
15 are for the salaries, benefits, supplies, and equipment for one full-
16 time investigator, one full-time police officer, and one full-time
17 community service officer at the city of Lakewood.

18 (c) \$45,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$45,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for payment to the city of
21 Lakewood for police services provided by the city at western state
22 hospital and adjacent areas.

23 (d) \$20,000,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$20,000,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely to maintain staffed capacity to
26 serve an average daily census in forensic wards at western state
27 hospital of 270 patients per day.

28 (e) ((~~\$2,068,000~~)) \$6,194,000 of the general fund--state
29 appropriation for fiscal year 2014, \$2,066,000 of the general fund--
30 state appropriation for fiscal year 2015, and \$240,000 of the general
31 fund--federal appropriation are provided solely for the state
32 psychiatric hospitals to plan, procure, and implement the core elements
33 of an electronic medical record system that is compliant with the
34 international classification of diseases (ICD-10) by October 1, 2014.
35 These funds must only be used for an electronic medical record system
36 that meets federal criteria for electronic sharing of patient
37 information and clinical care summaries with doctors' offices,
38 hospitals, and health systems which use federally certified electronic

1 health record systems. The procurement and implementation shall be
2 conducted to allow for these services to be expanded to the department
3 of corrections. The amounts provided in this subsection are
4 conditioned on the department satisfying the requirements of the
5 project management oversight standards and policies established by the
6 office of the chief information officer.

7 (3) SPECIAL PROJECTS

8	General Fund--State Appropriation (FY 2014)	(((\$1,609,000)))
9		<u>\$1,612,000</u>
10	General Fund--State Appropriation (FY 2015)	(((\$1,610,000)))
11		<u>\$1,613,000</u>
12	General Fund--Federal Appropriation	\$6,286,000
13	TOTAL APPROPRIATION	(((\$9,505,000)))
14		<u>\$9,511,000</u>

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

17 (a) \$1,161,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$1,161,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for children's evidence-based
20 mental health services.

21 (b) \$446,000 of the general fund--state appropriation for fiscal
22 year 2014, \$446,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$178,000 of the general fund--federal appropriation are
24 provided solely for the University of Washington's evidence-based
25 practice institute which supports the identification, evaluation, and
26 implementation of evidence-based or promising practices. The institute
27 must work with the department to develop a plan to seek private,
28 federal, or other grant funding in order to reduce the need for state
29 general funds. The institute and the department must submit this plan
30 to the office of financial management and the fiscal committees of the
31 legislature by December 1, 2013.

32 (4) PROGRAM SUPPORT

33	General Fund--State Appropriation (FY 2014)	(((\$5,287,000)))
34		<u>\$6,153,000</u>
35	General Fund--State Appropriation (FY 2015)	(((\$4,777,000)))
36		<u>\$7,486,000</u>
37	General Fund--Federal Appropriation	(((\$7,711,000)))

1		<u>\$9,443,000</u>
2	General Fund--Private/Local Appropriation	\$502,000
3	TOTAL APPROPRIATION	((\$18,277,000))
4		<u>\$23,584,000</u>

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

7 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
8 the department is authorized to adopt license and certification fees in
9 fiscal years 2014 and 2015 to support the costs of the regulatory
10 program. The department's fee schedule shall have differential rates
11 for providers with proof of accreditation from organizations that the
12 department has determined to have substantially equivalent standards to
13 those of the department, including but not limited to the joint
14 commission on accreditation of health care organizations, the
15 commission on accreditation of rehabilitation facilities, and the
16 council on accreditation. To reflect the reduced costs associated with
17 regulation of accredited programs, the department's fees for
18 organizations with such proof of accreditation must reflect the lower
19 costs of licensing for these programs than for other organizations
20 which are not accredited.

21 (b) \$74,000 of the general fund--state appropriation for fiscal
22 year 2014, \$74,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$78,000 of the general fund--federal appropriation are
24 provided solely for implementation of chapter 335, Laws of 2013 (ESSB
25 5480).

26 (c) \$160,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$80,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for implementation of chapter 284,
29 Laws of 2013 (ESSB 5551).

30 (d) In developing the new medicaid managed care rates under which
31 the public mental health managed care system will operate, the
32 department must seek to estimate the reasonable and necessary cost of
33 efficiently and effectively providing a comparable set of medically
34 necessary mental health benefits to persons of different acuity levels
35 regardless of where in the state they live. The department must report
36 to the office of financial management and to the relevant fiscal and
37 policy committees of the legislature on its proposed new mental health

1 managed care rate-setting approach by August 1, 2013, and again at
2 least sixty days prior to implementation of new capitation rates.

3 (e) \$349,000 of the general fund--state appropriation for fiscal
4 year 2014, \$212,000 of the general fund--state appropriation for fiscal
5 year 2015, and \$302,000 of the general fund--federal appropriation are
6 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
7 chapter 338, Laws of 2013 (2SSB 5732).

8 (f) The department shall work cooperatively with the health care
9 authority to explore the feasibility of incentivizing small, rural
10 hospitals to convert, in part or fully, some of their beds to
11 psychiatric treatment beds. No later than December 31, 2014, the
12 department shall report to the appropriate fiscal committees of the
13 legislature on the feasibility of such conversion. The report shall
14 consider rate enhancements and the ability to claim federal medicaid
15 matching funds on converted beds.

16 (g) \$75,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$21,000 of the general fund--federal appropriation are
18 provided for implementation of section 9, chapter 197, Laws of 2013
19 (ESHB 1336). The department must utilize these funds for mental health
20 first aid training targeted at teachers and educational staff in
21 accordance with the training model developed by the department of
22 psychology in Melbourne, Australia.

23 (h) Within the amounts appropriated in this section, funding is
24 provided for the department to continue to develop the child adolescent
25 needs and strengths assessment tool and build workforce capacity to
26 provide evidence based wraparound services for children, consistent
27 with the (~~anticipated~~) settlement agreement in *T.R. v. Dreyfus and*
28 *Porter*.

29 (i) \$610,000 of the general fund--state appropriation for fiscal
30 year 2014, \$1,193,000 of the general fund--state appropriation for
31 fiscal year 2015, and \$971,000 of the general fund--federal
32 appropriation are provided solely for the implementation of Engrossed
33 Second Substitute House Bill No. 2639 (mental health, chemical
34 dependency) and Engrossed Substitute House Bill No. 2315 (suicide
35 prevention). If Second Substitute House Bill No. 2639 (mental health,
36 chemical dependency) is not enacted by June 30, 2014, the amounts
37 provided in this subsection shall lapse.

1 (j) \$70,000 of the general fund--state appropriation for fiscal
2 year 2015 is provided solely for the department to contract with the
3 criminal justice training commission for training officers on working
4 with individuals with mental health issues.

5 **Sec. 205.** 2013 2nd sp.s. c 4 s 205 (uncodified) is amended to read
6 as follows:

7 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
8 **DISABILITIES PROGRAM**

9 (1) COMMUNITY SERVICES

10	General Fund--State Appropriation (FY 2014)	((\$439,963,000))
11		<u>\$445,988,000</u>
12	General Fund--State Appropriation (FY 2015)	((\$458,131,000))
13		<u>\$474,995,000</u>
14	General Fund--Federal Appropriation	((\$820,769,000))
15		<u>\$838,228,000</u>
16	General Fund--Private/Local Appropriation	((\$21,000))
17		<u>\$776,000</u>
18	TOTAL APPROPRIATION	((\$1,718,884,000))
19		<u>\$1,759,987,000</u>

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

22 (a) Individuals receiving services as supplemental security income
23 (SSI) state supplemental payments shall not become eligible for medical
24 assistance under RCW 74.09.510 due solely to the receipt of SSI state
25 supplemental payments.

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

34 (i) The current annual renewal license fee for adult family homes
35 shall be increased to \$225 per bed beginning in fiscal year 2014 and
36 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750

1 shall be charged to each adult family home when the home is initially
2 licensed. This fee is nonrefundable.

3 (ii) The current annual renewal license fee for assisted living
4 facilities shall be increased to \$106 per bed beginning in fiscal year
5 2014 and \$106 per bed beginning in fiscal year 2015.

6 (iii) The current annual renewal license fee for nursing facilities
7 shall be increased to \$359 per bed beginning in fiscal year 2014 and
8 \$359 per bed beginning in fiscal year 2015.

9 (c) (~~(\$13,301,000)~~) \$13,267,000 of the general fund--state
10 appropriation for fiscal year 2014, (~~(\$20,607,000)~~) \$20,754,000 of the
11 general fund--state appropriation for fiscal year 2015, and
12 (~~(\$33,910,000)~~) \$34,024,000 of the general fund federal appropriation
13 are provided solely for the implementation of the agreement reached
14 between the governor and the service employees international union
15 healthcare 775nw through an interest arbitration decision under the
16 provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal
17 biennium.

18 (d) \$6,244,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$6,244,000 of the general fund--state appropriation for
20 fiscal year 2015 are appropriated solely for the individual and family
21 support program. Within these amounts, the department shall expand the
22 current number of clients receiving services and focus on extending
23 services to individuals with developmental disabilities who are not
24 otherwise receiving paid services from the department.

25 (~~(f)~~) ~~(\$1,547,000)~~ (e) \$774,000 of the general fund--state
26 appropriation for fiscal year 2015, and (~~(\$4,790,000)~~) \$2,395,000 of
27 the general fund--federal appropriation are provided solely for a
28 payment system that satisfies medicaid requirements regarding time
29 reporting for W-2 providers. The amounts provided in this subsection
30 are conditioned on the department satisfying the requirements of the
31 project management oversight standards and policies established by the
32 office of the chief information officer.

33 (~~(g)~~) (f) \$1,707,000 of the general fund--state appropriation for
34 fiscal year 2014, \$2,670,000 of the general fund--state appropriation
35 for fiscal year 2015, and \$4,376,000 of the general fund--federal
36 appropriation are provided solely for the homecare agency parity
37 impacts of the service employees international union healthcare 775nw
38 arbitration award.

1 ~~((h))~~ (g) The department is authorized to establish limited
2 exemption criteria in rule to address RCW 74.39A.325 when a landline
3 phone is not available to the employee.

4 (h) \$242,000 of the general fund--federal appropriation and
5 \$241,000 of the general fund--local appropriation are provided solely
6 to implement Second Substitute House Bill No. 1574 (residential
7 services and supports). If the bill is not enacted by June 30, 2014,
8 the amounts provided in this subsection shall lapse. In accordance
9 with Second Substitute House Bill No. 1574, the department is
10 authorized to increase supported living fees as necessary to support
11 the actual costs of conducting the certification, inspection, and
12 regulatory programs. The certification fees may not exceed the
13 department's annual licensing and oversight activity costs and shall
14 include the department's cost of paying providers for the amount of the
15 certification fee attributed to medicaid clients. The annual
16 certification fee for supported living shall be \$128 per client
17 beginning in fiscal year 2015.

18 (i) \$91,000 of the general fund--state appropriation for fiscal
19 year 2015 is provided solely to implement Substitute House Bill No.
20 2310 (provider safety equipment). If the bill is not enacted by June
21 30, 2014, the amount provided in this subsection shall lapse.

22 (j) The department may authorize a one-time waiver of all or any
23 portion of the licensing and processing fees required under RCW
24 70.128.060 in any case in which the department determines that an adult
25 family home is being relicensed because of exceptional circumstances,
26 such as death or incapacity of a provider, and that to require the full
27 payment of the licensing and processing fees would present a hardship
28 to the applicant.

29 (k) The department of social and health services shall increase the
30 benchmark rates for community residential service businesses providing
31 supported living, group home, and licensed staff residential services
32 for people with developmental disabilities by thirty cents starting
33 July 1, 2014.

34 (l) It is the intent of the legislature to use savings from the
35 community first choice option to make needed investments in home and
36 community-based services for seniors and people with disabilities,
37 including potential investments recommended by the joint legislative
38 executive committee on aging and disability and a development and

1 implementation council that the department of social and health
2 services must convene prior to submitting the proposed community first
3 choice option to the centers for medicare and medicaid services. At a
4 minimum, the final report to the legislature from the joint legislative
5 executive committee on aging and disability must explore the cost and
6 benefit of rate enhancements for providers of long-term services and
7 supports, restoration of hours for in-home clients, additional
8 investment in the family caregiver support program, and additional
9 investment in the individual and family services program or other
10 medicaid services to support individuals with developmental
11 disabilities.

12 (2) INSTITUTIONAL SERVICES

13	General Fund--State Appropriation (FY 2014)	((\$85,261,000))
14		<u>\$85,962,000</u>
15	General Fund--State Appropriation (FY 2015)	((\$84,980,000))
16		<u>\$85,812,000</u>
17	General Fund--Federal Appropriation	((\$160,021,000))
18		<u>\$161,630,000</u>
19	General Fund--Private/Local Appropriation	\$23,041,000
20	TOTAL APPROPRIATION	((\$353,303,000))
21		<u>\$356,445,000</u>

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

24 (a) Individuals receiving services as supplemental security income
25 (SSI) state supplemental payments shall not become eligible for medical
26 assistance under RCW 74.09.510 due solely to the receipt of SSI state
27 supplemental payments.

28 (b) \$721,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$721,000 of the general fund--state appropriation for
30 fiscal year 2015 are for the department to fulfill its contracts with
31 the school districts under chapter 28A.190 RCW to provide
32 transportation, building space, and other support services as are
33 reasonably necessary to support the educational programs of students
34 living in residential habilitation centers.

35 (3) PROGRAM SUPPORT

36	General Fund--State Appropriation (FY 2014)	((\$1,943,000))
37		<u>\$1,975,000</u>

1	General Fund--State Appropriation (FY 2015)	((\$1,993,000))
2		<u>\$2,025,000</u>
3	General Fund--Federal Appropriation	((\$1,957,000))
4		<u>\$2,068,000</u>
5	TOTAL APPROPRIATION	((\$5,893,000))
6		<u>\$6,068,000</u>

(4) SPECIAL PROJECTS

8	General Fund--State Appropriation (FY 2014)	((\$1,400,000))
9		<u>\$1,403,000</u>
10	General Fund--State Appropriation (FY 2015)	((\$1,400,000))
11		<u>\$1,403,000</u>
12	General Fund--Federal Appropriation	((\$1,200,000))
13		<u>\$1,206,000</u>
14	TOTAL APPROPRIATION	((\$4,000,000))
15		<u>\$4,012,000</u>

16 **Sec. 206.** 2013 2nd sp.s. c 4 s 206 (uncodified) is amended to read
17 as follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
19 **SERVICES PROGRAM**

20	General Fund--State Appropriation (FY 2014)	((\$869,628,000))
21		<u>\$860,212,000</u>
22	General Fund--State Appropriation (FY 2015)	((\$923,218,000))
23		<u>\$915,709,000</u>
24	General Fund--Federal Appropriation	((\$1,934,089,000))
25		<u>\$1,902,764,000</u>
26	General Fund--Private/Local Appropriation	((\$30,122,000))
27		<u>\$33,707,000</u>
28	Traumatic Brain Injury Account--State Appropriation	\$3,393,000
29	Skilled Nursing Facility Safety Net Trust Account--State	
30	Appropriation	((\$88,000,000))
31		<u>\$110,681,000</u>
32	TOTAL APPROPRIATION	((\$3,848,450,000))
33		<u>\$3,826,466,000</u>

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

- 36 (1) For purposes of implementing chapter 74.46 RCW, the weighted
37 average nursing facility payment rate shall not exceed \$171.35 for

1 fiscal year 2014 and shall not exceed (~~(\$171.58)~~) \$178.82 for fiscal
2 year 2015, including the rate add-ons described in (a) (~~and~~) (b),
3 (g), (h), and (i) of this subsection. However, if the waiver requested
4 from the federal centers for medicare and medicaid services in relation
5 to the safety net assessment is for any reason disapproved, the
6 weighted average nursing facility payment rate shall not exceed \$162.43
7 for fiscal year 2014 and shall not exceed \$163.58 for fiscal year 2015.
8 There will be no adjustments for economic trends and conditions in
9 fiscal years 2014 and 2015. The economic trends and conditions factor
10 or factors defined in the biennial appropriations act shall not be
11 compounded with the economic trends and conditions factor or factors
12 defined in any other biennial appropriations acts before applying it to
13 the component rate allocations established in accordance with chapter
14 74.46 RCW. When no economic trends and conditions factor for either
15 fiscal year is defined in a biennial appropriations act, no economic
16 trends and conditions factor or factors defined in any earlier biennial
17 appropriations act shall be applied solely or compounded to the
18 component rate allocations established in accordance with chapter 74.46
19 RCW.

20 (a) For fiscal year 2014 within the funds provided, the department
21 shall continue to provide an add-on per medicaid resident day per
22 facility not to exceed \$1.57. The add-on shall be used to increase
23 wages, benefits, and/or staffing levels for certified nurse aides; or
24 to increase wages and/or benefits for dietary aides, housekeepers,
25 laundry aides, or any other category of worker whose statewide average
26 dollars-per-hour wage was less than \$15 in calendar year 2008,
27 according to cost report data. The add-on may also be used to address
28 resulting wage compression for related job classes immediately affected
29 by wage increases to low-wage workers. For fiscal year 2015 within
30 funds provided, the department shall continue to provide an add-on per
31 medicaid resident day per facility not to exceed the industry weighted
32 average rate of \$4.22. The add-on shall be used to increase wages,
33 benefits, and/or staffing levels for certified nurse aides; or to
34 increase wages and/or benefits for dietary aides, housekeepers, laundry
35 aides, or any other category of worker whose statewide average dollars-
36 per-hour wage was less than \$17 in calendar year 2012, according to
37 cost report data. The department shall continue reporting requirements

1 and a settlement process to ensure that the funds are spent according
2 to this subsection.

3 (b) The department shall do a comparative analysis of the facility-
4 based payment rates calculated on July 1, 2013, using the payment
5 methodology defined in chapter 74.46 RCW and as funded in the omnibus
6 appropriations act, excluding the low wage worker add-on, the direct
7 care add-on found in subsection (1)(g) of this section, the support
8 services add-on found in subsection (1)(h) of this section, the therapy
9 care add-on found in subsection (1)(i) of this section, the comparative
10 add-on, acuity add-on, and safety net reimbursement, to the facility-
11 based payment rates in effect June 30, 2010. If the facility-based
12 payment rate calculated on July 1, 2013, is smaller than the facility-
13 based payment rate on June 30, 2010, then the difference shall be
14 provided to the individual nursing facilities as an add-on payment per
15 medicaid resident day.

16 (c) During the comparative analysis performed in subsection (b) of
17 this section, if it is found that the direct care rate for any facility
18 calculated using the payment methodology defined in chapter 74.46 RCW
19 and as funded in the omnibus appropriations act, excluding the low wage
20 worker add-on, the direct care add-on found in subsection (1)(g) of
21 this section, the support services add-on found in subsection (1)(h) of
22 this section, the therapy care add-on found in subsection (1)(i) of
23 this section, the comparative add-on, acuity add-on, and safety net
24 reimbursement, is greater than the direct care rate in effect on June
25 30, 2010, then the facility shall receive a ten percent direct care
26 rate add-on to compensate that facility for taking on more acute
27 clients than they have in the past.

28 (d) The department shall provide a medicaid rate add-on to
29 reimburse the medicaid share of the skilled nursing facility safety net
30 assessment as a medicaid allowable cost. The nursing facility safety
31 net rate add-on may not be included in the calculation of the annual
32 statewide weighted average nursing facility payment rate.

33 (e) The rate add-on provided in (c) of this subsection is subject
34 to the reconciliation and settlement process provided in RCW
35 74.46.022(6).

36 (f) If the waiver requested from the federal centers for medicare
37 and medicaid services in relation to the safety net assessment is for

1 any reason disapproved, (b), (c), ~~((and))~~ (d), (g), (h), and (i) of
2 this subsection do not apply.

3 (g) For fiscal year 2015, the department shall provide a direct
4 care rate add-on of \$3.63 per patient day. This subsection (g) is
5 subject to the reconciliation and settlement process provided in RCW
6 74.46.022(6).

7 (h) For fiscal year 2015, the department shall provide a support
8 services rate add-on of \$0.85 per patient day. This subsection (h) is
9 subject to the reconciliation and settlement process provided in RCW
10 74.46.022(6).

11 (i) For fiscal year 2015, the department shall provide a therapy
12 care rate add-on of \$0.05 per patient day. This subsection (i) is
13 subject to the reconciliation and settlement process provided in RCW
14 74.46.022(6).

15 (2) In accordance with chapter 74.46 RCW, the department shall
16 issue no additional certificates of capital authorization for fiscal
17 year 2014 and no new certificates of capital authorization for fiscal
18 year 2015 and shall grant no rate add-ons to payment rates for capital
19 improvements not requiring a certificate of need and a certificate of
20 capital authorization for fiscal years 2014 and 2015.

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

29 (a) The current annual renewal license fee for adult family homes
30 shall be increased to \$225 per bed beginning in fiscal year 2014 and
31 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750
32 shall be charged to each adult family home when the home is initially
33 licensed. This fee is nonrefundable.

34 (b) The current annual renewal license fee for assisted living
35 facilities shall be increased to \$106 per bed beginning in fiscal year
36 2014 and \$106 per bed beginning in fiscal year 2015.

37 (c) The current annual renewal license fee for nursing facilities

1 shall be increased to \$359 per bed beginning in fiscal year 2014 and
2 \$359 per bed beginning in fiscal year 2015.

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

7 (5) (~~(\$30,640,000)~~) \$29,996,000 of the general fund--state
8 appropriation for fiscal year 2014, (~~(\$48,633,000)~~) \$49,061,000 of the
9 general fund--state appropriation for fiscal year 2015, and
10 (~~(\$79,273,000)~~) \$79,058,000 of the general fund--federal appropriation
11 are provided solely for the implementation of the agreement reached
12 between the governor and the service employees international union
13 healthcare 775nw through an interest arbitration decision under the
14 provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal
15 biennium.

16 (6) \$1,840,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,877,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for operation of the volunteer
19 services program. Funding shall be prioritized towards serving
20 populations traditionally served by long-term care services to include
21 senior citizens and persons with disabilities.

22 (7) (~~(\$4,894,000)~~) \$2,447,000 of the general fund--state
23 appropriation for fiscal year 2015, and (~~(\$15,150,000)~~) \$7,575,000 of
24 the general fund--federal appropriation are provided solely for a
25 payment system that satisfies medicaid requirements regarding time
26 reporting for W-2 providers. The amounts provided in this subsection
27 are conditioned on the department satisfying the requirements of the
28 project management oversight standards and policies established by the
29 office of the chief information officer.

30 (8) The department is authorized to establish limited exemption
31 criteria in rule to address RCW 74.39A.325 when a landline phone is not
32 available to the employee.

33 (9) Within the amounts appropriated in this section, in a report to
34 the appropriate fiscal committees of the legislature that must be
35 submitted by December 1, 2013, the department of social and health
36 services must describe the process for establishing medicaid rates for
37 assisted living and adult family homes. The report must include

1 information about licensing and physical plant standards, contracting
2 provisions, and per capita and biennial expenditures for assisted
3 living and adult family homes.

4 (10) \$10,800,000 of the general fund--state appropriation for
5 fiscal year 2014, \$17,768,000 of the general fund--state appropriation
6 for fiscal year 2015, and \$28,567,000 of the general fund--federal
7 appropriation are provided solely for the homecare agency parity
8 impacts of the service employees international union healthcare 775nw
9 arbitration award.

10 (11) \$33,000 of the general fund--state appropriation for fiscal
11 year 2014, \$17,000 of the general fund--state appropriation for fiscal
12 year 2015, and \$50,000 of the general fund--federal appropriation are
13 provided solely for staffing and other expenses associated with the
14 work of the joint legislative executive committee on planning for aging
15 and disability issues that is established by this subsection.

16 (a) A joint legislative executive committee on aging and disability
17 is established, with members as provided in this subsection.

18 (i) Four members of the senate, with the leaders of the two largest
19 caucuses each appointing two members. Four members of the house of
20 representatives, with the leaders of the two largest caucuses each
21 appointing two members;

22 (ii) A member from the office of the governor, appointed by the
23 governor;

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

26 (iv) The director of the health care authority or his or her
27 designee; and

28 (v) The director of the department of retirement systems or his or
29 her designee.

30 (b) The committee must convene by September 1, 2013. At the first
31 meeting, the committee will select cochairs from among its members who
32 are legislators. All meetings of the committee are open to the public.

33 (c) The purpose of the committee is to identify key strategic
34 actions to prepare for the aging of the population in Washington,
35 including state budget and policy options, by conducting at least, but
36 not limited to, the following tasks:

37 (i) Establish a profile of Washington's current population of older

1 people and people with disabilities and a projection of population
2 growth through 2030;

3 (ii) Establish an inventory of services and supports currently
4 available to older people and people with disabilities from the health
5 care and long-term services and support systems and other community
6 resources such as housing, transportation, income support, and
7 protection for vulnerable adults;

8 (iii) Identify state budget and policy options to more effectively
9 use state, federal and private resources to, over time, reduce the
10 growth rate in state expenditures that would otherwise occur by
11 continuing current policy in light of significant population growth;

12 (iv) Identify strategies to better serve the health care needs of
13 an aging population and people with disabilities, and promote healthy
14 living;

15 (v) Identify policy options to create financing mechanisms for
16 long-term services and supports that will promote additional private
17 responsibility for individuals and families to meet their needs for
18 service;

19 (vi) Identify policies to promote financial security in retirement,
20 support people who wish to stay in the workplace longer, and expand the
21 availability of workplace retirement savings plans; and

22 (vii) Identify policy options to help communities adapt to the
23 aging demographic in planning for housing, land use and transportation.

24 (d) The committee shall consult with the office of the insurance
25 commissioner, the caseload forecast council, health care authority, and
26 other appropriate entities with specialized knowledge of the needs and
27 growth trends of the aging population and people with disabilities.

28 (e) Staff support for the committee shall be provided by the office
29 of program research, senate committee services, the office of financial
30 management, and the department of social and health services.

31 (f) Within existing appropriations, the cost of meetings must be
32 paid jointly by the senate, house of representatives, and the office of
33 financial management. Joint committee expenditures are subject to
34 approval by the senate facilities and operations committee and the
35 house of representatives executive rules committee, or their successor
36 committees. The joint committee members may be reimbursed for travel
37 expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter

1 44.04 RCW as appropriate. Advisory committee members may not receive
2 compensation or reimbursement for travel and expenses.

3 (g) The committee shall issue an interim report to the legislature
4 by December 10, 2013, and issue final recommendations to the governor
5 and relevant standing committees of the legislature by December 10,
6 2014.

7 (12) \$240,000 of the general fund--state appropriation for fiscal
8 year 2014, \$1,342,000 of the general fund--state appropriation for
9 fiscal year 2015, and \$1,468,000 of the general fund--federal
10 appropriation are provided solely to implement chapter 320, Laws of
11 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

12 (13) The department shall review the capital add-on rate
13 established by RCW 74.39A.320 for effectiveness in incentivizing
14 assisted living facilities to serve Medicaid eligible clients. Upon
15 completing its review, the department shall submit its findings along
16 with recommendations for alternatives to the office of financial
17 management and the fiscal committees of the legislature by December 1,
18 2013. The department is encouraged to engage stakeholders in
19 developing alternatives.

20 (14) \$239,000 of the general fund--state appropriation for fiscal
21 year 2014, \$160,000 of the general fund--state appropriation for fiscal
22 year 2015, and \$398,000 of the general fund--federal appropriation are
23 provided solely to implement chapter 300, Laws of 2013 (SSB 5630).

24 (15) \$237,000 of the general fund--federal appropriation and
25 \$236,000 of the general fund--local appropriation are provided solely
26 to implement Second Substitute House Bill No. 1574 (residential
27 services and supports). If the bill is not enacted by June 30, 2014,
28 the amounts provided in this subsection shall lapse. In accordance
29 with Second Substitute House Bill No. 1574, the department is
30 authorized to increase supported living fees as necessary to support
31 the actual costs of conducting the certification, inspection, and
32 regulatory programs. The certification fees may not exceed the
33 department's annual licensing and oversight activity costs and shall
34 include the department's cost of paying providers for the amount of the
35 certification fee attributed to medicaid clients. The annual
36 certification fee for supported living shall be \$128 per client
37 beginning in fiscal year 2015.

1 (16) \$3,000 of the general fund--state appropriation for fiscal
2 year 2015 is provided solely to implement Substitute House Bill No.
3 2310 (provider safety equipment). If the bill is not enacted by June
4 30, 2014, the amount provided in this subsection shall lapse.

5 (17) \$296,000 of the general fund--state appropriation for fiscal
6 year 2015, and \$296,000 of the general fund--federal appropriation are
7 provided solely to implement Engrossed Substitute House Bill No. 2746
8 (medicaid personal care). If the bill is not enacted by June 30, 2014,
9 the amounts provided in this subsection shall lapse.

10 (18) \$500,000 of the general fund--state appropriation for fiscal
11 year 2015 is provided solely for the department to contract for an
12 independent feasibility study and actuarial modeling of public and
13 private options for leveraging private resources to help individuals
14 prepare for long-term services and supports needs. The study should
15 model at least three options, including a public long-term care
16 insurance benefit funded through a payroll deduction that would provide
17 a time-limited long-term care insurance benefit, regulatory changes
18 necessary to encourage the development and growth of new products on
19 the market that combine features of life insurance, long-term care
20 insurance and annuities or medicaid life settlements, and a public-
21 private option such as facilitating a new marketplace through the
22 Washington health plan finder for private long-term care insurance
23 policies that would provide a time-limited benefit, an age defined
24 individual mandate for purchasing these policies and subsidies to
25 ensure affordability for lower-income individuals. The report should
26 include an evaluation of each option based on (a) the expected costs
27 and benefits for participants, (b) the total anticipated number of
28 participants, and (c) the projected savings to the state medicaid
29 program. The aging and disability joint legislative executive
30 committee shall provide oversight and direction for this analysis and
31 will convene interested stakeholders to provide input on the study
32 design. The department shall provide a report on its findings and
33 recommendations to the relevant policy and fiscal committees of the
34 legislature by November 1, 2014.

35 (19) \$15,000 of the general fund--state appropriation for fiscal
36 year 2015 and \$15,000 of the general fund--federal appropriation are
37 provided solely to implement Substitute House Bill No. 2634

1 (residential enforcement standards). If the bill is not enacted by
2 June 30, 2014, the amounts provided in this subsection shall lapse.

3 (20) \$5,094,000 of the general fund--state appropriation for fiscal
4 year 2015 is provided solely for services and support to individuals
5 who are deaf, hard of hearing, or deaf-blind.

6 (21) The department may authorize a one-time waiver of all or any
7 portion of the licensing and processing fees required under RCW
8 70.128.060 in any case in which the department determines that an adult
9 family home is being relicensed because of exceptional circumstances,
10 such as death or incapacity of a provider, and that to require the full
11 payment of the licensing and processing fees would present a hardship
12 to the applicant.

13 (22) It is the intent of the legislature to use savings from the
14 community first choice option to make needed investments in home and
15 community-based services for seniors and people with disabilities,
16 including potential investments recommended by the joint legislative
17 executive committee on aging and disability and the development and
18 implementation council that the department of social and health
19 services must convene prior to submitting the proposed community first
20 choice option to the centers for medicare and medicaid services. At a
21 minimum, the final report to the legislature from the joint legislative
22 executive committee on aging and disability must explore the cost and
23 benefit of rate enhancements for providers of long-term services and
24 supports, restoration of hours for in-home clients, additional
25 investment in the family caregiver support program, and additional
26 investment in the individual and family services program or other
27 medicaid services to support individuals with developmental
28 disabilities.

29 **Sec. 207.** 2013 2nd sp.s. c 4 s 207 (uncodified) is amended to read
30 as follows:

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

33	General Fund--State Appropriation (FY 2014)	((\$402,504,000))
34		\$377,188,000
35	General Fund--State Appropriation (FY 2015)	((\$405,019,000))
36		\$392,445,000
37	General Fund--Federal Appropriation	((\$1,211,774,000))

1		<u>\$1,235,336,000</u>
2	General Fund--Private/Local Appropriation	((\$30,594,000))
3		<u>\$36,450,000</u>
4	<u>Education Legacy Trust Account--State Appropriation</u>	<u>\$4,996,000</u>
5	TOTAL APPROPRIATION	((\$2,049,891,000))
6		<u>\$2,046,415,000</u>

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

9 (1)(a) ((~~\$178,757,000~~)) \$154,439,000 of the general fund--state
10 appropriation for fiscal year 2014, ((~~\$172,999,000~~)) \$154,241,000 of
11 the general fund--state appropriation for fiscal year 2015, \$4,996,000
12 of the education legacy trust account appropriation, and
13 ((~~\$732,881,000~~)) \$771,147,000 of the general fund--federal
14 appropriation are provided solely for all components of the WorkFirst
15 program. Within the amounts provided for the WorkFirst program, the
16 department may provide assistance using state-only funds for families
17 eligible for temporary assistance for needy families. The department
18 must create a WorkFirst budget structure that allows for transparent
19 tracking of budget units and subunits of expenditures where these units
20 and subunits are mutually exclusive from other department budget units.
21 The budget structure must include budget units for the following: Cash
22 assistance, child care, WorkFirst activities, and administration of the
23 program. Within these budget units, the department must develop
24 program index codes for specific activities and develop allotments and
25 track expenditures using these codes. The department shall report to
26 the office of financial management and the relevant fiscal and policy
27 committees of the legislature prior to adopting the new structure. The
28 secretary of the department of social and health services, working with
29 WorkFirst partner agencies and in collaboration with the WorkFirst
30 oversight task force, shall develop a plan for maximizing the following
31 outcomes and shall report back to the legislature by November 1, 2013.
32 The outcomes to be measured are: (i) Increased employment; (ii)
33 completion of education or post-secondary training; (iii) completion of
34 barrier removal activity including drug and alcohol or mental health
35 treatment; (iv) housing stability; (v) child care or education
36 stability for the children of temporary assistance for needy families
37 recipients; (vi) reduced rate of return after exit from the WorkFirst
38 program; and (vii) work participation requirements.

1 (b) (~~(\$406,818,000)~~) \$374,937,000 of the amounts in (a) of this
2 subsection are provided solely for assistance to clients, including
3 grants, diversion cash assistance, and additional diversion emergency
4 assistance including but not limited to assistance authorized under RCW
5 74.08A.210. The department may use state funds to provide support to
6 working families that are eligible for temporary assistance for needy
7 families but otherwise not receiving cash assistance. Within these
8 amounts, funding is for implementation of House Bill No. 2585 (TANF
9 benefits for a child).

10 (c) (~~(\$168,019,000)~~) \$179,529,000 of the amounts in (a) of this
11 subsection are provided solely for WorkFirst job search, education and
12 training activities, barrier removal services, limited English
13 proficiency services, and tribal assistance under RCW 74.08A.040. The
14 department must allocate this funding based on client outcomes and cost
15 effectiveness measures.

16 (d) (~~(\$367,676,000)~~) \$358,992,000 of the amounts in (a) of this
17 subsection are provided solely for the working connections child care
18 program under RCW 43.215.135. The working connections child care
19 program is capped at 30,000 households per month. \$4,632,000 of the
20 education legacy trust account--state appropriation in subsection
21 (1)(a) is provided solely for implementation of Engrossed Second
22 Substitute House Bill No. 2377 (early care and education).

23 (e) (~~(\$142,124,000)~~) \$171,363,000 of the amounts in (a) of this
24 subsection are provided solely for WorkFirst and working connections
25 child care administration and overhead. \$364,000 of the education
26 legacy trust account appropriation in (a) of this subsection is
27 provided solely for implementation of Engrossed Second Substitute House
28 Bill No. 2377 (early care and education).

29 (f) The amounts in (b) through (d) of this subsection shall be
30 expended for the programs and in the amounts specified. However, the
31 department may transfer up to 10 percent of funding between (b) through
32 (d) of this subsection, but only if the funding is available or
33 necessary to transfer solely due to utilization, caseload changes, or
34 underperformance in terms of client outcomes. The department shall
35 provide notification prior to any transfer to the office of financial
36 management and to the appropriate legislative committees and the
37 legislative-executive WorkFirst oversight task force. The approval of

1 the director of financial management is required prior to any transfer
2 under this subsection.

3 (2) \$1,657,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,657,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for naturalization services.

6 (3) \$2,366,000 of the general fund--state appropriation for fiscal
7 year 2014 is provided solely for employment services for refugees and
8 immigrants, of which \$1,774,000 is provided solely for the department
9 to pass through to statewide refugee and immigrant assistance
10 organizations for limited English proficiency pathway services; and
11 \$2,366,000 of the general fund--state appropriation for fiscal year
12 2015 is provided solely for employment services for refugees and
13 immigrants, of which \$1,774,000 is provided solely for the department
14 to pass through to statewide refugee and immigrant assistance
15 organizations for limited English proficiency pathway services.

16 (4) On December 1, 2013, and annually thereafter, the department
17 must report to the legislature on all sources of funding available for
18 both refugee and immigrant services and naturalization services during
19 the current fiscal year and the amounts expended to date by service
20 type and funding source. The report must also include the number of
21 clients served and outcome data for the clients.

22 (5) To ensure expenditures remain within available funds
23 appropriated in this section, the legislature establishes the benefit
24 under the state food assistance program, pursuant to RCW 74.08A.120, to
25 be no less than seventy-five percent of the federal supplemental
26 nutrition assistance program benefit amount.

27 (6) \$18,000 of the general fund--state appropriation for fiscal
28 year 2014 is provided solely for implementation of section 1, chapter
29 337, Laws of 2013 (2SSB 5595).

30 (7) \$4,729,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$4,729,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for implementation of the
33 telephone assistance program and the Washington information network 211
34 organization pursuant to Substitute House Bill No. 1971 (communication
35 services). Of these funds, \$500,000 of the general fund--state
36 appropriation for fiscal year 2014 and \$500,000 of the general fund--
37 state appropriation for fiscal year 2015 are provided solely for
38 operational support of the Washington information network 211

1 organization. If Substitute House Bill No. 1971 (communication
2 services) is not enacted by June 30, 2013, the amounts provided in this
3 subsection shall lapse.

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

10 (9) The department shall continue the interagency agreement with
11 the department of veterans' affairs to establish a process for referral
12 of veterans who may be eligible for veterans' services. This agreement
13 must include out-stationing department of veterans' affairs staff in
14 selected community service office locations in King and Pierce counties
15 to facilitate applications for veterans' services.

16 (10) \$500,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,500,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for implementation of Substitute
19 House Bill No. 2069 (safety net benefits). If the bill is not enacted
20 by June 30, 2013, the amounts provided in this subsection shall lapse.

21 (11) \$65,000 of the general fund--state appropriation for fiscal
22 year 2015 is provided solely for 211 call system networks in the
23 eastern Washington region and the peninsula region.

24 **Sec. 208.** 2013 2nd sp.s. c 4 s 208 (uncodified) is amended to read
25 as follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
27 **SUBSTANCE ABUSE PROGRAM**

28	General Fund--State Appropriation (FY 2014)	((\$72,650,000))
29		<u>\$73,021,000</u>
30	General Fund--State Appropriation (FY 2015)	((\$61,855,000))
31		<u>\$63,567,000</u>
32	General Fund--Federal Appropriation	((\$277,248,000))
33		<u>\$279,072,000</u>
34	General Fund--Private/Local Appropriation	((\$13,554,000))
35		<u>\$16,316,000</u>
36	Criminal Justice Treatment Account--State	
37	Appropriation	((\$14,568,000))

1		<u>\$14,285,000</u>
2	Problem Gambling Account--State Appropriation	\$1,450,000
3	TOTAL APPROPRIATION	((\$441,325,000))
4		<u>\$447,711,000</u>

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

7 (1) Within the amounts appropriated in this section, the department
8 may contract with the University of Washington and community-based
9 providers for the provision of the parent-child assistance program or
10 other specialized chemical dependency case management providers for
11 pregnant, post-partum, and parenting women. For all contractors: (a)
12 Service and other outcome data must be provided to the department by
13 request; (b) program modifications needed to maximize access to federal
14 medicaid matching funds will be phased in over the course of the 2013-
15 2015 fiscal biennium; and (c) indirect charges for administering the
16 program shall not exceed ten percent of the total contract amount.

17 (2) Within the amounts appropriated in this section, the department
18 shall continue to provide for chemical dependency treatment services
19 for adult medicaid eligible, pregnant and parenting women, disability
20 lifeline, and alcoholism and drug addiction treatment and support act,
21 and medical care services clients.

22 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
23 department is authorized to adopt fees for the review and approval of
24 treatment programs in fiscal years 2014 and 2015 as necessary to
25 support the costs of the regulatory program. The department's fee
26 schedule shall have differential rates for providers with proof of
27 accreditation from organizations that the department has determined to
28 have substantially equivalent standards to those of the department,
29 including but not limited to the joint commission on accreditation of
30 health care organizations, the commission on accreditation of
31 rehabilitation facilities, and the council on accreditation. To
32 reflect the reduced costs associated with regulation of accredited
33 programs, the department's fees for organizations with such proof of
34 accreditation must reflect the lower cost of licensing for these
35 programs than for other organizations which are not accredited.

36 (4) \$3,500,000 of the general fund--federal appropriation (from the
37 substance abuse prevention and treatment federal block grant) is

1 provided solely for the continued funding of existing county drug and
2 alcohol use prevention programs.

3 (5) \$2,600,000 of the general fund--state appropriation for fiscal
4 year 2014 is provided solely for the department to transition 128 beds
5 from settings that are considered institutions for mental diseases to
6 facilities with no more than 16 beds that are able to claim federal
7 match for services provided to medicaid clients or individuals covered
8 under the department's section 1115 medicaid waiver. The department
9 may conduct a request for proposal process to fulfill this requirement
10 and adopt rates that are comparable to the pilot projects implemented
11 in the 2011-13 fiscal biennium. The department may use these funds to
12 assist with the costs of providers in setting up or converting to 16-
13 bed facilities. This funding may also be used for providers that are
14 developing new capacity for clients who will become eligible for
15 services under the affordable care act medicaid expansion. The number
16 of beds available for pregnant and parenting women must not be reduced.

17 (6) \$283,000 of the ((~~criminal justice treatment account~~)) general
18 fund--state appropriation is provided solely for transitional funding
19 for the family drug court in Pierce county.

20 (7) Within the amounts appropriated in this section, the department
21 shall review differential rates paid for alcohol and substance abuse
22 assessment and treatment services for medicaid and nonmedicaid clients
23 and the impact to providers as previously uninsured clients become
24 eligible for services through the medicaid expansion under the federal
25 patient protection and affordable care act. By December 1, 2014, the
26 department must submit a report to the legislature which provides: (a)
27 The estimated impact on providers for each type of medicaid
28 reimbursable service as newly eligible clients shift from nonmedicaid
29 to medicaid rates; (b) identification of which types of providers will
30 be most significantly impacted by these shifts; (c) identification of
31 the estimated annual costs for increasing rates for each level of
32 service; and (d) a summary of federal requirements that must be
33 considered in determining how any future rate increase must be
34 implemented.

35 **Sec. 209.** 2013 2nd sp.s. c 4 s 209 (uncodified) is amended to read
36 as follows:

1	FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL	
2	REHABILITATION PROGRAM	
3	General Fund--State Appropriation (FY 2014)	((\$16,478,000))
4		<u>\$16,568,000</u>
5	General Fund--State Appropriation (FY 2015)	((\$16,459,000))
6		<u>\$11,477,000</u>
7	General Fund--Federal Appropriation	((\$99,413,000))
8		<u>\$99,397,000</u>
9	TOTAL APPROPRIATION	((\$132,350,000))
10		<u>\$127,442,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: \$5,006,000 of the general fund--state
13 appropriation for fiscal year 2014 (~~and \$5,094,000 of the general~~
14 ~~fund--state appropriation for fiscal year 2015 are~~) is provided solely
15 for services and support to individuals who are deaf, hard of hearing,
16 or deaf-blind.

17 **Sec. 210.** 2013 2nd sp.s. c 4 s 210 (uncodified) is amended to read
18 as follows:

19	FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT	
20	PROGRAM	
21	General Fund--State Appropriation (FY 2014)	((\$36,420,000))
22		<u>\$37,796,000</u>
23	General Fund--State Appropriation (FY 2015)	((\$35,813,000))
24		<u>\$37,017,000</u>
25	TOTAL APPROPRIATION	((\$72,233,000))
26		<u>\$74,813,000</u>

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

29 (1) The department of social and health services shall transfer the
30 stewardship of McNeil Island to the department of corrections
31 industries program, effective September 1, 2013. The transferred
32 responsibilities shall include marine operations, waste water
33 treatment, water treatment, road maintenance, and any other general
34 island maintenance that is not site specific to the operations of the
35 special commitment center or the Pierce county secure community
36 transition facility. Facility maintenance within the perimeter of the
37 special commitment center shall remain the responsibility of the

1 department of social and health services. Capital repairs and
2 maintenance necessary to maintain the special commitment center on
3 McNeil Island shall be managed by the department of social and health
4 services. The legislature directs both departments to enter into an
5 interagency agreement by August 1, 2013. The office of financial
6 management shall oversee the negotiations of the interagency agreement.
7 The interagency agreement must describe equipment that will transfer
8 between the departments, warehouse space that will be shared by the
9 departments, and occupancy requirements for any shops outside the
10 perimeter of the special commitment center. The office of financial
11 management will make the final determination on any disagreements
12 between the departments on the details of the interagency agreement.

13 (2) (~~(\$3,120,000)~~) \$3,042,000 of the general fund--state
14 appropriation for fiscal year 2014 and (~~(\$3,120,000)~~) \$3,024,000 of the
15 general fund--state appropriation for fiscal year 2015 are provided
16 solely for operational costs specific to island operations of the
17 special commitment center and the Pierce county secure community
18 transition facility. The department shall establish an accounting
19 structure that enables it to track and report on costs specific to
20 island operations.

21 (3) All employees of the department of social and health services
22 engaged in performing the powers, functions, and duties transferred to
23 the department of corrections industries program under this subsection,
24 are transferred to the department of corrections.

25 (4) All classified employees of the department of social and health
26 services assigned to the department of corrections under this
27 subsection whose positions are within an existing bargaining unit
28 description at the department of corrections shall become a part of the
29 existing bargaining unit at the department of corrections and shall be
30 considered an appropriate inclusion or modification of the existing
31 bargaining unit under the provisions of chapter 41.80 RCW.

32 (5) By November 1, 2014, the department of social and health
33 services shall provide a report to the office of financial management
34 and the appropriate fiscal and policy committees of the legislature
35 that evaluates the department's costs for certain medical and pharmacy
36 costs for its residents within the special commitment center. The
37 department as part of its evaluation shall consult with the health care
38 authority, the health benefits exchange, and the department of

1 corrections. At a minimum, the report should look at the following
2 items: (a) Obtaining medicaid eligibility for residents; (b)
3 feasibility of obtaining insurance for residents through the health
4 benefit exchange; (c) utilizing multistate consortiums for the purchase
5 of pharmaceuticals to reduce costs; and (d) consolidating contracts for
6 medical inpatient and outpatient services with western state hospital.

7 **Sec. 211.** 2013 2nd sp.s. c 4 s 211 (uncodified) is amended to read
8 as follows:

9 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
10 **SUPPORTING SERVICES PROGRAM**

11	General Fund--State Appropriation (FY 2014)	((\$30,127,000))
12		<u>\$29,773,000</u>
13	General Fund--State Appropriation (FY 2015)	((\$29,333,000))
14		<u>\$28,989,000</u>
15	General Fund--Federal Appropriation	((\$37,150,000))
16		<u>\$37,157,000</u>
17	General Fund--Private/Local Appropriation . . . . .	.\$654,000
18	TOTAL APPROPRIATION	((\$97,264,000))
19		<u>\$96,573,000</u>

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

22 (1) \$395,000 of the general fund--state appropriation for fiscal
23 year 2014, \$228,000 of the general fund--state appropriation for fiscal
24 year 2015, and \$335,000 of the general fund--federal appropriation are
25 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
26 chapter 338, Laws of 2013 (2SSB 5732).

27 (2) \$300,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$300,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for the Washington state mentors
30 program to continue its public-private partnerships to provide
31 technical assistance and training to mentoring programs that serve
32 at-risk youth.

33 (3) \$82,000 of the general fund--state appropriation for fiscal
34 year 2014, \$44,000 of the general fund--state appropriation for fiscal
35 year 2015, and \$28,000 of the general fund--federal appropriation are
36 provided solely to develop a report on state efforts to prevent and
37 control diabetes. The department, the health care authority, and the

1 department of health shall submit a coordinated report to the governor
2 and the appropriate committees of the legislature by December 31, 2014,
3 on the following:

4 (a) The financial impacts and reach that diabetes of all types and
5 undiagnosed gestational diabetes are having on the programs
6 administered by each agency and individuals, including children with
7 mothers with undiagnosed gestational diabetes, enrolled in those
8 programs. Items in this assessment must include: (i) The number of
9 lives with diabetes and undiagnosed gestational diabetes impacted or
10 covered by the programs administered by each agency; (ii) the number of
11 lives with diabetes, or at risk for diabetes, and family members
12 impacted by prevention and diabetes control programs implemented by
13 each agency; (iii) the financial toll or impact diabetes and its
14 complications, and undiagnosed gestational diabetes and the
15 complications experienced during labor to children of mothers with
16 gestational diabetes places on these programs in comparison to other
17 chronic diseases and conditions; and (iv) the financial toll or impact
18 diabetes and its complications, and diagnosed gestational diabetes and
19 the complications experienced during labor to children of mothers with
20 gestational diabetes places on these programs;

21 (b) An assessment of the benefits of implemented and existing
22 programs and activities aimed at controlling all types of diabetes and
23 preventing the disease. This assessment must also document the amount
24 and source for any funding directed to each agency for the programs and
25 activities aimed at reaching those with diabetes of all types;

26 (c) A description of the level of coordination existing between the
27 agencies on activities, programmatic activities, and messaging on
28 managing, treating, or preventing all types of diabetes and its
29 complications;

30 (d) The development or revision of detailed policy-related action
31 plans and budget recommendations for battling diabetes and undiagnosed
32 gestational diabetes that includes a range of actionable items for
33 consideration by the legislature. The plans and budget recommendations
34 must identify proposed action steps to reduce the impact of diabetes,
35 prediabetes, related diabetes complications, and undiagnosed
36 gestational diabetes. The plans and budget recommendations must also
37 identify expected outcomes of the action steps proposed in the

1 following biennium while also establishing benchmarks for controlling
2 and preventing all types of diabetes; and

3 (e) An estimate of savings, efficiencies, costs, and budgetary
4 savings and resources required to implement the plans and budget
5 recommendations identified in (d) of this subsection (5).

6 **Sec. 212.** 2013 2nd sp.s. c 4 s 212 (uncodified) is amended to read
7 as follows:

8 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
9 **AGENCIES PROGRAM**

10	General Fund--State Appropriation (FY 2014)	((\$60,470,000))
11		<u>\$62,399,000</u>
12	General Fund--State Appropriation (FY 2015)	((\$60,511,000))
13		<u>\$63,540,000</u>
14	General Fund--Federal Appropriation	((\$55,264,000))
15		<u>\$57,061,000</u>
16	TOTAL APPROPRIATION	((\$176,245,000))
17		<u>\$183,000,000</u>

18 **Sec. 213.** 2013 2nd sp.s. c 4 s 213 (uncodified) is amended to read
19 as follows:

20 **FOR THE STATE HEALTH CARE AUTHORITY**

21	General Fund--State Appropriation (FY 2014)	((\$2,131,026,000))
22		<u>\$2,145,141,000</u>
23	General Fund--State Appropriation (FY 2015)	((\$2,114,731,000))
24		<u>\$2,168,224,000</u>
25	General Fund--Federal Appropriation	((\$7,245,749,000))
26		<u>\$7,909,707,000</u>
27	General Fund--Private/Local Appropriation	((\$57,780,000))
28		<u>\$56,407,000</u>
29	Emergency Medical Services and Trauma Care Systems	
30	Trust Account--State Appropriation	\$15,082,000
31	Hospital Safety Net Assessment Fund--State	
32	Appropriation	\$669,381,000
33	Health Benefit Exchange Account--State Appropriation	((\$17,277,000))
34		<u>\$16,207,000</u>
35	State Health Care Authority Administration Account--	
36	State Appropriation	((\$34,809,000))

1		<u>\$31,463,000</u>
2	Medical Aid Account--State Appropriation	\$528,000
3	Medicaid Fraud Penalty Account--State Appropriation	\$21,206,000
4	TOTAL APPROPRIATION	((\$12,307,569,000))
5		<u>\$13,033,346,000</u>

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

8 (1) ((~~\$1,143,994,000~~)) \$1,900,484,000 of the general fund--federal
9 appropriation is provided solely to implement the medicaid expansion as
10 defined in the social security act, section 1902(a)(10)(A)(i)(VIII),
11 subject to the conditions and limitations in this subsection. If the
12 federal medical assistance percentage for the medicaid expansion falls
13 below the percentages in section 1905(y) of the social security act as
14 of July 1, 2013, the authority shall ensure that the state does not
15 incur any additional state costs above what would have been incurred
16 had the federal medical assistance percentages remained at the
17 percentages in section 1905(y) as of July 1, 2013. The director is
18 authorized to make any necessary program adjustments to comply with
19 this requirement, including adding or adjusting premiums, modifying
20 benefits, or reducing optional programs. To the extent a waiver is
21 needed to accomplish this, the director shall promptly apply for such
22 waiver. If a necessary waiver is not approved, the medicaid expansion
23 program shall be terminated upon appropriate notification to the
24 legislature and enrollees.

25 (2) The requirements of this subsection apply to the basic health
26 plan. This subsection is null and void and has no further effect upon
27 implementation of the medicaid expansion under subsection (1) of this
28 section.

29 (a) Within amounts appropriated in this section and sections 205
30 and 206 of this act, the health care authority shall continue to
31 provide an enhanced basic health plan subsidy for foster parents
32 licensed under chapter 74.15 RCW and workers in state-funded home care
33 programs. Under this enhanced subsidy option, foster parents eligible
34 to participate in the basic health plan as subsidized enrollees and
35 home care workers with family incomes below 200 percent of the federal
36 poverty level shall be allowed to enroll in the basic health plan at
37 the minimum premium amount charged to enrollees with incomes below
38 sixty-five percent of the federal poverty level.

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

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

24 (d) Enrollment in the subsidized basic health plan shall be limited
25 to only include persons who qualify as subsidized enrollees as defined
26 in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid
27 demonstration project number 11-W-00254/10; or (b) are foster parents
28 licensed under chapter 74.15 RCW.

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

1 (4) Based on quarterly expenditure reports and caseload forecasts,
2 if the health care authority estimates that expenditures for the
3 medical assistance program will exceed the appropriations, the health
4 care authority shall take steps including but not limited to reduction
5 of rates or elimination of optional services to reduce expenditures so
6 that total program costs do not exceed the annual appropriation
7 authority.

8 (5) In determining financial eligibility for medicaid-funded
9 services, the health care authority is authorized to disregard
10 recoveries by Holocaust survivors of insurance proceeds or other
11 assets, as defined in RCW 48.104.030.

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

15 (7) When a person is ineligible for medicaid solely by reason of
16 residence in an institution for mental diseases, the health care
17 authority shall provide the person with the same benefits as he or she
18 would receive if eligible for medicaid, using state-only funds to the
19 extent necessary.

20 (8) \$4,261,000 of the general fund--state appropriation for fiscal
21 year 2014, \$4,261,000 of the general fund--state appropriation for
22 fiscal year 2015, and \$8,522,000 of the general fund--federal
23 appropriation are provided solely for low-income disproportionate share
24 hospital payments.

25 (9) \$400,000 of the general fund--state appropriation for fiscal
26 year 2014, (~~(\$400,000)~~) \$200,000 of the general fund--state
27 appropriation for fiscal year 2015, and (~~(\$800,000)~~) \$600,000 of the
28 general fund--federal appropriation are provided solely for
29 disproportionate share hospital payments to rural hospitals certified
30 by the centers for medicare and medicaid services as sole community
31 hospitals as of January 1, 2013, with less than one hundred fifty acute
32 care licensed beds in fiscal year 2011 that do not participate in the
33 certified public expenditures program. The authority shall discontinue
34 these payments on January 1, 2015.

35 (10) \$100,000 of the general fund--state appropriation for fiscal
36 year 2014 and (~~(\$100,000)~~) \$50,000 of the general fund--state
37 appropriation for fiscal year 2015 are provided solely for grants to
38 rural hospitals in Clallam county that were certified by the centers

1 for medicare and medicaid services as sole community hospitals as of
2 January 1, 2013, with less than one hundred fifty acute care licensed
3 beds in fiscal year 2011. The authority shall discontinue these
4 payments on January 1, 2015.

5 (11) Within the amounts appropriated in this section, the health
6 care authority shall provide disproportionate share hospital payments
7 to hospitals that provide services to children in the children's health
8 program who are not eligible for services under Title XIX or XXI of the
9 federal social security act due to their citizenship status.

10 (12) \$6,000,000 of the general fund--federal appropriation is
11 provided solely for supplemental payments to nursing homes operated by
12 public hospital districts. The public hospital district shall be
13 responsible for providing the required nonfederal match for the
14 supplemental payment, and the payments shall not exceed the maximum
15 allowable under federal rules. It is the legislature's intent that the
16 payments shall be supplemental to and shall not in any way offset or
17 reduce the payments calculated and provided in accordance with part E
18 of chapter 74.46 RCW. It is the legislature's further intent that
19 costs otherwise allowable for rate-setting and settlement against
20 payments under chapter 74.46 RCW shall not be disallowed solely because
21 such costs have been paid by revenues retained by the nursing home from
22 these supplemental payments. The supplemental payments are subject to
23 retrospective interim and final cost settlements based on the nursing
24 homes' as-filed and final medicare cost reports. The timing of the
25 interim and final cost settlements shall be at the health care
26 authority's discretion. During either the interim cost settlement or
27 the final cost settlement, the health care authority shall recoup from
28 the public hospital districts the supplemental payments that exceed the
29 medicaid cost limit and/or the medicare upper payment limit. The
30 health care authority shall apply federal rules for identifying the
31 eligible incurred medicaid costs and the medicare upper payment limit.

32 (13) The health care authority shall continue the inpatient
33 hospital certified public expenditures program for the 2013-2015 fiscal
34 biennium. The program shall apply to all public hospitals, including
35 those owned or operated by the state, except those classified as
36 critical access hospitals or state psychiatric institutions. The
37 health care authority shall submit reports to the governor and
38 legislature by November 1, 2013, and by November 1, 2014, that evaluate

1 whether savings continue to exceed costs for this program. If the
2 certified public expenditures (CPE) program in its current form is no
3 longer cost-effective to maintain, the health care authority shall
4 submit a report to the governor and legislature detailing
5 cost-effective alternative uses of local, state, and federal resources
6 as a replacement for this program. During fiscal year 2014 and fiscal
7 year 2015, hospitals in the program shall be paid and shall retain one
8 hundred percent of the federal portion of the allowable hospital cost
9 for each medicaid inpatient fee-for-service claim payable by medical
10 assistance and one hundred percent of the federal portion of the
11 maximum disproportionate share hospital payment allowable under federal
12 regulations. Inpatient medicaid payments shall be established using an
13 allowable methodology that approximates the cost of claims submitted by
14 the hospitals. Payments made to each hospital in the program in each
15 fiscal year of the biennium shall be compared to a baseline amount.
16 The baseline amount will be determined by the total of (a) the
17 inpatient claim payment amounts that would have been paid during the
18 fiscal year had the hospital not been in the CPE program based on the
19 reimbursement rates developed, implemented, and consistent with
20 policies approved in the 2013-2015 biennial operating appropriations
21 act and in effect on July 1, 2013, (b) one-half of the indigent
22 assistance disproportionate share hospital payment amounts paid to and
23 retained by each hospital during fiscal year 2005, and (c) all of the
24 other disproportionate share hospital payment amounts paid to and
25 retained by each hospital during fiscal year 2005 to the extent the
26 same disproportionate share hospital programs exist in the 2013-2015
27 fiscal biennium. If payments during the fiscal year exceed the
28 hospital's baseline amount, no additional payments will be made to the
29 hospital except the federal portion of allowable disproportionate share
30 hospital payments for which the hospital can certify allowable match.
31 If payments during the fiscal year are less than the baseline amount,
32 the hospital will be paid a state grant equal to the difference between
33 payments during the fiscal year and the applicable baseline amount.
34 Payment of the state grant shall be made in the applicable fiscal year
35 and distributed in monthly payments. The grants will be recalculated
36 and redistributed as the baseline is updated during the fiscal year.
37 The grant payments are subject to an interim settlement within eleven
38 months after the end of the fiscal year. A final settlement shall be

1 performed. To the extent that either settlement determines that a
2 hospital has received funds in excess of what it would have received as
3 described in this subsection, the hospital must repay the excess
4 amounts to the state when requested. (~~(\$3,860,000)~~) \$11,928,000 of the
5 general fund--state appropriation for fiscal year 2014 and
6 (~~(\$1,137,000)~~) \$14,821,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for state grants for the
8 participating hospitals.

9 (14) The health care authority shall seek public-private
10 partnerships and federal funds that are or may become available to
11 provide on-going support for outreach and education efforts under the
12 federal children's health insurance program reauthorization act of
13 2009.

14 (15) The health care authority shall target funding for maternity
15 support services towards pregnant women with factors that lead to
16 higher rates of poor birth outcomes, including hypertension, a preterm
17 or low birth weight birth in the most recent previous birth, a
18 cognitive deficit or developmental disability, substance abuse, severe
19 mental illness, unhealthy weight or failure to gain weight, tobacco
20 use, or African American or Native American race. The health care
21 authority shall prioritize evidence-based practices for delivery of
22 maternity support services. To the extent practicable, the health care
23 authority shall develop a mechanism to increase federal funding for
24 maternity support services by leveraging local public funding for those
25 services.

26 (16) \$170,000 of the general fund--state appropriation for fiscal
27 year 2014, \$121,000 of the general fund--state appropriation for fiscal
28 year 2015, and \$292,000 of the general fund--federal appropriation are
29 provided solely to implement Engrossed Substitute House Bill No. 1519
30 (service coordination organizations) and Second Substitute Senate Bill
31 No. 5732 (behavioral health services). If neither of the bills is
32 enacted by June 30, 2013, the amounts provided in this subsection shall
33 lapse.

34 (17) \$57,000 of the general fund--state appropriation for fiscal
35 year 2014, \$40,000 of the general fund--state appropriation for fiscal
36 year 2015, and \$55,000 of the general fund--federal appropriation are
37 provided solely to develop a report on state efforts to prevent and
38 control diabetes. The authority, the department of social and health

1 services, and the department of health shall submit a coordinated
2 report to the governor and the appropriate committees of the
3 legislature by December 31, 2014, on the following:

4 (a) The financial impacts and reach that diabetes of all types and
5 undiagnosed gestational diabetes are having on the programs
6 administered by each agency and individuals, including children with
7 mothers with undiagnosed gestational diabetes, enrolled in those
8 programs. Items in this assessment must include: (i) The number of
9 lives with diabetes and undiagnosed gestational diabetes impacted or
10 covered by the programs administered by each agency; (ii) the number of
11 lives with diabetes, or at risk for diabetes, and family members
12 impacted by prevention and diabetes control programs implemented by
13 each agency; (iii) the financial toll or impact diabetes and its
14 complications, and undiagnosed gestational diabetes and the
15 complications experienced during labor to children of mothers with
16 gestational diabetes places on these programs in comparison to other
17 chronic diseases and conditions; and (iv) the financial toll or impact
18 diabetes and its complications, and diagnosed gestational diabetes and
19 the complications experienced during labor to children of mothers with
20 gestational diabetes places on these programs;

21 (b) An assessment of the benefits of implemented and existing
22 programs and activities aimed at controlling all types of diabetes and
23 preventing the disease. This assessment must also document the amount
24 and source for any funding directed to each agency for the programs and
25 activities aimed at reaching those with diabetes of all types;

26 (c) A description of the level of coordination existing between the
27 agencies on activities, programmatic activities, and messaging on
28 managing, treating, or preventing all types of diabetes and its
29 complications;

30 (d) The development or revision of detailed policy-related action
31 plans and budget recommendations for battling diabetes and undiagnosed
32 gestational diabetes that includes a range of actionable items for
33 consideration by the legislature. The plans and budget recommendations
34 must identify proposed action steps to reduce the impact of diabetes,
35 prediabetes, related diabetes complications, and undiagnosed
36 gestational diabetes. The plans and budget recommendations must also
37 identify expected outcomes of the action steps proposed in the

1 following biennium while also establishing benchmarks for controlling
2 and preventing all types of diabetes; and

3 (e) An estimate of savings, efficiencies, costs, and budgetary
4 savings and resources required to implement the plans and budget
5 recommendations identified in (d) of this subsection (17).

6 (18) Within the amounts appropriated in this section, the authority
7 shall identify strategies to improve patient adherence to treatment
8 plans for diabetes and implement these strategies as a pilot through
9 one health home program to be identified by the authority. The
10 authority shall report to the governor and the legislature in December
11 2014 on the progress of strategy implementation. The authority shall
12 report to the governor and legislature in December 2015 on patient
13 outcomes and cost savings derived from new adherence strategies in the
14 health home model and make recommendations for improving the
15 strategies.

16 (19) Effective January 1, 2014, managed care contracts must
17 incorporate accountability measures that monitor patient health and
18 improved health outcomes, and shall include an expectation that each
19 patient receive a wellness examination that documents the baseline
20 health status and allows for monitoring of health improvements and
21 outcome measures.

22 (20) \$25,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$25,000 of the general fund--federal appropriation are
24 provided solely for the development of recommendations for funding
25 integrated school nursing and outreach services. The authority shall
26 collaborate with the office of the superintendent of public instruction
27 to develop recommendations for increasing federal financial
28 participation for providing nursing services in schools with the goals
29 of integrating nursing and outreach services and supporting one nurse
30 for every four hundred fifty students in elementary schools and one
31 nurse for every seven hundred fifty students in secondary schools. In
32 developing these recommendations, the authority shall inquire with the
33 federal centers for medicare and medicaid services about state plan
34 amendment or waiver options for receiving additional federal matching
35 funds for school nursing services provided to children enrolled in
36 apple health for kids. The recommendations shall include proposals for
37 funding training and reimbursement for nurses that provide outreach
38 services to help eligible students enroll in apple health for kids and

1 other social services programs. The authority and the office of the
2 superintendent of public instruction shall provide these
3 recommendations to the governor and the legislature by December 1,
4 2013.

5 (21) \$430,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$500,000 of the general fund--federal appropriation are
7 provided solely to complete grant requirements for the health
8 information exchange.

9 (22) \$143,000 of the medicaid fraud penalty account--state
10 appropriation and \$423,000 of the general fund--federal appropriation
11 are provided solely for the rebasing of outpatient and inpatient
12 payment methods.

13 (23) \$1,163,000 of the medicaid fraud penalty account--state
14 appropriation and \$9,710,000 of the general fund--federal appropriation
15 are provided solely to implement the conversion to the tenth version of
16 the world health organization's international classification of
17 diseases.

18 (24) \$111,000 of the general fund--state appropriation for fiscal
19 year 2014, \$35,000 of the general fund--state appropriation for fiscal
20 year 2015, and \$359,000 of the general fund--federal appropriation are
21 provided solely to update the medicaid information technology
22 architecture state self-assessment and to develop the five year road
23 map for the medicaid information technology architecture architect.

24 (25) \$62,000 of the general fund--state appropriation for fiscal
25 year 2014, \$62,000 of the general fund--state appropriation for fiscal
26 year 2015, and \$126,000 of the general fund--federal appropriation are
27 provided solely to support the Robert Bree collaborative's efforts to
28 disseminate evidence-based best practices for preventing and treating
29 health problems.

30 (26) Within the amounts appropriated in this section, the authority
31 shall increase reimbursement rates for primary care services provided
32 by independent nurse practitioners to medicare levels for the period
33 from July 1, 2013, to December 31, 2014.

34 (27) The authority shall seek a medicaid state plan amendment to
35 create a professional services supplemental payment managed care
36 program for professional services delivered to managed care recipients
37 by University of Washington medicine and other public professional
38 providers. This program shall be effective as soon as administratively

1 possible and shall operate concurrently with the existing professional
2 services supplemental payment program. The authority shall apply
3 federal rules for identifying the difference between average commercial
4 rates and fee-for-service medicaid payments. This difference will be
5 multiplied by the number of managed care encounters and incorporated
6 into the managed care plan capitation rates by a certified actuary.
7 The managed care plans will pay the providers the difference
8 attributable to the increased capitation rate. Participating providers
9 shall be solely responsible for providing the local funds required to
10 obtain federal matching funds. Any incremental costs incurred by the
11 authority in the development, implementation, and maintenance of this
12 program shall be the responsibility of the participating providers.
13 Participating providers shall retain the full amount of supplemental
14 payments provided under this program, net of any costs related to the
15 program that are disallowed due to audits or litigation against the
16 state.

17 (28) Sufficient amounts are appropriated in this section for the
18 authority to provide an adult dental benefit beginning January 1, 2014.

19 (29) To the extent allowed under federal law, the authority shall
20 require an adult client to enroll in full medicaid coverage instead of
21 family planning-only coverage unless the client is at risk of domestic
22 violence.

23 (30) The authority shall facilitate enrollment under the medicaid
24 expansion for clients applying for or receiving state funded services
25 from the authority and its contractors. Prior to open enrollment, the
26 authority shall coordinate with the department of social and health
27 services to provide referrals to the Washington health benefit exchange
28 for clients that will be ineligible for the medicaid expansion but are
29 enrolled in coverage that will be eliminated in the transition to the
30 medicaid expansion.

31 (31) \$90,000 of the general fund--state appropriation for fiscal
32 year 2014, \$90,000 of the general fund--state appropriation for fiscal
33 year 2015, and \$180,000 of the general fund--federal appropriation are
34 provided solely to continue operation by a nonprofit organization of a
35 toll-free hotline that assists families to learn about and enroll in
36 the apple health for kids program.

37 (32) Within the amounts appropriated in this section, the authority
38 shall reduce premiums for children with family incomes above 200

1 percent of the federal poverty level in the state-funded children's
2 health program who are not eligible for coverage under the federal
3 children's health insurance program. Premiums in the state and federal
4 children's health insurance program shall be equal.

5 (33) The appropriations in this section reflect savings and
6 efficiencies by transferring children receiving medical care provided
7 through fee-for-service to medical care provided through managed care.

8 (34) \$150,000 of the general fund--state appropriation for fiscal
9 year 2014, \$436,000 of the general fund--state appropriation for fiscal
10 year 2015, and \$170,561,000 of the general fund--federal appropriation
11 are provided solely for the provider incentive program and other
12 initiatives related to the health information technology medicaid plan.

13 (~~(37)~~ ~~\$1,531,000~~) (35) \$1,528,000 of the general fund--state
14 appropriation for fiscal year 2014, (~~(\$280,000)~~) \$2,206,000 of the
15 general fund--state appropriation for fiscal year 2015, and
16 (~~(\$10,803,000)~~) \$17,912,000 of the general fund--federal appropriation
17 are provided solely to implement phase two of the project to create a
18 single provider payment system that consolidates medicaid medical and
19 social services payments and replaces the social service payment
20 system. The amounts provided in this subsection are conditioned on the
21 authority satisfying the requirements of the project management
22 oversight standards and policies established by the office of the chief
23 information officer.

24 (~~(38)~~) (36) Within the amounts appropriated in this section, the
25 health care authority and the department of social and health services
26 shall implement the state option to provide health homes for enrollees
27 with chronic conditions under section 2703 of the federal affordable
28 care act. The total state match for enrollees who are dually-eligible
29 for both medicare and medicaid and not enrolled in managed care shall
30 be no more than the net savings to the state from the enhanced match
31 rate for its medicaid-only managed care enrollees under section 2703.

32 (~~(39)~~) (37) The health care authority shall not initiate any
33 services that require expenditure of state general fund moneys unless
34 expressly authorized in this act or other law. The health care
35 authority may seek, receive, and spend, under RCW 43.79.260 through
36 43.79.282, federal moneys not anticipated in this act as long as the
37 federal funding does not require expenditure of state moneys for the
38 program in excess of amounts anticipated in this act. If the health

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

11 ~~((+40+))~~ (38) Within the amounts appropriated in this section, the
12 authority shall reimburse for primary care services provided by
13 naturopathic physicians.

14 ~~((+41+))~~ (39) Within amounts appropriated, the health care
15 authority shall conduct a review of its management and staffing
16 structure to identify efficiencies and opportunities to reduce full
17 time equivalent employees and other administrative costs. A report
18 summarizing the review and the authority's recommendations to reduce
19 costs and full time equivalent employees must be submitted to the
20 governor and legislature by November 1, 2013.

21 ~~((+42)---\$17,279,000))~~ (40) \$16,209,000 of the health benefit
22 exchange account--state appropriation and ~~((+\$2,721,000))~~ \$3,791,000 of
23 the general fund--federal appropriation are provided solely to support
24 the operations of the Washington health benefit exchange from January
25 1, 2015, to June 30, 2015. The Washington state health insurance pool
26 administrator shall transfer \$20,838,000 of pool contributions to the
27 treasurer for deposit into the health benefit exchange account in
28 calendar year 2014. The receipt and use of medicaid funds provided to
29 the health benefit exchange from the health care authority are subject
30 to compliance with state and federal regulations and policies governing
31 the Washington apple health programs, including timely and proper
32 application, eligibility, and enrollment procedures.

33 ~~((+43+))~~ (41) Within the amounts appropriated in this section, the
34 authority shall continue to provide coverage after December 31, 2013,
35 for pregnant teens that qualify under existing pregnancy medical
36 programs, but whose eligibility for pregnancy related services would
37 otherwise end due to the application of the new modified adjusted gross
38 income eligibility standard.

1 care enrollees in an amount prescribed by the authority. Nothing in
2 this section is intended to disrupt mutually agreeable contractual
3 arrangements between managed care organizations and clinics that impact
4 how the standard payment for services is paid. The authority will
5 require participating managed care organizations to reimburse federally
6 qualified health centers and rural health clinics for clean claims in
7 strict adherence to the timeliness of payment standards established
8 under contract and specified for the medicaid fee-for-service program
9 in section 1902(a)(37) of the social security act (42 U.S.C.
10 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers
11 in WAC 284-43-321. The authority shall exercise all necessary options
12 under its existing sanctions policy to enforce timely payment of
13 claims. The authority shall ensure necessary staff and resources are
14 identified to actively monitor and enforce the timeliness and accuracy
15 of payments to federally qualified health centers and rural health
16 clinics. By January 1, 2014, and after collaboration with federally
17 qualified health centers, rural health clinics, managed care plans, and
18 the centers for medicare and medicaid services, the authority will
19 produce a report that provides options for a new payment methodology
20 that rewards innovation and outcomes over volume of services delivered,
21 and which maintains the integrity of the rural health clinic and
22 federally qualified health center programs as outlined under federal
23 law. The report will detail necessary federal authority for
24 implementation and provide the benefits and drawbacks of each option.

25 ~~((+46))~~ (44) \$3,605,000 of the general fund--state appropriation
26 for fiscal year 2014 is provided solely to proportionally reduce the
27 amounts that rural health clinics owe the state under the calendar year
28 2009 recoupment.

29 ~~((+47))~~ (45) Sufficient amounts are appropriated in this section
30 to remove the mental health visit limit and to provide the shingles
31 vaccine and screening, brief intervention, and referral to treatment
32 benefits that are available in the medicaid alternative benefit plan in
33 the current medicaid benefit plan beginning January 1, 2014. ~~((The
34 authority shall monitor the costs of the habilitative benefit as part
35 of the forecasting process but shall not provide this benefit in the
36 current medicaid benefit plan without a direct appropriation in the
37 omnibus appropriations act.~~

1 development of options related to the federal basic health option. The
2 authority shall prepare options for implementing the federal basic
3 health option as federal guidance becomes available. The authority
4 shall submit a report on the options to the legislature and the
5 governor by January 1, 2014, or ninety days following the release of
6 federal guidance. The report must include a comparison of the premiums
7 and cost-sharing under the federal basic health option with the premium
8 assistance options described in this subsection, options for
9 implementing the federal basic health option in combination with a
10 premium assistance program, a detailed fiscal analysis for each
11 coverage approach, including the estimated costs for system design and
12 implementation, and information about impacted populations.

13 (b) Where possible, the authority shall leverage the same expert
14 consultants to review each proposal and compare and contrast the
15 approaches to ensure seamless coordination with the health benefit
16 exchange.

17 (c) The authority shall collaborate with the joint select committee
18 on health care oversight in the development of these options.

19 (48) \$229,000 of the general fund--state appropriation for fiscal
20 year 2015 and \$195,000 of the general fund--federal appropriation are
21 provided solely to implement Engrossed Second Substitute House Bill No.
22 2639 (mental health, chemical dependency) and Engrossed Second
23 Substitute House Bill No. 2315 (suicide prevention). If Engrossed
24 Second Substitute House Bill No. 2639 (mental health, chemical
25 dependency) is not enacted by June 30, 2014, the amounts provided in
26 this subsection shall lapse.

27 (49) \$500,000 of the general fund--state appropriation for fiscal
28 year 2015 is provided solely to begin the necessary econometric
29 modeling of the federal basic health program option to analyze the
30 program enrollment, and the costs and impacts to the state, the
31 enrollees, health care provider and facility reimbursement, and the
32 insurance marketplace. By December 31, 2014, the authority shall
33 publish a report on the findings of the econometric modeling. The
34 report shall include impacts on:

35 (a) Reimbursement levels affecting provider participation and its
36 relationship to network adequacy in the program;

37 (b) The financial stability of the Washington health benefit

1 exchange, including enrollment, risk profile, and fees for operational
2 sustainability; and

3 (c) Continuity of care, access, and affordability of coverage for
4 potential enrollees in the federal basic health program compared to the
5 insurance marketplace.

6 (50) \$604,000 of the general fund--state appropriation for fiscal
7 year 2014, \$597,000 of the general fund--state appropriation for fiscal
8 year 2015, and \$18,320,000 of the general fund--federal appropriation
9 are provided solely to implement Engrossed Second Substitute House Bill
10 No. 2572 (health care purchasing, delivery). If the bill is not
11 enacted by June 30, 2014, the amounts provided in this subsection shall
12 lapse.

13 (51) \$306,000 of the general fund--state appropriation for fiscal
14 year 2015 and \$306,000 of the general fund--federal appropriation are
15 provided solely to implement Substitute House Bill No. 2310 (provider
16 safety equipment). If the bill is not enacted by June 30, 2014, the
17 amounts provided in this subsection shall lapse.

18 (52) The health care authority may contract with any managed health
19 care system to provide medicaid services to the extent that minimum
20 contracting requirements defined by the authority are met for a given
21 region. The authority shall respond to any request to contract from a
22 managed health care system with a written explanation of the
23 preliminary decision within ninety days, with a final decision
24 contingent on successful completion of an onsite readiness review
25 process conducted by the authority. New managed health care systems
26 will only be considered for inclusion during annual contract renewal
27 periods, and requests must be submitted no later than June 1 to be
28 considered for the next contract year. The authority must heavily
29 weigh the benefit of medicaid-exchange alignment in reaching its
30 decision.

31 (53) The appropriations to the authority in this act shall be
32 expended for the purposes and in the amounts specified in this act. To
33 the extent that appropriations in this section are insufficient to fund
34 actual expenditures in excess of caseload forecasts and utilization
35 assumptions, the authority, after May 1, 2014, may transfer general
36 fund--state appropriations for fiscal year 2014 that are provided
37 solely for a specified purpose. The authority shall not transfer
38 funds, and the director of financial management shall not approve the

1 transfer, unless the transfer is consistent with the objective of
 2 conserving, to the maximum extent possible, the expenditure of state
 3 funds. The director of financial management shall notify the
 4 appropriate fiscal committees of the senate and house of
 5 representatives in writing seven days prior to approving any allotment
 6 modifications or transfers under this subsection. The written
 7 notification shall include a narrative explanation and justification of
 8 changes, along with expenditures and allotments by budget unit and
 9 appropriation, both before and after any allotment modifications or
 10 transfers.

11 (54) By January 1, 2015, the authority shall increase the fee-for-
 12 service reimbursement rates for private duty nursing services for
 13 medically fragile children, increase fee-for-service rates for home
 14 health care services, and add licensed clinical medical social services
 15 as covered home health services only to the extent that the authority
 16 determines that the provider rate increases and the additional covered
 17 services will not increase payment rates under healthy options managed
 18 care contracts.

19 **Sec. 214.** 2013 2nd sp.s. c 4 s 214 (uncodified) is amended to read
 20 as follows:

21 **FOR THE HUMAN RIGHTS COMMISSION**

22	General Fund--State Appropriation (FY 2014)	((\$2,077,000))
23		<u>\$2,059,000</u>
24	General Fund--State Appropriation (FY 2015)	((\$1,996,000))
25		<u>\$2,073,000</u>
26	General Fund--Federal Appropriation	\$2,185,000
27	TOTAL APPROPRIATION	((\$6,258,000))
28		<u>\$6,317,000</u>

29 The appropriations in this section are subject to the following
 30 conditions and limitations: \$218,000 of the general fund--federal
 31 appropriation is provided for additional financial resources from the
 32 U.S. department of housing and urban development for the investigation
 33 of discrimination cases involving service animals.

34 **Sec. 215.** 2013 2nd sp.s. c 4 s 215 (uncodified) is amended to read
 35 as follows:

1 training commission the costs of ammunition, based on the average cost
2 of ammunition per cadet, for cadets that they enroll in the basic law
3 enforcement academy.

4 (3) The criminal justice training commission may not run a basic
5 law enforcement academy class of fewer than 30 students.

6 (4) \$100,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$100,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for a school safety program. The
9 commission, in collaboration with the school safety center advisory
10 committee, shall provide the school safety training for all school
11 administrators and school safety personnel hired after the effective
12 date of this section.

13 (5) \$96,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$96,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the school safety center
16 within the commission. The safety center shall act as an information
17 dissemination and resource center when an incident occurs in a school
18 district in Washington or in another state, coordinate activities
19 relating to school safety, and review and approve manuals and curricula
20 used for school safety models and training. Through an interagency
21 agreement, the commission shall provide funding for the office of the
22 superintendent of public instruction to continue to develop and
23 maintain a school safety information web site. The school safety
24 center advisory committee shall develop and revise the training
25 program, using the best practices in school safety, for all school
26 safety personnel. The commission shall provide research-related
27 programs in school safety and security issues beneficial to both law
28 enforcement and schools.

29 (6) \$123,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$123,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the costs of providing
32 statewide advanced driving training with the use of a driving
33 simulator.

34 (7) \$165,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$165,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for crisis intervention training
37 for peace officers. The commission shall incorporate eight hours of

1 crisis intervention curriculum into its basic law enforcement academy
2 and shall offer an eight-hour in-service crisis intervention training
3 course.

4 (8) \$35,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for a study to collect data on the number
6 of reserve officers statewide. By December 31, 2014, the commission
7 shall report to the legislature on the number of reserve peace officers
8 who are employed at each local law enforcement agency in Washington.

9 **Sec. 217.** 2013 2nd sp.s. c 4 s 217 (uncodified) is amended to read
10 as follows:

11 **FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

12	General Fund--State Appropriation (FY 2014)	((\$17,158,000))
13		<u>\$17,234,000</u>
14	General Fund--State Appropriation (FY 2015)	((\$17,733,000))
15		<u>\$18,228,000</u>
16	General Fund--Federal Appropriation	\$11,876,000
17	Asbestos Account--State Appropriation	\$366,000
18	Electrical License Account--State Appropriation	((\$37,124,000))
19		<u>\$40,274,000</u>
20	Farm Labor Contractor Account--State Appropriation	\$28,000
21	Worker and Community Right-to-Know Account--	
22	State Appropriation	\$903,000
23	Public Works Administration Account--State	
24	Appropriation	((\$6,252,000))
25		<u>\$7,860,000</u>
26	Manufactured Home Installation Training Account--	
27	State Appropriation	\$353,000
28	Accident Account--State Appropriation	((\$258,440,000))
29		<u>\$259,475,000</u>
30	Accident Account--Federal Appropriation	\$13,626,000
31	Medical Aid Account--State Appropriation	((\$278,697,000))
32		<u>\$279,711,000</u>
33	Medical Aid Account--Federal Appropriation	\$3,186,000
34	Plumbing Certificate Account--State Appropriation	((\$1,732,000))
35		<u>\$1,746,000</u>
36	Pressure Systems Safety Account--State	
37	Appropriation	\$4,193,000

1 TOTAL APPROPRIATION ((~~\$651,667,000~~))
2 \$659,059,000

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

6 (1) Pursuant to RCW 43.135.055, the department is authorized to
7 increase elevator fees by up to 13.1 percent during the 2013-2015
8 fiscal biennium. This increase is necessary to support expenditures
9 authorized in this section, consistent with chapter 70.87 RCW.

10 (2) \$1,336,000 of the medical aid account--state appropriation is
11 provided solely for implementation of Substitute Senate Bill No. 5362
12 (workers' compensation/vocational rehabilitation). If the bill is not
13 enacted by June 30, 2013, the amount provided in this subsection shall
14 lapse.

15 (3) \$279,000 of the public works administration account--state
16 appropriation, \$4,000 of the medical aid account--state appropriation,
17 and \$4,000 of the accident account--state appropriation are provided
18 solely for implementation of Substitute House Bill No. 1420
19 (transportation improvement projects). If the bill is not enacted by
20 June 30, 2013, the amounts provided in this subsection shall lapse.

21 (4) \$104,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$104,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely to implement Substitute Senate
24 Bill No. 5123 (farm internships). If the bill is not enacted by June
25 30, 2013, the amount provided in this subsection shall lapse.

26 ((+6)) (5) \$210,000 of the medical aid account--state
27 appropriation and \$630,000 of the accident account--state appropriation
28 are provided solely for the contract costs and one staff position at
29 the department for the purpose of implementing the logging safety
30 initiative in an effort to reduce the frequency and severity of
31 injuries in manual, or nonmechanized, logging. The department shall
32 reduce \$840,000 of workers compensation funding used for the safety and
33 health investment project to maintain cost neutrality. Additional
34 costs for the implementation of the logging safety initiative shall be
35 accomplished by the department within existing resources to include the
36 assignment of two full-time auditors specifically for this purpose.
37 The department is directed to include \$420,000 of these costs in its
38 calculation of workers' compensation premiums for the forest products
39 industry for 2014, 2015, and 2016 rates. The department shall report

1 to the legislature by December 31, 2014, an approach for using a third
2 party safety certification vendor, accomplishments of the taskforce,
3 accomplishments on this effort to-date, and future plans. The report
4 must identify options for future funding and make recommendations for
5 permanent funding for this program.

6 (6) \$132,000 of the accident account--state appropriation and
7 \$130,000 of the medical aid account--state appropriation are provided
8 solely to implement Engrossed Second Substitute House Bill No. 1467
9 (unpaid wages collection). If the bill is not enacted by June 30,
10 2014, the amounts provided in this subsection shall lapse.

11 (7) \$399,000 of the general fund--state appropriation for fiscal
12 year 2015 and \$21,000 of the electrical license account--state
13 appropriation are provided solely to implement Substitute House Bill
14 No. 2146 (labor and industries appeal bonds). If the bill is not
15 enacted by June 30, 2014, the amounts provided in this subsection shall
16 lapse.

17 (8) \$457,000 of the public works administration account--state
18 appropriation is provided solely to implement Substitute House Bill No.
19 2331 (public works payroll records). If the bill is not enacted by
20 June 30, 2014, the amount provided in this subsection shall lapse.

21 (9) \$129,000 of the accident account--state appropriation and
22 \$130,000 of the medical aid account--state appropriation are provided
23 solely to implement Substitute House Bill No. 2333 (employee
24 antiretaliation act). If the bill is not enacted by June 30, 2014, the
25 amounts provided in this subsection shall lapse.

26 (10) \$330,000 of the accident account--state appropriation and
27 \$330,000 of the medical aid account--state appropriation are provided
28 solely to implement House Bill No. 2334 (employee status). If the bill
29 is not enacted by June 30, 2014, the amounts provided in this
30 subsection shall lapse.

31 (11) \$33,000 of the medical aid account--state appropriation is
32 provided solely to implement Engrossed House Bill No. 2617 (interpreter
33 services). If the bill is not enacted by June 30, 2014, the amount
34 provided in this subsection shall lapse.

35 (12) \$15,000 of the general fund--state appropriation for fiscal
36 year 2014, and \$35,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for the department of labor and
38 industries to convene and provide support to a work group on

1 agricultural and agricultural labor-related issues. The goals of the
2 work group are to educate participants on relevant areas of regulation
3 and business practices of the agricultural industry and to foster
4 substantive, respectful, problem-solving oriented communication between
5 multiple state agencies and those in and affected by the agricultural
6 industry. The work group must strive to identify mutual points of
7 interest and concern, and collaborate to find administrative solutions
8 to issues affecting agriculture, including but not limited to, housing,
9 workplace standards, and agricultural labor supply.

10 (a) The work group must consist of ten members appointed by the
11 governor with balanced and diverse representation that must include
12 representatives from growers, agricultural industries, farmworker
13 advocates, and labor.

14 (b) State agencies including the department of agriculture, the
15 employment security department, the department of labor and industries,
16 the department of health, and the commission on Hispanic affairs must
17 each identify a representative to participate on the work group as an
18 ex officio member. The work group may invite other agencies to
19 participate as needed.

20 (c) The department of labor and industries must provide a
21 facilitator and coordinate no more than six meetings in 2014 with the
22 final number of meetings to be determined by the work group.

23 (d) The facilitator, who may be an employee or contractor
24 identified by the department of labor and industries, must assist work
25 group members to identify a list of issues that may be implemented
26 administratively for consideration by the work group and develop a work
27 plan for implementation.

28 (e) The department of labor and industries must submit a report by
29 December 1, 2014, to the office of financial management and to the
30 appropriate fiscal and policy committees of the legislature. The
31 report must include the following:

32 (i) The list of work group members;

33 (ii) The list of all issues identified by the work group that may
34 be implemented administratively, including those that are agreed to by
35 the entire work group and those that are supported by some members of
36 the work group but not all; and

37 (iii) The agreed upon work plan of administrative actions to be

1 taken, including progress made, status as of the date of the report,
2 and next steps.

3 (f) Work group members are entitled to be reimbursed for travel
4 expenses under RCW 43.03.050, 43.03.060, and 43.03.049.

5 **Sec. 218.** 2013 2nd sp.s. c 4 s 218 (uncodified) is amended to read
6 as follows:

7 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

8 (1) HEADQUARTERS

9 General Fund--State Appropriation (FY 2014) \$1,996,000
10 General Fund--State Appropriation (FY 2015) (~~(\$1,900,000)~~)
11 \$1,902,000

12 Charitable, Educational, Penal, and Reformatory
13 Institutions Account--State Appropriation \$10,000

14 TOTAL APPROPRIATION (~~(\$3,906,000)~~)
15 \$3,908,000

16 (2) FIELD SERVICES

17 General Fund--State Appropriation (FY 2014) (~~(\$5,340,000)~~)
18 \$5,348,000

19 General Fund--State Appropriation (FY 2015) (~~(\$5,316,000)~~)
20 \$5,322,000

21 General Fund--Federal Appropriation (~~(\$3,455,000)~~)
22 \$3,460,000

23 General Fund--Private/Local Appropriation (~~(\$4,418,000)~~)
24 \$4,550,000

25 Veteran Estate Management Account--Private/Local
26 Appropriation \$1,104,000

27 TOTAL APPROPRIATION (~~(\$19,633,000)~~)
28 \$19,784,000

29 The appropriations in this subsection are subject to the following
30 conditions and limitations: \$300,000 of the general fund--state
31 appropriation for fiscal year 2014 and \$300,000 of the general fund--
32 state appropriation for fiscal year 2015 are provided solely to provide
33 crisis and emergency relief and education, training, and employment
34 assistance to veterans and their families in their communities through
35 the veterans innovation program.

36 (3) INSTITUTIONAL SERVICES

1	Site Closure Account--State Appropriation	\$159,000
2	Biotoxin Account--State Appropriation	\$1,323,000
3	State Toxics Control Account--State Appropriation	(\$3,949,000)
4		<u>\$3,935,000</u>
5	Medical Test Site Licensure Account--State	
6	Appropriation	(\$4,737,000)
7		<u>\$4,730,000</u>
8	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
9	Public Health Supplemental Account--Private/Local	
10	Appropriation	\$3,236,000
11	Accident Account--State Appropriation	\$304,000
12	Medical Aid Account--State Appropriation	\$50,000
13	Medicaid Fraud Penalty Account--State	
14	Appropriation	\$987,000
15	TOTAL APPROPRIATION	(\$951,053,000)
16		<u>\$954,507,000</u>

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

19 (1)(a) The department of health shall not initiate any services
20 that will require expenditure of state general fund moneys unless
21 expressly authorized in this act or other law. The department of
22 health and the state board of health shall not implement any new or
23 amended rules pertaining to primary and secondary school facilities
24 until the rules and a final cost estimate have been presented to the
25 legislature, and the legislature has formally funded implementation of
26 the rules through the omnibus appropriations act or by statute. The
27 department may seek, receive, and spend, under RCW 43.79.260 through
28 43.79.282, federal moneys not anticipated in this act as long as the
29 federal funding does not require expenditure of state moneys for the
30 program in excess of amounts anticipated in this act. If the
31 department receives unanticipated unrestricted federal moneys, those
32 moneys shall be spent for services authorized in this act or in any
33 other legislation that provides appropriation authority, and an equal
34 amount of appropriated state moneys shall lapse. Upon the lapsing of
35 any moneys under this subsection, the office of financial management
36 shall notify the legislative fiscal committees. As used in this
37 subsection, "unrestricted federal moneys" includes block grants and

1 other funds that federal law does not require to be spent on
2 specifically defined projects or matched on a formula basis by state
3 funds.

4 (b) The joint administrative rules review committee shall review
5 the new or amended rules pertaining to primary and secondary school
6 facilities under (a) of this subsection. The review committee shall
7 determine whether (i) the rules are within the intent of the
8 legislature as expressed by the statute that the rule implements, (ii)
9 the rule has been adopted in accordance with all applicable provisions
10 of law, or (iii) that the agency is using a policy or interpretive
11 statement in place of a rule. The rules review committee shall report
12 to the appropriate policy and fiscal committees of the legislature the
13 results of committee's review and any recommendations that the
14 committee deems advisable.

15 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
16 is authorized to establish and raise fees in fiscal year 2014 as
17 necessary to meet the actual costs of conducting business and the
18 appropriation levels in this section. This authorization applies to
19 fees required for newborn screening, and fees associated with the
20 following professions: Agency affiliated counselors; certified
21 counselors; and certified advisors.

22 (3) \$150,000 of the state toxics control account--state
23 appropriation is provided solely to provide water filtration systems
24 for low-income households with individuals at high public health risk
25 from nitrate-contaminated wells in the lower Yakima basin.

26 (4)(a) \$64,000 of the medicaid fraud penalty account--state
27 appropriation is provided solely for the department to integrate the
28 prescription monitoring program into the coordinated care electronic
29 tracking program developed in response to section 213, chapter 7, Laws
30 of 2012, 2nd sp. sess., commonly referred to as the seven best
31 practices in emergency medicine.

32 (b) The integration must provide prescription monitoring program
33 data to emergency department personnel when the patient registers in
34 the emergency department. Such exchange may be a private or public
35 joint venture, including the use of the state health information
36 exchange.

37 (c) As part of the integration, the department shall request

1 insurers and third-party administrators that provide coverage to
2 residents of Washington state to provide the following to the
3 coordinated care electronic tracking program:

4 (i) Any available information regarding the assigned primary care
5 provider, and the primary care provider's telephone and fax numbers.
6 This information is to be used for real-time communication to an
7 emergency department provider when caring for a patient; and

8 (ii) Information regarding any available care plans or treatment
9 plans for patients with higher utilization of services on a regular
10 basis. This information is to be provided to the treating provider.

11 (5) \$270,000 of the general fund--state appropriation for fiscal
12 year 2014 is provided solely for the Washington autism alliance to
13 assist autistic individuals and families with autistic children during
14 the transition to federal health reform.

15 (6) \$6,000 of the general fund--state appropriation for fiscal year
16 2014 and \$5,000 of the general fund--state appropriation for fiscal
17 year 2015 are provided solely for the department to convene a work
18 group to study and recommend language for standardized clinical
19 affiliation agreements for clinical placements associated with the
20 education and training of physicians licensed under chapter 18.71 RCW,
21 osteopathic physicians and surgeons licensed under chapter 18.57 RCW,
22 and nurses licensed under chapter 18.79 RCW. The work group shall
23 develop one recommended standardized clinical affiliation agreement for
24 each profession or one recommended standardized clinical affiliation
25 agreement for all three professions.

26 (a) When choosing members of the work group, the department shall
27 consult with the health care personnel shortage task force and shall
28 attempt to ensure that the membership of the work group is
29 geographically diverse. The work group must, at a minimum, include
30 representatives of the following:

- 31 (i) Two-year institutions of higher education;
32 (ii) Four-year institutions of higher education;
33 (iii) The University of Washington medical school;
34 (iv) The college of osteopathic medicine at the Pacific Northwest
35 University of Health Sciences;
36 (v) The health care personnel shortage task force;
37 (vi) Statewide organizations representing hospitals and other
38 facilities that accept clinical placements;

1 (vii) A statewide organization representing physicians;
2 (viii) A statewide organization representing osteopathic physicians
3 and surgeons;
4 (ix) A statewide organization representing nurses;
5 (x) A labor organization representing nurses; and
6 (xi) Any other groups deemed appropriate by the department in
7 consultation with the health care personnel shortage task force.

8 (b) The work group shall report its findings to the governor and
9 the appropriate standing committees of the legislature no later than
10 November 15, 2014.

11 (7) \$65,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$65,000 of the general fund--state appropriation for
13 fiscal year 2015 are for the midwifery licensure and regulatory program
14 to supplement revenue from fees. The department shall charge no more
15 than five hundred twenty-five dollars annually for new or renewed
16 licenses for the midwifery program.

17 (8) During the 2013-2015 fiscal biennium, each person subject to
18 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
19 twenty-five dollars annually for the purposes of RCW 43.70.112,
20 regardless of how many professional licenses the person holds.

21 (9) \$654,000 of the health professions account--state appropriation
22 is provided solely for the implementation of Engrossed Senate Bill No.
23 5206 (health sciences library). If the bill is not enacted by June 30,
24 2013, the amount provided in this subsection shall lapse.

25 (10) \$35,000 of the health professions account--state appropriation
26 is provided solely for the implementation of House Bill No. 1003
27 (health professions licensees). If the bill is not enacted by June 30,
28 2013, the amount provided in this subsection shall lapse.

29 (11) \$10,000 of the health professions account--state appropriation
30 is provided solely for the implementation of Substitute House Bill No.
31 1270 (board of denturists). If the bill is not enacted by June 30,
32 2013, the amount provided in this subsection shall lapse.

33 (12) \$10,000 of the health professions account--state appropriation
34 is provided solely for the implementation of Substitute House Bill No.
35 1271 (denturism). If the bill is not enacted by June 30, 2013, the
36 amount provided in this subsection shall lapse.

37 (13) \$11,000 of the health professions account--state appropriation

1 is provided solely for the implementation of House Bill No. 1330
2 (dental hygienists, assistants). If the bill is not enacted by June
3 30, 2013, the amount provided in this subsection shall lapse.

4 ~~((14))~~ ~~(\$1,008,000 of the health professions account--state~~
5 ~~appropriation is provided solely for the implementation of Substitute~~
6 ~~House Bill No. 1343 (nurses surcharge). If the bill is not enacted by~~
7 ~~June 30, 2013, the amount provided in this subsection shall lapse.~~

8 ~~((15))~~ \$34,000 of the health professions account--state
9 appropriation is provided solely for the implementation of Substitute
10 House Bill No. 1376 (suicide assessment training). If the bill is not
11 enacted by June 30, 2013, the amount provided in this subsection shall
12 lapse.

13 ~~((16))~~ (15) \$10,000 of the health professions account--state
14 appropriation is provided solely for the implementation of Engrossed
15 Substitute House Bill No. 1515 (medical assistants). If the bill is
16 not enacted by June 30, 2013, the amount provided in this subsection
17 shall lapse.

18 ~~((17))~~ (16) \$2,185,000 of the health professions account--state
19 appropriation is provided solely for the implementation of Second
20 Substitute House Bill No. 1518 (disciplinary authorities). If the bill
21 is not enacted by June 30, 2013, the amount provided in this subsection
22 shall lapse.

23 ~~((18))~~ (17) \$141,000 of the general fund--private/local
24 appropriation is provided solely for the implementation of Substitute
25 House Bill No. 1525 (birth certificates). If the bill is not enacted
26 by June 30, 2013, the amount provided in this subsection shall lapse.

27 ~~((19))~~ (18) \$220,000 of the health professions account--state
28 appropriation is provided solely for the implementation of House Bill
29 No. 1534 (impaired dentist program). If the bill is not enacted by
30 June 30, 2013, the amount provided in this subsection shall lapse.

31 ~~((20))~~ (19) \$51,000 of the health professions account--state
32 appropriation is provided solely for the implementation of House Bill
33 No. 1609 (board of pharmacy). If the bill is not enacted by June 30,
34 2013, the amount provided in this subsection shall lapse.

35 ~~((21))~~ (20) \$12,000 of the health professions account--state
36 appropriation is provided solely for the implementation of Substitute
37 House Bill No. 1629 (home care aide continuing education). If the bill

1 is not enacted by June 30, 2013, the amount provided in this subsection
2 shall lapse.

3 ~~((+22))~~ (21) \$18,000 of the health professions account--state
4 appropriation is provided solely for the implementation of Substitute
5 House Bill No. 1737 (physician assistants). If the bill is not enacted
6 by June 30, 2013, the amount provided in this subsection shall lapse.

7 ~~((+23))~~ (22) \$77,000 of the general fund--state appropriation for
8 fiscal year 2014 and \$38,000 of the general fund--state appropriation
9 for fiscal year 2015 are provided solely to develop a report on state
10 efforts to prevent and control diabetes. The department, the health
11 care authority, and the department of social and health services shall
12 submit a coordinated report to the governor and the appropriate
13 committees of the legislature by December 31, 2014, on the following:

14 (a) The financial impacts and reach that diabetes of all types and
15 undiagnosed gestational diabetes are having on the programs
16 administered by each agency and individuals, including children with
17 mothers with undiagnosed gestational diabetes, enrolled in those
18 programs. Items in this assessment must include: (i) The number of
19 lives with diabetes and undiagnosed gestational diabetes impacted or
20 covered by the programs administered by each agency; (ii) the number of
21 lives with diabetes, or at risk for diabetes, and family members
22 impacted by prevention and diabetes control programs implemented by
23 each agency; (iii) the financial toll or impact diabetes and its
24 complications, and undiagnosed gestational diabetes and the
25 complications experienced during labor to children of mothers with
26 gestational diabetes places on these programs in comparison to other
27 chronic diseases and conditions; and (iv) the financial toll or impact
28 diabetes and its complications, and diagnosed gestational diabetes and
29 the complications experienced during labor to children of mothers with
30 gestational diabetes places on these programs;

31 (b) An assessment of the benefits of implemented and existing
32 programs and activities aimed at controlling all types of diabetes and
33 preventing the disease. This assessment must also document the amount
34 and source for any funding directed to each agency for the programs and
35 activities aimed at reaching those with diabetes of all types;

36 (c) A description of the level of coordination existing between the
37 agencies on activities, programmatic activities, and messaging on

1 managing, treating, or preventing all types of diabetes and its
2 complications;

3 (d) The development or revision of detailed policy-related action
4 plans and budget recommendations for battling diabetes and undiagnosed
5 gestational diabetes that includes a range of actionable items for
6 consideration by the legislature. The plans and budget recommendations
7 must identify proposed action steps to reduce the impact of diabetes,
8 prediabetes, related diabetes complications, and undiagnosed
9 gestational diabetes. The plans and budget recommendations must also
10 identify expected outcomes of the action steps proposed in the
11 following biennium while also establishing benchmarks for controlling
12 and preventing all types of diabetes; and

13 (e) An estimate of savings, efficiencies, costs, and budgetary
14 savings and resources required to implement the plans and budget
15 recommendations identified in (d) of this subsection (23).

16 ~~((+24))~~ (23) Within the general fund--state amounts appropriated
17 in this section, the department of health will develop and administer
18 the certified home care aide examination translated into at least seven
19 languages in addition to the languages in which the examination is
20 available on the effective date of this act. The purpose of offering
21 the examination in additional languages is to encourage an adequate
22 supply of certified home care aides to meet diverse long-term care
23 client needs.

24 (24) \$350,000 of the general fund--state appropriation for fiscal
25 year 2015 is provided solely to implement Second Substitute House Bill
26 No. 2643 (healthiest next generation). If the bill is not enacted by
27 June 30, 2014, the amount provided in this subsection shall lapse.

28 (25) \$2,950,000 of the general fund--state appropriation for fiscal
29 year 2015 and \$78,000 of the health professions account--state
30 appropriation are provided solely to implement Engrossed Second
31 Substitute House Bill No. 2149 (medical marijuana). If the bill is not
32 enacted by June 30, 2014, the amounts provided in this subsection shall
33 lapse.

34 (26) \$68,000 of the health professions account--state appropriation
35 is provided solely to implement Engrossed Substitute House Bill No.
36 2160 (physical therapists). If the bill is not enacted by June 30,
37 2014, the amount provided in this subsection shall lapse.

1 (27) \$251,000 of the health professions account--state
2 appropriation is provided solely to implement Engrossed Substitute
3 House Bill No. 2315 (suicide prevention). If the bill is not enacted
4 by June 30, 2014, the amount provided in this subsection shall lapse.

5 (28)(a) Within the appropriations provided in this section, the
6 department shall update its hepatitis C strategic plan for the state to
7 include recommended actions pertaining to, at a minimum:

8 (i) Using prevalence data to determine the number of undiagnosed
9 hepatitis C patients in the state;

10 (ii) How to best reach undiagnosed patients, with special
11 consideration to people born between 1945 and 1965, and new infections;

12 (iii) The status of the more than sixty thousand state residents
13 who have already been diagnosed with hepatitis C;

14 (iv) A framework for improving hepatitis C testing and linkage to
15 medical care; and

16 (v) A framework for the prevention of hepatitis C.

17 (b) The department of health shall present its updated strategic
18 hepatitis C plan to the appropriate committees of the legislature by
19 September 15, 2014.

20 **Sec. 220.** 2013 2nd sp.s. c 4 s 220 (uncodified) is amended to read
21 as follows:

22 **FOR THE DEPARTMENT OF CORRECTIONS**

23 The appropriations to the department of corrections in this act
24 must be expended for the programs and in the amounts specified in this
25 section. However, after May 1, 2014, after approval by the director of
26 financial management and unless specifically prohibited by this act,
27 the department may transfer general fund--state appropriations for
28 fiscal year 2014 between programs. The department may not transfer
29 funds, and the director of financial management may not approve the
30 transfer, unless the transfer is consistent with the objective of
31 conserving, to the maximum extent possible, the expenditure of state
32 funds. The director of financial management shall notify the
33 appropriate fiscal committees of the senate and house of
34 representatives in writing seven days prior to approving any deviations
35 from appropriation levels. The written notification must include a
36 narrative explanation and justification of the changes, along with

1 expenditures and allotments by budget unit and appropriation, both
2 before and after any allotment modifications or transfers.

3 (1) ADMINISTRATION AND SUPPORT SERVICES

4 General Fund--State Appropriation (FY 2014)	((\$56,437,000))
	<u>\$56,357,000</u>
6 General Fund--State Appropriation (FY 2015)	((\$54,779,000))
7	<u>\$55,197,000</u>
8 Data Processing Revolving Account--State	
9 Appropriation	\$1,249,000
10 TOTAL APPROPRIATION	((\$112,465,000))
11	<u>\$112,803,000</u>

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

14 (a) \$35,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$35,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the support of a statewide
17 council on mentally ill offenders that includes as its members
18 representatives of community-based mental health treatment programs,
19 current or former judicial officers, and directors and commanders of
20 city and county jails and state prison facilities. The council will
21 investigate and promote cost-effective approaches to meeting the
22 long-term needs of adults and juveniles with mental disorders who have
23 a history of offending or who are at-risk of offending, including their
24 mental health, physiological, housing, employment, and job training
25 needs.

26 (b) \$150,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$75,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the department to contract
29 with a consultant who can facilitate and provide project expertise on
30 the implementation of community and prison based offender programming
31 that follows the risk-needs-responsivity model.

32 (i) By September 1, 2013, the department shall provide to the
33 consultant an inventory of all existing programming both in prisons and
34 in community operations. The department shall consult with the
35 Washington state institute for public policy (WSIPP) to determine
36 whether programs are evidence-based or research-based using definitions
37 provided by WSIPP and shall include this information on the inventory.

1 (ii) By (~~October 1, 2013~~) March 1, 2014, the consultant shall
2 report to the department, the office of financial management, and
3 legislative fiscal committees on the department's current plans and
4 processes for managing offender programming including processes for
5 phasing-out ineffective programs and implementing evidence-based or
6 research-based programs. All department programs should be considered
7 by the consultant regardless of whether they are included on the most
8 recent list of WSIPP approved identifiable evidence-based practices in
9 (b)(i) of this subsection.

10 (iii) The WSIPP, in consultation with the department, shall
11 systematically review selected programs to determine the effectiveness
12 of these programs at reducing recidivism or other outcomes. The WSIPP
13 shall conduct a benefit-cost analysis of these programs when feasible
14 and shall report to the legislature by December 1, 2013.

15 (iv) Based on the report provided by the consultant and the WSIPP
16 review of programs, the department shall work collaboratively with the
17 consultant to develop and complete a written comprehensive
18 implementation plan by (~~January 15, 2014~~) June 30, 2014. The
19 implementation plan must clearly identify the types of programs to be
20 included, the recommended locations where the programs will be sited,
21 an implementation timeline, and a phasing of the projected number of
22 participants needed to meet the threshold of available program funds.

23 (v) Using the written implementation plan as a guide, the
24 department must have programs in place and fully phased-in no later
25 than (~~June 30, 2015~~) January 1, 2016.

26 (vi) The department shall hold the consultant on retainer to assist
27 the department as needed throughout the implementation process. The
28 consultant shall review quarterly the actual implementation compared to
29 the written implementation plan and shall provide a report to the
30 secretary of the department. The department shall provide reports to
31 the office of financial management and legislative fiscal committees as
32 follows:

33 (A) The written comprehensive implementation plan shall be provided
34 by January 15, 2014; and

35 (B) Written progress updates shall be provided by July 1, 2014, and
36 by December 1, 2014.

37 (2) CORRECTIONAL OPERATIONS

38 General Fund--State Appropriation (FY 2014) (~~\$605,039,000~~)

1 evaluation must include an analysis of lean management processes that,
2 if adopted, could improve the efficiency and cost effectiveness of
3 inmate intake.

4 (d) By December 1, 2013, the department of corrections shall
5 provide a report to the office of financial management and the
6 appropriate fiscal and policy committees of the legislature that
7 evaluates the department's use of partial confinement and work release
8 programs and makes recommendations for improving public safety and
9 decreasing recidivism through increasing participation in partial
10 confinement re-entry and work release programs. In making its
11 recommendations, the department shall identify:

12 (i) Options for increasing the capacity of work release beds to
13 meet the number of eligible offenders;

14 (ii) Potential cost savings to the state through contracting for or
15 building new work release capacity;

16 (iii) Options for expanding eligibility for partial confinement,
17 including creation of a structured re-entry program that includes
18 stable housing, mandatory participation in evidence-based programs, and
19 intensive supervision; and

20 (iv) Potential cost savings to the state from creation of a
21 structured re-entry program.

22 (e) By December 1, 2013, the department of corrections shall
23 provide a report to the office of financial management and the
24 appropriate fiscal and policy committees of the legislature that
25 evaluates the department's community parenting alternative program, and
26 makes recommendations for increasing participation in the program with
27 the goals of increasing public safety and decreasing recidivism. The
28 evaluation shall include recommendations for increasing the placement
29 of eligible offenders into the program and increasing eligibility to
30 other populations. In making its recommendations, the department shall
31 identify the percent of the eligible population currently entering the
32 program, outcomes to-date for program participants, and potential cost
33 savings from increasing placement of offenders into the program.

34 (f) The department of corrections shall contract with local and
35 tribal governments for the provision of jail capacity to house
36 offenders who violate the terms of their community supervision. A
37 contract shall not have a cost of incarceration in excess of \$85 per
38 day per offender. A contract shall not have a year-to-year increase in

1 excess of three percent per year. The contracts may include rates for
2 the medical care of offenders which exceed the daily cost of
3 incarceration and the limitation on year-to-year increase, provided
4 that medical payments conform to the department's offender health plan,
5 pharmacy formulary, and all off-site medical expenses are preapproved
6 by department utilization management staff.

7 (g)(i) The legislature finds that it has taken several steps to
8 mitigate the demand for prison capacity including funding evidence-
9 based programming for offenders which is proven to reduce recidivism,
10 funding evidence-based treatment alternatives to incarceration for
11 drug-addicted offenders, standardizing inconsistencies in the drug
12 sentencing grid, and authorizing the department to rent local jail
13 beds. These steps will also assist the department's implementation of
14 additional operational efficiencies by reducing costs related to
15 offender intake, processing, and transportation.

16 (ii) Up to \$1,119,000 of the general fund--state appropriation for
17 fiscal year 2014 and up to \$1,322,000 of the general fund--state
18 appropriation for fiscal year 2015 may be used by the department to
19 rent jail capacity for short-term offenders. In contracting for jail
20 beds for short-term offenders, the department shall rent capacity from
21 local and tribal governments to house offenders with an earned release
22 date of less than one hundred twenty days remaining on his or her
23 sentence at the time the offender would otherwise be transferred to a
24 state correctional facility. The contracted daily costs for these
25 offenders shall not exceed \$70 per offender including medical costs.

26 (h) The department of corrections shall issue a competitive
27 solicitation by August 1, 2013, to contract with local jurisdictions
28 for the use of inmate bed capacity in lieu of prison beds operated by
29 the state. The department may contract for up to 300 beds statewide to
30 the extent that it is at no net cost to the department. The department
31 shall calculate and report the average cost per offender per day,
32 inclusive of all services, on an annual basis for a facility that is
33 representative of average medium or lower offender costs. The duration
34 of the contracts may be for up to four years. The department shall not
35 pay a rate greater than \$65 per day per offender for all costs
36 associated with the offender while in the local correctional facility
37 to include programming and health care costs, or the equivalent of \$65
38 per day per bed including programming and health care costs for full

1 units. The capacity provided at local correctional facilities must be
2 for offenders whom the department of corrections defines as medium or
3 lower security offenders. Programming provided for inmates held in
4 local jurisdictions is included in the rate, and details regarding the
5 type and amount of programming, and any conditions regarding
6 transferring offenders will be negotiated with the department as part
7 of any contract. Local jurisdictions must provide health care to
8 offenders that meet standards set by the department. The local jail
9 will provide all medical care including unexpected emergent care. The
10 department must utilize a screening process to ensure that offenders
11 with existing extraordinary medical/mental health needs are not
12 transferred to local jail facilities. If extraordinary medical
13 conditions develop for an inmate while at a jail facility the jail may
14 transfer the offender back to the department, subject to terms of the
15 negotiated agreement. Health care costs incurred prior to transfer
16 will be the responsibility of the jail. The department will report to
17 legislative fiscal committees and the office of financial management by
18 November 1, 2013, to provide a status update on implementation.

19 (i) The department shall convene a work group to develop health
20 care cost containment strategies at local jail facilities. The work
21 group shall identify cost containment strategies in place at the
22 department and at local jail facilities, identify the costs and
23 benefits of implementing strategies in jail health-care facilities, and
24 make recommendations on implementing beneficial strategies. The work
25 group shall submit a report on its findings and recommendations to the
26 fiscal committees of the legislature by October 1, 2013. The work
27 group shall include jail administrators, representatives from health
28 care facilities at the local jail level and the state prisons level,
29 and other representatives as deemed necessary.

30 (j) \$1,026,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$781,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely to expand the piloted
33 risk-needs-responsivity model to include the use of cognitive
34 behavioral therapy with evidence-based programming at two minimum
35 security prison facilities and at the Monroe correctional complex.

36 (k) \$23,653,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$24,919,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for offender programming.

1 Pursuant to section 220(1) of this act, the department shall develop
2 and implement a written comprehensive plan for offender programming
3 that prioritizes programs which follow the risk-needs-responsivity
4 model, are evidence-based, and have measurable outcomes. The
5 department is authorized to discontinue ineffective programs and to
6 repurpose underspent funds according to the priorities in the written
7 plan.

8 (l) \$36,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$36,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for implementation of Engrossed
11 Senate Bill No. 5484 (assault in the third-degree). If the bill is not
12 enacted by June 30, 2013, the amounts provided in this subsection shall
13 lapse.

14 (m) \$48,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$48,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for implementation of Engrossed
17 Substitute House Bill No. 1383 (stalking protection orders). If the
18 bill is not enacted by June 30, 2013, the amounts provided in this
19 subsection shall lapse.

20 (n) \$36,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$36,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for implementation of Senate Bill
23 No. 5149 (crimes against pharmacies). If the bill is not enacted by
24 June 30, 2013, the amounts provided in this subsection shall lapse.

25 (o) \$24,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$24,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for implementation of Engrossed
28 Substitute Senate Bill No. 5669 (trafficking). If the bill is not
29 enacted by June 30, 2013, the amounts provided in this subsection shall
30 lapse.

31 (p) \$24,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$24,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for implementation of Engrossed
34 Senate Bill No. 5053 (vehicle prowling). If the bill is not enacted by
35 June 30, 2013, the amounts provided in this subsection shall lapse.

36 (q) \$96,000 of the county criminal justice assistance--state
37 appropriation is provided solely for implementation of Engrossed Senate

1 Bill No. 5105 (rental vouchers for offenders). If the bill is not
2 enacted by June 30, 2013, the amount provided in this subsection shall
3 lapse.

4 (r) \$239,000 of the general fund--state appropriation for fiscal
5 year 2014, and \$1,431,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the department to contract
7 with Yakima county for the use of inmate bed capacity in lieu of prison
8 beds operated by the state. The contract must conform to the
9 provisions of subsection (h) of this section.

10 (s) \$50,000 of the general fund--state appropriation for fiscal
11 year 2015 is provided solely for the department to evaluate the
12 provision of post-secondary education to offenders in the prison system
13 and prepare a report of the findings. The report is due to the office
14 of financial management and the appropriate policy and fiscal
15 committees of the legislature by December 1, 2014. The report must
16 include an evaluation of the need for post-secondary education for the
17 offender population, the opportunities that exist to provide this
18 program, the available curriculum, the cost per participant, the impact
19 on recidivism, prison safety and public safety, and the options
20 available after the offender's release to assist with the reentry and
21 the continuation of education for program participants.

22 (t) The department shall assess possible uses for the Yakima county
23 jail facility, including but not limited to, housing for short-term
24 offenders; housing for community supervision violators or absconders;
25 housing for offenders with special program needs such as offenders with
26 mental health issues; and housing for older or infirm offenders. The
27 department shall report to the appropriate policy and fiscal committees
28 of the legislature by December 1, 2014, with findings, cost estimates,
29 and recommendations for the use of the facility.

30 (3) COMMUNITY SUPERVISION

31	General Fund--State Appropriation (FY 2014)	((\$130,568,000))
32		\$149,938,000
33	General Fund--State Appropriation (FY 2015)	((\$131,973,000))
34		\$153,322,000
35	<u>General Fund--Federal Appropriation</u>	\$750,000
36	County Criminal Justice Assistance Account--State	\$2,249,000
37	Ignition Interlock Device Revolving Account--State	\$2,200,000
38	TOTAL APPROPRIATION	((\$266,990,000))

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

(a) \$1,906,000 of the county criminal justice assistance account--state appropriation and \$2,200,000 of the ignition interlock device revolving account--state appropriation are provided solely for the department to contract for additional residential drug offender sentencing alternative treatment slots. By December 1, 2013, the department shall provide a report to the appropriate fiscal committees of the house of representatives and the senate on the use of the additional treatment slots.

(b) \$4,186,000 of the general fund--state appropriation for fiscal year 2014 and \$6,362,000 of the general fund--state appropriation for fiscal year 2015 must be expended on evidence-based programs that follow the risk-needs-responsivity model. The department is authorized to use up to ten percent of these funds as necessary to secure physical space as needed to maximize program delivery of evidence-based treatment to all high-risk, high-need offenders in community supervision. Funding may be prioritized by the department to any program recognized as evidence-based for adult offenders by the Washington state institute for public policy.

(c) \$16,513,000 of the general fund--state appropriation for fiscal year 2014 and \$16,527,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for offender programming. Pursuant to section 220 (1) of this act, the department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(d) \$107,000 of the county criminal justice--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5105 (rental vouchers for offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(e) \$250,000 of the general fund--state appropriation for fiscal year 2015 and \$750,000 of the general fund--federal appropriation are

1 provided solely for the second chance reentry grant demonstration
2 project.

3 (4) CORRECTIONAL INDUSTRIES

4 General Fund--State Appropriation (FY 2014)	((\$6,780,000))
5	<u>\$6,830,000</u>
6 General Fund--State Appropriation (FY 2015)	\$7,182,000
7 TOTAL APPROPRIATION	((\$13,962,000))
8	<u>\$14,012,000</u>

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

11 (a) \$3,293,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$3,707,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the stewardship of McNeil
14 island. The department shall assume responsibility of all island
15 maintenance excluding site specific maintenance operations for the
16 special commitment center and the Pierce county secure transitional
17 facility. The department shall as part of its industries program
18 provide job skills to offenders while providing the minimum maintenance
19 and preservation necessary for the state to remain in compliance with
20 the federal deed for McNeil island. The department shall report on
21 efficiencies and potential cost reductions to the office of financial
22 management and legislative fiscal committees by December 15, 2013.

23 (b)(i) The department of social and health services shall transfer
24 the stewardship of McNeil Island to the department of corrections
25 industries program, effective September 1, 2013. The transferred
26 responsibilities shall include marine operations, waste water
27 treatment, water treatment, road maintenance, and any other general
28 island maintenance that is not site specific to the operations of the
29 special commitment center or the Pierce county secure community
30 transition facility. Facility maintenance within the perimeter of the
31 special commitment center shall remain the responsibility of the
32 department of social and health services. Capital repairs and
33 maintenance necessary to maintain the special commitment center on
34 McNeil Island shall be managed by the department of social and health
35 services. The legislature directs both departments to enter into an
36 interagency agreement by August 1, 2013. The office of financial
37 management shall oversee the negotiations of the interagency agreement.
38 The interagency agreement must describe equipment that will transfer

1 between the departments, warehouse space that will be shared by the
2 departments, and occupancy requirements for any shops outside the
3 perimeter of the special commitment center. The office of financial
4 management will make the final determination on any disagreements
5 between the departments on the details of the interagency agreement.

6 (ii) All employees of the department of social and health services
7 engaged in performing the powers, functions, and duties transferred to
8 the department of corrections industries program under this subsection,
9 are transferred to the department of corrections.

10 (iii) All classified employees of department of social and health
11 services assigned to the department of corrections under this
12 subsection whose positions are within an existing bargaining unit
13 description at the department of corrections shall become a part of the
14 existing bargaining unit at the department of corrections and shall be
15 considered an appropriate inclusion or modification of the existing
16 bargaining unit under the provisions of chapter 41.80 RCW.

17 (5) INTERAGENCY PAYMENTS

18	General Fund--State Appropriation (FY 2014)	((\$35,345,000))
19		<u>\$41,726,000</u>
20	General Fund--State Appropriation (FY 2015)	((\$32,115,000))
21		<u>\$38,111,000</u>
22	TOTAL APPROPRIATION	((\$67,460,000))
23		<u>\$79,837,000</u>

24 The appropriations in this subsection are subject to the following
25 conditions and limitations: The state prison medical facilities may
26 use funds appropriated in this subsection to purchase goods and
27 supplies through hospital or other group purchasing organizations when
28 it is cost effective to do so.

29 **Sec. 221.** 2013 2nd sp.s. c 4 s 221 (uncodified) is amended to read
30 as follows:

31 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

32	General Fund--State Appropriation (FY 2014)	((\$2,242,000))
33		<u>\$2,227,000</u>
34	General Fund--State Appropriation (FY 2015)	((\$2,197,000))
35		<u>\$2,217,000</u>
36	General Fund--Federal Appropriation	((\$21,060,000))
37		<u>\$21,078,000</u>

1 General Fund--Private/Local Appropriation \$60,000
 2 TOTAL APPROPRIATION ((~~\$25,559,000~~))
 3 \$25,582,000

4 **Sec. 222.** 2013 2nd sp.s. c 4 s 222 (uncodified) is amended to read
 5 as follows:

6 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

7 General Fund--Federal Appropriation ((~~\$269,977,000~~))
 8 \$269,835,000

9 General Fund--Private/Local Appropriation ((~~\$34,206,000~~))
 10 \$34,177,000

11 Unemployment Compensation Administration Account--
 12 Federal Appropriation ((~~\$320,006,000~~))
 13 \$332,472,000

14 Administrative Contingency Account--State
 15 Appropriation ((~~\$22,728,000~~))
 16 \$22,484,000

17 Employment Service Administrative Account--State
 18 Appropriation ((~~\$35,567,000~~))
 19 \$36,548,000

20 TOTAL APPROPRIATION ((~~\$682,484,000~~))
 21 \$695,516,000

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

24 (1) \$5,000,000 of the unemployment compensation administration
 25 account--federal appropriation is from amounts made available to the
 26 state by section 903(g) of the social security act (Reed act). This
 27 amount is provided solely for continuing current unemployment insurance
 28 functions and department services to employers and job seekers.

29 (2) ((~~\$12,386,000~~)) \$23,585,000 of the unemployment compensation
 30 administration account--federal appropriation is from amounts made
 31 available to the state by section 903(g) of the social security act
 32 (Reed act). This amount is provided solely for the replacement of the
 33 unemployment insurance tax information system for the employment
 34 security department. The amounts provided in this subsection are
 35 conditioned on the department satisfying the requirements of the
 36 project management oversight standards and policies established by the
 37 office of the chief information officer.

1 (3) \$3,735,000 of the unemployment compensation account--federal
2 appropriation is from amounts made available to the state by section
3 903(g) of the social security act (Reed act). This amount is provided
4 solely for the replacement of call center technology to improve the
5 integration of the telephone and computing systems to increase
6 efficiency and improve customer service.

7 (4) \$182,000 of the employment services administrative account--
8 state appropriation is provided for costs associated with the second
9 stage of the review and evaluation of the training benefits program as
10 directed in section 15(2), chapter 4, Laws of 2011 (unemployment
11 insurance program). This second stage shall be developed and conducted
12 by the joint legislative audit and review committee and shall consist
13 of further work on the process study and net-impact/cost-benefit
14 analysis components of the evaluation.

15 (5) \$240,000 of the administrative contingency account--state
16 appropriation is provided solely for the employment security department
17 to contract with a center for workers in King county. The amount
18 appropriated in this subsection shall be used by the contracted center
19 for workers to support initiatives that generate high-skill, high-wage
20 jobs; improve workforce and training systems; improve service delivery
21 for dislocated workers; and build alliances with community and
22 environmental organizations.

23 (6) The department is prohibited from expending amounts
24 appropriated in this section for implementation of chapter 49.86 RCW.

25 (7) The employment security department shall collaborate with the
26 workforce training and education coordinating board, the state board
27 for community and technical colleges, the economic service
28 administration, and the local workforce development councils to
29 coordinate a comprehensive report on short-term and long-term workforce
30 programs outcomes and funding. The employment security department
31 shall compile a single report and submit it to the governor and
32 appropriate committees of the legislature by December 1, 2014.
33 Specifically:

34 (a) The state board for community and technical colleges, in
35 coordination with the economic services administration, shall report on
36 short-term and long-term training outcomes for WorkFirst funded
37 programs by activity (basic education, vocational education iBest, life

1 skills, and any other related activities that are provided for
2 WorkFirst students), including but not limited to:

3 (i) The number and percent of individuals that complete educational
4 activities;

5 (ii) The number and percent of individuals employed within one
6 quarter after program completion and their average wage;

7 (iii) The number and percent of individuals employed within three
8 quarters after program completion and their average wage;

9 (iv) The number of students enrolled in short-term certificate
10 programs by certificate type;

11 (v) The number and percent of students who earn short-term
12 certificates by certificate type;

13 (vi) The number of students who accumulate at least forty-five
14 credits and an industry recognized credential; and

15 (vii) The amount of WorkFirst funds spent.

16 The report shall also include recommendations for improving student
17 retention and completion rates and any other system improvement
18 recommendations.

19 (b) The employment security department shall work with the
20 workforce training and education coordinating board, the state board
21 for community and technical colleges, and the local workforce
22 development councils to map the flow of federal workforce investment
23 act funds from initial receipt by the employment security department to
24 final expenditure. The report shall include:

25 (i) The total amount spent on direct training provided by the
26 community and technical colleges from workforce investment act funds;

27 (ii) The total amount spent by the employment security department
28 on direct service provision;

29 (iii) The number of students who enroll in short-term certificate
30 programs;

31 (iv) The number and percent of students who earn short-term
32 certificates; and

33 (v) The number and percent of students who accumulate at least
34 forty-five credits and an industry recognized credential.

35 (8) \$3,809,000 of the unemployment compensation administration
36 account--federal appropriation is from amounts made available to the
37 state by section 903(g) of the social security act (Reed act). This
38 amount is provided solely for the replacement of the unemployment

1 insurance benefit system for the employment security department. The
2 amounts provided in this subsection are conditioned on the department
3 satisfying the requirements of the project management oversight
4 standards and policies established by the office of the chief
5 information officer.

(End of part)

PART III
NATURAL RESOURCES

Sec. 301. 2013 2nd sp.s. c 4 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund--State Appropriation (FY 2014)	(\$445,000)
	<u>\$442,000</u>
General Fund--State Appropriation (FY 2015)	(\$446,000)
	<u>\$458,000</u>
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	(\$874,000)
	<u>\$883,000</u>
TOTAL APPROPRIATION	(\$1,796,000)
	<u>\$1,814,000</u>

Sec. 302. 2013 2nd sp.s. c 4 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2014)	(\$25,929,000)
	<u>\$25,983,000</u>
General Fund--State Appropriation (FY 2015)	(\$25,506,000)
	<u>\$25,524,000</u>
General Fund--Federal Appropriation	(\$105,230,000)
	<u>\$103,230,000</u>
General Fund--Private/Local Appropriation	\$16,912,000
Reclamation Account--State Appropriation	(\$3,735,000)
	<u>\$3,998,000</u>
Flood Control Assistance Account--State Appropriation	\$1,985,000
State Emergency Water Projects Revolving	
Account--State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation	(\$9,722,000)
	<u>\$9,726,000</u>
State Drought Preparedness Account--State Appropriation	\$204,000
State and Local Improvements Revolving Account	

1	Appropriation	\$356,000
2	Water Pollution Control Revolving Account--Federal	
3	Appropriation	\$1,505,000
4	Water Pollution Control Revolving Administration	
5	Account--State Appropriation	\$1,021,000
6	Radioactive Mixed Waste Account--State	
7	Appropriation	((\$13,800,000))
8		<u>\$14,336,000</u>
9	TOTAL APPROPRIATION	((\$455,316,000))
10		<u>\$456,974,000</u>

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

13 (1) \$170,000 of the oil spill prevention account--state
14 appropriation is provided solely for a contract with the University of
15 Washington's sea grant program to continue an educational program
16 targeted to small spills from commercial fishing vessels, ferries,
17 cruise ships, ports, and marinas.

18 (2) Pursuant to RCW 43.135.055, the department is authorized to
19 increase the following fees as necessary to meet the actual costs of
20 conducting business and the appropriation levels in this section:
21 Wastewater discharge permit, not more than 4.55 percent in fiscal year
22 2014 and 4.63 percent in fiscal year 2015; mixed waste management
23 service charge authorized in RCW 70.105.280, not more than 1.82 percent
24 in fiscal year 2014 and 0.62 percent in fiscal year 2015; and
25 reasonably available control technology fee.

26 (3) \$1,981,000 of the state toxics control account--state
27 appropriation is for the department to provide training regarding the
28 benefits of low-impact development including, but not limited to, when
29 the use of low-impact development is appropriate and feasible, and the
30 design, installation, maintenance, and best practices of low-impact
31 development. The department will consult with Washington State
32 University extension low-impact development technical center and others
33 in the development of the low-impact technical training. As
34 appropriate, the department may contract with the Washington State
35 University extension low-impact development technical center, private
36 sector vendors, associations, and others to deliver the technical
37 training. The training must be provided free of cost to phase I and
38 phase II permittees and the private development community including

1 builders, engineers, and other industry professionals. The training
2 must be sequenced geographically and provided in time for local
3 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By
4 August 1, 2013, the department of ecology shall provide the governor
5 and appropriate legislative committees a plan for how low-impact
6 development training funds will be spent during fiscal years 2014
7 through 2017.

8 (4) \$440,000 of the state toxics control account--state
9 appropriation is provided solely for administering the water pollution
10 control facilities financial assistance program authorized in chapter
11 90.50A RCW.

12 (5) \$350,000 of the state toxics control account--state
13 appropriation is provided solely for the Spokane river regional toxics
14 task force to support their efforts to address elevated levels of
15 polychlorinated biphenyls in the Spokane river. Funding will be used
16 to determine the extent of the cleanup required, implement cleanup
17 actions to meet applicable water quality standards, and prevent
18 recontamination.

19 (6) \$516,000 of the state toxics control account--state
20 appropriation is provided solely for the department to support an
21 ultrafine particulate study to determine how, if at all, the biomass
22 cogeneration facilities in Port Townsend and Port Angeles may impact
23 air quality and the health of citizens in the region.

24 (7) \$65,000 of the water quality permit account--state
25 appropriation is provided solely for the implementation of Engrossed
26 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
27 the bill is not enacted by June 30, 2013, the amount provided in this
28 subsection shall lapse.

29 ~~((+9))~~ (8) The department shall collaborate with the middle snake
30 river watershed, WRIA 35 planning unit in implementing its watershed
31 plan.

32 ~~((+10))~~ (9)(a) \$14,000,000 of the general fund--state
33 appropriation for fiscal year 2014 and \$14,000,000 of the general
34 fund--state appropriation for fiscal year 2015 are for activities
35 within the water resources program.

36 (b) Of the amounts provided in (a) of this subsection, \$500,000 of
37 the general fund--state appropriation for fiscal year 2015 is provided
38 solely for processing water right permit applications only if the

1 department of ecology issues at least five hundred water right
2 decisions in fiscal year 2014, and if the department of ecology does
3 not issue at least five hundred water right decisions in fiscal year
4 2014 the amount provided in this subsection shall lapse and remain
5 unexpended. Permit decisions for the Columbia river basin count toward
6 the five hundred water rights decisions under this subsection. The
7 department of ecology shall submit a report to the office of financial
8 management and the state treasurer by June 30, 2014, that documents
9 whether five hundred water right decisions were issued in fiscal year
10 2014. For the purposes of this subsection, applications that are
11 voluntarily withdrawn by an applicant do not count towards the five
12 hundred water right decision requirement. For the purposes of water
13 budget-neutral requests under chapter 173-539A WAC, multiple domestic
14 connections authorized within a single water budget-neutral decision
15 are considered one decision for the purposes of this subsection.

16 ~~((11))~~ (10) The department of ecology, in consultation with the
17 office of financial management, shall prepare a facilities plan to
18 reduce the agency's facilities obligation and the agency's cost per FTE
19 for its facilities by 2017 to align with comparable state agencies.
20 The plan must be submitted to the office of financial management and
21 the appropriate legislative fiscal committees by November 1, 2013. The
22 plan must include: (a) An inventory of all currently owned and leased
23 buildings, consistent with the data provided through the state's
24 facilities inventory process prescribed by the office of financial
25 management annually by September 1st; (b) a list of facilities
26 solutions that will reduce costs with an emphasis on consolidation,
27 collocation, and alternative space solutions such as shared workspace
28 and mobile work; and (c) a department-wide coordinated process and plan
29 for regularly evaluating facility needs.

30 (11) \$157,000 of the oil spill prevention account--state
31 appropriation is provided solely for implementation of Engrossed Second
32 Substitute House Bill No. 2347 (oil transportation safety). If the
33 bill is not enacted by June 30, 2014, the amount provided in this
34 subsection shall lapse.

35 **Sec. 303.** 2013 2nd sp.s. c 4 s 303 (uncodified) is amended to read
36 as follows:

1 management and the appropriate committees of the legislature by October
2 28, 2013.

3 (4) \$54,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$51,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for implementation of Substitute
6 House Bill No. 2331 (public works payroll records). If the bill is not
7 enacted by June 30, 2014, the amounts provided in this subsection shall
8 lapse.

9 (5) \$25,000 of the general fund--state appropriation for fiscal
10 year 2015 is provided solely for implementation of Engrossed Second
11 Substitute House Bill No. 2192 (state agency permitting). If the bill
12 is not enacted by June 30, 2014, the amount provided in this subsection
13 shall lapse.

14 **Sec. 304.** 2013 2nd sp.s. c 4 s 304 (uncodified) is amended to read
15 as follows:

16 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

17	General Fund--State Appropriation (FY 2014)	(((\$823,000))
18		<u>\$896,000</u>
19	General Fund--State Appropriation (FY 2015)	(((\$815,000))
20		<u>\$902,000</u>
21	General Fund--Federal Appropriation	\$3,425,000
22	General Fund--Private/Local Appropriation	(((\$24,000))
23		<u>\$124,000</u>
24	Aquatic Lands Enhancement Account--State Appropriation	\$480,000
25	Firearms Range Account--State Appropriation	\$37,000
26	Recreation Resources Account--State Appropriation	(((\$3,086,000))
27		<u>\$3,165,000</u>
28	NOVA Program Account--State Appropriation	\$964,000
29	TOTAL APPROPRIATION	(((\$9,654,000))
30		<u>\$9,993,000</u>

31 **Sec. 305.** 2013 2nd sp.s. c 4 s 305 (uncodified) is amended to read
32 as follows:

33 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

34	General Fund--State Appropriation (FY 2014)	(((\$2,227,000))
35		<u>\$2,210,000</u>
36	General Fund--State Appropriation (FY 2015)	(((\$2,147,000))

1 \$2,192,000
 2 TOTAL APPROPRIATION ((~~\$4,374,000~~))
 3 \$4,402,000

4 **Sec. 306.** 2013 2nd sp.s. c 4 s 306 (uncodified) is amended to read
 5 as follows:

6 **FOR THE CONSERVATION COMMISSION**

7 General Fund--State Appropriation (FY 2014) ((~~\$6,841,000~~))
 8 \$6,819,000
 9 General Fund--State Appropriation (FY 2015) ((~~\$6,738,000~~))
 10 \$6,760,000
 11 General Fund--Federal Appropriation \$2,301,000
 12 State Toxics Control Account--State Appropriation \$1,000,000
 13 TOTAL APPROPRIATION \$16,880,000

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

16 (1) Within the amounts appropriated in this section, the
 17 conservation commission, in consultation with conservation districts,
 18 must submit to the office of financial management and legislative
 19 fiscal committees by December 10, 2013, a report outlining
 20 opportunities to minimize districts' overhead costs, including
 21 consolidation of conservation districts within counties in which there
 22 is more than one district. The report must include details on the
 23 anticipated future savings that could be expected from implementing
 24 these efficiencies starting on July 1, 2014.

25 (2) \$300,000 of the general fund--state appropriation for fiscal
 26 year 2014 and \$246,000 of the general fund--state appropriation for
 27 fiscal year 2015 are provided solely to implement the voluntary
 28 stewardship program in Thurston and Chelan counties. These amounts may
 29 not be used to fund agency indirect and administrative expenses.

30 (3) \$1,000,000 of the general fund--federal appropriation is
 31 provided solely to implement the voluntary stewardship program
 32 statewide. The commission shall place the appropriation in this
 33 subsection in unallotted status, and may not allot any of these funds
 34 until the federal government has provided funding to the commission for
 35 the purpose of implementing the voluntary stewardship program.

36 (4) The conservation commission must evaluate the current system
 37 for the election of conservation district board supervisors and

1 recommend improvements to ensure the highest degree of public
 2 involvement in these elections. The commission must engage with
 3 stakeholder groups and conservation districts to gather a set of
 4 options for improvement to district elections, which must include an
 5 option aligning district elections with state and local general
 6 elections. The commission must submit a report detailing the options
 7 to the office of financial management and appropriate committees of the
 8 legislature by December 10, 2013.

9 (5) \$975,000 of the general fund--state appropriation for fiscal
 10 year 2014 and \$975,000 of the general fund--state appropriation for
 11 fiscal year 2015 are provided solely for state conservation commission
 12 category one funding distribution to conservation districts in the
 13 amount of \$25,000 in fiscal year 2014 and \$25,000 in fiscal year 2015
 14 for each county. If a county contains only one conservation district,
 15 the county may receive more funding at the discretion of the state
 16 conservation commission.

17 (6) The state conservation commission may provide additional
 18 funding to a conservation district if the conservation district
 19 conducts elections at such times as and consistent with the general
 20 election law, chapter 29A.04 RCW.

21 **Sec. 307.** 2013 2nd sp.s. c 4 s 307 (uncodified) is amended to read
 22 as follows:

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

24	General Fund--State Appropriation (FY 2014)	((\$30,321,000))
25		<u>\$30,732,000</u>
26	General Fund--State Appropriation (FY 2015)	((\$28,999,000))
27		<u>\$30,291,000</u>
28	General Fund--Federal Appropriation	((\$107,585,000))
29		<u>\$107,914,000</u>
30	General Fund--Private/Local Appropriation	((\$58,784,000))
31		<u>\$58,680,000</u>
32	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$397,000
33	Aquatic Lands Enhancement Account--State	
34	Appropriation	((\$15,919,000))
35		<u>\$15,941,000</u>
36	Recreational Fisheries Enhancement--State	
37	Appropriation	((\$2,590,000))

1		<u>\$2,617,000</u>
2	Environmental Legacy Stewardship Account--State	
3	Appropriation	\$1,224,000
4	Warm Water Game Fish Account--State Appropriation	((\$2,507,000))
5		<u>\$2,509,000</u>
6	Eastern Washington Pheasant Enhancement Account--State	
7	Appropriation	\$849,000
8	Aquatic Invasive Species Enforcement Account--State	
9	Appropriation	\$209,000
10	Aquatic Invasive Species Prevention Account--State	
11	Appropriation	\$737,000
12	State Wildlife Account--State Appropriation	((\$103,460,000))
13		<u>\$103,522,000</u>
14	Special Wildlife Account--State Appropriation	\$2,405,000
15	Special Wildlife Account--Federal Appropriation	\$500,000
16	Special Wildlife Account--Private/Local Appropriation	\$3,446,000
17	Wildlife Rehabilitation Account--State Appropriation	\$259,000
18	Hydraulic Project Approval Account--State	
19	Appropriation	((\$674,000))
20		<u>\$966,000</u>
21	Regional Fisheries Enhancement Salmonid Recovery	
22	Account--Federal Appropriation	\$5,001,000
23	Oil Spill Prevention Account--State Appropriation	((\$917,000))
24		<u>\$941,000</u>
25	Oyster Reserve Land Account--State Appropriation	\$773,000
26	TOTAL APPROPRIATION	((\$367,556,000))
27		<u>\$369,913,000</u>

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

30 (1) ((~~\$130,000~~)) \$675,000 of the general fund--state appropriation
31 for fiscal year 2014 and \$130,000 of the general fund--state
32 appropriation for fiscal year 2015 are provided solely to pay for
33 emergency fire suppression costs. These amounts may not be used to
34 fund agency indirect and administrative expenses.

35 (2) Prior to submitting its 2015-2017 biennial operating and
36 capital budget request related to state fish hatcheries to the office
37 of financial management, the department shall contract with the
38 hatchery scientific review group (HSRG) to review this request. This

1 review shall: (a) Determine if the proposed requests are consistent
2 with HSRG recommendations; (b) prioritize the components of the
3 requests based on their contributions to protecting wild salmonid
4 stocks and meeting the recommendations of the HSRG; and (c) evaluate
5 whether the proposed requests are being made in the most cost effective
6 manner. The department shall provide a copy of the HSRG review to the
7 office of financial management with their agency budget proposal.

8 (3) \$400,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$400,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for a state match to support the
11 Puget Sound nearshore partnership between the department and the U.S.
12 army corps of engineers.

13 (4) Within the amounts appropriated in this section, the department
14 shall identify additional opportunities for partnerships in order to
15 keep fish hatcheries operational. Such partnerships shall aim to
16 maintain fish production and salmon recovery with less reliance on
17 state operating funds.

18 (5) During the 2013-2015 fiscal biennium, the department must
19 retain ownership and continue to occupy the downtown Olympia office
20 building at 600 Capitol Way.

21 (6) \$1,000,000 of the state wildlife account--state appropriation
22 is provided solely to the department for resources that serve to
23 promote and engage nonlethal deterrence methods relating to wolf and
24 livestock interaction with a priority given to funding cooperative
25 agreements with livestock producers, and of this amount, \$250,000 in
26 fiscal year 2014 is provided solely for compensation for injury or loss
27 of livestock caused by wolves as prescribed in chapter 77.36 RCW.

28 (7) \$100,000 of the state wildlife account--state appropriation is
29 provided solely for the transfer of trout from the Clarks creek
30 hatchery to the Lakewood hatchery.

31 (8) \$100,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$100,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the production of steelhead,
34 coho, and Chinook salmon at the Clarks creek hatchery.

35 (9) \$200,000 of the state wildlife account--state appropriation,
36 \$50,000 of the general fund--state appropriation for fiscal year 2014,
37 and \$50,000 of the general fund--state appropriation for fiscal year
38 2015 are provided solely for the department to increase production of

1 juvenile fall Chinook on the Cowlitz river. The funds provided may be
2 used to match or leverage funds from private or public sources for the
3 same purpose.

4 (10) \$596,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$596,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for weed assessments and for
7 payments in lieu of real property taxes to counties that elect to
8 receive the payments for department owned game lands within the county.

9 (11) \$10,000 of the aquatic lands enhancement account--state
10 appropriation is provided solely for development of an aquatic invasive
11 species passport program to improve the efficiency and effectiveness of
12 watercraft inspections by expediting aquatic invasive species
13 watercraft inspections for watercraft at low risk of transmitting
14 invasive species and prioritizing the use of available resources for
15 the inspection of high risk vessels.

16 (12) Within the amounts appropriated in this section, the
17 department must deploy additional wildlife conflict specialists to
18 provide landowner assistance and address wildlife conflicts, with at
19 least one additional specialist primarily assigned to each of the
20 following areas: Administrative region six of the department; Okanogan
21 and Chelan counties in administrative region two of the department; and
22 Whatcom and Skagit counties in administrative region four of the
23 department.

24 (13) \$25,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$25,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for implementation of House Bill
27 No. 1112 (science and public policy). If the bill is not enacted by
28 June 30, 2013, the amounts provided in this subsection shall lapse.

29 (14) Within the amounts appropriated in this section the department
30 shall work with the regional fisheries enhancement groups to identify
31 a revenue source or sources capable of providing long-term funding to
32 support the community-based salmon restoration work of regional
33 fisheries enhancement groups. The department shall work with the
34 regional fisheries enhancement group coalition to submit a report to
35 the office of financial management and the appropriate legislative
36 committees by December 1, 2013, with the outcomes and recommendations.

37 (15) \$24,000 of the oil spill prevention account--state
38 appropriation is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 2347 (oil transportation safety). If the
2 bill is not enacted by June 30, 2014, the amount provided in this
3 subsection shall lapse.

4 **Sec. 308.** 2013 2nd sp.s. c 4 s 308 (uncodified) is amended to read
5 as follows:

6 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

7	General Fund--State Appropriation (FY 2014)	((\$42,515,000))
8		<u>\$51,674,000</u>
9	General Fund--State Appropriation (FY 2015)	((\$45,092,000))
10		<u>\$45,073,000</u>
11	General Fund--Federal Appropriation	\$26,963,000
12	General Fund--Private/Local Appropriation	\$2,372,000
13	Forest Development Account--State Appropriation	((\$49,054,000))
14		<u>\$50,687,000</u>
15	ORV and Nonhighway Vehicle Account--State Appropriation . .	\$4,494,000
16	Surveys and Maps Account--State Appropriation	((\$2,170,000))
17		<u>\$1,680,000</u>
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	((\$3,634,000))
20		<u>\$3,628,000</u>
21	Snowmobile Account--State Appropriation	\$100,000
22	Environmental Legacy Stewardship Account--State	
23	Appropriation	\$3,948,000
24	Resources Management Cost Account--State	
25	Appropriation	((\$111,073,000))
26		<u>\$116,498,000</u>
27	Surface Mining Reclamation Account--State	
28	Appropriation	((\$3,972,000))
29		<u>\$3,969,000</u>
30	Disaster Response Account--State Appropriation	\$5,000,000
31	Forest and Fish Support Account--State Appropriation . . .	\$11,759,000
32	Aquatic Land Dredged Material Disposal Site	
33	Account--State Appropriation	((\$843,000))
34		<u>\$463,000</u>
35	Natural Resources Conservation Areas Stewardship	
36	Account--State Appropriation	\$34,000
37	Marine Resources Stewardship Trust Account--State	

1	Appropriation	\$3,700,000
2	State Toxics Control Account--State Appropriation	\$80,000
3	Forest Practices Application Account--State	
4	Appropriation	\$1,697,000
5	Air Pollution Control Account--State Appropriation	\$785,000
6	NOVA Program Account--State Appropriation	\$950,000
7	Derelict Vessel Removal Account--State Appropriation	\$1,770,000
8	Agricultural College Trust Management Account--State	
9	Appropriation	\$2,712,000
10	TOTAL APPROPRIATION	((\$324,717,000))
11		<u>\$340,036,000</u>

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

14 (1) \$1,389,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$1,323,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for deposit into the agricultural
17 college trust management account and are provided solely to manage
18 approximately 70,700 acres of Washington State University's
19 agricultural college trust lands.

20 (2) ~~((\$19,099,000))~~ \$28,271,000 of the general fund--state
21 appropriation for fiscal year 2014, \$19,099,000 of the general fund--
22 state appropriation for fiscal year 2015, and \$5,000,000 of the
23 disaster response account--state appropriation are provided solely for
24 emergency fire suppression. None of the general fund and disaster
25 response account amounts provided in this subsection may be used to
26 fund agency indirect and administrative expenses. Agency indirect and
27 administrative costs shall be allocated among the agency's remaining
28 accounts and appropriations. The department of natural resources shall
29 submit a quarterly report to the office of financial management and the
30 legislative fiscal committees detailing information on current and
31 planned expenditures from the disaster response account. This work
32 shall be done in coordination with the military department.

33 (3) \$5,000,000 of the forest and fish support account--state
34 appropriation is provided solely for outcome-based, performance
35 contracts with tribes to participate in the implementation of the
36 forest practices program. Contracts awarded may only contain indirect
37 costs set at or below the rate in the contracting tribe's indirect cost

1 agreement with the federal government. If federal funding for this
2 purpose is reinstated, the amount provided in this subsection shall
3 lapse.

4 (4) \$518,000 of the forest and fish support account--state
5 appropriation is provided solely for outcome-based performance
6 contracts with nongovernmental organizations to participate in the
7 implementation of the forest practices program. Contracts awarded may
8 only contain indirect cost set at or below a rate of eighteen percent.

9 (5) \$717,000 of the forest and fish support account--state
10 appropriation is provided solely to fund interagency agreements with
11 the department of ecology and the department of fish and wildlife as
12 part of the adaptive management process.

13 (6) \$440,000 of the state general fund--state appropriation for
14 fiscal year 2014 and \$440,000 of the state general fund--state
15 appropriation for fiscal year 2015 are provided solely for forest work
16 crews that support correctional camps and are contingent upon
17 continuing operations of Naselle youth camp.

18 (7) \$2,382,000 of the resource management cost account--state
19 appropriation is for addressing the growing backlog of expired aquatic
20 leases and new aquatic lease applications. The department shall
21 implement a Lean process to improve the lease review process and
22 further reduce the backlog, and submit a report on its progress in
23 addressing the backlog and implementation of the Lean process to the
24 governor and the appropriate committees of the legislature by October
25 1, 2013.

26 (8) \$1,948,000 of the environmental legacy stewardship account--
27 state appropriation is provided solely for the department to pay a
28 portion of the costs to complete remedial investigation work at
29 Whitmarsh landfill and Mill site A and perform final-year maintenance
30 of the Olympic view triangle site in Commencement Bay.

31 (9) \$265,000 of the resources management cost account--state
32 appropriation is provided solely for implementation of Second
33 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill
34 is not enacted by June 30, 2013, the amount provided in this subsection
35 shall lapse.

36 (10) \$425,000 of the derelict vessel removal account--state
37 appropriation is provided solely for implementation of Engrossed

1 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
2 the bill is not enacted by June 30, 2013, the amount provided in this
3 subsection shall lapse.

4 (11) \$3,700,000 of the marine resources stewardship trust account--
5 state appropriation is provided solely for implementation of priority
6 marine management planning efforts including mapping activities,
7 ecological assessment, data tools, stakeholder engagement, and all
8 other work identified in Engrossed Senate Bill No. 5603 (marine
9 advisory councils) during the 2013-2015 fiscal biennium.

10 **Sec. 309.** 2013 2nd sp.s. c 4 s 309 (uncodified) is amended to read
11 as follows:

12 **FOR THE DEPARTMENT OF AGRICULTURE**

13	General Fund--State Appropriation (FY 2014)	((\$15,300,000))
14		<u>\$15,274,000</u>
15	General Fund--State Appropriation (FY 2015)	((\$15,294,000))
16		<u>\$16,333,000</u>
17	General Fund--Federal Appropriation	((\$23,098,000))
18		<u>\$23,054,000</u>
19	General Fund--Private/Local Appropriation	\$192,000
20	Aquatic Lands Enhancement Account--State	
21	Appropriation	((\$2,837,000))
22		<u>\$2,839,000</u>
23	State Toxics Control Account--State Appropriation . . .	((\$5,203,000))
24		<u>\$5,206,000</u>
25	Water Quality Permit Account--State Appropriation	((\$70,000))
26		<u>\$73,000</u>
27	TOTAL APPROPRIATION	((\$61,994,000))
28		<u>\$62,971,000</u>

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

31 (1) \$5,308,445 of the general fund--state appropriation for fiscal
32 year 2014 and ((~~\$5,302,905~~)) \$6,302,905 of the general fund--state
33 appropriation for fiscal year 2015 are provided solely for implementing
34 the food assistance program as defined in RCW 43.23.290.

35 (2) Pursuant to RCW 43.135.055 and 16.57.220, the department is
36 authorized to institute livestock inspection fees in the 2013-2015
37 fiscal biennium for calves less than thirty days old.

1 (3) Pursuant to RCW 43.135.055 and 16.36.150, the department is
2 authorized to establish a fee for the sole purpose of purchasing and
3 operating a database and any other technology or software needed to
4 administer animal disease traceability activities for cattle sold or
5 slaughtered in the state or transported out of the state.

6 (4) Within the amounts appropriated in this section, the department
7 of agriculture must convene and facilitate a work group with
8 appropriate stakeholders to review fees supporting programs within the
9 department that are also supported with state general fund. In
10 developing strategies to make the program work more self-supporting,
11 the workgroup will consider, at minimum, the length of time since the
12 last fee increase, similar fees that exist in neighboring states, and
13 fee increases that will ensure reasonable competitiveness in the
14 respective industries. The workgroup must submit a report containing
15 recommendations that will make each of the fee supported programs
16 within the department less reliant on state general fund to the office
17 of financial management and legislative fiscal committees by December
18 1, 2013.

19 (5) \$72,000 of the general fund--state appropriation for fiscal
20 year 2015 is provided solely for implementation of House Bill No. 2405
21 (hemp/commercial animal feed). If the bill is not enacted by June 30,
22 2014, the amount provided in this subsection shall lapse.

23 **Sec. 310.** 2013 2nd sp.s. c 4 s 310 (uncodified) is amended to read
24 as follows:

25 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

26 Pollution Liability Insurance Program Trust
27 Account--State Appropriation ((~~\$987,000~~))
28 \$1,000,000

29 **Sec. 311.** 2013 2nd sp.s. c 4 s 311 (uncodified) is amended to read
30 as follows:

31 **FOR THE PUGET SOUND PARTNERSHIP**

32 General Fund--State Appropriation (FY 2014) ((~~\$2,416,000~~))
33 \$2,398,000
34 General Fund--State Appropriation (FY 2015) ((~~\$2,318,000~~))
35 \$2,403,000
36 General Fund--Federal Appropriation ((~~\$11,570,000~~))

1		<u>\$11,630,000</u>
2	Aquatic Lands Enhancement Account--State Appropriation . . .	\$1,920,000
3	State Toxics Control Account--State Appropriation	((\$676,000))
4		<u>\$682,000</u>
5	TOTAL APPROPRIATION	((\$18,900,000))
6		<u>\$19,033,000</u>

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

9 (1) \$788,000 of the aquatic lands enhancement account--state
10 appropriation is provided solely for coordinating a study of Puget
11 Sound juvenile steelhead marine survival conducted by the department of
12 fish and wildlife and based on a study plan developed in cooperation
13 with federal, tribal, and nongovernmental entities.

14 (2) By October 1, 2014, the Puget Sound partnership shall provide
15 the governor a single, prioritized list of state agency 2015-2017
16 capital and operating budget requests related to Puget Sound
17 restoration.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2013 2nd sp.s. c 4 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2014)	((\$1,103,000))
	<u>\$1,106,000</u>
General Fund--State Appropriation (FY 2015)	((\$1,341,000))
	<u>\$1,374,000</u>
Architects' License Account--State Appropriation	\$902,000
Professional Engineers' Account--State	
Appropriation	((\$3,558,000))
	<u>\$3,545,000</u>
Real Estate Commission Account--State Appropriation	((\$9,929,000))
	<u>\$9,935,000</u>
Uniform Commercial Code Account--State	
Appropriation	((\$3,154,000))
	<u>\$3,145,000</u>
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	((\$1,703,000))
	<u>\$1,705,000</u>
Business and Professions Account--State	
Appropriation	((\$17,454,000))
	<u>\$17,596,000</u>
Funeral and Cemetery Account--State Appropriation	\$5,000
Landscape Architects' License Account--State Appropriation	\$4,000
Appraisal Management Company Account--State	
Appropriation	\$4,000
Real Estate Research Account--State Appropriation	\$415,000
Wildlife Account--State Appropriation	\$32,000
Geologists' Account--State Appropriation	\$52,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	((\$39,963,000))
	<u>\$40,127,000</u>

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

3 (1) \$566,000 of the business and professions account--state
4 appropriation is provided solely for the implementation of Engrossed
5 Substitute House Bill No. 1552 (scrap metal theft reduction). If the
6 bill is not enacted by June 30, 2013, the amount provided in this
7 subsection shall lapse.

8 (2) \$166,000 of the business and professions account--state
9 appropriation in fiscal year 2014 only is provided solely for the
10 implementation of Substitute House Bill No. 1779 (esthetics). If the
11 bill is not enacted by June 30, 2013, the amount provided in this
12 subsection shall lapse.

13 (3) \$592,000 of the business and professions account--state
14 appropriation is provided solely for the implementation of Substitute
15 House Bill No. 1822 (debt collection practices). If the bill is not
16 enacted by June 30, 2013, the amount provided in this subsection shall
17 lapse.

18 (4) \$32,000 of the state wildlife account--state appropriation is
19 provided solely for the implementation of Engrossed Second Substitute
20 Senate Bill No. 5193 (wolf conflict management). If the bill is not
21 enacted by June 30, 2013, the amount provided in this subsection shall
22 lapse.

23 (5) \$112,000 of the business and professions account--state
24 appropriation is provided solely for the implementation of Engrossed
25 Substitute House Bill No. 2512 (cosmetology, hair design, etc.). If
26 the bill is not enacted by June 30, 2014, the amount provided in this
27 subsection shall lapse.

28 (6) \$19,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$48,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for a pilot identicard program to
31 assist and prepare offenders for release from prison and reentry into
32 the community. The goal of the pilot identicard program is to provide
33 proper state identification to offenders to facilitate access to
34 services, employment, housing, and various other opportunities upon
35 release to the community. By September 1, 2014, the department of
36 licensing, working in conjunction with the department of corrections,
37 must implement the pilot identicard program in accordance with the
38 following:

1	County Criminal Justice Assistance Account--State	
2	Appropriation	\$3,332,000
3	Municipal Criminal Justice Assistance Account--State	
4	Appropriation	\$1,351,000
5	Fire Service Trust Account--State Appropriation	\$131,000
6	Disaster Response Account--State Appropriation	\$8,000,000
7	Fire Service Training Account--State Appropriation	\$9,797,000
8	Aquatic Invasive Species Enforcement Account--State	
9	Appropriation	\$54,000
10	State Toxics Control Account--State Appropriation	\$516,000
11	Fingerprint Identification Account--State	
12	Appropriation	((\$10,747,000))
13		<u>\$10,841,000</u>
14	Vehicle License Fraud Account--State Appropriation	((\$447,000))
15		<u>\$337,000</u>
16	TOTAL APPROPRIATION	((\$134,158,000))
17		<u>\$136,787,000</u>

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

20 (1) \$200,000 of the fire service training account--state
21 appropriation is provided solely for two FTEs in the office of the
22 state director of fire protection to exclusively review K-12
23 construction documents for fire and life safety in accordance with the
24 state building code. It is the intent of this appropriation to provide
25 these services only to those districts that are located in counties
26 without qualified review capabilities.

27 (2) \$8,000,000 of the disaster response account--state
28 appropriation is provided solely for Washington state fire service
29 resource mobilization costs incurred in response to an emergency or
30 disaster authorized under RCW 43.43.960 through 43.43.964. The state
31 patrol shall submit a report quarterly to the office of financial
32 management and the legislative fiscal committees detailing information
33 on current and planned expenditures from this account. This work shall
34 be done in coordination with the military department.

35 (3) \$700,000 of the fire service training account--state
36 appropriation is provided solely for the firefighter apprenticeship
37 training program.

1 (4) \$3,480,000 of the enhanced 911 account--state appropriation is
2 provided solely for upgrades to the Washington state identification
3 system and the Washington crime information center. Amounts provided
4 in this subsection may not be expended until the office of the chief
5 information officer approves a plan to move the Washington state
6 patrol's servers and data center equipment into the state data center
7 in the 1500 Jefferson building, and the office of the chief information
8 officer certifies that the Washington state patrol has begun the move.
9 The amounts provided in this subsection are conditioned on the
10 department satisfying the requirements of the project management
11 oversight standards and policies established by the office of the chief
12 information officer.

13 (5) \$154,000 of the fingerprint identification account--state
14 appropriation is provided solely for implementation of Substitute House
15 Bill No. 1612 (firearms offenders). If the bill is not enacted by June
16 30, 2013, the amount provided in this subsection shall lapse.

17 (6) \$94,000 of the fingerprint identification account--state
18 appropriation is provided solely for implementation of House Bill No.
19 2534 (fingerprint background checks). If the bill is not enacted by
20 June 30, 2014, the amount provided in this subsection shall lapse.

(End of part)

PART V
EDUCATION

Sec. 501. 2013 2nd sp.s. c 4 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2014)	((\$27,264,000))
	<u>\$27,325,000</u>
General Fund--State Appropriation (FY 2015)	((\$26,041,000))
	<u>\$27,544,000</u>
General Fund--Federal Appropriation	((\$63,826,000))
	<u>\$71,064,000</u>
General Fund--Private/Local Appropriation	\$4,005,000
Performance Audits of Government Account--State	
Appropriation	\$200,000
TOTAL APPROPRIATION	((\$121,336,000))
	<u>\$130,138,000</u>

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

(1) A maximum of ((~~\$16,881,000~~)) \$17,048,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$16,602,000~~)) \$17,745,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) ((~~\$8,846,000~~)) \$9,013,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$8,910,000~~)) \$8,838,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school,

1 using a uniform definition of unexcused absence as established by the
2 superintendent.

3 (iii) By September of each year, the office of the superintendent
4 of public instruction shall produce an annual status report of the
5 budget provisos in sections 501 and 513 of this act. The status report
6 of each proviso shall include, but not be limited to, the following
7 information: Purpose and objective, number of staff, number of
8 contractors, status of proviso implementation, number of beneficiaries
9 by year, list of beneficiaries, and proviso outcomes and achievements.

10 (iv) The superintendent of public instruction shall update the
11 program prepared and distributed under RCW 28A.230.150 for the
12 observation of temperance and good citizenship day to include providing
13 an opportunity for eligible students to register to vote at school.

14 ~~((vi) Appropriations in this section are sufficient for the office
15 of the superintendent of public instruction to conduct ongoing
16 consolidated program reviews of alternative learning experience
17 programs and dropout reengagement programs established under chapter
18 20, Laws of 2010. The office of the superintendent of public
19 instruction shall include alternative learning education and dropout
20 reengagement programs in their ongoing consolidated program reviews, as
21 well as provide outreach and training to school districts regarding
22 implementation of the programs. Findings from the program reviews will
23 be used to support and prioritize office of the superintendent outreach
24 and education efforts that assist school districts in implementing the
25 programs in accordance with statute and legislative intent, as well as
26 to support financial and performance audit work conducted by the office
27 of the state auditor.))~~

28 (b) \$1,017,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$1,017,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for activities associated with the
31 implementation of new school finance systems required by chapter 236,
32 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
33 (state's education system), including technical staff, systems
34 reprogramming, and workgroup deliberations, including the quality
35 education council and the data governance working group.

36 (c) \$1,012,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$1,012,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for the operation and expenses of

1 the state board of education, including basic education assistance
2 activities. Of these amounts, \$161,000 of the general fund--state
3 appropriation for fiscal year 2014 and \$161,000 of the general fund--
4 state appropriation for fiscal year 2015 are provided for
5 implementation of Initiative Measure No. 1240 (charter schools).

6 (d) \$1,325,000 of the general fund--state appropriation for fiscal
7 year 2014 and (~~(\$1,325,000)~~) \$1,642,000 of the general fund--state
8 appropriation for fiscal year 2015 are provided solely to the
9 professional educator standards board for the following:

10 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year
11 2015 are for the operation and expenses of the Washington professional
12 educator standards board;

13 (ii) \$250,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$250,000 of the general fund--state appropriation for
15 fiscal year 2015 are for mentor stipends provided through the
16 alternative routes to certification program administered by the
17 professional educator standards board, including the pipeline for
18 paraeducators program and the retooling to teach conditional loan
19 programs. Funding within this subsection (1)(d)(ii) is also provided
20 for the recruiting Washington teachers program; (~~and~~)

21 (iii) \$25,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$25,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the professional educator
24 standards board to develop educator interpreter standards and identify
25 interpreter assessments that are available to school districts.
26 Interpreter assessments should meet the following criteria: (A)
27 Include both written assessment and performance assessment; (B) be
28 offered by a national organization of professional sign language
29 interpreters and transliterators; and (C) be designed to assess
30 performance in more than one sign system or sign language. The board
31 shall establish a performance standard, defining what constitutes a
32 minimum assessment result, for each educational interpreter assessment
33 identified. The board shall publicize the standards and assessments
34 for school district use;

35 (iv) \$24,000 of the general fund--state appropriation for fiscal
36 year 2015 is provided solely for the professional educator standards
37 board to: (A) Disseminate information about principles of language
38 acquisition as a critical knowledge and skill for educators in support

1 of instruction for English language learners; and (B) in conjunction
2 with the office of the superintendent of public instruction, revise the
3 model framework and curriculum for high school career and technical
4 education courses related to careers in education to incorporate
5 standards of cultural competence, new research on educator preparation,
6 and curriculum and activities from the recruiting Washington teacher
7 program; and

8 (v) \$293,000 of the general fund--state appropriation for fiscal
9 year 2015 is provided solely for implementation of Substitute House
10 Bill No. 2365 (paraeducator development). If the bill is not enacted
11 by June 30, 2014, the amount provided in this subsection shall lapse.

12 (e) \$133,000 of the general fund--state appropriation for fiscal
13 year 2014 and (~~(\$133,000)~~) \$266,000 of the general fund--state
14 appropriation for fiscal year 2015 are provided solely for the
15 implementation of chapter 240, Laws of 2010, including staffing the
16 office of equity and civil rights.

17 (f) \$50,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$50,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the ongoing work of the
20 education opportunity gap oversight and accountability committee.

21 (g) \$45,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$45,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the implementation of chapter
24 380, Laws of 2009 (enacting the interstate compact on educational
25 opportunity for military children).

26 (h) \$131,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$131,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the implementation of
29 Initiative Measure No. 1240 (charter schools).

30 (i) \$1,826,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$1,802,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for implementing a comprehensive
33 data system to include financial, student, and educator data, including
34 development and maintenance of the comprehensive education data and
35 research system (CEDARS).

36 (j) \$25,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$25,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for project citizen, a program

1 sponsored by the national conference of state legislatures and the
2 center for civic education to promote participation in government by
3 middle school students.

4 (k) \$1,500,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$1,500,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for collaborative schools for
7 innovation and success authorized under chapter 53, Laws of 2012. The
8 office of the superintendent of public instruction shall award \$500,000
9 per year in funding for each collaborative school for innovation and
10 success selected for participation in the pilot program during 2012.

11 (l) \$123,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$123,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for implementation of chapter 163,
14 Laws of 2012 (foster care outcomes). The office of the superintendent
15 of public instruction shall annually report each December on the
16 implementation of the state's plan of cross-system collaboration to
17 promote educational stability and improve education outcomes of foster
18 youth.

19 (m) \$250,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$250,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for implementation of chapter 178,
22 Laws of 2012 (open K-12 education resources).

23 (n) \$93,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$93,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for chapter 185, Laws of 2011
26 (bullying prevention, which requires the office of the superintendent
27 of public instruction to convene an ongoing workgroup on school
28 bullying and harassment prevention. Within the amounts provided,
29 \$140,000 is for youth suicide prevention activities.

30 (o) \$138,000 of the general fund--state appropriation for fiscal
31 year 2014 is provided solely for implementation of House Bill No. 1336
32 (troubled youth in school). If the bill is not enacted by June 30,
33 2013, the amounts provided in this subsection shall lapse.

34 (p) \$68,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$14,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for implementation of House Bill
37 No. 1134 (state-tribal education compacts). If the bill is not enacted
38 by June 30, 2013, the amounts provided in this subsection shall lapse.

1 (q) \$62,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$62,000 of the general fund--state appropriation for
3 fiscal year 2015 are for competitive grants to school districts to
4 increase the capacity of high schools to offer AP computer science
5 courses. In making grant allocations, the office of the superintendent
6 of public instruction must give priority to schools and districts in
7 rural areas, with substantial enrollment of low-income students, and
8 that do not offer AP computer science. School districts may apply to
9 receive either or both of the following grants:

10 (i) A grant to establish partnerships to support computer science
11 professionals from private industry serving on a voluntary basis as
12 coinstructors along with a certificated teacher, including via
13 synchronous video, for AP computer science courses; or

14 (ii) A grant to purchase or upgrade technology and curriculum
15 needed for AP computer science, as well as provide opportunities for
16 professional development for classroom teachers to have the requisite
17 knowledge and skills to teach AP computer science.

18 (r) \$27,000 of the general fund--state appropriation for fiscal
19 year 2014 is provided solely for implementation of House Bill No. 1556
20 (cardiac arrest education).

21 (s) \$50,000 of the general fund--state appropriation for fiscal
22 year 2014 is provided solely for the development of recommendations for
23 funding integrated school nursing and outreach services. The office of
24 the superintendent of public instruction shall collaborate with the
25 health care authority to develop recommendations for increasing federal
26 financial participation for providing nursing services in schools with
27 the goals of integrating nursing and outreach services and supporting
28 one nurse for every four-hundred fifty students in elementary schools
29 and one nurse for every seven-hundred fifty students in secondary
30 schools. The recommendations shall include proposals for funding
31 training and reimbursement for nurses that provide outreach services to
32 help eligible students enroll in apple health for kids and other social
33 services programs. The authority and the office of the superintendent
34 of public instruction shall provide these recommendations to the
35 governor and the legislature by December 1, 2013.

36 (t) \$50,000 of the general fund--state appropriation for fiscal
37 year 2014 is provided solely for the office of the superintendent of
38 public instruction to contract with an organization to develop a model

1 plan for evaluating the outcomes of state funded pilot education
2 programs, including guidelines for standard data that must be gathered
3 throughout any education pilot program, as well as guidance for data
4 and evaluation methods depending on the design of the program and the
5 target population. The contract must also include a provision to
6 provide guidance for the evaluation of existing pilot programs.

7 (u) \$10,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$10,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the superintendent of public
10 instruction to convene a committee for the selection and recognition of
11 Washington innovative schools. The committee shall select and
12 recognize Washington innovative schools based on the selection criteria
13 established by the office of the superintendent of public instruction,
14 in accordance with chapter 202, Laws of 2011 (innovation schools--
15 recognition) and chapter 260, Laws of 2011 (innovation schools and
16 zones).

17 (v) \$100,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$100,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the Mobius science center to
20 expand mobile outreach of science, technology, engineering, and
21 mathematics (STEM) education to students in rural, tribal, and
22 low-income communities.

23 (w) \$28,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely for the office of the superintendent of
25 public instruction to create a clearinghouse of research-based best
26 practices for school districts to provide academic and nonacademic
27 support for students while they are subject to disciplinary action and
28 after their reengagement in school.

29 (x) \$49,000 of the general fund--state appropriation for fiscal
30 year 2015 is provided solely for the office of the superintendent of
31 public instruction, in collaboration with the educational opportunity
32 gap oversight and accountability committee, the professional educator
33 standards board, colleges of education, and representatives from
34 diverse communities and community-based organizations, to develop a
35 content outline for professional development and training in cultural
36 competence for school staff, which educational service districts and
37 school districts are encouraged to use.

1 (y) \$117,000 of the general fund--state appropriation for fiscal
2 year 2015 is provided solely for the office of the superintendent of
3 public instruction to convene a task force to design a performance-
4 based assistance and accountability system for the transitional
5 bilingual instruction program. The office must submit a report with
6 recommendations from the task force to the education and fiscal
7 committees of the legislature by January 15, 2016.

8 (z) \$134,000 of the general fund--state appropriation for fiscal
9 year 2015 is provided solely for the office of the superintendent of
10 public instruction to perform on-going program reviews of alternative
11 learning experience programs and dropout reengagement programs.
12 Appropriations in this subsection are sufficient for the office of the
13 superintendent of public instruction to conduct ongoing consolidated
14 program reviews of alternative learning experience programs and dropout
15 reengagement programs established under chapter 20, Laws of 2010. The
16 office of the superintendent of public instruction shall include
17 alternative learning education and dropout reengagement programs in its
18 ongoing consolidated program reviews, as well as provide outreach and
19 training to school districts regarding implementation of the programs.
20 Findings from the program reviews will be used to support and
21 prioritize the office of the superintendent of public instruction
22 outreach and education efforts that assist school districts in
23 implementing the programs in accordance with statute and legislative
24 intent, as well as to support financial and performance audit work
25 conducted by the office of the state auditor.

26 (aa) \$287,000 of the general fund--state appropriation for fiscal
27 year 2015 is provided solely for implementation of Second Substitute
28 House Bill No. 2540 (career and tech course equivalencies). If the
29 bill is not enacted by June 30, 2014, the amounts provided in this
30 subsection shall lapse.

31 (bb) Appropriations in this section are sufficient for the office
32 of the superintendent of public instruction to implement Second
33 Substitute House Bill No. 2166 (students/military families).

34 (cc) Appropriations in this section are sufficient for the office
35 of the superintendent of public instruction to implement Substitute
36 House Bill No. 2536 (breakfast after the bell).

37 (dd) Appropriations in this section are sufficient for the office

1 of the superintendent of public instruction to implement Engrossed
2 Second Substitute House Bill No. 2383 (career and college readiness).

3 (ee) \$50,000 of the general fund--state appropriation for fiscal
4 year 2015 is provided solely for the superintendent of public
5 instruction to convene a work group to examine state and federal audit
6 requirements. The work group may include, but is not limited to,
7 representatives from small, medium, and large school districts; a
8 representative of the office of the state auditor; a representative of
9 the Washington state school directors' association; and legislators.
10 The work group must identify state and federal audit requirements that
11 are duplicative and make recommendations to the legislature to reduce
12 school district costs and workload related to duplicative audit
13 requirements. The superintendent shall submit the findings and
14 recommendations of the work group to the legislature by December 1,
15 2015.

16 (ff) \$100,000 of the general fund--state appropriation for fiscal
17 year 2015 is provided solely for the Washington civil liberties
18 education program.

19 (2) \$200,000 of the performance audits of government account--state
20 appropriation is provided solely for a one-time workload increase to
21 address additional audit resolutions and appeals in the alternative
22 learning experience programs.

23 (3) \$10,277,000 of the general fund--state appropriation for fiscal
24 year 2014 and (~~(\$9,565,000)~~) \$9,799,000 of the general fund--state
25 appropriation for fiscal year 2015 are for statewide programs.

26 (a) HEALTH AND SAFETY

27 (i) \$2,541,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$2,541,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for a corps of nurses located at
30 educational service districts, as determined by the superintendent of
31 public instruction, to be dispatched to the most needy schools to
32 provide direct care to students, health education, and training for
33 school staff.

34 (ii) \$135,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$135,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for a nonviolence and leadership
37 training program provided by the institute for community leadership.

38 (b) TECHNOLOGY

1 \$1,221,000 of the general fund--state appropriation for fiscal year
2 2014 and \$1,221,000 of the general fund--state appropriation for fiscal
3 year 2015 are provided solely for K-20 telecommunications network
4 technical support in the K-12 sector to prevent system failures and
5 avoid interruptions in school utilization of the data processing and
6 video-conferencing capabilities of the network. These funds may be
7 used to purchase engineering and advanced technical support for the
8 network.

9 (c) GRANTS AND ALLOCATIONS

10 (i) \$1,875,000 of the general fund--state appropriation for fiscal
11 year 2014 and (~~(\$1,875,000)~~) \$2,109,000 of the general fund--state
12 appropriation for fiscal year 2015 are provided solely for the
13 Washington state achievers scholarship program. The funds shall be
14 used to support community involvement officers that recruit, train, and
15 match community volunteer mentors with students selected as achievers
16 scholars.

17 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$1,000,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for contracting with a college
20 scholarship organization with expertise in conducting outreach to
21 students concerning eligibility for the Washington college bound
22 scholarship consistent with chapter 405, Laws of 2007.

23 (iii) \$1,000,000 of the general fund--state appropriation for
24 fiscal year 2014 and \$1,000,000 of the general fund--state
25 appropriation for fiscal year 2015 are provided solely for dropout
26 prevention, intervention, and reengagement programs, including the jobs
27 for America's graduates (JAG) program and the building bridges
28 statewide program. Students in the foster care system shall be given
29 priority by districts offering the jobs for America's graduates
30 program.

31 (iv) \$2,112,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$1,400,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the implementation of chapter
34 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the
35 development and implementation of the Washington kindergarten inventory
36 of developing skills (WaKIDS).

37 (v) \$100,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$100,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely to subsidize advanced placement
 2 exam fees and international baccalaureate class fees and exam fees for
 3 low-income students. To be eligible for the subsidy, a student must be
 4 either enrolled or eligible to participate in the federal free or
 5 reduced price lunch program, and the student must have maximized the
 6 allowable federal contribution. The office of the superintendent of
 7 public instruction shall set the subsidy in an amount so that the
 8 advanced placement exam fee does not exceed \$15.00 and the combined
 9 class and exam fee for the international baccalaureate does not exceed
 10 \$14.50.

11 (vi) \$293,000 of the general fund--state appropriation for fiscal
 12 year 2014 and \$293,000 of the general fund--state appropriation for
 13 fiscal year 2015 are provided solely for the office of the
 14 superintendent of public instruction to support ((the dissemination of
 15 the navigation 101 curriculum to all districts)) district
 16 implementation of comprehensive guidance and planning programs
 17 consistent with RCW 28A.600.045.

18 **Sec. 502.** 2013 2nd sp.s. c 4 s 502 (uncodified) is amended to read
 19 as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
 21 **APPORTIONMENT**

22	General Fund--State Appropriation (FY 2014)	((\$5,395,289,000))
23		<u>\$5,386,820,000</u>
24	General Fund--State Appropriation (FY 2015)	((\$5,581,336,000))
25		<u>\$5,570,012,000</u>
26	Education Legacy Trust Account--State	
27	Appropriation	((\$328,563,000))
28		<u>\$410,655,000</u>
29	TOTAL APPROPRIATION	((\$11,305,188,000))
30		<u>\$11,367,487,000</u>

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

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

36 (b) For the 2013-14 and 2014-15 school years, the superintendent

1 shall allocate general apportionment funding to school districts as
2 provided in the funding formulas and salary schedules in sections 502
3 and 503 of this act, excluding (c) of this subsection.

4 (c) From July 1, 2013, to August 31, 2013, the superintendent shall
5 allocate general apportionment funding to school districts programs as
6 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.
7 sess., as amended.

8 (d) The enrollment of any district shall be the annual average
9 number of full-time equivalent students and part-time students as
10 provided in RCW 28A.150.350, enrolled on the fourth day of school in
11 September and on the first school day of each month October through
12 June, including students who are in attendance pursuant to RCW
13 28A.335.160 and 28A.225.250 who do not reside within the servicing
14 school district. Any school district concluding its basic education
15 program in May must report the enrollment of the last school day held
16 in May in lieu of a June enrollment.

17 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

18 Allocations for certificated instructional staff salaries for the
19 2013-14 and 2014-15 school years are determined using formula-generated
20 staff units calculated pursuant to this subsection.

21 (a) Certificated instructional staff units, as defined in RCW
22 28A.150.410, shall be allocated to reflect the minimum class size
23 allocations, requirements, and school prototypes assumptions as
24 provided in RCW 28A.150.260, except that the allocation for guidance
25 counselors in a middle school shall be 1.216 for the 2013-14 and 2014-
26 15 school years and the allocation for guidance counselors in a high
27 school shall be 2.009 for the 2013-14 school year and 2.539 for the
28 2014-15 school year, which enhancements are within the program of basic
29 education. The superintendent shall make allocations to school
30 districts based on the district's annual average full-time equivalent
31 student enrollment in each grade.

32 (b) Additional certificated instructional staff units provided in
33 this subsection (2) that exceed the minimum requirements in RCW
34 28A.150.260 are enhancements outside the program of basic education,
35 except as otherwise provided in this section.

36 (c)(i) The superintendent shall base allocations for each level of
37 prototypical school on the following regular education average class

1 size of full-time equivalent students per teacher, except as provided
2 in (c)(ii) of this subsection:

3 General education class size:

4 Grade	RCW 28A.150.260	2013-14 5 School Year	2014-15 6 School Year
6 Grades K-3	25.23	25.23
7 Grade 4	27.00	27.00
8 Grades 5-6	27.00	27.00
9 Grades 7-8	28.53	28.53
10 Grades 9-12	28.74	28.74

11 The superintendent shall base allocations for laboratory science,
12 career and technical education (CTE) and skill center programs average
13 class size as provided in RCW 28A.150.260.

14 (ii) For each level of prototypical school at which more than fifty
15 percent of the students were eligible for free and reduced-price meals
16 in the prior school year, the superintendent shall allocate funding
17 based on the following average class size of full-time equivalent
18 students per teacher:

19 (A) General education class size in high poverty schools:

20 Grade	RCW 28A.150.260
21 Grade 2	..... 24.10
22 Grade 3	..... 24.10
23 Grade 4	..... 27.00
24 Grades 5-6	..... 27.00
25 Grades 7-8	..... 28.53
26 Grades 9-12	..... 28.74

27 (B) For grades K-1, class size of 20.85 is provided for high
28 poverty schools for the 2013-14 school year;

29 (C) For grades K through 1, the superintendent shall, at a minimum,
30 allocate funding to high-poverty schools for the 2014-15 school year
31 based on an average class size of 24.10 full-time equivalent students
32 per teacher. The superintendent shall provide enhanced funding for

1 class size reduction in grades K through 1 to the extent of, and
2 proportionate to, the school's demonstrated actual average class size
3 up to a class size of 20.30 full-time equivalent students per teacher.
4 The office of the superintendent of public instruction shall develop
5 rules to implement the enhanced funding authorized under (ii)(C) of
6 this subsection and shall distribute draft rules for review no later
7 than December 1, 2013. The office of the superintendent of public
8 instruction shall report the draft rules and proposed methodology to
9 the governor and the appropriate policy and fiscal committees of the
10 legislature by December 1, 2013.

11 (D) The enhancement in this subsection (2)(c)(ii) is within the
12 program of basic education.

13 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
14 planning period, expressed as a percentage of a teacher work day, is
15 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

16 (iv) (~~Laboratory science~~) Advanced placement and
17 international baccalaureate courses are funded at the same class size
18 assumptions as general education schools in the same grade; and

19 (d)(i) Funding for teacher librarians, school nurses, social
20 workers, school psychologists, and guidance counselors is allocated
21 based on the school prototypes as provided in RCW 28A.150.260 and (a)
22 of this subsection and is considered certificated instructional staff,
23 except as provided in (d)(ii) of this subsection.

24 (ii) Students in approved career and technical education and skill
25 center programs generate certificated instructional staff units to
26 provide for the services of teacher librarians, school nurses, social
27 workers, school psychologists, and guidance counselors at the following
28 combined rate per 1000 students:

29 Career and Technical Education	
30 students	2.02 per 1000 student FTE's
31 <u>for the 2013-14 school year, and 2.72 per 1000 student FTE's for</u>	
32 <u>the 2014-15 school year</u>	
33 Skill Center students	2.36 per 1000 student FTE's
34 <u>for the 2013-14 school year, and 3.06 per 1000 student FTE's for</u>	
35 <u>the 2014-15 school year</u>	

36 (3) ADMINISTRATIVE STAFF ALLOCATIONS
37 (a) Allocations for school building-level certificated
38 administrative staff salaries for the 2013-14 and 2014-15 school years

1 for general education students are determined using the formula
2 generated staff units calculated pursuant to this subsection. The
3 superintendent shall make allocations to school districts based on the
4 district's annual average full-time equivalent enrollment in each
5 grade. The following prototypical school values shall determine the
6 allocation for principals, assistance principals, and other
7 certificated building level administrators:

8 Prototypical School Building:

9 Elementary School	.....	1.253
10 Middle School	.....	1.353
11 High School	.....	1.880

12 (b) Students in approved career and technical education and skill
13 center programs generate certificated school building-level
14 administrator staff units at per student rates that are a multiple of
15 the general education rate in (a) of this subsection by the following
16 factors: Career and Technical Education students1.025
17 Skill Center students1.198

18 (4) CLASSIFIED STAFF ALLOCATIONS

19 Allocations for classified staff units providing school building-
20 level and district-wide support services for the 2013-14 and 2014-15
21 school years are determined using the formula-generated staff units
22 provided in RCW 28A.150.260, and adjusted based on each district's
23 annual average full-time equivalent student enrollment in each grade,
24 except that the allocation for parent involvement coordinators in an
25 elementary school shall be 0.0825, which enhancement is within the
26 program of basic education.

27 (5) CENTRAL OFFICE ALLOCATIONS

28 In addition to classified and administrative staff units allocated
29 in subsections (3) and (4) of this section, classified and
30 administrative staff units are provided for the 2013-14 and 2014-15
31 school year for the central office administrative costs of operating a
32 school district, at the following rates:

33 (a) The total central office staff units provided in this
34 subsection (5) are calculated by first multiplying the total number of

1 eligible certificated instructional, certificated administrative, and
2 classified staff units providing school-based or district-wide support
3 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

4 (b) Of the central office staff units calculated in (a) of this
5 subsection, 74.53 percent are allocated as classified staff units, as
6 generated in subsection (4) of this section, and 25.47 percent shall be
7 allocated as administrative staff units, as generated in subsection (3)
8 of this section.

9 (c) Staff units generated as enhancements outside the program of
10 basic education to the minimum requirements of RCW 28A.150.260, and
11 staff units generated by skill center and career-technical students,
12 are excluded from the total central office staff units calculation in
13 (a) of this subsection.

14 (d) For students in approved career-technical and skill center
15 programs, central office classified units are allocated at the same
16 staff unit per student rate as those generated for general education
17 students of the same grade in this subsection (5), and central office
18 administrative staff units are allocated at staff unit per student
19 rates that exceed the general education rate established for students
20 in the same grade in this subsection (5) by 1.71 percent in the 2013-14
21 school year and ((2.00)) 0.90 percent in the 2014-15 school year for
22 career and technical education students, and ((21.60)) 21.57 percent in
23 the 2013-14 school year and ((15.98)) 17.29 percent in the 2014-15
24 school year for skill center students.

25 (6) FRINGE BENEFIT ALLOCATIONS

26 Fringe benefit allocations shall be calculated at a rate of 18.68
27 percent in the 2013-14 school year and 18.68 percent in the 2014-15
28 school year for certificated salary allocations provided under
29 subsections (2), (3), and (5) of this section, and a rate of 20.95
30 percent in the 2013-14 school year and 20.95 percent in the 2014-15
31 school year for classified salary allocations provided under
32 subsections (4) and (5) of this section.

33 (7) INSURANCE BENEFIT ALLOCATIONS

34 Insurance benefit allocations shall be calculated at the
35 maintenance rate specified in section 504 of this act, based on the
36 number of benefit units determined as follows:

37 (a) The number of certificated staff units determined in
38 subsections (2), (3), and (5) of this section; and

1 (b) The number of classified staff units determined in subsections
 2 (4) and (5) of this section multiplied by 1.152. This factor is
 3 intended to adjust allocations so that, for the purposes of
 4 distributing insurance benefits, full-time equivalent classified
 5 employees may be calculated on the basis of 1440 hours of work per
 6 year, with no individual employee counted as more than one full-time
 7 equivalent.

8 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS
 9 Funding is allocated per annual average full-time equivalent
 10 student for the materials, supplies, and operating costs (MSOC)
 11 incurred by school districts, consistent with the requirements of RCW
 12 28A.150.260.

13 (a) MSOC funding for general education students are allocated at
 14 the following per student rates:

15 MSOC RATES/STUDENT FTE

17 MSOC Component	2013-14	2014-15
	18 SCHOOL YEAR	SCHOOL YEAR
20 Technology	\$77.46	(\$82.16) <u>\$89.13</u>
21 Utilities and Insurance	\$210.46	(\$223.23) <u>\$242.18</u>
22 Curriculum and Textbooks	\$83.17	(\$88.21) <u>\$95.69</u>
23 Other Supplies and Library Materials	\$176.56	(\$187.27) <u>\$203.16</u>
24 Instructional Professional Development for Certificated 25 and Classified Staff	\$12.86	(\$13.64) <u>\$14.80</u>
26 Facilities Maintenance	\$104.27	(\$110.59) <u>\$119.97</u>
27 Security and Central Office	\$72.24	(\$76.62) <u>\$83.12</u>
28 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$737.02	(\$781.72) <u>\$848.04</u>

29 (b) Students in approved skill center programs generate per student
 30 FTE MSOC allocations of \$1,244.25 for the 2013-14 school year and
 31 ~~(\$1,262.92)~~ \$1,260.41 for the 2014-15 school year.

32 (c) Students in approved exploratory and preparatory career and
 33 technical education programs generate a per student MSOC allocation of

1 \$1,399.30 for the 2013-14 school year and (~~(\$1,420.29)~~) \$1,417.48 for
2 the 2014-15 school year.

3 (d) Students in (~~laboratory science courses generate per student~~
4 ~~FTE MSOC allocations which equal the per student FTE rate for general~~
5 ~~education students established in (a) of this subsection.~~) grades 9-12
6 generate per student FTE MSOC allocations in addition to the allocation
7 provided in (a) of this subsection at the following rate:

	<u>2014-15</u>
	<u>School Year</u>
10 <u>Technology</u>	<u>\$36.35</u>
11 <u>Curriculum and Textbooks</u>	<u>\$39.02</u>
12 <u>Other Supplies and Library Materials</u>	<u>\$82.84</u>
13 <u>Instructional Professional Development for Certificated</u>	
14 <u>and Classified Staff</u>	<u>\$6.04</u>
15 <u>TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE</u>	<u>\$164.25</u>

16 (9) SUBSTITUTE TEACHER ALLOCATIONS

17 For the 2013-14 and 2014-15 school years, funding for substitute
18 costs for classroom teachers is based on four (4) funded substitute
19 days per classroom teacher unit generated under subsection (2) of this
20 section, at a daily substitute rate of \$151.86.

21 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

22 (a) Amounts provided in this section from July 1, 2013, to August
23 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of
24 2011 1st sp. sess. (allocation of funding for funding for students
25 enrolled in alternative learning experiences).

26 (b) Amounts provided in this section beginning September 1, 2013,
27 are adjusted to reflect modifications to alternative learning
28 experience courses in Engrossed Substitute Senate Bill No. 5946
29 (student educational outcomes).

30 (c) The superintendent of public instruction shall require all
31 districts receiving general apportionment funding for alternative
32 learning experience (ALE) programs as defined in WAC 392-121-182 to
33 provide separate financial accounting of expenditures for the ALE
34 programs offered in district or with a provider, including but not
35 limited to private companies and multidistrict cooperatives, as well as
36 accurate, monthly headcount and FTE enrollment claimed for basic

1 education, including separate counts of resident and nonresident
2 students.

3 (11) DROPOUT REENGAGEMENT PROGRAM

4 The superintendent shall adopt rules to require students claimed
5 for general apportionment funding based on enrollment in dropout
6 reengagement programs authorized under RCW 28A.175.100 through
7 28A.175.115 to meet requirements for at least weekly minimum
8 instructional contact, academic counseling, career counseling, or case
9 management contact, starting with the 2014-15 school year. Districts
10 must also provide separate financial accounting of expenditures for the
11 programs offered by the district or under contract with a provider, as
12 well as accurate monthly headcount and full-time equivalent enrollment
13 claimed for basic education, including separate enrollment counts of
14 resident and nonresident students.

15 (12) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

16 Funding in this section is sufficient to fund voluntary full day
17 kindergarten programs in qualifying high poverty schools, pursuant to
18 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
19 for the voluntary full-day program in a qualifying school shall count
20 as one-half of one full-time equivalent student for purpose of making
21 allocations under this section. Funding in this section provides full-
22 day kindergarten programs for 43.75 percent of kindergarten enrollment
23 in the 2013-14 school year and 43.75 percent in the 2014-15 school
24 year, which enhancement is within the program of basic education.

25 ~~((12) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH~~
26 ~~TWELVE~~

27 ~~(a) School districts shall implement the increased instructional~~
28 ~~hours for the instructional program of basic education required under~~
29 ~~the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15~~
30 ~~school year, which enhancement is within the program of basic~~
31 ~~education.~~

32 ~~(b) Amounts provided in this section are sufficient to fund~~
33 ~~increased instructional hours in grades seven through twelve. For the~~
34 ~~2014-15 school year, the superintendent shall allocate funding to~~
35 ~~school districts for increased instructional hours. In calculating the~~
36 ~~allocations, the superintendent shall assume the following averages:~~

37 ~~(a) Additional instruction of 2.2222 hours per week per full-time~~

1 ~~equivalent student in grades seven through twelve in school year 2014-~~
2 ~~15; (b) the general education average class sizes specified in section~~
3 ~~502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional~~
4 ~~hours per teacher; and (e) the district's average staff mix and~~
5 ~~compensation rates as provided in sections 503 and 504 of this act.)~~

6 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
7 NECESSARY PLANTS

8 For small school districts and remote and necessary school plants
9 within any district which have been judged to be remote and necessary
10 by the superintendent of public instruction, additional staff units are
11 provided to ensure a minimum level of staffing support. Additional
12 administrative and certificated instructional staff units provided to
13 districts in this subsection shall be reduced by the general education
14 staff units, excluding career and technical education and skills center
15 enhancement units, otherwise provided in subsections (2) through (5) of
16 this section on a per district basis.

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

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

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

33 (b) For specified enrollments in districts enrolling more than
34 twenty-five but not more than one hundred average annual full-time
35 equivalent students in grades K-8, and for small school plants within
36 any school district which enroll more than twenty-five average annual
37 full-time equivalent students in grades K-8 and have been judged to be
38 remote and necessary by the superintendent of public instruction:

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

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

7 (c) For districts operating no more than two high schools with
8 enrollments of less than three hundred average annual full-time
9 equivalent students, for enrollment in grades 9-12 in each such school,
10 other than alternative schools, except as noted in this subsection:

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

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

23 (iii) Districts receiving staff units under this subsection shall
24 add students enrolled in a district alternative high school and any
25 grades nine through twelve alternative learning experience programs
26 with the small high school enrollment for calculations under this
27 subsection;

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

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

1 (f)(i) For enrollments generating certificated staff unit
2 allocations under (a) through (e) of this subsection, one classified
3 staff unit for each 2.94 certificated staff units allocated under such
4 subsections;

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

9 (g) School districts receiving additional staff units to support
10 small student enrollments and remote and necessary plants under this
11 subsection (12) shall generate additional MSOC allocations consistent
12 with the nonemployee related costs (NERC) allocation formula in place
13 for the 2010-11 school year as provided section 502, chapter 37, Laws
14 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for
15 inflation.

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

25 (15) The superintendent may distribute funding for the following
26 programs outside the basic education formula during fiscal years 2014
27 and 2015 as follows:

28 (a) \$605,000 of the general fund--state appropriation for fiscal
29 year 2014 and (~~(\$614,000)~~) \$613,000 of the general fund--state
30 appropriation for fiscal year 2015 are provided solely for fire
31 protection for school districts located in a fire protection district
32 as now or hereafter established pursuant to chapter 52.04 RCW.

33 (b) \$436,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$436,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for programs providing skills
36 training for secondary students who are enrolled in extended day
37 school-to-work programs, as approved by the superintendent of public

1 instruction. The funds shall be allocated at a rate not to exceed \$500
2 per full-time equivalent student enrolled in those programs.

3 (16) \$214,000 of the general fund--state appropriation for fiscal
4 year 2014 and (~~(\$217,000)~~) \$216,000 of the general fund--state
5 appropriation for fiscal year 2015 are provided solely for school
6 district emergencies as certified by the superintendent of public
7 instruction. At the close of the fiscal year the superintendent of
8 public instruction shall report to the office of financial management
9 and the appropriate fiscal committees of the legislature on the
10 allocations provided to districts and the nature of the emergency.

11 (17) Funding in this section is sufficient to fund a maximum of 1.6
12 FTE enrollment for skills center students pursuant to chapter 463, Laws
13 of 2007.

14 (18) Students participating in running start programs may be funded
15 up to a combined maximum enrollment of 1.2 FTE including school
16 district and institution of higher education enrollment. In
17 calculating the combined 1.2 FTE, the office of the superintendent of
18 public instruction may average the participating student's September
19 through June enrollment to account for differences in the start and end
20 dates for courses provided by the high school and higher education
21 institution. Additionally, the office of the superintendent of public
22 instruction, in consultation with the state board for community and
23 technical colleges, the student achievement council, and the education
24 data center, shall annually track and report to the fiscal committees
25 of the legislature on the combined FTE experience of students
26 participating in the running start program, including course load
27 analyses at both the high school and community and technical college
28 system.

29 (19) If two or more school districts consolidate and each district
30 was receiving additional basic education formula staff units pursuant
31 to subsection (12) of this section, the following apply:

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

36 (b) For the fourth through eighth school years following
37 consolidation, the difference between the basic education formula staff
38 units received by the districts for the school year prior to

1 consolidation and the basic education formula staff units after
2 consolidation pursuant to subsection (12) of this section shall be
3 reduced in increments of twenty percent per year.

4 (20)(a) Indirect cost charges by a school district to approved
5 career and technical education middle and secondary programs shall not
6 exceed 15 percent of the combined basic education and career and
7 technical education program enhancement allocations of state funds.
8 Middle and secondary career and technical education programs are
9 considered separate programs for funding and financial reporting
10 purposes under this section.

11 (b) Career and technical education program full-time equivalent
12 enrollment shall be reported on the same monthly basis as the
13 enrollment for students eligible for basic support, and payments shall
14 be adjusted for reported career and technical education program
15 enrollments on the same monthly basis as those adjustments for
16 enrollment for students eligible for basic support.

17 (21) Appropriations in this section are sufficient for the office
18 of the superintendent of public instruction to implement House Bill No.
19 2207 (basic education funding).

20 **Sec. 503.** 2013 2nd sp.s. c 4 s 503 (uncodified) is amended to read
21 as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**
23 **COMPENSATION**

24 (1) The following calculations determine the salaries used in the
25 state allocations for certificated instructional, certificated
26 administrative, and classified staff units as provided in RCW
27 28A.150.280 and under section 502 of this act:

28 (a) Salary allocations for certificated instructional staff units
29 are determined for each district by multiplying the district's
30 certificated instructional total base salary shown on LEAP Document 2
31 by the district's average staff mix factor for certificated
32 instructional staff in that school year, computed using LEAP document
33 1; and

34 (b) Salary allocations for certificated administrative staff units
35 and classified staff units for each district are determined based on
36 the district's certificated administrative and classified salary
37 allocation amounts shown on LEAP Document 2.

1 (2) For the purposes of this section:

2 (a) "LEAP Document 1" means the staff mix factors for certificated
3 instructional staff according to education and years of experience, as
4 developed by the legislative evaluation and accountability program
5 committee on (~~(June 1, 2013 at 08:06 hours)~~) February 23, 2014, at 9:06
6 hours; and

7 (b) "LEAP Document 2" means the school year salary allocations for
8 certificated administrative staff and classified staff and derived and
9 total base salaries for certificated instructional staff as developed
10 by the legislative evaluation and accountability program committee on
11 (~~(June 1, 2013 at 01:29 hours)~~) February 23, 2014, at 12:29 hours.

12 (3) Incremental fringe benefit factors are applied to salary
13 adjustments at a rate of 18.04 percent for school year 2013-14 and
14 18.04 percent for school year 2014-15 for certificated instructional
15 and certificated administrative staff and 17.45 percent for school year
16 2013-14 and 17.45 percent for the 2014-15 school year for classified
17 staff.

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

21
22 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14

23 *** Education Experience ***

24	Years									
25	of									
26	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90
27	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
28	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
29	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
30	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
31	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
32	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
33	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
34	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
35	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228

1	9	41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
2	10		43,635	45,247	48,524	50,913	48,724	52,003	54,390
3	11			46,772	50,121	52,557	50,249	53,599	56,034
4	12			48,249	51,761	54,269	51,835	55,238	57,748
5	13				53,440	56,024	53,476	56,918	59,501
6	14				55,128	57,844	55,165	58,716	61,322
7	15				56,563	59,349	56,599	60,242	62,917
8	16 or				57,693	60,535	57,731	61,447	64,174
9	more								
10									
11									

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15

*** Education Experience ***

14	((Years									MA+90
15	of									OR
16	Service	—BA	BA+15	BA+30	BA+45	BA+90	BA+135	—MA	MA+45	Ph.D.
17	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
18	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
19	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
20	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
21	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
22	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
23	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
24	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
25	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
26	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
27	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
28	11				46,772	50,121	52,557	50,249	53,599	56,034
29	12				48,249	51,761	54,269	51,835	55,238	57,748
30	13					53,440	56,024	53,476	56,918	59,501
31	14					55,128	57,844	55,165	58,716	61,322
32	15					56,563	59,349	56,599	60,242	62,917
33	16 or					57,693	60,535	57,731	61,447	64,174
34	more									

1										
2	<u>Years</u>									<u>MA+90</u>
3	<u>of</u>									<u>OR</u>
4	<u>Service</u>	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>Ph.D.</u>
5	<u>0</u>	<u>34,457</u>	<u>35,388</u>	<u>36,352</u>	<u>37,318</u>	<u>40,419</u>	<u>42,416</u>	<u>41,311</u>	<u>44,412</u>	<u>46,411</u>
6	<u>1</u>	<u>34,921</u>	<u>35,864</u>	<u>36,841</u>	<u>37,850</u>	<u>40,983</u>	<u>42,969</u>	<u>41,770</u>	<u>44,903</u>	<u>46,889</u>
7	<u>2</u>	<u>35,363</u>	<u>36,315</u>	<u>37,302</u>	<u>38,389</u>	<u>41,513</u>	<u>43,520</u>	<u>42,233</u>	<u>45,356</u>	<u>47,364</u>
8	<u>3</u>	<u>35,818</u>	<u>36,780</u>	<u>37,777</u>	<u>38,899</u>	<u>42,017</u>	<u>44,072</u>	<u>42,671</u>	<u>45,787</u>	<u>47,844</u>
9	<u>4</u>	<u>36,265</u>	<u>37,269</u>	<u>38,272</u>	<u>39,432</u>	<u>42,569</u>	<u>44,639</u>	<u>43,130</u>	<u>46,267</u>	<u>48,338</u>
10	<u>5</u>	<u>36,726</u>	<u>37,735</u>	<u>38,748</u>	<u>39,973</u>	<u>43,098</u>	<u>45,210</u>	<u>43,597</u>	<u>46,723</u>	<u>48,835</u>
11	<u>6</u>	<u>37,200</u>	<u>38,187</u>	<u>39,235</u>	<u>40,520</u>	<u>43,630</u>	<u>45,754</u>	<u>44,076</u>	<u>47,186</u>	<u>49,308</u>
12	<u>7</u>	<u>38,033</u>	<u>39,035</u>	<u>40,097</u>	<u>41,452</u>	<u>44,608</u>	<u>46,790</u>	<u>44,972</u>	<u>48,127</u>	<u>50,310</u>
13	<u>8</u>	<u>39,253</u>	<u>40,309</u>	<u>41,396</u>	<u>42,864</u>	<u>46,062</u>	<u>48,325</u>	<u>46,383</u>	<u>49,582</u>	<u>51,843</u>
14	<u>9</u>		<u>41,629</u>	<u>42,770</u>	<u>44,290</u>	<u>47,564</u>	<u>49,903</u>	<u>47,808</u>	<u>51,084</u>	<u>53,422</u>
15	<u>10</u>			<u>44,159</u>	<u>45,790</u>	<u>49,107</u>	<u>51,524</u>	<u>49,309</u>	<u>52,627</u>	<u>55,043</u>
16	<u>11</u>				<u>47,334</u>	<u>50,723</u>	<u>53,189</u>	<u>50,853</u>	<u>54,243</u>	<u>56,707</u>
17	<u>12</u>				<u>48,828</u>	<u>52,383</u>	<u>54,921</u>	<u>52,457</u>	<u>55,902</u>	<u>58,441</u>
18	<u>13</u>					<u>54,082</u>	<u>56,697</u>	<u>54,118</u>	<u>57,601</u>	<u>60,216</u>
19	<u>14</u>					<u>55,790</u>	<u>58,539</u>	<u>55,828</u>	<u>59,421</u>	<u>62,059</u>
20	<u>15</u>					<u>57,242</u>	<u>60,062</u>	<u>57,279</u>	<u>60,966</u>	<u>63,672</u>
21	<u>16 or</u>					<u>58,386</u>	<u>61,262</u>	<u>58,424</u>	<u>62,185</u>	<u>64,945</u>
22	<u>more</u>									

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

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

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

33 (5) For the purposes of this section:

- 34 (a) "BA" means a baccalaureate degree.
- 35 (b) "MA" means a masters degree.

1 (c) "PHD" means a doctorate degree.

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

4 (e) "Credits" means college quarter hour credits and equivalent in-
5 service credits computed in accordance with RCW 28A.415.020 and
6 28A.415.023.

7 (6) No more than ninety college quarter-hour credits received by
8 any employee after the baccalaureate degree may be used to determine
9 compensation allocations under the state salary allocation schedule and
10 LEAP documents referenced in this part V, or any replacement schedules
11 and documents, unless:

12 (a) The employee has a masters degree; or

13 (b) The credits were used in generating state salary allocations
14 before January 1, 1992.

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

17 **Sec. 504.** 2013 2nd sp.s. c 4 s 504 (uncodified) is amended to read
18 as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
20 **COMPENSATION ADJUSTMENTS**

21 Education Legacy Trust Account--State Appropriation \$51,157,000

22 The appropriation in this section is subject to the following
23 conditions and limitations:

24 (1)(a) A cost-of-living adjustment of 1.2 percent effective
25 September 1, 2014, in accordance with Initiative Measure No. 732.

26 (b) Additional salary adjustments as necessary to fund the base
27 salaries for certificated instructional staff as listed for each
28 district in LEAP Document 2, defined in section 503(2)(b) of this act.
29 Allocations for these salary adjustments shall be provided to all
30 districts that are not grandfathered to receive salary allocations
31 above the statewide salary allocation schedule, and to certain
32 grandfathered districts to the extent necessary to ensure that salary
33 allocations for districts that are currently grandfathered do not fall
34 below the statewide salary allocation schedule.

35 ((+b)) (c) Additional salary adjustments to certain districts as
36 necessary to fund the per full-time-equivalent salary allocations for

1 certificated administrative staff as listed for each district in LEAP
2 Document 2, defined in section 503(2)(b) of this act.

3 ~~((+e))~~ (d) Additional salary adjustments to certain districts as
4 necessary to fund the per full-time-equivalent salary allocations for
5 classified staff as listed for each district in LEAP Document 2,
6 defined in section 503(2)(b) of this act.

7 ~~((+d))~~ (e) The appropriations in this subsection (1) include
8 associated incremental fringe benefit allocations at 18.04 percent for
9 the 2013-14 school year and 18.04 percent for the 2014-15 school year
10 for certificated instructional and certificated administrative staff
11 and 17.45 percent for the 2013-14 school year and 17.45 percent for the
12 2014-15 school year for classified staff.

13 ~~((+e))~~ (f) The appropriations in this section include the
14 increased or decreased portion of salaries and incremental fringe
15 benefits for all relevant state-funded school programs in part V of
16 this act. Changes for general apportionment (basic education) are
17 based on the salary allocation schedules and methodology in sections
18 502 and 503 of this act. Changes for special education result from
19 changes in each district's basic education allocation per student.
20 Changes for educational service districts and institutional education
21 programs are determined by the superintendent of public instruction
22 using the methodology for general apportionment salaries and benefits
23 in sections 502 and 503 of this act.

24 ~~((+f))~~ (g) The appropriations in this section include no salary
25 adjustments for substitute teachers.

26 (2) The maintenance rate for insurance benefit allocations is
27 \$768.00 per month for the 2013-14 and 2014-15 school years. The
28 appropriations in this section reflect the incremental change in cost
29 of allocating rates of \$768.00 per month for the 2013-14 school year
30 and \$768.00 per month for the 2014-15 school year.

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

33 **Sec. 505.** 2013 2nd sp.s. c 4 s 505 (uncodified) is amended to read
34 as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**
36 General Fund--State Appropriation (FY 2014) (~~(\$365,120,000)~~)
37 \$365,048,000

1	General Fund--State Appropriation (FY 2015)	((<u>\$427,408,000</u>))
2		<u>\$429,312,000</u>
3	TOTAL APPROPRIATION	((<u>\$792,528,000</u>))
4		<u>\$794,360,000</u>

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

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

10 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
11 shall allocate funding to school district programs for the
12 transportation of eligible students as provided in RCW 28A.160.192.
13 Funding in this section for school year 2014-15 constitutes full
14 implementation of RCW 28A.160.192, which enhancement is within the
15 program of basic education. Students are considered eligible only if
16 meeting the definitions provided in RCW 28A.160.160.

17 (b) For the 2014-15 school year, the superintendent shall allocate
18 funding for approved and operating charter schools as provided in RCW
19 28A.710.220(3). Per-student allocations for pupil transportation must
20 be calculated using the allocation for the previous school year to the
21 school district in which the charter school is located and the total
22 number of students in the district, and must be distributed to the
23 charter school based on the total number of students enrolled.

24 ((b)) (c) From July 1, 2013 to August 31, 2013, the
25 superintendent shall allocate funding to school districts programs for
26 the transportation of students as provided in section 505, chapter 50,
27 Laws of 2011 1st sp. sess., as amended.

28 (3) \$558,000 of the general fund--state appropriation for fiscal
29 year 2015 is provided solely for pupil transportation expected cost
30 funding formula adjustments as provided under this subsection. School
31 districts whose efficiency rating is at least ninety-five percent and
32 whose actual prior year costs exceed the expected cost allocations
33 provided through the pupil transportation funding formula due to
34 exceptional circumstances may apply to the superintendent of public
35 instruction to receive a supplemental funding adjustments for a one-
36 year period to offset the excess costs in whole or in part. The
37 superintendent shall adopt criteria for review of applications, which
38 may include exceptional issues related to geography, student

1 demographics, or other one-time circumstances that are not otherwise
2 addressed in the expected cost model. Differences in costs related to
3 district philosophy, service delivery choice, or accounting practices
4 are not a legitimate basis for transportation adjustments. School
5 districts that receive adjustments under this subsection are not
6 guaranteed adjustments in future years and must reapply. Adjustments
7 may not exceed the total appropriation provided in this subsection for
8 fiscal year 2015.

9 ((+3)) (4) A maximum of \$892,000 of this fiscal year 2014
10 appropriation and a maximum of \$892,000 of the fiscal year 2015
11 appropriation may be expended for regional transportation coordinators
12 and related activities. The transportation coordinators shall ensure
13 that data submitted by school districts for state transportation
14 funding shall, to the greatest extent practical, reflect the actual
15 transportation activity of each district.

16 ((+4)) (5) The office of the superintendent of public instruction
17 shall provide reimbursement funding to a school district for school bus
18 purchases only after the superintendent of public instruction
19 determines that the school bus was purchased from the list established
20 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
21 based on the lowest price quote based on similar bus categories to
22 those used to establish the list pursuant to RCW 28A.160.195.

23 ((+5)) (6) The superintendent of public instruction shall base
24 depreciation payments for school district buses on the pre-sales tax
25 five-year average of lowest bids in the appropriate category of bus.
26 In the final year on the depreciation schedule, the depreciation
27 payment shall be based on the lowest bid in the appropriate bus
28 category for that school year.

29 ((+6)) (7) Funding levels in this section reflect waivers granted
30 by the state board of education for four-day school weeks as allowed
31 under RCW 28A.305.141.

32 ((+7)) (8) The office of the superintendent of public instruction
33 shall annually disburse payments for bus depreciation in August.

34 **Sec. 506.** 2013 2nd sp.s. c 4 s 506 (uncodified) is amended to read
35 as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**

1 **PROGRAMS**

2	General Fund--State Appropriation (FY 2014)	\$7,111,000
3	General Fund--State Appropriation (FY 2015)	\$7,111,000
4	General Fund--Federal Appropriation	(((\$473,326,000))
5		<u>\$501,326,000</u>
6	TOTAL APPROPRIATION	(((\$487,548,000))
7		<u>\$515,548,000</u>

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

10 (1) \$7,111,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$7,111,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for state matching money for
13 federal child nutrition programs, and may support the meals for kids
14 program through the following allowable uses:

15 (a) Elimination of breakfast copays for eligible public school
16 students and lunch copays for eligible public school students in grades
17 kindergarten through third grade who are eligible for reduced price
18 lunch;

19 (b) Assistance to school districts and authorized public and
20 private nonprofit organizations for supporting summer food service
21 programs, and initiating new summer food service programs in low-income
22 areas;

23 (c) Reimbursements to school districts for school breakfasts served
24 to students eligible for free and reduced price lunch, pursuant to
25 chapter 287, Laws of 2005; and

26 (d) Assistance to school districts in initiating and expanding
27 school breakfast programs.

28 The office of the superintendent of public instruction shall report
29 annually to the fiscal committees of the legislature on annual
30 expenditures in (a), (b), and (c) of this subsection.

31 **Sec. 507.** 2013 2nd sp.s. c 4 s 507 (uncodified) is amended to read
32 as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
34 **PROGRAMS**

35	General Fund--State Appropriation (FY 2014)	(((\$702,149,000))
36		<u>\$693,894,000</u>
37	General Fund--State Appropriation (FY 2015)	(((\$738,043,000))

1		<u>\$732,373,000</u>
2	General Fund--Federal Appropriation	((\$462,022,000))
3		<u>\$476,122,000</u>
4	Education Legacy Trust Account--State Appropriation . .	((\$46,151,000))
5		<u>\$56,122,000</u>
6	TOTAL APPROPRIATION	((\$1,948,365,000))
7		<u>\$1,958,511,000</u>

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

10 (1) Funding for special education programs is provided on an excess
11 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
12 that special education students as a class receive their full share of
13 the general apportionment allocation accruing through sections 502 and
14 504 of this act. To the extent a school district cannot provide an
15 appropriate education for special education students under chapter
16 28A.155 RCW through the general apportionment allocation, it shall
17 provide services through the special education excess cost allocation
18 funded in this section.

19 (2)(a) The superintendent of public instruction shall ensure that:
20 (i) Special education students are basic education students first;
21 (ii) As a class, special education students are entitled to the
22 full basic education allocation; and
23 (iii) Special education students are basic education students for
24 the entire school day.

25 (b) The superintendent of public instruction shall continue to
26 implement the full cost method of excess cost accounting, as designed
27 by the committee and recommended by the superintendent, pursuant to
28 section 501(1)(k), chapter 372, Laws of 2006.

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

32 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent
33 shall allocate funding to school district programs for special
34 education students as provided in RCW 28A.150.390, except that the
35 calculation of the base allocation also includes allocations (~~for~~
36 ~~increased instructional hours for grades seven through twelve as~~)
37 provided under section 502(~~(12)(b), which enhancement is~~) for parent
38 involvement coordinators in prototypical elementary schools as provided

1 under section 502(4); and guidance counselors in prototypical middle
2 and high schools as provided under section 502(2)(a), which
3 enhancements are within the program of basic education.

4 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
5 allocate funding to school district programs for special education
6 students as provided in section 507, chapter 50, Laws of 2011 1st sp.
7 sess., as amended.

8 (5) The following applies throughout this section: The definitions
9 for enrollment and enrollment percent are as specified in RCW
10 28A.150.390(3). Each district's general fund--state funded special
11 education enrollment shall be the lesser of the district's actual
12 enrollment percent or 12.7 percent.

13 (6) At the request of any interdistrict cooperative of at least 15
14 districts in which all excess cost services for special education
15 students of the districts are provided by the cooperative, the maximum
16 enrollment percent shall be calculated in accordance with RCW
17 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
18 rather than individual district units. For purposes of this
19 subsection, the average basic education allocation per full-time
20 equivalent student shall be calculated in the aggregate rather than
21 individual district units.

22 (7) (~~(\$22,263,000)~~) \$17,578,000 of the general fund--state
23 appropriation for fiscal year 2014, (~~(\$34,392,000)~~) \$29,948,000 of the
24 general fund--state appropriation for fiscal year 2015, and \$29,574,000
25 of the general fund--federal appropriation are provided solely for
26 safety net awards for districts with demonstrated needs for special
27 education funding beyond the amounts provided in subsection (4) of this
28 section. If the federal safety net awards based on the federal
29 eligibility threshold exceed the federal appropriation in this
30 subsection (7) in any fiscal year, the superintendent shall expend all
31 available federal discretionary funds necessary to meet this need. At
32 the conclusion of each school year, the superintendent shall recover
33 safety net funds that were distributed prospectively but for which
34 districts were not subsequently eligible.

35 (a) For the 2013-14 and 2014-15 school years, safety net funds
36 shall be awarded by the state safety net oversight committee as
37 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

1 (b) The office of the superintendent of public instruction shall
2 make award determinations for state safety net funding in August of
3 each school year. Determinations on school district eligibility for
4 state safety net awards shall be based on analysis of actual
5 expenditure data from the current school year.

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

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

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

21 (11) \$252,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$252,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for two additional full-time
24 equivalent staff to support the work of the safety net committee and to
25 provide training and support to districts applying for safety net
26 awards.

27 (12) \$50,000 of the general fund--state appropriation for fiscal
28 year 2014(~~(, \$50,000 of the general fund--state appropriation for~~
29 ~~fiscal year 2015,)) and ((~~\$100,000~~)) \$50,000 of the general fund--
30 federal appropriation shall be expended to support a special education
31 ombudsman program within the office of superintendent of public
32 instruction.~~

33 (13) Beginning in fiscal year 2015, the superintendent of public
34 instruction must enter into an interagency agreement with the office of
35 the education ombuds to provide special education ombuds services. Up
36 to \$50,000 of the general fund--federal appropriation may be used for
37 this purpose.

1 based on the institution's annual average full-time equivalent student
2 enrollment. Staffing ratios for each category of institution shall
3 remain the same as those funded in the 1995-97 biennium.

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

7 (5) (~~(\$1,070,000)~~) \$569,000 of the general fund--state
8 appropriation for fiscal year 2014 and (~~(\$1,070,000)~~) \$569,000 of the
9 general fund--state appropriation for fiscal year 2015 are provided
10 solely to maintain at least one certificated instructional staff and
11 related support services at an institution whenever the K-12 enrollment
12 is not sufficient to support one full-time equivalent certificated
13 instructional staff to furnish the educational program. The following
14 types of institutions are included: Residential programs under the
15 department of social and health services for developmentally disabled
16 juveniles, programs for juveniles under the department of corrections,
17 programs for juveniles under the juvenile rehabilitation
18 administration, and programs for juveniles operated by city and county
19 jails.

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

22 **Sec. 511.** 2013 2nd sp.s. c 4 s 511 (uncodified) is amended to read
23 as follows:

24 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

25	General Fund--State Appropriation (FY 2014)	((\$9,555,000))
26		<u>\$9,539,000</u>
27	General Fund--State Appropriation (FY 2015)	((\$9,677,000))
28		<u>\$9,685,000</u>
29	TOTAL APPROPRIATION	((\$19,232,000))
30		<u>\$19,224,000</u>

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

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

36 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
37 shall allocate funding to school district programs for highly capable

1 students as provided in RCW 28A.150.260(10)(c). In calculating the
 2 allocations, the superintendent shall assume the following: (i)
 3 Additional instruction of 2.1590 hours per week per funded highly
 4 capable program student; (ii) fifteen highly capable program students
 5 per teacher; (iii) 36 instructional weeks per year; (iv) 900
 6 instructional hours per teacher; and (v) the district's average staff
 7 mix and compensation rates as provided in sections 503 and 504 of this
 8 act.

9 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
 10 allocate funding to school districts programs for highly capable
 11 students as provided in section 511, chapter 50, Laws of 2011 1st sp.
 12 sess., as amended.

13 (3) \$85,000 of the general fund--state appropriation for fiscal
 14 year 2014 and \$85,000 of the general fund--state appropriation for
 15 fiscal year 2015 are provided solely for the centrum program at Fort
 16 Worden state park.

17 **Sec. 512.** 2013 2nd sp.s. c 4 s 512 (uncodified) is amended to read
 18 as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS--NO**
 20 **CHILD LEFT BEHIND ACT**

21 General Fund--Federal Appropriation	((\$4,052,000))
22	<u>\$4,302,000</u>

23 **Sec. 513.** 2013 2nd sp.s. c 4 s 513 (uncodified) is amended to read
 24 as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
 26 **PROGRAMS**

27 General Fund--State Appropriation (FY 2014)	((\$121,840,000))
28	<u>\$114,798,000</u>
29 General Fund--State Appropriation (FY 2015)	((\$104,524,000))
30	<u>\$101,692,000</u>
31 General Fund--Federal Appropriation	((\$206,234,000))
32	<u>\$217,834,000</u>
33 General Fund--Private/Local Appropriation	\$4,002,000
34 Education Legacy Trust Account--State Appropriation	\$1,599,000
35 TOTAL APPROPRIATION	((\$438,199,000))
36	<u>\$439,925,000</u>

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

3 (1)(a) (~~(\$44,575,000)~~) \$38,031,000 of the general fund--state
4 appropriation for fiscal year 2014, (~~(\$27,134,000)~~) \$23,131,000 of the
5 general fund--state appropriation for fiscal year 2015, \$1,350,000 of
6 the education legacy trust account--state appropriation, and
7 \$15,868,000 of the general fund--federal appropriation are provided
8 solely for development and implementation of the Washington state
9 assessment system, including: (i) Development and implementation of
10 retake assessments for high school students who are not successful in
11 one or more content areas and (ii) development and implementation of
12 alternative assessments or appeals procedures to implement the
13 certificate of academic achievement. The superintendent of public
14 instruction shall report quarterly on the progress on development and
15 implementation of alternative assessments or appeals procedures.
16 Within these amounts, the superintendent of public instruction shall
17 contract for the early return of 10th grade student assessment results,
18 on or around June 10th of each year. State funding to districts shall
19 be limited to one collection of evidence payment per student, per
20 content-area assessment.

21 (b) The superintendent of public instruction shall modify the
22 statewide student assessment system and implement assessments developed
23 with a multistate consortium beginning in the 2014-15 school year to
24 assess student proficiency on the standards adopted under RCW
25 28A.655.071 and including the provisions of House Bill No. 1450.

26 (2) \$356,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$356,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the Washington state
29 leadership and assistance for science education reform (LASER) regional
30 partnership activities coordinated at the Pacific science center,
31 including instructional material purchases, teacher and principal
32 professional development, and school and community engagement events.

33 (3) \$5,851,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$3,935,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for implementation of a new
36 performance-based evaluation for certificated educators and other
37 activities as provided in chapter 235, Laws of 2010 (education reform)
38 and chapter 35, Laws of 2012 (certificated employee evaluations).

1 (4)(a) (~~(\$45,263,000)~~) \$44,879,000 of the general fund--state
2 appropriation for fiscal year 2014 and (~~(\$49,673,000)~~) \$48,746,000 of
3 the general fund--state appropriation for fiscal year 2015 are provided
4 solely for the following bonuses for teachers who hold valid, unexpired
5 certification from the national board for professional teaching
6 standards and who are teaching in a Washington public school, subject
7 to the following conditions and limitations:

8 (i) For national board certified teachers, a bonus of \$5,090 per
9 teacher in the 2013-14 and 2014-15 school years;

10 (ii) An additional \$5,000 annual bonus shall be paid to national
11 board certified teachers who teach in either: (A) High schools where
12 at least 50 percent of student headcount enrollment is eligible for
13 federal free or reduced price lunch, (B) middle schools where at least
14 60 percent of student headcount enrollment is eligible for federal free
15 or reduced price lunch, or (C) elementary schools where at least 70
16 percent of student headcount enrollment is eligible for federal free or
17 reduced price lunch;

18 (iii) The superintendent of public instruction shall adopt rules to
19 ensure that national board certified teachers meet the qualifications
20 for bonuses under (a)(ii) of this subsection for less than one full
21 school year receive bonuses in a pro-rated manner. All bonuses in
22 (a)(i) and (ii) of this subsection will be paid in July of each school
23 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced
24 by a factor of 40 percent for first year NBPTS certified teachers, to
25 reflect the portion of the instructional school year they are
26 certified; and

27 (iv) During the 2013-14 and 2014-15 school years, and within
28 available funds, certificated instructional staff who have met the
29 eligibility requirements and have applied for certification from the
30 national board for professional teaching standards may receive a
31 conditional loan of two thousand dollars or the amount set by the
32 office of the superintendent of public instruction to contribute toward
33 the current assessment fee, not including the initial up-front
34 candidacy payment. The fee shall be an advance on the first annual
35 bonus under RCW 28A.405.415. The conditional loan is provided in
36 addition to compensation received under a district's salary schedule
37 and shall not be included in calculations of a district's average
38 salary and associated salary limitation under RCW 28A.400.200.

1 Recipients who fail to receive certification after three years are
2 required to repay the conditional loan. The office of the
3 superintendent of public instruction shall adopt rules to define the
4 terms for initial grant of the assessment fee and repayment, including
5 applicable fees. To the extent necessary, the superintendent may use
6 revenues from the repayment of conditional loan scholarships to ensure
7 payment of all national board bonus payments required by this section
8 in each school year.

9 (5) \$477,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$477,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the leadership internship
12 program for superintendents, principals, and program administrators.

13 (6) \$950,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$950,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the Washington reading corps.
16 The superintendent shall allocate reading corps members to low-
17 performing schools and school districts that are implementing
18 comprehensive, proven, research-based reading programs. Two or more
19 schools may combine their Washington reading corps programs.

20 (7) \$810,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$810,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the development of a
23 leadership academy for school principals and administrators. The
24 superintendent of public instruction shall contract with an independent
25 organization to operate a state-of-the-art education leadership academy
26 that will be accessible throughout the state. Semiannually the
27 independent organization shall report on amounts committed by
28 foundations and others to support the development and implementation of
29 this program. Leadership academy partners shall include the state
30 level organizations for school administrators and principals, the
31 superintendent of public instruction, the professional educator
32 standards board, and others as the independent organization shall
33 identify.

34 (8) \$2,000,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$2,000,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for a statewide information
37 technology (IT) academy program. This public-private partnership will

1 provide educational software, as well as IT certification and software
2 training opportunities for students and staff in public schools.

3 (9) \$1,277,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,277,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for secondary career and technical
6 education grants pursuant to chapter 170, Laws of 2008. If equally
7 matched by private donations, \$300,000 of the 2014 appropriation and
8 \$300,000 of the 2015 appropriation shall be used to support FIRST
9 robotics programs. Of the amounts in this subsection, \$100,000 of the
10 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015
11 appropriation are provided solely for the purpose of statewide
12 supervision activities for career and technical education student
13 leadership organizations.

14 (10) \$125,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$125,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for (a) staff at the office of the
17 superintendent of public instruction to coordinate and promote efforts
18 to develop integrated math, science, technology, and engineering
19 programs in schools and districts across the state; and (b) grants of
20 \$2,500 to provide twenty middle and high school teachers each year with
21 professional development training for implementing integrated math,
22 science, technology, and engineering programs in their schools.

23 (11) \$135,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$135,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for science, technology,
26 engineering and mathematics lighthouse projects, consistent with
27 chapter 238, Laws of 2010.

28 (12) \$1,000,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$1,000,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for a beginning educator support
31 program. School districts and/or regional consortia may apply for
32 grant funding. The superintendent shall implement this program in 5 to
33 15 school districts and/or regional consortia. The program provided by
34 a district and/or regional consortia shall include: A paid
35 orientation; assignment of a qualified mentor; development of a
36 professional growth plan for each beginning teacher aligned with
37 professional certification; release time for mentors and new teachers

1 to work together; and teacher observation time with accomplished peers.
2 \$250,000 may be used to provide statewide professional development
3 opportunities for mentors and beginning educators.

4 (13) \$250,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$250,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for advanced project lead the way
7 courses at ten high schools. To be eligible for funding in 2014, a
8 high school must have offered a foundational project lead the way
9 course during the 2012-13 school year. The 2014 funding must be used
10 for one-time start-up course costs for an advanced project lead the way
11 course, to be offered to students beginning in the 2013-14 school year.
12 To be eligible for funding in 2015, a high school must have offered a
13 foundational project lead the way course during the 2013-14 school
14 year. The 2015 funding must be used for one-time start-up course costs
15 for an advanced project lead the way course, to be offered to students
16 beginning in the 2014-15 school year. The office of the superintendent
17 of public instruction and the education research and data center at the
18 office of financial management shall track student participation and
19 long-term outcome data.

20 (14) \$300,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$300,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for annual start-up grants for
23 aerospace and manufacturing technical programs housed at four skill
24 centers. The grants are provided for start-up equipment and curriculum
25 purchases. To be eligible for funding, the skill center must agree to
26 provide regional high schools with access to a technology laboratory,
27 expand manufacturing certificate and course offerings at the skill
28 center, and provide a laboratory space for local high school teachers
29 to engage in professional development in the instruction of courses
30 leading to student employment certification in the aerospace and
31 manufacturing industries. Once a skill center receives a start-up
32 grant, it is ineligible for additional start-up funding in the
33 following school year. The office of the superintendent of public
34 instruction shall administer the grants in consultation with the center
35 for excellence for aerospace and advanced materials manufacturing.

36 (15) \$150,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$150,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for annual start-up grants to six

1 high schools to implement the aerospace assembler program.
2 Participating high schools must agree to offer the aerospace assembler
3 training program to students by spring semester of school year 2013-14.
4 Once a high school receives a start-up grant, it is ineligible for
5 additional start-up funding in the following school year. The office
6 of the superintendent of public instruction and the education research
7 and data center at the office of financial management shall track
8 student participation and long-term outcome data.

9 (16) \$10,000,000 of the general fund--state appropriation for
10 fiscal year 2014 and (~~(\$5,000,000)~~) \$5,027,000 of the general fund--
11 state appropriation for fiscal year 2015 are provided solely for the
12 provision of training for teachers in the performance-based teacher
13 principal evaluation program. Of the amounts appropriated in this
14 subsection, \$5,000,000 for fiscal year 2014 is a one-time
15 appropriation, and \$27,000 for fiscal year 2015 is a one-time
16 appropriation provided solely for the office of the superintendent of
17 public instruction to include foundational elements of cultural
18 competence that are aligned with standards developed by the
19 professional educator standards board within the content of the
20 training.

21 (17) \$3,600,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$6,681,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the implementation of
24 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing
25 schools). If the bill is not enacted by June 30, 2013, the amounts
26 provided in this subsection shall lapse.

27 (18) \$100,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$100,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely to promote the financial literacy
30 of students. The effort will be coordinated through the financial
31 literacy public-private partnership.

32 (19) \$109,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$99,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for the office of the
35 superintendent of public instruction to implement a youth dropout
36 prevention program that incorporates partnerships between community-
37 based organizations, schools, food banks and farms or gardens. The
38 office of the superintendent of public instruction shall select one

1 school district that must partner with an organization that is
2 operating an existing similar program and that also has the ability to
3 serve at least 40 students. Of the amount appropriated in this
4 subsection, up to \$10,000 may be used by the office of the
5 superintendent of public instruction for administration of the program.

6 (20) (~~(\$2,399,000)~~) \$2,285,000 of the general fund--state
7 appropriation for fiscal year 2014 and (~~(\$2,035,000)~~) \$1,912,000 of the
8 general fund--state appropriation for fiscal year 2015 are provided
9 solely to implement Engrossed Substitute Senate Bill No. 5946
10 (strengthening student educational outcomes). If the bill is not
11 enacted by June 30, 2013, the amounts provided in this subsection shall
12 lapse.

13 (21) \$1,110,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$1,061,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for chapter 184, Laws of 2013
16 (Second Substitute House Bill No. 1642) (academic acceleration). Of
17 the amount appropriated in this section, forty-nine thousand is
18 provided as one-time funding.

19 (22) \$200,000 of the general fund--state appropriation for fiscal
20 year 2015 is provided solely for implementation of House Bill No. 2553
21 (lowest-achieving schools). If the bill is not enacted by June 30,
22 2014, the amount provided in this subsection shall lapse.

23 (23) \$1,994,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely for grants to school districts to provide
25 a continuum of care for children and families to help children become
26 ready to learn. Grant proposals from school districts shall contain
27 local plans designed collaboratively with community service providers.
28 If a continuum of care program exists in the area in which the school
29 district is located, the local plan shall provide for coordination with
30 existing programs to the greatest extent possible. Grant funds shall
31 be allocated pursuant to RCW 70.190.040.

32 **Sec. 514.** 2013 2nd sp.s. c 4 s 514 (uncodified) is amended to read
33 as follows:

34 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
35 **BILINGUAL PROGRAMS**

36 General Fund--State Appropriation (FY 2014) (~~(\$95,500,000)~~)
37 \$97,796,000

1	General Fund--State Appropriation (FY 2015)	((\$106,120,000))
2		<u>\$110,084,000</u>
3	General Fund--Federal Appropriation	((\$71,016,000))
4		<u>\$72,116,000</u>
5	TOTAL APPROPRIATION	((\$272,636,000))
6		<u>\$279,996,000</u>

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

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

12 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
13 shall allocate funding to school districts for transitional bilingual
14 programs under RCW 28A.180.010 through 28A.180.080, including programs
15 for exited students, as provided in RCW 28A.150.260(10)(b) and the
16 provisions of this section. In calculating the allocations, the
17 superintendent shall assume the following averages: (i) Additional
18 instruction of 4.7780 hours per week per transitional bilingual program
19 student in grades kindergarten through twelve in school years 2013-14
20 and 2014-15; (ii) additional instruction of 3.0000 hours per week in
21 school year 2013-14 for the head count number of students who have
22 exited the transitional bilingual instruction program within the
23 previous school year based on their performance on the English
24 proficiency assessment; (iii) additional instruction of 3.0000 hours
25 per week in school year 2014-15 for the head count number of students
26 who have exited the transitional bilingual instruction program within
27 the previous two years based on their performance on the English
28 proficiency assessment; (iv) fifteen transitional bilingual program
29 students per teacher; (v) 36 instructional weeks per year; (vi) 900
30 instructional hours per teacher; and (vii) the district's average staff
31 mix and compensation rates as provided in sections 503 and 504 of this
32 act.

33 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
34 allocate funding to school districts for transitional bilingual
35 instruction programs as provided in section 514, chapter 50, Laws of
36 2011 1st sp. sess., as amended.

37 (3) The superintendent may withhold allocations to school districts
38 in subsection (2) of this section solely for the central provision of

1 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
2 following amounts: (~~1.76~~) 1.70 percent for school year 2013-14 and
3 (~~1.59~~) 1.53 percent for school year 2014-15.

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

8 (5) \$35,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$35,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely to track current and former
11 transitional bilingual program students.

12 **Sec. 515.** 2013 2nd sp.s. c 4 s 515 (uncodified) is amended to read
13 as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
15 **ASSISTANCE PROGRAM**

16	General Fund--State Appropriation (FY 2014)	((\$196,356,000))
17		<u>\$194,728,000</u>
18	General Fund--State Appropriation (FY 2015)	((\$218,335,000))
19		<u>\$214,877,000</u>
20	General Fund--Federal Appropriation	((\$448,434,000))
21		<u>\$450,534,000</u>
22	TOTAL APPROPRIATION	((\$863,125,000))
23		<u>\$860,139,000</u>

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

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

28 (a) The appropriations include such funds as are necessary to
29 complete the school year ending in the fiscal year and for prior fiscal
30 year adjustments.

31 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent
32 shall allocate funding to school districts for learning assistance
33 programs as provided in RCW 28A.150.260(10)(a), except that the
34 allocation for the additional instructional hours shall be enhanced as
35 provided in this section, which enhancements are within the program of
36 the basic education. In calculating the allocations, the
37 superintendent shall assume the following averages: (A) Additional

1 instruction of 2.3975 hours per week per funded learning assistance
2 program student for the 2013-14 school year and the 2014-15 school
3 year; (B) fifteen learning assistance program students per teacher; (C)
4 36 instructional weeks per year; (D) 900 instructional hours per
5 teacher; and (E) the district's average staff mix and compensation
6 rates as provided in sections 503 and 504 of this act.

7 (ii) From July 1, 2013, to August 31, 2013, the superintendent
8 shall allocate funding to school districts for learning assistance
9 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.
10 sess., as amended.

11 (c) A school district's funded students for the learning assistance
12 program shall be the sum of the district's full-time equivalent
13 enrollment in grades K-12 for the prior school year multiplied by the
14 district's percentage of October headcount enrollment in grades K-12
15 eligible for free or reduced price lunch in the prior school year.
16 Starting with the allocation for the 2014-15 school year, the prior
17 school year's October headcount enrollment for free and reduced price
18 lunch shall be as reported in the comprehensive education data and
19 research system.

20 (2) Allocations made pursuant to subsection (1) of this section
21 shall be adjusted to reflect ineligible applications identified through
22 the annual income verification process required by the national school
23 lunch program, as recommended in the report of the state auditor on the
24 learning assistance program dated February, 2010.

25 (3) The general fund--federal appropriation in this section is
26 provided for Title I Part A allocations of the no child left behind act
27 of 2001.

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

32 **Sec. 516.** 2013 2nd sp.s. c 4 s 516 (uncodified) is amended to read
33 as follows:

34 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

35 (1) Amounts distributed to districts by the superintendent through
36 part V of this act are for allocations purposes only, unless specified
37 by part V of this act, and do not entitle a particular district,

1 district employee, or student to a specific service, beyond what has
2 been expressly provided in statute. Part V of this act restates the
3 requirements of various sections of Title 28A RCW. If any conflict
4 exists, the provisions of Title 28A RCW control unless this act
5 explicitly states that it is providing an enhancement. Any amounts
6 provided in part V of this act in excess of the amounts required by
7 Title 28A RCW provided in statute, are not within the program of basic
8 education unless clearly stated by this act.

9 (2) To the maximum extent practicable, when adopting new or revised
10 rules or policies relating to the administration of allocations in part
11 V of this act that result in fiscal impact, the office of the
12 superintendent of public instruction shall attempt to seek legislative
13 approval through the budget request process.

14 (3) Appropriations made in this act to the office of the
15 superintendent of public instruction shall initially be allotted as
16 required by this act. Subsequent allotment modifications shall not
17 include transfers of moneys between sections of this act, except as
18 expressly provided in subsection (4) of this section.

19 (4) The appropriations to the office of the superintendent of
20 public instruction in this act shall be expended for the programs and
21 amounts specified in this act. However, after May 1, 2014, unless
22 specifically prohibited by this act and after approval by the director
23 of financial management, the superintendent of public instruction may
24 transfer state general fund appropriations for fiscal year 2014 among
25 the following programs to meet the apportionment schedule for a
26 specified formula in another of these programs: General apportionment;
27 employee compensation adjustments; pupil transportation; special
28 education programs; institutional education programs; transitional
29 bilingual programs; highly capable; and learning assistance programs.

30 (5) The director of financial management shall notify the
31 appropriate legislative fiscal committees in writing prior to approving
32 any allotment modifications or transfers under this section.

33 NEW SECTION. Sec. 517. A new section is added to 2013 2nd sp.s.
34 c 4 (uncodified) to read as follows:

35 **FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION**

36	General Fund--State Appropriation (FY 2014)	\$466,000
37	General Fund--State Appropriation (FY 2015)	\$572,000

1 TOTAL APPROPRIATION \$1,038,000

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

4 (1) \$125,000 of the general fund--state appropriation for fiscal
5 year 2014 is provided solely for the office of the attorney general
6 costs related to *League of Women Voters v. State of Washington*.

7 (2) \$137,000 of the general fund--state appropriation for fiscal
8 year 2015 is provided solely for charter school evaluation and
9 oversight.

(End of part)

1 (b) For employees under the jurisdiction of chapter 41.56 RCW,
2 salary increases will be in accordance with the applicable collective
3 bargaining agreement including adjustments made for employees subject
4 to the provisions of Initiative Measure No. 732 as provided in section
5 605 (12) of this act. However, an increase shall not be provided to
6 any classified employee whose salary is above the approved salary range
7 maximum for the class to which the employee's position is allocated.

8 (c) For each institution of higher education receiving
9 appropriations under sections 606 through 611 of this act:

10 (i) The only allowable salary increases are those associated with
11 normally occurring promotions and increases related to faculty and
12 staff retention; and

13 (ii) Institutions may provide salary increases from other sources
14 to instructional and research faculty at the universities and The
15 Evergreen State College, exempt professional staff, teaching and
16 research assistants, as classified by the office of financial
17 management, and all other nonclassified staff, but not including
18 employees under chapter 41.80 RCW. Any salary increase granted under
19 the authority of this subsection (4)(c)(ii) shall not be included in an
20 institution's salary base for future state funding. It is the intent
21 of the legislature that state general fund support for an institution
22 shall not increase during the current or any future biennium as a
23 result of any salary increases authorized under this subsection
24 (4)(c)(ii).

25 **Sec. 602.** 2013 2nd sp.s. c 4 s 602 (uncodified) is amended to read
26 as follows:

27 (1) Within the amounts appropriated in this act and chapter 1, Laws
28 of 2013 3rd sp. sess. (aerospace industry appropriations), each
29 institution of higher education is expected to enroll and educate at
30 least the following numbers of full-time equivalent state-supported
31 students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
University of Washington	37,162	37,162
Washington State University	22,228	((22,228)) <u>22,538</u>

1	Central Washington University	9,105	9,105
2	Eastern Washington University	8,734	8,734
3	The Evergreen State College	((4,335)) <u>4,213</u>	((4,335)) <u>4,213</u>
4	Western Washington University	((12,710)) <u>11,762</u>	((12,710)) <u>11,762</u>
5	State Board for Community &		
6	Technical Colleges		
7	Adult Students	139,237	((139,237)) <u>139,927</u>
8	Running Start Students	11,558	11,558

9
10 (2) In achieving or exceeding these enrollment targets, each
11 institution shall seek to:

12 (a) Maintain and to the extent possible increase enrollment
13 opportunities at branch campuses;

14 (b) Maintain and to the extent possible increase enrollment
15 opportunities at university centers and other partnership programs that
16 enable students to earn baccalaureate degrees on community college
17 campuses; and

18 (c) Eliminate and consolidate programs of study for which there is
19 limited student or employer demand, or that are not areas of core
20 academic strength for the institution, particularly when such programs
21 duplicate offerings by other in-state institutions.

22 (3) For purposes of monitoring and reporting statewide enrollment,
23 the University of Washington and Washington State University shall
24 notify the office of financial management of the number of full-time
25 student equivalent enrollments budgeted for each of their campuses.

26 **Sec. 603.** 2013 2nd sp.s. c 4 s 603 (uncodified) is amended to read
27 as follows:

28 **PUBLIC BACCALAUREATE INSTITUTIONS**

29 (1) In order to operate within the state funds appropriated in this
30 act, the governing boards of the state research universities, the state
31 regional universities, and The Evergreen State College are authorized
32 to adopt and adjust tuition and fees for the 2013-14 and 2014-15
33 academic years as provided in this section.

34 (2) For the purposes of chapter 28B.15 RCW, the omnibus
35 appropriations act assumes no increase of tuition levels for resident
36 undergraduate students over the amounts charged to resident
37 undergraduate students for the prior year.

1 (3) Appropriations in sections 606 through 611 of this act are
2 sufficient to maintain resident undergraduate tuition levels at the
3 levels charged to resident undergraduate students during the 2012-13
4 academic year. As a result, for the 2013-14 academic year, the
5 institutions of higher education shall not adopt resident undergraduate
6 tuition levels that are greater than the tuition levels assumed in
7 subsection (2) of this section. For the 2014-15 academic year, the
8 institutions of higher education are authorized to adopt tuition levels
9 for resident undergraduate students that are less than, equal to, or
10 greater than tuition levels assumed in the omnibus appropriations act
11 in subsection (2) of this section. However, ~~((to the extent))~~ every
12 year that tuition levels ~~((exceed the))~~ are maintained above tuition
13 ~~((levels))~~ increases assumed in subsection (2) of this section and
14 section 603, chapter 50, Laws of 2011, the institution of higher
15 education shall be subject to the conditions and limitations provided
16 in RCW 28B.15.102.

17 (4) Each governing board is authorized to increase tuition charges
18 to graduate and professional students, and to nonresident undergraduate
19 students, by amounts judged reasonable and necessary by the governing
20 board.

21 (5) Each governing board is authorized to increase summer quarter
22 or semester tuition fees for resident and nonresident undergraduate,
23 graduate, and professional students pursuant to RCW 28B.15.067.

24 (6) Each governing board is authorized to adopt or increase charges
25 for fee-based, self-sustaining degree programs, credit courses,
26 noncredit workshops and courses, and special contract courses by
27 amounts judged reasonable and necessary by the governing board.

28 (7) Each governing board is authorized to adopt or increase
29 services and activities fees for all categories of students as provided
30 in RCW 28B.15.069.

31 (8) Each governing board is authorized to adopt or increase
32 technology fees as provided in RCW 28B.15.069.

33 (9) Each governing board is authorized to adopt or increase special
34 course and lab fees, and health and counseling fees, to the extent
35 necessary to cover the reasonable and necessary exceptional cost of the
36 course or service.

37 (10) Each governing board is authorized to adopt or increase

1 administrative fees such as, but not limited to, those charged for
2 application, matriculation, special testing, and transcripts by amounts
3 judged reasonable and necessary by the governing board.

4 (11) The state universities, the regional universities, and The
5 Evergreen State College must accept the transfer of college-level
6 courses taken by running start students if a student seeking a transfer
7 of the college-level courses has been admitted to the state university,
8 the regional university, or The Evergreen State College, and if the
9 college-level courses are recognized as transferrable by the admitting
10 institution of higher education.

11 (12) Appropriations in sections 606 through 611 of this act are
12 sufficient to implement 2013-2015 collective bargaining agreements at
13 institutions of higher education negotiated under chapter 41.80 RCW.
14 The institutions may also use these funds for any other purpose
15 including restoring prior compensation reductions, increasing
16 compensation, and implementing other collective bargaining agreements.

17 **Sec. 604.** 2013 2nd sp.s. c 4 s 604 (uncodified) is amended to read
18 as follows:

19 **STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

20 (1) In order to operate within the state funds appropriated in this
21 act, the state board is authorized to adopt and adjust tuition and fees
22 for the 2013-14 and 2014-15 academic years as provided in this section.

23 (2) For the purposes of chapter 28B.15 RCW, appropriations in the
24 omnibus appropriations act assumes no increase in tuition levels for
25 resident undergraduate students over the amounts charged to resident
26 undergraduate students for the prior year. For the 2014-15 academic
27 year, the state board is authorized to adopt tuition levels for
28 resident undergraduate students that are less than, equal to, or
29 greater than tuition levels assumed in the omnibus appropriations act
30 in this subsection. However, to the extent that tuition levels exceed
31 the tuition levels assumed in this subsection, the state board shall
32 retain an additional one percent of operating fees above what is
33 already retained pursuant to RCW 28B.15.031 for the purposes of RCW
34 28B.15.820. (~~For the 2013-2015 fiscal biennium,~~) When expending this
35 additional retained amount, the community and technical colleges are
36 subject to the conditions and limitations in RCW 28B.15.102.

1 (3) For the 2013-14 and 2014-15 academic years, the state board may
2 increase tuition fees charged to resident undergraduates enrolled in
3 upper division applied baccalaureate programs as specified in
4 subsection (2) of this section.

5 (4) Appropriations in section 605 include the restoration of the
6 three percent reduction in compensation costs taken in the 2011-2013
7 fiscal biennium. This funding is sufficient to implement 2013-2015
8 collective bargaining agreements at institutions of higher education
9 negotiated under chapter 41.80 RCW. The colleges may also use the
10 restored funds for any other purpose including restoring prior
11 compensation reductions, increasing compensation, and implementing
12 other collective bargaining agreements.

13 (5) The state board may increase the tuition fees charged to
14 nonresident students by amounts judged reasonable and necessary by the
15 board.

16 (6) The trustees of the technical colleges are authorized to either
17 (a) increase operating fees by no more than the percentage increases
18 authorized for community colleges by the state board; or (b) fully
19 adopt the tuition fee charge schedule adopted by the state board for
20 community colleges.

21 (7) For academic years 2013-14 and 2014-15, the trustees of the
22 technical colleges are authorized to increase building fees by an
23 amount judged reasonable in order to progress toward parity with the
24 building fees charged students attending the community colleges.

25 (8) The state board is authorized to increase the maximum allowable
26 services and activities fees as provided in RCW 28B.15.069. The
27 trustees of the community and technical colleges are authorized to
28 increase services and activities fees up to the maximum level
29 authorized by the state board.

30 (9) The trustees of the community and technical colleges are
31 authorized to adopt or increase charges for fee-based, self-sustaining
32 programs such as summer session, international student contracts, and
33 special contract courses by amounts judged reasonable and necessary by
34 the trustees.

35 (10) The trustees of the community and technical colleges are
36 authorized to adopt or increase special course and lab fees to the
37 extent necessary to cover the reasonable and necessary exceptional cost
38 of the course or service.

1 (11) The trustees of the community and technical colleges are
2 authorized to adopt or increase administrative fees such as but not
3 limited to those charged for application, matriculation, special
4 testing, and transcripts by amounts judged reasonable and necessary by
5 the trustees.

6 **Sec. 605.** 2013 2nd sp.s. c 4 s 605 (uncodified) is amended to read
7 as follows:

8 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

9	General Fund--State Appropriation (FY 2014)	((\$570,262,000))
10		<u>\$570,075,000</u>
11	General Fund--State Appropriation (FY 2015)	((\$568,999,000))
12		<u>\$568,035,000</u>
13	Community/Technical College Capital Projects	
14	Account--State Appropriation	\$17,548,000
15	Education Legacy Trust Account--State	
16	Appropriation	((\$95,373,000))
17		<u>\$99,670,000</u>
18	TOTAL APPROPRIATION	((\$1,252,182,000))
19		<u>\$1,255,328,000</u>

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

22 (1) \$33,261,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$33,261,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely as special funds for training and
25 related support services, including financial aid, as specified in RCW
26 28C.04.390. Funding is provided to support at least 7,170 full-time
27 equivalent students in fiscal year 2014 and at least 7,170 full-time
28 equivalent students in fiscal year 2015.

29 (2) \$5,450,000 of the education legacy trust account--state
30 appropriation is provided solely for administration and customized
31 training contracts through the job skills program. The state board
32 shall make an annual report by January 1st of each year to the governor
33 and to the appropriate policy and fiscal committees of the legislature
34 regarding implementation of this section, listing the scope of grant
35 awards, the distribution of funds by educational sector and region of
36 the state, and the results of the partnerships supported by these
37 funds.
38

1 (3) \$100,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$100,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the aerospace center of
4 excellence currently hosted by Everett community college to:

5 (a) Increase statewide communications and outreach between industry
6 sectors, industry organizations, businesses, K-12 schools, colleges,
7 and universities;

8 (b) Enhance information technology to increase business and student
9 accessibility and use of the center's web site; and

10 (c) Act as the information entry point for prospective students and
11 job seekers regarding education, training, and employment in the
12 industry.

13 (4) \$181,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$181,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the opportunity center for
16 employment and education internet technology integration project at
17 north Seattle community college.

18 (5) \$255,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$255,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for implementation of a maritime
21 industries training program at south Seattle community college.

22 (6) \$5,250,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$5,250,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for the student achievement
25 initiative.

26 (7) \$500,000 of the general fund--state appropriation for fiscal
27 year 2014 is provided solely for implementation of Second Substitute
28 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not
29 enacted by June 30, 2013, the amount provided in this subsection shall
30 lapse.

31 (8) \$300,000 of the general fund--state appropriation for fiscal
32 year 2015 is provided solely for Seattle community college to conduct
33 planning for establishing a health training center at the Pacific
34 medical center.

35 (9) \$350,000 of the general fund--state appropriation for fiscal
36 year 2015 is provided solely for a pilot project to embed the year up
37 model within community college campuses.

1 (10) \$13,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$168,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the implementation of
4 Substitute House Bill No. 2365 (paraeducator development). If the bill
5 is not enacted by June 30, 2014, the amounts provided in this
6 subsection shall lapse.

7 (11) \$410,000 of the general fund--state appropriation for fiscal
8 year 2015 is provided solely for the mathematics engineering science
9 achievement community college programs.

10 ~~((+8))~~ (12) \$4,297,000 of the education legacy trust account--
11 state appropriation is provided solely for increasing salaries for
12 employees who are subject to the provisions of Initiative Measure No.
13 732 by 1.2 percent effective July 1, 2014.

14 (13) Community and technical colleges are not required to send mass
15 mailings of course catalogs to residents of their districts. Community
16 and technical colleges shall consider lower cost alternatives, such as
17 mailing postcards or brochures that direct individuals to online
18 information and other ways of acquiring print catalogs.

19 ~~((+9))~~ (14) The state board for community and technical colleges
20 shall not use funds appropriated in this section to support
21 intercollegiate athletics programs.

22 **Sec. 606.** 2013 2nd sp.s. c 4 s 606 (uncodified) is amended to read
23 as follows:

24 **FOR THE UNIVERSITY OF WASHINGTON**

25	General Fund--State Appropriation (FY 2014)	(\$246,897,000)
26		<u>\$247,277,000</u>
27	General Fund--State Appropriation (FY 2015)	(\$245,200,000)
28		<u>\$246,732,000</u>
29	Geoduck Aquaculture Research Account--State	
30	Appropriation	\$300,000
31	Education Legacy Trust Account--State Appropriation	\$13,998,000
32	Economic Development Strategic Reserve Account--	
33	State Appropriation	\$3,000,000
34	Biotoxin Account--State Appropriation	\$390,000
35	Accident Account--State Appropriation	\$6,741,000
36	Medical Aid Account--State Appropriation	\$6,546,000
37	Aquatic Land Enhancement Account--State Appropriation	\$700,000

1 State Toxics Control Account--State Appropriation \$1,120,000
2 TOTAL APPROPRIATION ((~~\$524,892,000~~))
3 \$526,804,000

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

6 (1) \$300,000 of the geoduck aquaculture research account--state
7 appropriation is provided solely for the University of Washington sea
8 grant program to commission scientific research studies that examine
9 possible negative and positive effects, including the cumulative
10 effects and the economic contribution, of evolving shellfish
11 aquaculture techniques and practices on Washington's economy and marine
12 ecosystems. The research conducted for the studies is not intended to
13 be a basis for an increase in the number of shellfish harvesting
14 permits available and should be coordinated with any research efforts
15 related to ocean acidification. The University of Washington must
16 submit an annual report detailing any findings and outline the progress
17 of the study, consistent with RCW 43.01.036, to the appropriate
18 legislative committees by December 1st of each year.

19 (2) \$52,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$52,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the center for international
22 trade in forest products in the college of forest resources.

23 (3) \$4,459,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$4,459,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the expansion of computer
26 science and engineering enrollments. The university will work with the
27 education research and data center to establish program baselines and
28 demonstrate enrollment increases. By September 1, 2014, and each
29 September 1st thereafter, the university shall provide a report that
30 provides the specific detail on how these amounts were spent in the
31 preceding fiscal year, including but not limited to the cost per
32 student, student completion rates, and the number of low-income
33 students enrolled in each program, any process changes or best-
34 practices implemented by the college, and how many students are
35 enrolled in computer science and engineering programs above the 2012-
36 2013 academic year baseline.

37 (4) \$3,000,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$3,000,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for creation of a clean energy
2 institute. The institute shall integrate physical sciences and
3 engineering with a research focus on energy storage and solar energy.

4 (5) \$3,000,000 of the economic development strategic reserve
5 account appropriation is provided solely to support the joint center
6 for aerospace innovation technology.

7 (6) Within existing resources the University of Washington may:
8 (a) Form and implement an integrated innovation institute and research,
9 planning, and outreach initiatives at the Olympic national resources
10 center; and (b) accredit a four-year undergraduate forestry program
11 from the society of American foresters. Accreditation may occur in
12 conjunction with reaccreditation of the master of forest resources
13 program.

14 (7) \$700,000 of the aquatic lands enhancement account--state
15 appropriation and \$1,120,000 of the state toxics control account--state
16 appropriation are provided solely for the center on ocean acidification
17 and related work necessary to implement the recommendations of the
18 governor's blue ribbon task force on ocean acidification. The
19 university shall provide staffing for this purpose.

20 (8) \$1,000,000 of the general fund--state appropriation for fiscal
21 year 2015 is provided solely for the institute of protein design to
22 support the commercialization of translational projects.

23 (9) \$150,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely for the Burke museum's hands-on science
25 curriculum.

26 ((+8)) (10) The University of Washington shall not use funds
27 appropriated in this section to support intercollegiate athletics
28 programs.

29 **Sec. 607.** 2013 2nd sp.s. c 4 s 607 (uncodified) is amended to read
30 as follows:

31 FOR WASHINGTON STATE UNIVERSITY	
32 General Fund--State Appropriation (FY 2014)	((\$156,616,000))
33	<u>\$157,108,000</u>
34 General Fund--State Appropriation (FY 2015)	((\$157,701,000))
35	<u>\$160,544,000</u>
36 Education Legacy Trust Account--State Appropriation	\$33,995,000
37 TOTAL APPROPRIATION	((\$348,312,000))

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

(1) Within existing resources, Washington State University shall establish an accredited forestry program.

(2) \$2,856,000 of the general fund--state appropriation for fiscal year 2014 and \$2,857,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the expansion of computer science and engineering enrollments. The university will work with the education research and data center to establish program baselines and demonstrate enrollment increases. By September 1, 2014, and each September 1st thereafter, the university shall provide a report that provides the specific detail on how these amounts were spent in the preceding fiscal year, including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the college, and how many students are enrolled in computer science and engineering programs above the 2012-2013 academic year baseline.

(3) \$25,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the Ruckelshaus center to collaborate with local governments, the media, and representatives of the public regarding public record requests made to local government. The center shall facilitate meetings and discussions and report to the appropriate committees of the legislature. The report shall include information on:

- (a) Recommendations related to balancing open public records with concerns of local governments related to interfering with the work of the local government;
- (b) Resources necessary to accommodate requests;
- (c) Potential harassment of government employees;
- (d) Potential safety concerns of people named in the record;
- (e) Potentially assisting criminal activity; and
- (f) Other issues brought forward by the participants.

The center shall report to the appropriate committees of the legislature by December 15, 2013.

(4) \$50,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the William D. Ruckelshaus center to

1 convene and facilitate a collaborative process to address issues
2 related to public records requests of local governments. A task force
3 shall be convened by the Ruckelshaus center representing a balanced
4 cross-section of parties and interests (not to exceed 20 individuals),
5 in order to collaboratively seek solutions for issues identified in the
6 Ruckelshaus center's December 2013 report to the legislature on public
7 records requests made to local governments. The Ruckelshaus center
8 will facilitate one meeting of the task force every two months, and one
9 meeting per month of a framing group comprised of leaders representing
10 the various perspectives, selected by the Ruckelshaus center. The
11 Ruckelshaus center shall provide a report containing the task force's
12 recommendations to appropriate committees of the legislature by
13 December 15, 2014.

14 (5) \$300,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$300,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the Washington State
17 University agricultural research center to conduct public outreach and
18 education related to nonlethal methods of mitigating conflicts between
19 livestock and large wild carnivores. Of the amounts provided in this
20 subsection, \$200,000 of the general fund--state appropriation for
21 fiscal year 2014 and \$200,000 of the general fund--state appropriation
22 for fiscal year 2015 are provided solely to the center to conduct a
23 detailed analysis of such methods. The amounts appropriated in this
24 subsection may not be subject to an administrative fee or charge, and
25 must be used for costs directly associated with the research and
26 analysis.

27 ((+5)) (6) \$2,400,000 of the general fund--state appropriation for
28 fiscal year 2014 and \$3,600,000 of the general fund--state
29 appropriation for fiscal year 2015 are provided solely for expansion of
30 medical education and biomedical research in Spokane.

31 (7) \$1,989,000 of the general fund--state appropriation for fiscal
32 year 2015 is provided solely for the transfer of the university center
33 of north Puget Sound from the state board of community and technical
34 colleges to the Washington State University. Funding is sufficient to
35 support 310 full-time equivalent students.

36 (8) \$250,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$500,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for state match requirements
2 related to the federal aviation administration grant.

3 (9) \$300,000 of the general fund--state appropriation for fiscal
4 year 2015 is provided solely for implementation of Engrossed Second
5 Substitute House Bill No. 2347 (oil transportation safety). If the
6 bill is not enacted by June 30, 2014, the amount provided in this
7 subsection shall lapse.

8 ~~((+6))~~ (10) Washington State University shall not use funds
9 appropriated in this section to support intercollegiate athletic
10 programs.

11 **Sec. 608.** 2013 2nd sp.s. c 4 s 608 (uncodified) is amended to read
12 as follows:

13 **FOR EASTERN WASHINGTON UNIVERSITY**

14	General Fund--State Appropriation (FY 2014)	(\$31,674,000)
15		<u>\$31,428,000</u>
16	General Fund--State Appropriation (FY 2015)	(\$31,619,000)
17		<u>\$31,374,000</u>
18	Education Legacy Trust Account--State Appropriation	\$15,470,000
19	TOTAL APPROPRIATION	(\$78,763,000)
20		<u>\$78,272,000</u>

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

23 (1) At least \$200,000 of the general fund--state appropriation for
24 fiscal year 2014 and at least \$200,000 of the general fund--state
25 appropriation for fiscal year 2015 shall be expended on the Northwest
26 autism center.

27 (2) Eastern Washington University shall not use funds appropriated
28 in this section to support intercollegiate athletics programs.

29 **Sec. 609.** 2013 2nd sp.s. c 4 s 609 (uncodified) is amended to read
30 as follows:

31 **FOR CENTRAL WASHINGTON UNIVERSITY**

32	General Fund--State Appropriation (FY 2014)	(\$29,719,000)
33		<u>\$29,764,000</u>
34	General Fund--State Appropriation (FY 2015)	(\$29,533,000)
35		<u>\$29,577,000</u>
36	Education Legacy Trust Account--State Appropriation	\$19,076,000

1 TOTAL APPROPRIATION ((~~\$78,328,000~~))
2 \$78,417,000

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

5 (1) \$25,000 of the general fund--state appropriation for fiscal
6 year 2014 is provided solely for the college of education to conduct a
7 study identifying the duties encompassed in a state-funded teacher's
8 typical work day. The study must include an estimate of the percent of
9 a teacher's typical day that is spent on teaching related duties and
10 the percentage of the teacher's day that is spent on duties that are
11 not directly related to teaching. The university shall submit a report
12 to the appropriate committees of the legislature by December 1, 2013.

13 (2) Amounts appropriated in this section are sufficient for the
14 university to develop a plan to create an online degree granting entity
15 that awards degrees based on an alternative credit model. The
16 university shall submit a final plan by December 1, 2013, to the higher
17 education committees of the legislature.

18 (3) Central Washington University shall not use funds appropriated
19 in this section to support intercollegiate athletics programs.

20 **Sec. 610.** 2013 2nd sp.s. c 4 s 610 (uncodified) is amended to read
21 as follows:

22 **FOR THE EVERGREEN STATE COLLEGE**

23 General Fund--State Appropriation (FY 2014) ((~~\$18,563,000~~))
24 \$18,368,000

25 General Fund--State Appropriation (FY 2015) ((~~\$17,911,000~~))
26 \$18,079,000

27 Education Legacy Trust Account--State Appropriation ((~~\$5,450,000~~))
28 \$5,489,000

29 TOTAL APPROPRIATION ((~~\$41,924,000~~))
30 \$41,936,000

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

33 ((~~+3~~)) (1) \$100,000 of the general fund--state appropriation for
34 fiscal year 2014 and \$50,000 of the general fund--state appropriation
35 for fiscal year 2015 are provided solely for the Washington state
36 institute for public policy to conduct a comprehensive retrospective
37 outcome evaluation and return on investment analysis of the early

1 learning childhood program pursuant to Senate Bill No. 5904 (high
2 quality early learning). This evaluation is due December 15, 2014. If
3 the bill is not enacted by June 30, 2013, the amount provided in this
4 subsection shall lapse.

5 ~~((+4))~~ (2) \$50,000 of the general fund--state appropriation for
6 fiscal year 2014 and \$50,000 of the general fund--state appropriation
7 for fiscal year 2015 are provided solely for the Washington state
8 institute for public policy to develop a risk assessment instrument for
9 patients committed for involuntary treatment in Washington state.

10 ~~((+5))~~ (3) \$58,000 of the general fund--state appropriation for
11 fiscal year 2014 and \$27,000 of the general fund--state appropriation
12 for fiscal year 2015 are provided solely for the Washington state
13 institute for public policy to prepare an inventory of evidence-based
14 and research-based effective practices, activities, and programs for
15 use by school districts in the learning assistance program pursuant to
16 Engrossed Second Substitute Senate Bill No. 5946 (student educational
17 outcomes). The initial inventory is due by August 1, 2014, and shall
18 be updated every two years thereafter. If the bill is not enacted by
19 June 30, 2013, the amounts provided in this subsection shall lapse.

20 ~~((+6))~~ (4) \$50,000 of the general fund--state appropriation for
21 fiscal year 2014 are provided solely for the Washington state institute
22 for public policy to provide expertise to the department of corrections
23 on the implementation of programming that follows the risk needs
24 responsivity model. In consultation with the department of
25 corrections, the institute will systematically review selected programs
26 for outcome measures.

27 (5) The Washington state institute for public policy shall examine
28 the drug offender sentencing alternative for offenders sentenced to
29 residential treatment in the community. The institute shall examine
30 its effectiveness on recidivism and conduct a benefit-cost analysis.
31 The institute shall report its findings by December 1, 2014.

32 (6) \$98,000 of the general fund--state appropriation for fiscal
33 year 2015 is provided solely for the implementation of Substitute House
34 Bill No. 2610 (homeless youth population). If the bill is not enacted
35 by June 30, 2014, the amount provided in this subsection shall lapse.

36 (7) \$39,000 of the education legacy trust account--state
37 appropriation is provided solely for implementation of Engrossed Second
38 Substitute House Bill No. 2377 (early care and education).

1 (8) Funding provided in this section is sufficient for The
2 Evergreen State College to continue operations of the Longhouse Center
3 and the Northwest Indian applied research institute.

4 (9) Notwithstanding other provisions in this section, the board of
5 directors for the Washington state institute for public policy may
6 adjust due dates for projects included on the institute's 2013-2015
7 work plan as necessary to efficiently manage workload.

8 (10) The Evergreen State College shall not use funds appropriated
9 in this section to support intercollegiate athletics programs.

10 **Sec. 611.** 2013 2nd sp.s. c 4 s 611 (uncodified) is amended to read
11 as follows:

12 **FOR WESTERN WASHINGTON UNIVERSITY**

13	General Fund--State Appropriation (FY 2014)	((\$44,542,000))
14		<u>\$44,552,000</u>
15	General Fund--State Appropriation (FY 2015)	((\$44,377,000))
16		<u>\$44,386,000</u>
17	Education Legacy Trust Account--State	
18	Appropriation	\$13,050,000
19	TOTAL APPROPRIATION	((\$101,969,000))
20		<u>\$101,988,000</u>

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

23 (1) \$1,497,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$1,498,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the expansion of computer
26 science and engineering enrollments. The university will work with the
27 education research and data center to establish program baselines and
28 demonstrate enrollment increases. By September 1, 2014, and each
29 September 1st thereafter, the university shall provide a report that
30 provides the specific detail on how these amounts were spent in the
31 preceding fiscal year, including but not limited to the cost per
32 student, student completion rates, and the number of low-income
33 students enrolled in each program, any process changes or best-
34 practices implemented by the college, and how many students are
35 enrolled in computer science and engineering programs above the 2012-
36 2013 academic year baseline.

1 (2) Western Washington University shall not use funds appropriated
2 in this section to support intercollegiate athletics programs.

3 **Sec. 612.** 2013 2nd sp.s. c 4 s 612 (uncodified) is amended to read
4 as follows:

5 **FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND**
6 **ADMINISTRATION**

7	General Fund--State Appropriation (FY 2014)	(\$5,307,000)
8		<u>\$5,320,000</u>
9	General Fund--State Appropriation (FY 2015)	(\$5,318,000)
10		<u>\$5,403,000</u>
11	General Fund--Federal Appropriation	\$4,817,000
12	TOTAL APPROPRIATION	(\$15,442,000)
13		<u>\$15,540,000</u>

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

16 (1) The student achievement council is authorized to increase or
17 establish fees for initial degree authorization, degree authorization
18 renewal, degree authorization reapplication, new program applications,
19 and new site applications pursuant to RCW 28B.85.060.

20 (2) \$50,000 of the general fund--state appropriation for fiscal
21 year 2015 is provided solely for the student achievement council to
22 convene a task force of representatives from the four-year institutions
23 of higher education and the state board for community and technical
24 colleges in consultation with the office of financial management. The
25 council shall also invite other independent research organizations and
26 experts to participate. The task force shall provide a report to the
27 legislature by December 1, 2014, including a series of strategy options
28 for future directions in tuition, state higher education funding, and
29 student aid policy in order to support the postsecondary certificate,
30 credential, and degree production goals set forth in the council's ten-
31 year roadmap report prepared under RCW 28B.77.020. The task force
32 shall focus on affordability and access for low-income and other
33 populations that have been historically underrepresented in higher
34 education, as well as students who do not have access to traditional
35 need-based aid. The task force must consider the full range of
36 financial aid, tuition waivers, and work study programs, projections
37 for high school graduates and the demography of this student

1 population, and the counseling and other student support measures
2 needed to assure the cost-effective investment of state funding toward
3 high levels of student success in light of the evolving needs of the
4 state for growing numbers of increasingly educated citizens. The task
5 force must report its progress to the joint higher education committee
6 at intervals during the work program. The taskforce shall work in
7 coordination with the work group created in Engrossed Substitute Senate
8 Bill No. 6436 (college bound scholarship).

9 (3) \$17,000 of the general fund--state appropriation for fiscal
10 year 2015 is provided solely for the implementation of House Bill No.
11 2285 (dual credit coursework). If the bill is not enacted by June 30,
12 2014, the amount provided in this subsection shall lapse.

13 **Sec. 613.** 2013 2nd sp.s. c 4 s 613 (uncodified) is amended to read
14 as follows:

15 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
16 **ASSISTANCE**

17	General Fund--State Appropriation (FY 2014)	((\$245,122,000))
18		<u>\$245,124,000</u>
19	General Fund--State Appropriation (FY 2015)	((\$244,674,000))
20		<u>\$244,676,000</u>
21	General Fund--Federal Appropriation	((\$11,648,000))
22		<u>\$11,655,000</u>
23	General Fund--Private/Local Appropriation	((\$34,000))
24		<u>\$334,000</u>
25	Education Legacy Trust Account--State Appropriation	((\$36,036,000))
26		<u>\$54,297,000</u>
27	Washington Opportunity Pathways Account--State	
28	Appropriation	((\$147,000,000))
29		<u>\$141,000,000</u>
30	TOTAL APPROPRIATION	((\$684,514,000))
31		<u>\$697,086,000</u>

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

34 (1) \$237,454,000 of the general fund--state appropriation for
35 fiscal year 2014, \$237,455,000 of the general fund--state appropriation
36 for fiscal year 2015, \$6,000,000 of the education legacy trust
37 account--state appropriation, and ((~~\$147,000,000~~)) \$141,000,000 of the

1 Washington opportunity pathways account--state appropriation are
2 provided solely for student financial aid payments under the state need
3 grant and state work study programs including up to four percent
4 administrative allowance for the state work study program. Of the
5 amounts provided in this subsection, \$100,000 of the general fund--
6 state appropriation for fiscal year 2015 is provided solely for the
7 council to develop an alternative financial aid application system to
8 implement Senate Bill No. 6523 (higher education opportunities).

9 (2) Changes made to the state need grant program in the 2011-2013
10 fiscal biennium are continued in the 2013-2015 fiscal biennium
11 including aligning increases in awards given to private institutions
12 with the annual tuition increases for public research institutions or
13 the private institution's average annual tuition increase experience of
14 3.5 percent per year, whichever is less, and reducing the awards for
15 students who first enrolled as a new student in for-profit institutions
16 as of the 2011-2012 academic year or thereafter by fifty percent,
17 except that one-half of the fifty percent reduction shall be restored
18 on July 1, 2013, for students attending regionally accredited for-
19 profit institutions.

20 (3) Changes made to the state work study program in the 2009-2011
21 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal
22 biennium including maintaining the increased required employer share of
23 wages; adjusted employer match rates; discontinuation of nonresident
24 student eligibility for the program; and revising distribution methods
25 to institutions by taking into consideration other factors such as off-
26 campus job development, historical utilization trends, and student
27 need.

28 (4) Within the funds appropriated in this section, eligibility for
29 the state need grant shall include students with family incomes at or
30 below 70 percent of the state median family income (MFI), adjusted for
31 family size, and shall include students enrolled in three to five
32 credit-bearing quarter credits, or the equivalent semester credits.
33 Awards for all students shall be adjusted by the estimated amount by
34 which Pell grant increases exceed projected increases in the
35 noninstructional costs of attendance. Awards for students with incomes
36 between 51 and 70 percent of the state median shall be prorated at the
37 following percentages of the award amount granted to those with incomes
38 below 51 percent of the MFI: 70 percent for students with family

1 incomes between 51 and 55 percent MFI; 65 percent for students with
2 family incomes between 56 and 60 percent MFI; 60 percent for students
3 with family incomes between 61 and 65 percent MFI; and 50 percent for
4 students with family incomes between 66 and 70 percent MFI.

5 (5)(a) Students who are eligible for the college bound scholarship
6 shall be given priority for the state need grant program if the
7 students have applied by the institution's priority financial aid
8 deadline and have completed their financial aid file in a timely
9 manner. These eligible college bound students whose family incomes are
10 in the 0-65 median family income ranges shall be awarded the maximum
11 state need grant for which they are eligible under state policies and
12 may not be denied maximum state need grant funding due to institutional
13 policies or delayed awarding of college bound scholarship students.

14 (b) In calculating the college bound award, public institutions of
15 higher education shall be subject to the conditions and limitations in
16 RCW 28B.15.102 and shall not utilize college bound funds to offset
17 tuition costs from rate increases in excess of levels authorized in
18 section 603, chapter 50, Laws of 2011 and those assumed in section 602
19 or 603 of this act.

20 (6) (~~(\$36,036,000)~~) \$48,297,000 of the education legacy trust
21 account--state appropriation is provided solely for the college bound
22 scholarship program and may support scholarships for summer session.
23 This amount assumes that college bound scholarship recipients will
24 receive priority for state need grant awards in fiscal year 2014 and
25 fiscal year 2015. If this policy of prioritization is not fully
26 achieved, it is the intent of this legislation to provide supplemental
27 appropriations in the 2014 supplemental operating budget.

28 (7) \$2,236,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$2,236,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for the passport to college
31 program. The maximum scholarship award shall be \$5,000. The board
32 shall contract with a nonprofit organization to provide support
33 services to increase student completion in their postsecondary program
34 and shall, under this contract, provide a minimum of \$500,000 in fiscal
35 years 2014 and 2015 for this purpose.

36 (8) The amounts provided in this section are sufficient for
37 implementation of Engrossed Second Substitute House Bill No. 2694
38 (higher ed/low-income students).

1	Home Visiting Services Account--Federal Appropriation . ((\$22,756,000))	
2		<u>\$22,757,000</u>
3	Children's Trust Account--State Appropriation	\$180,000
4	<u>Education Legacy Trust Account--State Appropriation</u>	<u>\$8,030,000</u>
5	TOTAL APPROPRIATION	((\$482,398,000))
6		<u>\$489,861,000</u>

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

9 (1) \$20,229,000 of the general fund--state appropriation for fiscal
10 year 2014, \$36,474,000 of the general fund--state appropriation for
11 fiscal year 2015, and \$80,000,000 of the opportunity pathways account
12 appropriation are provided solely for the early childhood education
13 assistance program services. Of these amounts, \$10,284,000 is a
14 portion of the biennial amount of state maintenance of effort dollars
15 required to receive federal child care and development fund grant
16 dollars.

17 (2) \$638,000 of the general fund--state appropriation for fiscal
18 year 2014, and \$638,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for child care resource and
20 referral network services.

21 (3) \$200,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$200,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely to develop and provide culturally
24 relevant supports for parents, family, and other caregivers.

25 (4) The department is the lead agency for and recipient of the
26 federal child care and development fund grant. Amounts within this
27 grant shall be used to fund child care licensing, quality initiatives,
28 agency administration, and other costs associated with child care
29 subsidies. The department shall transfer a portion of this grant to
30 the department of social and health services to fund the child care
31 subsidies paid by the department of social and health services on
32 behalf of the department of early learning.

33 (5) \$1,434,000 of the general fund--state appropriation for fiscal
34 year 2014, \$1,434,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for expenditure into the home
36 visiting services account. This funding is intended to meet federal
37 maintenance of effort requirements and to secure private matching
38 funds.

1 (6)(a) \$153,717,000 of the general fund--federal appropriation is
2 provided solely for the working connections child care program under
3 RCW 43.215.135.

4 (b) In addition to groups that were given prioritized access to the
5 working connections child care program effective March 1, 2011, the
6 department shall also give prioritized access into the program to
7 families in which a parent of a child in care is a minor who is not
8 living with a parent or guardian and who is a full-time student in a
9 high school that has a school-sponsored on-site child care center.

10 (c) Within the amounts provided in (a) of this subsection, the
11 department is authorized to serve up to 20 percent of the working
12 connections households through contracted slots. The department may
13 achieve this by contracting with the working connections child care
14 providers and with early childhood education assistance program
15 providers to braid funding between working connection child care
16 program and the education assistance program to support a full-day
17 preschool experience for eligible children.

18 (7) Within available amounts, the department in consultation with
19 the office of financial management and the department of social and
20 health services shall report quarterly enrollments and active caseload
21 for the working connections child care program to the legislative
22 fiscal committees and the legislative-executive WorkFirst oversight
23 task force. The report shall also identify the number of cases
24 participating in both temporary assistance for needy families and
25 working connections child care. The department must also report on the
26 number of children served through contracted slots.

27 (8) (~~(\$1,025,000)~~) \$1,194,000 of the general fund--state
28 appropriation for fiscal year 2014, (~~(\$1,025,000)~~) \$1,738,000 of the
29 general fund--state appropriation for fiscal year 2015, and \$13,424,000
30 of the general fund--federal appropriation are provided solely for the
31 seasonal child care program. If federal sequestration cuts are
32 realized, cuts to the seasonal child care program must be proportional
33 to other federal reductions made within the department.

34 (9) (~~(\$3,572,000)~~) \$4,438,000 of the general fund--state
35 appropriation for fiscal year 2014, (~~(\$2,522,000)~~) \$4,674,000 of the
36 general fund--state appropriation for fiscal year 2015, and
37 (~~(\$4,304,000)~~) \$236,000 of the general fund--federal appropriation are
38 provided solely for the medicaid treatment child care (MTCC) program.

1 The department shall contract for MTCC services to provide therapeutic
2 child care and other specialized treatment services to abused,
3 neglected, at-risk, and/or drug-affected children. Priority for
4 services shall be given to children referred from the department of
5 social and health services children's administration. In addition to
6 referrals made by children's administration, the department shall
7 authorize services for children referred to the MTCC program, as long
8 as the children meet the eligibility requirements as outlined in the
9 Washington state plan for the MTCC program.

10 (a) Of the amounts appropriated in this subsection, \$60,000 per
11 fiscal year may be used by the department for administering the MTCC
12 program, if needed.

13 (b) Of the amounts provided in this subsection, (~~(\$1,050,000)~~)
14 \$1,916,000 of the general fund--state appropriation for fiscal year
15 2014 is provided solely to continue providing services in the event of
16 losing federal funding for the MTCC program. To the extent that the
17 moneys provided in this subsection (9)(b) are not necessary for this
18 purpose, the amounts provided shall lapse.

19 (10) \$150,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$150,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for a contract with a nonprofit
22 entity experienced in the provision of promoting early literacy for
23 children through pediatric office visits.

24 (11) \$721,000 of the general fund--state appropriation for fiscal
25 year 2014 is provided solely for the department to complete development
26 work of the electronic benefits transfer system.

27 (12) (~~(\$793,000)~~) \$221,000 of the general fund--state appropriation
28 for fiscal year 2014 and (~~(\$796,000)~~) \$1,233,577 of the general fund--
29 state appropriation for fiscal year 2015 are provided solely for
30 implementation of an electronic benefits transfer system. To the
31 maximum extent possible, the department shall work to integrate this
32 system with the department of social and health services payment
33 system. The amounts provided in this subsection are conditioned on the
34 department satisfying the requirements of the project management
35 oversight standards and policies established by the office of the chief
36 information officer.

37 (13) \$32,000 of the general fund--state appropriation for fiscal

1 year 2014 is provided solely for implementation of Second Substitute
2 Senate Bill No. 5595 (child care reform). If the bill is not enacted
3 by June 30, 2013, the amounts provided in this subsection shall lapse.

4 (14)(a)(i) The department of early learning is required to provide
5 to the education research and data center, housed at the office of
6 financial management, data on all state-funded early childhood
7 programs. These programs include the early support for infants and
8 toddlers, early childhood education and assistance program (ECEAP), and
9 the working connections and seasonal subsidized childcare programs
10 including license exempt facilities or family, friend, and neighbor
11 care. The data provided by the department to the education research
12 data center must include information on children who participate in
13 these programs, including their name and date of birth, and dates the
14 child received services at a particular facility.

15 (ii) The ECEAP early learning professionals must enter
16 qualifications into the department's professional development registry
17 during the 2013-14 school year. By October 2015, the department must
18 provide ECEAP early learning professional data to the education
19 research data center.

20 (iii) The department must request federally funded head start
21 programs to voluntarily provide data to the department and the
22 education research data center that is equivalent to what is being
23 provided for state-funded programs.

24 (iv) The education research and data center must provide a report
25 on early childhood program participation and K-12 outcomes to the house
26 of representatives appropriations committee and the senate ways and
27 means committee using available data by November 2013 for the school
28 year ending in 2012 and again in March 2014 for the school year ending
29 in 2013.

30 (b) The department, in consultation with the department of social
31 and health services, must withhold payment for services to early
32 childhood programs that do not report on the name, date of birth, and
33 the dates a child received services at a particular facility.

34 (15) \$8,030,000 of the education legacy trust account--state
35 appropriation is provided solely for implementation of Engrossed Second
36 Substitute House Bill No. 2377 (early care and education). Of the
37 amounts in this subsection:

1 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
2 **LOSS**

3	General Fund--State Appropriation (FY 2014)	((\$8,615,000))
4		<u>\$8,764,000</u>
5	General Fund--State Appropriation (FY 2015)	((\$8,591,000))
6		<u>\$8,739,000</u>
7	<u>Education Legacy Trust Account--State Appropriation</u>	<u>\$24,000</u>
8	TOTAL APPROPRIATION	((\$17,206,000))
9		<u>\$17,527,000</u>

10 The appropriations in this section are subject to the following
11 conditions and limitations: \$24,000 of the education legacy trust
12 account--state appropriation is provided solely for a cost-of-living
13 adjustment of 1.2 percent for employees subject to the provisions of
14 Initiative Measure No. 732 effective July 1, 2014.

15 **Sec. 618.** 2013 2nd sp.s. c 4 s 618 (uncodified) is amended to read
16 as follows:

17 **FOR THE WASHINGTON STATE ARTS COMMISSION**

18	General Fund--State Appropriation (FY 2014)	((\$1,125,000))
19		<u>\$1,093,000</u>
20	General Fund--State Appropriation (FY 2015)	((\$1,101,000))
21		<u>\$1,120,000</u>
22	General Fund--Federal Appropriation	\$2,074,000
23	General Fund--Private/Local Appropriation	((\$12,000))
24		<u>\$31,000</u>
25	TOTAL APPROPRIATION	((\$4,312,000))
26		<u>\$4,318,000</u>

27 **Sec. 619.** 2013 2nd sp.s. c 4 s 619 (uncodified) is amended to read
28 as follows:

29 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

30	General Fund--State Appropriation (FY 2014)	((\$2,123,000))
31		<u>\$2,134,000</u>
32	General Fund--State Appropriation (FY 2015)	((\$2,150,000))
33		<u>\$2,159,000</u>
34	TOTAL APPROPRIATION	((\$4,273,000))
35		<u>\$4,293,000</u>

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2013 2nd sp.s. c 4 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2014)	.. . . .	((\$741,362,000))
		<u>\$812,140,000</u>
General Fund--State Appropriation (FY 2015)	.. . . .	((\$1,060,322,000))
		<u>\$991,532,000</u>
State Building Construction Account--State		
Appropriation	.. . . .	((\$4,297,000))
		<u>\$8,164,000</u>
Columbia River Basin Water Supply Development		
Account--State Appropriation	.. . . .	((\$269,000))
		<u>\$473,000</u>
State Taxable Building Construction Account--State		
Appropriation	.. . . .	((\$211,000))
		<u>\$2,621,000</u>
Debt-Limit Reimbursable Bond Retire Account--State		
Appropriation	.. . . .	\$2,320,000
<u>Hood Canal Aquatic Rehabilitation Bond Account--State</u>		
<u>Appropriation</u>	.. . . .	<u>\$1,000</u>
<u>Columbia River Basin Taxable Bond Water Supply</u>		
<u>Development Account--State Appropriation</u>	.. . . .	<u>\$182,000</u>
TOTAL APPROPRIATION	.. . . .	((\$1,808,781,000))
		<u>\$1,817,433,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

1	Clallam County Health and Human Services	\$291,401	\$291,401	\$582,802
2	Department			
3	Clark County Health District	\$1,767,341	\$1,767,341	\$3,534,682
4	Skamania County Health Department	\$111,327	\$111,327	\$222,654
5	Columbia County Health District	\$119,991	\$119,991	\$239,982
6	Cowlitz County Health Department	\$477,981	\$477,981	\$955,962
7	Garfield County Health District	\$93,154	\$93,154	\$186,308
8	Grant County Health District	\$297,761	\$297,762	\$595,523
9	Grays Harbor Health Department	\$335,666	\$335,666	\$671,332
10	Island County Health Department	\$255,224	\$225,224	\$510,448
11	Jefferson County Health and Human Services	\$184,080	\$184,080	\$368,160
12	Seattle-King County Department of Public Health	\$10,558,598	(\$10,558,598)	(\$21,117,196)
13			<u>\$12,685,521</u>	<u>\$23,244,119</u>
14	Bremerton-Kitsap County Health District	\$997,476	\$997,476	\$1,994,952
15	Kittitas County Health Department	\$198,979	\$198,979	\$397,958
16	Klickitat County Health Department	\$153,784	\$153,784	\$307,568
17	Lewis County Health Department	\$263,134	\$263,134	\$526,268
18	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
19	Mason County Department of Health Services	\$227,448	\$227,448	\$454,896
20	Okanogan County Health District	\$169,882	\$169,882	\$339,764
21	Pacific County Health Department	\$169,075	\$169,075	\$338,150
22	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
23	San Juan County Health and Community Services	\$2,253,493	(\$2,253,493)	(\$4,506,986)
24			<u>\$126,569</u>	<u>\$2,380,062</u>
25	Skagit County Health Department	\$449,745	\$449,745	\$899,490
26	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
27	Spokane County Health District	\$2,877,318	\$2,877,318	\$5,574,636
28	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
29	Thurston County Health Department	\$1,046,897	\$1,046,897	\$2,093,794
30	Wahkiakum County Health Department	\$93,181	(\$9,180)	(\$186,361)
31			<u>\$93,181</u>	<u>\$186,362</u>
32	Walla Walla County-City Health Department	\$302,173	\$302,173	\$604,346
33	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
34	Whitman County Health Department	\$189,355	\$189,355	\$378,710
35	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
36				
37	TOTAL APPROPRIATIONS	\$36,386,001	\$36,386,001	\$72,772,002

1 NEW SECTION. **Sec. 706.** A new section is added to 2013 2nd sp.s.
2 c 4 (uncodified) to read as follows:

3 **FOR SUNDRY CLAIMS**

4 The following sums, or so much thereof as may be necessary, are
5 appropriated from the general fund for fiscal year 2014, unless
6 otherwise indicated, for relief of various individuals, firms, and
7 corporations for sundry claims. These appropriations are to be
8 disbursed on vouchers approved by the director of the department of
9 enterprise services, except as otherwise provided, for reimbursement of
10 criminal defendants acquitted on the basis of self-defense, pursuant to
11 RCW 9A.16.110, as follows:

- 12 (1) Tony M. Noble, claim number 99970075 \$5,670
- 13 (2) Patrick Earl, claim number 99970076 \$2,799
- 14 (3) Stephen J. Felice, claim number 99970076 \$17,275
- 15 (4) Michael Felice, claim number 99970076 \$93,809
- 16 (5) Noe Angel Aranda Hernandez, claim number 99970077 . . . \$12,500
- 17 (6) Anderson Durham, claim number 99970071 \$11,000
- 18 (7) Chase Balzer, claim number 99970078 \$5,953
- 19 (8) Kent Wescott, claim number 99970079 \$13,447
- 20 (9) Tommy Villanueva, claim number 99970080 \$70,099

21 NEW SECTION. **Sec. 707.** A new section is added to 2013 2nd sp.s.
22 c 4 (uncodified) to read as follows:

23 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS FOR STATE**
24 **EMPLOYEE HEALTH INSURANCE**

25	General Fund--State Appropriation (FY 2015)	(\$62,932,000)
26	General Fund--Federal Appropriation	(\$9,175,000)
27	General Fund--Local Appropriation	(\$1,177,000)
28	Other Dedicated Funds Appropriations	(\$15,698,000)
29	TOTAL APPROPRIATION	(\$88,982,000)

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

- 32 (1) The appropriations in this section are provided solely to
33 reduce agency and institution appropriations to reflect the reductions
34 in the state employer funding rate for health insurance, and decreased
35 employer health insurance costs consistent with the contribution rates
36 included in sections 901, 902, and 904 of this act.

1 (2) To facilitate the transfer of moneys from dedicated funds and
2 accounts, the state treasurer shall transfer sufficient moneys from
3 each dedicated fund or account in accordance with LEAP document H010
4 dated February 22, 2014, and schedules provided by the office of
5 financial management. The office shall reduce allotments for all
6 agencies to reflect these savings.

7 NEW SECTION. **Sec. 708.** A new section is added to 2013 2nd sp.s.
8 c 4 (uncodified) to read as follows:

9 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--THURSTON COUNTY CAPITAL**
10 **FACILITIES ACCOUNT**

11 General Fund--State Appropriation (FY 2014) \$900,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The appropriation in this section is
14 provided solely for expenditure into the Thurston county capital
15 facilities account--state.

16 NEW SECTION. **Sec. 709.** A new section is added to 2013 2nd sp.s.
17 c 4 (uncodified) to read as follows:

18 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--PARKLAND TRUST REVOLVING**
19 **ACCOUNT**

20 General Fund--State Appropriation (FY 2014) \$639,000

21 The appropriation in this section is subject to the following
22 conditions and limitations: The appropriation in this section is
23 provided solely for expenditure into the Parkland trust revolving
24 account--state.

25 NEW SECTION. **Sec. 710.** A new section is added to 2013 2nd sp.s.
26 c 4 (uncodified) to read as follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
28 **COSTS**

29 General Fund--State Appropriation (FY 2014) \$343,000

30 The appropriation in this section is subject to the following
31 conditions and limitations: The director of financial management shall
32 distribute funds to Clallam county for extraordinary criminal justice
33 costs.

1 of financial management shall increase allotments in the amounts
2 specified, and to the state agencies specified in LEAP omnibus document
3 92E1-2014, dated February 22, 2014, and adjust appropriation schedules
4 accordingly.

5 NEW SECTION. **Sec. 715.** A new section is added to 2013 2nd sp.s.
6 c 4 (uncodified) to read as follows:

7 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF THE CHIEF**
8 **INFORMATION OFFICER**

9	General Fund--State Appropriation (FY 2015)	\$67,000
10	General Fund--Federal Appropriation	\$13,000
11	General Fund--Local/Private Appropriation	\$2,000
12	Other Appropriated Funds	\$36,000
13	TOTAL APPROPRIATION	\$118,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations in this section reflect
16 increases in agency appropriations related to corresponding increases
17 in the office of the chief information officer's billing authority.
18 The office of financial management shall increase allotments in the
19 amounts specified, and to the state agencies specified in LEAP omnibus
20 document 92F-2014, dated February 24, 2014, and adjust appropriation
21 schedules accordingly.

22 NEW SECTION. **Sec. 716.** A new section is added to 2013 2nd sp.s.
23 c 4 (uncodified) to read as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF ADMINISTRATIVE**
25 **HEARINGS**

26	Minority and Business Account--State Appropriation	\$67,000
----	--	----------

27 The appropriation in this section is subject to the following
28 conditions and limitations: The appropriation in this section reflects
29 increases in agency appropriations related to the office of
30 administrative hearings. The office of financial management shall
31 increase allotments in the amounts specified, and to the state agencies
32 specified in LEAP omnibus document 92G-2014, dated February 24, 2014,
33 and adjust appropriation schedules accordingly.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2013 2nd sp.s. c 4 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions ((\$8,248,000)) \$8,591,000

General Fund Appropriation for public utility district excise tax distributions ((\$50,894,000)) \$53,709,000

General Fund Appropriation for prosecuting attorney distributions ((\$6,068,000)) \$5,985,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions \$65,000

General Fund Appropriation for habitat conservation program distributions ((\$3,000,000)) \$3,154,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$3,158,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$146,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((\$72,120,000)) \$76,932,000

County Criminal Justice Assistance Appropriation ((\$78,983,000)) \$78,861,000

Municipal Criminal Justice Assistance Appropriation ((\$30,550,000)) \$30,519,000

City-County Assistance Account Appropriation

1	for local government financial assistance	
2	distribution	((\$17,134,000))
3		<u>\$19,584,000</u>
4	Liquor Excise Tax Account Appropriation for liquor	
5	excise tax distribution	((\$24,744,000))
6		<u>\$23,906,000</u>
7	Streamlined Sales and Use Tax Mitigation Account	
8	Appropriation for distribution to local taxing	
9	jurisdictions to mitigate the unintended revenue	
10	redistribution effect of the sourcing law	
11	changes	((\$50,488,000))
12		<u>\$49,420,000</u>
13	Columbia River Water Delivery Account Appropriation for	
14	the Confederated Tribes of the Colville	
15	Reservation	((\$7,760,000))
16		<u>\$7,752,000</u>
17	Columbia River Water Delivery Account Appropriation for	
18	the Spokane Tribe of Indians	((\$5,025,000))
19		<u>\$5,011,000</u>
20	Liquor Revolving Account Appropriation for liquor	
21	profits distribution	\$98,876,000
22	TOTAL APPROPRIATION	((\$434,259,000))
23		<u>\$469,667,000</u>

24 The total expenditures from the state treasury under the
25 appropriations in this section shall not exceed the funds available
26 under statutory distributions for the stated purposes.

27 **Sec. 802.** 2013 2nd sp.s. c 4 s 802 (uncodified) is amended to read
28 as follows:

29 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
30 **ACCOUNT**

31	Impaired Driver Safety Account Appropriation	((\$2,469,000))
32		<u>\$2,409,000</u>

33 The appropriation in this section is subject to the following
34 conditions and limitations: The amount appropriated in this section
35 shall be distributed quarterly during the 2013-2015 fiscal biennium in
36 accordance with RCW 82.14.310. This funding is provided to counties
37 for the costs of implementing criminal justice legislation including,

1 but not limited to: Chapter 206, Laws of 1998 (drunk driving
2 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
3 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
4 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
5 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
6 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
7 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
8 215, Laws of 1998 (DUI provisions).

9 **Sec. 803.** 2013 2nd sp.s. c 4 s 803 (uncodified) is amended to read
10 as follows:

11 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
12 Impaired Driver Safety Account Appropriation (~~(\$1,646,000)~~)
13 \$1,606,000

14 The appropriation in this section is subject to the following
15 conditions and limitations: The amount appropriated in this section
16 shall be distributed quarterly during the 2013-2015 fiscal biennium to
17 all cities ratably based on population as last determined by the office
18 of financial management. The distributions to any city that
19 substantially decriminalizes or repeals its criminal code after July 1,
20 1990, and that does not reimburse the county for costs associated with
21 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the
22 county in which the city is located. This funding is provided to
23 cities for the costs of implementing criminal justice legislation
24 including, but not limited to: Chapter 206, Laws of 1998 (drunk
25 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter
26 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
27 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
28 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
29 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
30 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
31 215, Laws of 1998 (DUI provisions).

32 **Sec. 804.** 2013 2nd sp.s. c 4 s 804 (uncodified) is amended to read
33 as follows:

34 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**
35 General Fund Appropriation for federal flood control
36 funds distribution \$66,000

1 Tobacco Settlement Account: For transfer to the life
2 sciences discovery fund, in an amount not to exceed
3 the actual remaining amount of the annual strategic
4 contribution payment to the tobacco settlement account
5 for fiscal year 2014 \$9,515,000

6 Tobacco Settlement Account: For transfer to the life
7 sciences discovery fund, in an amount not to exceed
8 the actual remaining amount of the annual strategic
9 contribution payment to the tobacco settlement account
10 for fiscal year 2015 \$9,515,000

11 The transfer to the life sciences discovery fund is subject to the
12 following conditions:

13 (1) The life sciences discovery fund authority board of trustees
14 shall begin preparing to become a self-sustaining entity capable of
15 operating without direct state subsidy by the time the tobacco
16 strategic contribution supplemental payments end in fiscal year 2017.

17 (2) \$250,000 of the appropriation in fiscal year 2014 and \$250,000
18 of the appropriation in fiscal year 2015 are provided solely to promote
19 the development and delivery of global health technologies and
20 products.

21 (a) The life sciences discovery fund authority must either
22 administer a grant application, review, and reward process, or contract
23 with a qualified nonprofit organization for these services. State
24 moneys must be provided for grants to entities for the development,
25 production, promotion, and delivery of global health technologies and
26 products. Grant award criteria must include:

27 (i) The quality of the proposed research or the proposed technical
28 assistance in product development or production process design. Any
29 grant funds awarded for research activities must be awarded for
30 nonbasic research that will assist in the commercialization or
31 manufacture of global health technologies;

32 (ii) The potential for the grant recipient to improve global health
33 outcomes;

34 (iii) The potential for the grant to leverage additional funding
35 for the development of global health technologies and products;

36 (iv) The potential for the grant to stimulate, or promote technical
37 skills training for, employment in the development of global health
38 technologies in the state; and

1 (v) The willingness of the grant recipient, when appropriate, to
2 enter into royalty or licensing income agreements with the authority.

3 (b) The authority, or the contractor of the authority, must report
4 information including the types of products and research funded, the
5 funding leveraged by the grants, and the number and types of jobs
6 created as a result of the grants, to the economic development
7 committees of the legislature by December 1, 2014.

8 Aquatic Lands Enhancement Account: For transfer to the
9 geoduck aquaculture research account, \$150,000 for
10 fiscal year 2014 and \$150,000 for fiscal year 2015 \$300,000

11 Health Benefit Exchange Account: For transfer to the
12 state general fund for fiscal year 2015 \$21,514,000

13 Criminal Justice Treatment Account: For transfer to the
14 state general fund, \$437,000 for fiscal year 2014
15 and \$2,746,000 for fiscal year 2015 \$3,183,000

16 Resources Management Cost Account--Aquatics: For transfer
17 to the marine resources stewardship trust account,
18 \$1,850,000 for fiscal year 2014 and \$1,850,000 for
19 fiscal year 2015 \$3,700,000

20 Legal Services Revolving Account: For transfer to the
21 state general fund, \$976,000 for fiscal year 2014
22 ((and ~~\$1,477,000 for fiscal year 2015 \$2,453,000~~))
23 \$976,000

24 Personnel Service Account: For transfer to the state
25 general fund, \$733,000 for fiscal year 2014 ((and
26 ~~\$733,000 for fiscal year 2015 \$1,466,000~~))
27 \$733,000

28 Data Processing Revolving Account: For transfer to the
29 state general fund, \$4,069,000 for fiscal year 2014
30 ((and ~~\$4,070,000 for fiscal year 2015 \$8,139,000~~))
31 \$4,069,000

32 Home Security Fund Account: For transfer to the
33 transitional housing operating and rent account \$7,500,000

34 Professional Engineers' Account: For transfer to the
35 state general fund, \$956,000 for fiscal year 2014 and
36 \$957,000 for fiscal year 2015 \$1,913,000

37 Electrical License Account: For transfer to the state
38 general fund, \$1,700,000 for fiscal year 2014 and

1 the education legacy trust account,
2 \$733,000 for fiscal year 2015 \$733,000
3 Data Processing Revolving Account: For
4 transfer to the education legacy trust
5 account, \$4,070,000 for fiscal year 2015 \$4,070,000

(End of part)

1 domestic partner has chosen not to enroll in other employer-based group
2 health insurance that has benefits and premiums with an actuarial value
3 of not less than 95 percent of the actuarial value of the public
4 employees' benefits board plan with the largest enrollment.

5 (c) The health care authority shall deposit any moneys received on
6 behalf of the uniform medical plan as a result of rebates on
7 prescription drugs, audits of hospitals, subrogation payments, or any
8 other moneys recovered as a result of prior uniform medical plan claims
9 payments, into the public employees' and retirees' insurance account to
10 be used for insurance benefits. Such receipts shall not be used for
11 administrative expenditures.

12 (d) To the extent that the agreement between the governor and the
13 super coalition contains terms that are effective after June 30, 2015,
14 those terms exceed the fiscal biennium and are outside the bounds
15 permitted by RCW 41.80.001. Nothing in this section obligates the
16 legislature for funding after June 30, 2015.

17 (2) The health care authority, subject to the approval of the
18 public employees' benefits board, shall provide subsidies for health
19 benefit premiums to eligible retired or disabled public employees and
20 school district employees who are eligible for medicare, pursuant to
21 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
22 shall be up to \$150 per month.

23 **Sec. 902.** 2013 2nd sp.s. c 4 s 933 (uncodified) is amended to read
24 as follows:

25 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**
26 **BENEFITS**

27 Appropriations for state agencies in this act are sufficient for
28 represented employees outside the super coalition for health benefits,
29 and are subject to the following conditions and limitations:

30 (1)(a) The monthly employer funding rate for insurance benefit
31 premiums, public employees' benefits board administration, and the
32 uniform medical plan, shall not exceed \$782 per eligible employee for
33 fiscal year 2014. For fiscal year 2015 the monthly employer funding
34 rate shall not exceed (~~(\$763)~~) \$658 per eligible employee.

35 (b) In order to achieve the level of funding provided for health
36 benefits, the public employees' benefits board shall require or make
37 any or all of the following: Employee premium copayments, increases in

1 point-of-service cost sharing, the implementation of managed
2 competition, or other changes to benefits consistent with RCW
3 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
4 surcharge to the premiums due from members who use tobacco products and
5 a surcharge of not less than \$50 per month to the premiums due from
6 members who cover a spouse or domestic partner where the spouse or
7 domestic partner has chosen not to enroll in other employer-based group
8 health insurance that has benefits and premiums with an actuarial value
9 of not less than 95 percent of the actuarial value of the public
10 employees' benefits board plan with the largest enrollment.

11 (c) The health care authority shall deposit any moneys received on
12 behalf of the uniform medical plan as a result of rebates on
13 prescription drugs, audits of hospitals, subrogation payments, or any
14 other moneys recovered as a result of prior uniform medical plan claims
15 payments, into the public employees' and retirees' insurance account to
16 be used for insurance benefits. Such receipts shall not be used for
17 administrative expenditures.

18 (2) The health care authority, subject to the approval of the
19 public employees' benefits board, shall provide subsidies for health
20 benefit premiums to eligible retired or disabled public employees and
21 school district employees who are eligible for medicare, pursuant to
22 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
23 shall be up to \$150 per month.

24 **Sec. 903.** 2013 2nd sp.s. c 4 s 937 (uncodified) is amended to read
25 as follows:

26 **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU LOCAL 925**
27 **CHILDCARE WORKERS**

28 (1) An agreement has been reached between the governor and the
29 service employees international union local 925 under the provisions of
30 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is
31 provided for increases to health care, scholarship funding and
32 non-standard hours bonus.

33 (2) An agreement has been reached between the governor and the
34 service employees international union local 925 under the provisions of
35 chapter 41.56 RCW for fiscal year 2015. Funding is provided to
36 increase the child care subsidy rates for licensed and exempt family
37 child care providers by four percent on July 1, 2014, and another four

1 percent on January 1, 2015. Two million dollars is also provided to
2 fund an early achievers tiered reimbursement pilot project for licensed
3 family child care providers.

4 **Sec. 904.** 2013 2nd sp.s. c 4 s 939 (uncodified) is amended to read
5 as follows:

6 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

7 Appropriations for state agencies in this act are sufficient for
8 nonrepresented state employee health benefits for state agencies,
9 including institutions of higher education, and are subject to the
10 following conditions and limitations:

11 (1)(a) The monthly employer funding rate for insurance benefit
12 premiums, public employees' benefits board administration, and the
13 uniform medical plan, shall not exceed \$782 per eligible employee for
14 fiscal year 2014. For fiscal year 2015 the monthly employer funding
15 rate shall not exceed (~~(\$763)~~) \$658 per eligible employee.

16 (b) In order to achieve the level of funding provided for health
17 benefits, the public employees' benefits board shall require or make
18 any or all of the following: Employee premium copayments, increases in
19 point-of-service cost sharing, the implementation of managed
20 competition, or other changes to benefits consistent with RCW
21 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
22 surcharge to the premiums due from members who use tobacco products and
23 a surcharge of not less than \$50 per month to the premiums due from
24 members who cover a spouse or domestic partner where the spouse or
25 domestic partner has chosen not to enroll in other employer-based group
26 health insurance that has benefits and premiums with an actuarial value
27 of not less than 95 percent of the actuarial value of the public
28 employees' benefits board plan with the largest enrollment.

29 (c) The health care authority shall deposit any moneys received on
30 behalf of the uniform medical plan as a result of rebates on
31 prescription drugs, audits of hospitals, subrogation payments, or any
32 other moneys recovered as a result of prior uniform medical plan claims
33 payments, into the public employees' and retirees' insurance account to
34 be used for insurance benefits. Such receipts shall not be used for
35 administrative expenditures.

36 (2) The health care authority, subject to the approval of the
37 public employees' benefits board, shall provide subsidies for health

1 benefit premiums to eligible retired or disabled public employees and
2 school district employees who are eligible for medicare, pursuant to
3 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
4 shall be up to \$150 per month.

5 (3) Technical colleges, school districts, and educational service
6 districts shall remit to the health care authority for deposit into the
7 public employees' and retirees' insurance account established in RCW
8 41.05.120 the following amounts:

9 (a) For each full-time employee, \$64.40 per month beginning
10 September 1, 2013, and (~~(\$70.39)~~) \$66.70 beginning September 1, 2014;
11 and

12 (b) For each part-time employee, who at the time of the remittance
13 is employed in an eligible position as defined in RCW 41.32.010 or
14 41.40.010 and is eligible for employer fringe benefit contributions for
15 basic benefits, \$64.40 each month beginning September 1, 2013, and
16 (~~(\$70.39)~~) \$66.70 beginning September 1, 2014, prorated by the
17 proportion of employer fringe benefit contributions for a full-time
18 employee that the part-time employee receives. The remittance
19 requirements specified in this subsection (3) shall not apply to
20 employees of a technical college, school district, or educational
21 service district who purchase insurance benefits through contracts with
22 the health care authority.

23 **Sec. 905.** 2013 2nd sp.s. c 4 s 943 (uncodified) is amended to read
24 as follows:

25 **ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL**
26 **CONTRACTS**

27 (1) Financial contracts for the acquisition of the information
28 technology projects authorized in this section must be approved jointly
29 by the office of the financial management and the office of the chief
30 information officer. Information technology projects funded under this
31 section shall meet the following requirements:

32 (a) The project reduces costs and achieves economies of scale by
33 leveraging statewide investments in systems and data and other common
34 or enterprise-wide solutions within and across state agencies;

35 (b) The project begins or continues replacement of legacy
36 information technology systems and replacing these systems with modern
37 and more efficient information technology systems;

1 (c) The project improves the ability of an agency to recover from
2 major disaster;

3 (d) The project provides future savings and efficiencies for an
4 agency through reduced operating costs, improved customer service, or
5 increased revenue collections; and

6 (e) Preference for project approval must be given to an agency that
7 has prior approval from the office of the chief information officer, an
8 approved business plan, and where the primary hurdle to project funding
9 is the lack of funding capacity.

10 (2) The following state agencies may enter into financial contracts
11 to finance expenditures for the acquisition and implementation of the
12 following information technology projects for up to the respective
13 amounts indicated, plus financing expenses and required reserves
14 pursuant to chapter 39.94 RCW:

15 (a) Subject to subsection (4) of this section, (~~(\$10,000,000)~~)
16 \$13,500,000 for the department of enterprise services time, leave, and
17 attendance pilot project;

18 (b) \$3,867,000 for the Washington state patrol for continuation of
19 the mobile office platform;

20 (~~(c) (\$8,500,000 for the department of social and health services~~
21 ~~conversion to the tenth version of the world health organization's~~
22 ~~international classification of diseases;~~

23 ~~(d) \$5,558,000)~~ \$3,314,670 for the department of early learning
24 system implementation of electronic benefit transfers;

25 (~~(e)~~) (d) \$4,323,000 for the department of corrections for radio
26 infrastructure upgrades.

27 (3) The office of financial management with assistance from the
28 office of the chief information officer will report to the governor and
29 fiscal committees of the legislature by November 1st of each year on
30 the status of distributions and expenditures on information technology
31 projects and improved statewide or agency performance results achieved
32 by project funding.

33 (4) If the Washington state department of transportation enters
34 into financial contracts pursuant to chapter 39.94 RCW for the
35 acquisition and implementation of a time, leave, and labor distribution
36 system, the authorization provided to the department of enterprise
37 services in subsection (2)(a) of this section expires.

1 **Sec. 906.** RCW 28B.67.030 and 2013 2nd sp.s. c 4 s 961 are each
2 amended to read as follows:

3 (1) All payments received from a participant in the Washington
4 customized employment training program created in RCW 28B.67.020 must
5 be deposited into the employment training finance account, which is
6 hereby created in the custody of the state treasurer. Only the state
7 board for community and technical colleges may authorize expenditures
8 from the account and no appropriation is required for expenditures.
9 The money in the account must be used solely for training allowances
10 under the Washington customized employment training program created in
11 RCW 28B.67.020 and for providing up to seventy-five thousand dollars
12 per year for training, marketing, and facilitation services to increase
13 the use of the program. The deposit of payments under this section
14 from a participant ceases when the board specifies that the participant
15 has met the monetary obligations of the program. During the 2013-2015
16 fiscal biennium, the legislature may transfer from the employment
17 training finance account to the state general fund and the education
18 legacy trust account such amounts as reflect the excess fund balance in
19 the account.

20 (2) All revenue solicited and received under the provisions of RCW
21 28B.67.020(4) must be deposited into the employment training finance
22 account to provide training allowances.

23 (3) The definitions in RCW 28B.67.010 apply to this section.

24 (4) This section expires July 1, 2017.

25 **Sec. 907.** RCW 28C.10.082 and 2013 2nd sp.s. c 4 s 965 are each
26 amended to read as follows:

27 The tuition recovery trust fund is hereby established in the
28 custody of the state treasurer. The agency shall deposit in the fund
29 all moneys received under RCW 28C.10.084. Moneys in the fund may be
30 spent only for the purposes under RCW 28C.10.084. Disbursements from
31 the fund shall be on authorization of the agency. During the 2013-2015
32 fiscal biennium, the legislature may transfer from the tuition recovery
33 trust fund to the state general fund and the education legacy trust
34 account such amounts as reflect the excess fund balance in the fund.
35 The fund is subject to the allotment procedure provided under chapter
36 43.88 RCW, but no appropriation is required for disbursements.

1 **Sec. 908.** RCW 36.28A.300 and 2013 2nd sp.s. c 35 s 23 are each
2 amended to read as follows:

3 There is created a 24/7 sobriety program to be administered by the
4 (~~Washington traffic safety~~) criminal justice training commission in
5 conjunction with the Washington association of sheriffs and police
6 chiefs. The program shall coordinate efforts among various local
7 government entities for the purpose of implementing alternatives to
8 incarceration for offenders convicted under RCW 46.61.502 or 46.61.504
9 with one or more prior convictions under RCW 46.61.502 or 46.61.504.

10 **Sec. 909.** RCW 36.28A.320 and 2013 2nd sp.s. c 35 s 25 are each
11 amended to read as follows:

12 There is hereby established in the state treasury the 24/7 sobriety
13 account. The account shall be maintained and administered by the
14 (~~Washington traffic safety~~) criminal justice training commission to
15 reimburse the state for costs associated with establishing the program
16 and the Washington association of sheriffs and police chiefs for
17 ongoing program administration costs. (~~The Washington traffic~~
18 ~~safety~~) criminal justice training commission may accept for deposit in
19 the account money from donations, gifts, grants, participation fees,
20 and user fees or payments. Expenditures from the account shall be
21 budgeted through the normal budget process.

22 **Sec. 910.** RCW 41.06.280 and 2013 2nd sp.s. c 4 s 968 are each
23 amended to read as follows:

24 There is hereby created a fund within the state treasury,
25 designated as the "personnel service fund," to be used by the office of
26 financial management as a revolving fund for the payment of salaries,
27 wages, and operations required for the administration of the provisions
28 of this chapter, applicable provisions of chapter 41.04 RCW, and
29 chapter 41.60 RCW. An amount not to exceed one and one-half percent of
30 the salaries and wages for all positions in the classified service in
31 each of the agencies subject to this chapter, except the institutions
32 of higher education, shall be charged to the operations appropriations
33 of each agency and credited to the personnel service fund as the
34 allotments are approved pursuant to chapter 43.88 RCW. Subject to the
35 above limitations, the amount shall be charged against the allotments
36 pro rata, at a rate to be fixed by the director from time to time

1 which, together with income derived from services rendered under RCW
2 41.06.080, will provide the office of financial management with funds
3 to meet its anticipated expenditures during the allotment period,
4 including the training requirements in RCW 41.06.500 and 41.06.530.
5 All revenues, net of expenditures, previously derived from services
6 provided by the department of enterprise services under RCW 41.06.080
7 must be transferred to the enterprise services account.

8 The director shall fix the terms and charges for services rendered
9 by the office of financial management pursuant to RCW 41.06.080, which
10 amounts shall be credited to the personnel service fund and charged
11 against the proper fund or appropriation of the recipient of such
12 services on a monthly basis. Payment for services so rendered under
13 RCW 41.06.080 shall be made on a monthly basis to the state treasurer
14 and deposited in the personnel service fund.

15 Moneys from the personnel service fund shall be disbursed by the
16 state treasurer by warrants on vouchers duly authorized by the office
17 of financial management.

18 During the 2013-2015 fiscal biennium, the legislature may transfer
19 from the personnel service fund to the state general fund and the
20 education legacy trust account such amounts as reflect the excess fund
21 balance of the account.

22 **Sec. 911.** RCW 43.08.190 and 2013 2nd sp.s. c 4 s 973 are each
23 amended to read as follows:

24 There is hereby created a fund within the state treasury to be
25 known as the "state treasurer's service fund." Such fund shall be used
26 solely for the payment of costs and expenses incurred in the operation
27 and administration of the state treasurer's office.

28 Moneys shall be allocated monthly and placed in the state
29 treasurer's service fund equivalent to a maximum of one percent of the
30 trust and treasury average daily cash balances from the earnings
31 generated under the authority of RCW 43.79A.040 and 43.84.080 other
32 than earnings generated from investment of balances in funds and
33 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
34 precede the distribution of the remaining earnings as prescribed under
35 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
36 uniform allocation rate for all funds and accounts; except that the
37 state treasurer may negotiate a different allocation rate with any

1 state agency that has independent authority over funds not statutorily
2 required to be held in the state treasury or in the custody of the
3 state treasurer. In no event shall the rate be less than the actual
4 costs incurred by the state treasurer's office. If no rate is
5 separately negotiated, the default rate for any funds held shall be the
6 rate set for funds held pursuant to statute.

7 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-
8 2015 fiscal biennia, the legislature may transfer from the state
9 treasurer's service fund to the state general fund such amounts as
10 reflect the excess fund balance of the fund. Additionally, during the
11 2013-2015 fiscal biennium, the legislature may transfer from the state
12 treasurer's service fund to the education legacy trust account such
13 amounts as reflect the excess balance of the fund.

14 **Sec. 912.** RCW 43.10.150 and 2013 2nd sp.s. c 4 s 975 are each
15 amended to read as follows:

16 A legal services revolving fund is hereby created in the state
17 treasury for the purpose of a centralized funding, accounting, and
18 distribution of the actual costs of the legal services provided to
19 agencies of the state government by the attorney general. During the
20 2013-2015 fiscal biennium, the legislature may transfer from the legal
21 services revolving account to the state general fund and the education
22 legacy trust account such amounts as reflect the excess fund balance of
23 the account.

24 **Sec. 913.** RCW 43.19.791 and 2013 2nd sp.s. c 4 s 976 are each
25 amended to read as follows:

26 There is created a revolving fund to be known as the data
27 processing revolving fund in the custody of the state treasurer. The
28 revolving fund shall be used for the acquisition of equipment,
29 software, supplies, and services and the payment of salaries, wages,
30 and other costs incidental to the acquisition, development, operation,
31 and administration of information services, telecommunications,
32 systems, software, supplies and equipment, including the payment of
33 principal and interest on bonds issued for capital projects, by the
34 department, Washington State University's computer services center, the
35 department of enterprise services' personnel information systems group
36 and financial systems management group, and other users as determined

1 by the office of financial management. The revolving fund is subject
2 to the allotment procedure provided under chapter 43.88 RCW. The chief
3 information officer or the chief information officer's designee, with
4 the approval of the technology services board, is authorized to expend
5 up to one million dollars per fiscal biennium for the technology
6 services board to conduct independent technical and financial analysis
7 of proposed information technology projects, and such an expenditure
8 does not require an appropriation. Disbursements from the revolving
9 fund for the services component of the department are not subject to
10 appropriation. Disbursements for the strategic planning and policy
11 component of the department are subject to appropriation. All
12 disbursements from the fund are subject to the allotment procedures
13 provided under chapter 43.88 RCW. The department shall establish and
14 implement a billing structure to assure all agencies pay an equitable
15 share of the costs.

16 During the 2011-2013 and the 2013-2015 fiscal biennia, the
17 legislature may transfer from the data processing revolving account to
18 the state general fund such amounts as reflect the excess fund balance
19 and may use the data processing revolving account for information
20 technology projects. Additionally, during the 2013-2015 fiscal
21 biennium, the legislature may transfer from the data processing
22 revolving account to the education legacy trust account such amounts as
23 reflect the excess balance of the fund.

24 As used in this section, the word "supplies" shall not be
25 interpreted to delegate or abrogate the division of purchasing's
26 responsibilities and authority to purchase supplies as described in RCW
27 43.19.190 and 43.19.200.

28 **Sec. 914.** RCW 43.79.480 and 2013 2nd sp.s. c 4 s 980 are each
29 amended to read as follows:

30 (1) Moneys received by the state of Washington in accordance with
31 the settlement of the state's legal action against tobacco product
32 manufacturers, exclusive of costs and attorneys' fees, shall be
33 deposited in the tobacco settlement account created in this section
34 except as these moneys are sold or assigned under chapter 43.340 RCW.

35 (2) The tobacco settlement account is created in the state
36 treasury. Moneys in the tobacco settlement account may only be
37 transferred to the state general fund, and to the tobacco prevention

1 and control account for purposes set forth in this section. The
2 legislature shall transfer amounts received as strategic contribution
3 payments as defined in RCW 43.350.010 to the life sciences discovery
4 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013
5 fiscal biennia, the legislature may transfer less than the entire
6 strategic contribution payments, and may transfer amounts attributable
7 to strategic contribution payments into the basic health plan
8 stabilization account. During the 2013-2015 fiscal biennium, the
9 legislature may transfer less than the entire strategic contribution
10 payments, and may transfer amounts attributable to strategic
11 contribution payments into the state general fund and the education
12 legacy trust account.

13 (3) The tobacco prevention and control account is created in the
14 state treasury. The source of revenue for this account is moneys
15 transferred to the account from the tobacco settlement account,
16 investment earnings, donations to the account, and other revenues as
17 directed by law. Expenditures from the account are subject to
18 appropriation. During the 2009-2011 fiscal biennium, the legislature
19 may transfer from the tobacco prevention and control account to the
20 state general fund such amounts as represent the excess fund balance of
21 the account.

22 **Sec. 915.** RCW 43.325.040 and 2013 2nd sp.s. c 4 s 984 are each
23 amended to read as follows:

24 (1) The energy freedom account is created in the state treasury.
25 All receipts from appropriations made to the account and any loan
26 payments of principal and interest derived from loans made under the
27 energy freedom account must be deposited into the account. Moneys in
28 the account may be spent only after appropriation. Expenditures from
29 the account may be used only for financial assistance for further
30 funding for projects consistent with this chapter or otherwise
31 authorized by the legislature.

32 (2) The green energy incentive account is created in the state
33 treasury as a subaccount of the energy freedom account. All receipts
34 from appropriations made to the green energy incentive account shall be
35 deposited into the account, and may be spent only after appropriation.
36 Expenditures from the account may be used only for:

37 (a) Refueling projects awarded under this chapter;

1 (b) Pilot projects for plug-in hybrids, including grants provided
2 for the electrification program set forth in RCW 43.325.110; and

3 (c) Demonstration projects developed with state universities as
4 defined in RCW 28B.10.016 and local governments that result in the
5 design and building of a hydrogen vehicle fueling station.

6 (3)(a) The energy recovery act account is created in the state
7 treasury. State and federal funds may be deposited into the account
8 and any loan payments of principal and interest derived from loans made
9 from the energy recovery act account must be deposited into the
10 account. Moneys in the account may be spent only after appropriation.

11 (b) Expenditures from the account may be used only for loans, loan
12 guarantees, and grants that encourage the establishment of innovative
13 and sustainable industries for renewable energy and energy efficiency
14 technology, including but not limited to:

15 (i) Renewable energy projects or programs that require interim
16 financing to complete project development and implementation;

17 (ii) Companies with innovative, near-commercial or commercial,
18 clean energy technology; and

19 (iii) Energy efficiency technologies that have a viable repayment
20 stream from reduced utility costs.

21 (c) The director shall establish policies and procedures for
22 processing, reviewing, and approving applications for funding under
23 this section. When developing these policies and procedures, the
24 department must consider the clean energy leadership strategy developed
25 under section 2, chapter 318, Laws of 2009.

26 (d) The director shall enter into agreements with approved
27 applicants to fix the term and rates of funding provided from this
28 account.

29 (e) The policies and procedures of this subsection (3) do not apply
30 to assistance awarded for projects under RCW 43.325.020(3).

31 (4) Any state agency receiving funding from the energy freedom
32 account is prohibited from retaining greater than three percent of any
33 funding provided from the energy freedom account for administrative
34 overhead or other deductions not directly associated with conducting
35 the research, projects, or other end products that the funding is
36 designed to produce unless this provision is waived in writing by the
37 director.

1 (5) Any university, institute, or other entity that is not a state
2 agency receiving funding from the energy freedom account is prohibited
3 from retaining greater than fifteen percent of any funding provided
4 from the energy freedom account for administrative overhead or other
5 deductions not directly associated with conducting the research,
6 projects, or other end products that the funding is designed to
7 produce.

8 (6) Subsections (2), (4), and (5) of this section do not apply to
9 assistance awarded for projects under RCW 43.325.020(3).

10 (7) During the 2013-2015 fiscal biennium, the legislature may
11 transfer from the energy freedom account to the state general fund and
12 the education legacy trust account such amounts as reflect the excess
13 fund balance of the account.

14 **Sec. 916.** RCW 67.70.260 and 2011 1st sp.s. c 50 s 962 are each
15 amended to read as follows:

16 There is hereby created the lottery administrative account in the
17 state treasury. The account shall be managed, controlled, and
18 maintained by the director. The legislature may appropriate from the
19 account for the payment of costs incurred in the operation and
20 administration of the lottery. During the 2001-2003 fiscal biennium,
21 the legislature may transfer from the lottery administrative account to
22 the state general fund such amounts as reflect the appropriations
23 reductions made by the 2002 supplemental appropriations act for
24 administrative efficiencies and savings. During the ((2011-2013))
25 2013-2015 fiscal biennium, the lottery administrative account may also
26 be used to fund an independent forecast of the lottery revenues
27 conducted by the economic and revenue forecast council.

28 **Sec. 917.** RCW 77.36.170 and 2013 c 329 s 2 are each amended to
29 read as follows:

30 (1) The department may pay no more than fifty thousand dollars per
31 fiscal year from the state wildlife account created in RCW 77.12.170
32 for claims and assessment costs for injury or loss of livestock caused
33 by wolves submitted under RCW 77.36.100.

34 (2) Notwithstanding other provisions of this chapter, the
35 department may also accept and expend money from other sources to

1 address injury or loss of livestock or other property caused by wolves
2 consistent with the requirements on that source of funding.

3 (3) If any wildlife account expenditures authorized under
4 subsections (1) and (4) of this section are unspent as of June 30th of
5 a fiscal year, the state treasurer shall transfer the unspent amount to
6 the wolf-livestock conflict account created in RCW 77.36.180.

7 (4) During the 2014 fiscal year, the department may pay no more
8 than two hundred and fifty thousand dollars from the state wildlife
9 account created in RCW 77.12.170 for claims and assessment costs for
10 injury or loss of livestock caused by wolves submitted under RCW
11 77.36.100.

12 **Sec. 918.** RCW 82.08.160 and 2013 2nd sp.s. c 4 s 1003 are each
13 amended to read as follows:

14 (1) On or before the twenty-fifth day of each month, all taxes
15 collected under RCW 82.08.150 during the preceding month must be
16 remitted to the state department of revenue, to be deposited with the
17 state treasurer. Except as provided in subsections (2), (3), and (4)
18 of this section, upon receipt of such moneys the state treasurer must
19 credit sixty-five percent of the sums collected and remitted under RCW
20 82.08.150 (1) and (2) and one hundred percent of the sums collected and
21 remitted under RCW 82.08.150 (3) and (4) to the state general fund and
22 thirty-five percent of the sums collected and remitted under RCW
23 82.08.150 (1) and (2) to a fund which is hereby created to be known as
24 the "liquor excise tax fund."

25 (2) During the 2012 fiscal year, 66.19 percent of the sums
26 collected and remitted under RCW 82.08.150 (1) and (2) must be
27 deposited in the state general fund and the remainder collected and
28 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
29 liquor excise tax fund.

30 (3) During fiscal year 2013, all funds collected under RCW
31 82.08.150 (1), (2), (3), and (4) must be deposited into the state
32 general fund.

33 (4) During the 2013-2015 fiscal biennium, (~~eighty-two~~)
34 seventy-seven and one-half percent of the sums collected and remitted
35 under RCW 82.08.150 (1) and (2) must be deposited in the state general
36 fund and the remainder collected and remitted under RCW 82.08.150 (1)

1 and (2) must be deposited in the liquor excise tax fund. The
2 amendments in this section are curative, clarifying, and remedial and
3 apply retroactively to July 1, 2013.

4 **Sec. 919.** RCW 83.100.230 and 2012 1st sp.s. c 10 s 7 are each
5 amended to read as follows:

6 The education legacy trust account is created in the state
7 treasury. Money in the account may be spent only after appropriation.
8 Expenditures from the account may be used only for support of the
9 common schools, and for expanding access to higher education through
10 funding for new enrollments and financial aid, and other educational
11 improvement efforts. During the 2013-2015 fiscal biennium, the
12 education legacy trust account may be used for expenditures related to
13 Engrossed Second Substitute House Bill No. 2377 (early care and
14 education).

15 **Sec. 920.** 2013 2nd sp.s. c 35 s 39 (uncodified) is amended to read
16 as follows:

17 The sum of one hundred seventy-six thousand dollars of the state
18 general fund for the fiscal year ending June 30, 2014, and one hundred
19 seventy-six thousand dollars of the state general fund for the fiscal
20 year ending June 30, 2015, or as much thereof as may be necessary, are
21 appropriated to the ((~~Washington traffic safety~~)) criminal justice
22 training commission solely for the purposes of ((~~section 25 of this~~
23 ~~act~~)) RCW 36.28A.320.

24 NEW SECTION. **Sec. 921.** 2013 2nd sp.s. c 35 s 40 (uncodified) is
25 repealed.

26 NEW SECTION. **Sec. 922.** A new section is added to 2013 2nd sp.s.
27 c 4 (uncodified) to read as follows:

28 The sum of one hundred seventy thousand dollars from the state
29 general fund for the fiscal year ending June 30, 2014, and two hundred
30 twenty-seven thousand dollars of the state general fund for the fiscal
31 year ending June 30, 2015, or as much thereof as may be necessary, are
32 appropriated for expenditure into the county criminal justice
33 assistance account. The treasurer shall make quarterly distributions
34 from the county criminal justice assistance account of the amounts

1 provided in this section in accordance with RCW 82.14.310 for the
2 purposes of reimbursing local jurisdictions for increased costs
3 incurred as a result of the mandatory arrest of repeat offenders
4 pursuant to chapter 35, Laws of 2013 2nd sp. sess. The first
5 distribution for fiscal year 2014 shall include amounts from previous
6 quarters for which distributions were not made. The appropriations and
7 distributions made under this section constitute appropriate
8 reimbursement for costs for any new programs or increased level of
9 services for the purposes of RCW 43.135.060.

10 NEW SECTION. **Sec. 923.** A new section is added to 2013 2nd sp.s.
11 c 4 (uncodified) to read as follows:

12 The sum of one hundred thousand dollars from the state general fund
13 for the fiscal year ending June 30, 2014, and one hundred thirty-three
14 thousand dollars from the state general fund for the fiscal year ending
15 June 30, 2015, or as much thereof as may be necessary, are appropriated
16 for expenditure into the municipal criminal justice assistance account.
17 The treasurer shall make quarterly distributions from the municipal
18 criminal justice assistance account of the amounts provided in this
19 section in accordance with RCW 82.14.320, for the purposes of
20 reimbursing local jurisdictions for increased costs incurred as a
21 result of the mandatory arrest of repeat offenders pursuant to chapter
22 35, Laws of 2013 2nd sp. sess. The first distribution for fiscal year
23 2014 shall include amounts from previous quarters for which
24 distributions were not made. The appropriations and distributions made
25 under this section constitute appropriate reimbursement for costs for
26 any new programs or increased level of services for the purposes of RCW
27 43.135.060.

28 NEW SECTION. **Sec. 924.** A new section is added to 2013 2nd sp.s.
29 c 4 (uncodified) to read as follows:

30 (1) A joint task force on local education financing reform is
31 established with the following members:

32 (a) Four members from the house of representatives, two from each
33 major caucus, appointed by the speaker of the house of representatives;

34 (b) Four members from the senate, two from each major caucus,
35 appointed by the majority leader and minority leader of the major
36 caucuses of the senate;

1 (c) The governor or the governor's designee; and

2 (d) The superintendent of public instruction or the
3 superintendent's designee.

4 (2) Appointments to the task force shall be completed within thirty
5 days of the effective date of this section.

6 (3) The task force shall be cochaired by one member of the house of
7 representatives and one member of the senate, selected by the members
8 of the task force.

9 (4) The task force shall:

10 (a) Review the work of the levy and local effort assistance
11 technical working group created in accordance with chapter 548, Laws of
12 2009, and amended by chapter 236, Laws of 2010, and other relevant
13 studies and information;

14 (b) Review the use of local levies by school districts, including
15 the level of funding and how the funding is used by school districts;

16 (c) Review issues related to various aspects of the local levy
17 process, including school district levy authority, the determination of
18 the levy base, the different levy lids, levy equalization, school
19 choice to use excess levies rather than regular levies, and other voter
20 approval strategies available to school districts;

21 (d) Review issues related to the small school factor in state
22 funding formulas;

23 (e) Review the work of the compensation technical working group
24 created in accordance with chapter 548, Laws of 2009, and amended by
25 chapter 236, Laws of 2010, and other relevant studies and information
26 as they relate to salary grandfathering and regional compensation
27 differences in state funding formulas;

28 (f) Review issues related to grandfathered base salary allocations
29 for certificated instructional staff in state funding formulas;

30 (g) Review options for addressing regional labor market differences
31 in state funding formulas; and

32 (h) Recommend approaches in a report to the governor and the
33 legislature to address a system for state and local funds that are
34 distributed in a manner that provides all children with the opportunity
35 to meet the state's academic standards and become prepared for
36 postsecondary careers and education, and that provides compensation
37 allocations that are adequate to hire and retain competent teachers.

1 (5) Findings and recommendations from the task force shall be
2 reported to fiscal committees of the legislature by December 20, 2014.

3 (6) Staff and logistical support for the task force must be
4 provided by the house of representatives office of program research and
5 senate committee services, with assistance as necessary from the office
6 of financial management and the office of the superintendent of public
7 instruction. The first meeting of the task force shall be convened by
8 the house of representatives office of program research and senate
9 committee services within forty-five days of the effective date of this
10 section.

11 (7) Members of the task force shall be reimbursed for travel
12 expenses as provided in RCW 44.04.120.

13 (8) This section expires June 30, 2015.

14 NEW SECTION. **Sec. 925.** Section 915 of this act expires June 30,
15 2016.

16 **Sec. 926.** 2007 c 465 s 3 (uncodified) is amended to read as
17 follows:

18 This act expires June 30, (~~2014~~) 2015.

19 **Sec. 927.** 2009 c 520 s 96 (uncodified) is amended to read as
20 follows:

21 Section 63 of this act expires June 30, (~~2014~~) 2015.

22 NEW SECTION. **Sec. 928.** If any provision of this act or its
23 application to any person or circumstance is held invalid, the
24 remainder of the act or the application of the provision to other
25 persons or circumstances is not affected.

26 NEW SECTION. **Sec. 929.** This act is necessary for the immediate
27 preservation of the public peace, health, or safety, or support of the
28 state government and its existing public institutions, and takes effect
29 immediately.

(End of Bill)

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1 Correct the title.

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