



# **PROPOSED SENATE 2014 SUPPLEMENTAL OPERATING BUDGET**

**PROPOSED SUBSTITUTE  
TO SB 6002**

# **SENATE CHAIR**

**SENATE WAYS & MEANS COMMITTEE  
FEBRUARY 24, 2014**

1 AN ACT Relating to fiscal matters; amending RCW 41.05.130,  
2 43.43.839, 43.101.220, 43.320.110, 43.350.070, 50.16.010, 51.44.170,  
3 67.70.230, 77.36.170, and 82.08.160; amending 2013 2nd sp.s. c 4 ss  
4 101, 103, 105, 106, 110, 112, 113, 114, 115, 116, 119, 120, 121, 123,  
5 124, 125, 126, 127, 128, 129, 130, 131, 132, 134, 135, 136, 137, 138,  
6 139, 140, 141, 142, 143, 144, 145, 147, 148, 149, 201, 202, 203, 204,  
7 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218,  
8 219, 220, 221, 222, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310,  
9 311, 401, 402, 501, 502, 505, 506, 507, 508, 509, 510, 511, 512, 513,  
10 514, 515, 516, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612,  
11 613, 614, 615, 616, 617, 618, 619, 620, 701, 702, 703, 704, 706, 710,  
12 801, 802, 803, 804, 805, 932, 933, 937, 939, and 943 (uncodified);  
13 adding new sections to 2013 2nd sp.s. c 4 (uncodified); adding a new  
14 section to chapter 28A.710 RCW; making appropriations; and declaring an  
15 emergency.

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

17 **PART I**  
18 **GENERAL GOVERNMENT**



1 the audit is to identify cost and profit centers within, and in  
2 partnership with, the research universities. The audit must focus on  
3 public funds; student fees, in particular tuition; and auxiliary  
4 enterprises, which for the purposes of the audit at the University of  
5 Washington includes University of Washington medical center, the  
6 internal lending program, the W fund, and the center for  
7 commercialization. The audit at each university must achieve the  
8 following:

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

13 (b) Obtain the university's definition of auxiliary enterprises and  
14 determine the number of auxiliary enterprises, including the University  
15 of Washington medical center, the University of Washington internal  
16 lending program, the W fund, and the center for commercialization, that  
17 exist in the university system, the methods the university uses to  
18 track revenue and expenditures of auxiliary enterprises, and the  
19 policies and practices the university has in place to ensure that state  
20 funding is not used to supplement or guarantee projects or programs  
21 authorized by auxiliary enterprises;

22 (c) Identify how much money is being spent on undergraduate  
23 education and to what extent undergraduate education is subsidizing  
24 graduate education; and

25 (d) Determine how tuition funds are being used and to what extent  
26 they are being used to fund the University of Washington medical  
27 center, the University of Washington internal lending program, the W  
28 fund, and the center for commercialization and to back bonds authorized  
29 by the university.

30 (5) The committee shall conduct a study of the current methods of  
31 collecting legal financial obligations and compare those methods with  
32 other debt collection methods, including contracting for debt  
33 collection of legal financial obligations. The study shall include  
34 analysis of the costs and revenues of current methods and compare those  
35 to alternatives, and include analysis of the impact of current methods  
36 and alternatives to revenues received by the state. Included shall be  
37 an examination of costs and revenue generation before and after the  
38 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,

1 Laws of 2005 (SSB 5256) and analysis of whether these changes met the  
2 legislative goals of reducing costs and increasing collections. A  
3 report on the results of the analysis shall be presented to the  
4 appropriate committees of the legislature by December 2014.

5 (6) The committee shall conduct a study of economic development  
6 programs and projects supported by the state general fund in the  
7 department of commerce. The study shall first review the extent to  
8 which these programs: (a) Included specific economic development  
9 targets; (b) monitored economic development targets; (c) required for  
10 programs which provided support or services through contracts, whether  
11 the contracts were structured such that if economic development targets  
12 were not met, contracts were reviewed or revised; and (d) changed the  
13 economic development targets of associate development organizations  
14 relative to funding increases since 2007. The study will include the  
15 feasibility of determining how to isolate other factors, such as  
16 general economic trends, from the impacts of economic development  
17 programs. The costs and options for conducting future analysis of the  
18 outcomes specific to economic development programs shall be included  
19 and a briefing report shall be provided to the appropriate committees  
20 of the legislature by December 1, 2013. A complete report with study  
21 data and conclusions shall be provided to the appropriate committees of  
22 the legislature by December 1, 2014.

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

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

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

33 (b) Estimates of time in each category;

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

36 (d) When noninstructional hours occur;

37 (e) How noninstructional hours are used, including how much

1 noninstructional time is devoted to professional development for the  
2 purposes of teacher and principal evaluation training or common core  
3 state standards training; and

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

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

10 (9) The committee shall review funding enhancement formulas that  
11 provide minimum staffing unit funding to small school districts and  
12 districts with school plants that have been judged by the state board  
13 of education to be remote and necessary. The committee will make an  
14 assessment of the current formulas and report any recommended  
15 adjustments to the legislative fiscal committees of the senate and the  
16 house of representatives by November 1, 2014. In assessing the current  
17 formulas, the committee may consider: Enhancements being made to basic  
18 education funding in the 2013-2015 omnibus appropriations act and  
19 committed to under Engrossed Substitute House Bill No. 2261 (chapter  
20 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,  
21 Laws of 2010); developments in technology or educational service  
22 delivery since the formulas were established; practices in other  
23 states; districts' ability to provide students with access to a program  
24 of education; and inter-district equity.

25 ~~((+12))~~ (10) In carrying out the report required by RCW 44.28.157,  
26 the committee shall include by December 2014, an analysis of the  
27 impacts of using the Washington health benefit exchange established in  
28 chapter 43.71 RCW as a mechanism for providing health insurance for  
29 part-time certificated and classified K-12 public school employees.  
30 The analysis shall be conducted in coordination with the health care  
31 authority and shall include a review of how the exchange, federal  
32 health premium tax credits and subsidies for out-of-pocket expenses  
33 administered through the exchange, and Medicaid expansion have  
34 impacted, or could impact, health care costs for individuals, school  
35 districts, and the state. The analysis shall also include a review of  
36 the cost of stand-alone dental plans.

37 (11) \$174,000 of the general fund--state appropriation for fiscal  
38 year 2014 and \$348,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the purposes of Engrossed  
2 Substitute Senate Bill No. 6512 (federal funding and state law). If  
3 the bill is not enacted by June 30, 2014, the amounts provided in this  
4 subsection shall lapse.

5 **Sec. 103.** 2013 2nd sp.s. c 4 s 105 (uncodified) is amended to read  
6 as follows:

7 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

8	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$8,004,000</del> ))
9		<u>\$8,119,000</u>
10	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$7,973,000</del> ))
11		<u>\$8,088,000</u>
12	TOTAL APPROPRIATION . . . . .	(( <del>\$15,977,000</del> ))
13		<u>\$16,207,000</u>

14 **Sec. 104.** 2013 2nd sp.s. c 4 s 106 (uncodified) is amended to read  
15 as follows:

16 **FOR THE OFFICE OF THE STATE ACTUARY**

17	<u>General Fund--State Appropriation (FY 2014) . . . . .</u>	<u>\$250,000</u>
18	<u>General Fund--State Appropriation (FY 2015) . . . . .</u>	<u>\$1,313,000</u>
19	<u>General Fund--Federal Appropriation . . . . .</u>	<u>\$163,000</u>
20	<u>State Health Care Administration Account . . . . .</u>	<u>\$227,000</u>
21	Department of Retirement Systems Expense	
22	Account--State Appropriation . . . . .	(( <del>\$3,529,000</del> ))
23		<u>\$3,543,000</u>
24	TOTAL APPROPRIATION . . . . .	<u>\$5,496,000</u>

25 (1) \$250,000 of the general fund--state appropriation for fiscal  
26 year 2014 and \$1,150,000 of the general fund--state appropriation for  
27 fiscal year 2015 are provided solely for contracted actuarial support  
28 to the task force established in chapter 338, Laws of 2013. The state  
29 actuary shall coordinate with the forecast per capita technical work  
30 groups for physical health, behavioral health, and chemical dependency  
31 services, and with the research and data analysis division within the  
32 department of social and health services, in developing a statement and  
33 scope of work for a request for proposals. The state actuary shall  
34 manage and provide objective oversight to the selection process of an  
35 actuarial firm and also manage the ongoing development and delivery of  
36 work products for the task force to review. The scope of work for the

1 contracted actuary must include a review of the current public  
2 purchasing and delivery system design for both medicaid and nonmedicaid  
3 services related to health, behavioral health, and chemical dependency.

4 (2) \$163,000 of the general fund--state appropriation for fiscal  
5 year 2015, \$163,000 of the general fund--federal appropriation, and  
6 \$227,000 of the state health care administration account appropriation  
7 are provided to improve the legislature's access to independent and  
8 objective health care actuarial analysis for the state medicaid and  
9 public employee benefits programs.

10 **Sec. 105.** 2013 2nd sp.s. c 4 s 110 (uncodified) is amended to read  
11 as follows:

12 **FOR THE SUPREME COURT**

13	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$6,911,000</del> ))
14		<u>\$6,949,000</u>
15	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$6,836,000</del> ))
16		<u>\$6,924,000</u>
17	TOTAL APPROPRIATION . . . . .	(( <del>\$13,747,000</del> ))
18		<u>\$13,873,000</u>

19 **Sec. 106.** 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) . . . . .	(( <del>\$1,068,000</del> ))
23		<u>\$1,069,000</u>
24	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$994,000</del> ))
25		<u>\$993,000</u>
26	TOTAL APPROPRIATION . . . . .	\$2,062,000

27 **Sec. 107.** 2013 2nd sp.s. c 4 s 113 (uncodified) is amended to read  
28 as follows:

29 **FOR THE COURT OF APPEALS**

30	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$15,691,000</del> ))
31		<u>\$15,803,000</u>
32	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$15,685,000</del> ))
33		<u>\$15,869,000</u>
34	TOTAL APPROPRIATION . . . . .	(( <del>\$31,376,000</del> ))
35		<u>\$31,672,000</u>



1 expended only if the fourth superior court judge position in Whatcom  
2 county is appointed and serving on the bench.

3 ~~((7) \$108,000 of the general fund--state appropriation for fiscal~~  
4 ~~year 2014 and))~~ (6) \$108,000 of the general fund--state appropriation  
5 for fiscal year 2015 ((are)) is provided solely for the implementation  
6 of chapter 142, Laws of 2013 (House Bill No. 1175) (superior court  
7 judges Benton/Franklin counties). The funds provided in this  
8 subsection shall be expended only if the seventh superior court judge  
9 position in Benton and Franklin counties jointly is appointed and  
10 serving on the bench.

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

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

1 school districts may expend on the cost of serving petitions filed  
2 under RCW 28A.225.030 by certified mail or by personal service or for  
3 the performance of service of process for any hearing associated with  
4 RCW 28A.225.030.

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

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

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

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

34 (12) \$59,000 of the general fund--state appropriation for fiscal  
35 year 2015 is provided solely for the implementation of Senate Bill No.  
36 5981 (Mason county superior court judge). The funds provided in this  
37 subsection shall be expended only if the third superior court judge

1 position in Mason county is appointed and serving on the bench. If the  
2 bill is not enacted by June 30, 2014, the amount provided in this  
3 subsection shall lapse.

4 **Sec. 109.** 2013 2nd sp.s. c 4 s 115 (uncodified) is amended to read  
5 as follows:

6 **FOR THE OFFICE OF PUBLIC DEFENSE**

7	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$30,410,000</del> ))
8		<u>\$30,859,000</u>
9	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$33,719,000</del> ))
10		<u>\$35,440,000</u>
11	Judicial Stabilization Trust Account--State	
12	Appropriation . . . . .	\$3,648,000
13	General Fund--Federal Appropriation . . . . .	(( <del>\$152,000</del> ))
14		<u>\$304,000</u>
15	TOTAL APPROPRIATION . . . . .	(( <del>\$67,929,000</del> ))
16		<u>\$70,251,000</u>

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

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

21 (2) \$3,378,000 of the general fund--state appropriation for fiscal  
22 year 2015 is provided solely to expand the parents representation  
23 program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman  
24 counties.

25 (3) \$225,000 of the general fund--state appropriation for fiscal  
26 year 2014 and \$1,721,000 of the general fund--state appropriation for  
27 fiscal year 2015 are provided solely for parents representation program  
28 costs related to increased parental rights termination filings from the  
29 department of social and health services permanency initiative.

30 **Sec. 110.** 2013 2nd sp.s. c 4 s 116 (uncodified) is amended to read  
31 as follows:

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

33	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$10,862,000</del> ))
34		<u>\$10,910,000</u>
35	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$10,870,000</del> ))
36		<u>\$11,699,000</u>





1 of the state contribution. The office of the secretary of state may  
2 make full or partial payment once all criteria in this subsection have  
3 been satisfactorily documented.

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

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

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

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

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

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

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

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

30 (5) \$771,000 of the general fund--state appropriation for fiscal  
31 year 2014 and \$772,000 of the general fund--state appropriation for  
32 fiscal year 2015 are provided solely for the state library to purchase  
33 statewide on-line access to the information technology academy to allow  
34 public access to on-line courses and learning resources through public  
35 libraries.

36 **Sec. 113.** 2013 2nd sp.s. c 4 s 121 (uncodified) is amended to read  
37 as follows:

1 **FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

2	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$253,000</del> ))
3		<u>\$250,000</u>
4	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$248,000</del> ))
5		<u>\$251,000</u>
6	TOTAL APPROPRIATION . . . . .	\$501,000

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

18 **Sec. 114.** 2013 2nd sp.s. c 4 s 123 (uncodified) is amended to read  
19 as follows:

20 **FOR THE STATE TREASURER**

21	State Treasurer's Service Account--State	
22	Appropriation . . . . .	(( <del>\$14,924,000</del> ))
23		<u>\$14,945,000</u>

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

29 **Sec. 115.** 2013 2nd sp.s. c 4 s 124 (uncodified) is amended to read  
30 as follows:

31 **FOR THE STATE AUDITOR**

32	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$728,000</del> ))
33		<u>\$755,000</u>
34	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$733,000</del> ))
35		<u>\$762,000</u>
36	State Auditing Services Revolving Account--State	

1	Appropriation . . . . .	(( <del>\$9,573,000</del> ))
2		<u>\$9,869,000</u>
3	(( <del>Performance Audits of Government Account--State</del>	
4	<del>Appropriation . . . . .</del>	<del>(\$56,000))</del>
5	TOTAL APPROPRIATION . . . . .	(( <del>\$11,090,000</del> ))
6		<u>\$11,386,000</u>

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

9 (1) ((~~\$728,000~~)) \$755,000 of the general fund--state appropriation  
10 for fiscal year 2014 and ((~~\$733,000~~)) \$758,000 of the general fund--  
11 state appropriation for fiscal year 2015 are provided solely for staff  
12 and related costs to verify the accuracy of reported school district  
13 data submitted for state funding purposes; conduct school district  
14 program audits of state funded public school programs; establish the  
15 specific amount of state funding adjustments whenever audit exceptions  
16 occur and the amount is not firmly established in the course of regular  
17 public school audits; and to assist the state special education safety  
18 net committee when requested.

19 (2)(a) \$300,000 of the state auditing services revolving account--  
20 state appropriation is provided solely to contract with a private firm  
21 with accounting expertise to conduct an audit of the use of dedicated  
22 local and operating fee accounts by the state's public institutions of  
23 higher education. The legislature intends that tuition revenue be  
24 expended in support of instruction and student support services and  
25 that other dedicated fees are expended for the purposes for which they  
26 are charged. As a result, the legislature directs this audit to  
27 examine the accounting of these accounts; to provide clarity regarding  
28 the use of these accounts; and to make recommendations for improvement  
29 that will support the ongoing clarity, transparency, and accurate  
30 accounting of the use of these accounts in accordance with legislative  
31 intent. The final audit must include:

32 (i) For the 2003-2005 through the 2011-2013 fiscal biennium, a  
33 thorough examination of the accounting, as required by governmental  
34 accounting standards board requirements that govern accounting  
35 functions of the office of financial management, of:

- 36 (A) All revenue into these accounts;
- 37 (B) All expenditures out of these accounts; and
- 38 (C) All transfers to, from, and within these accounts;





1 accountability in all executive branch agencies and statewide elected  
2 offices; (b) coordinate and work with the commission on judicial  
3 conduct and the legislative ethics board; (c) assess and evaluate each  
4 agency's ethical culture through employee and stakeholder surveys,  
5 review Washington state quality award feedback reports, and publish an  
6 annual report on the results to the public; and (d) solicit outside  
7 evaluations, studies, and recommendations for improvements from  
8 academics, nonprofit organizations, the public disclosure commission,  
9 or other entities with expertise in ethics, integrity, and the public  
10 sector.

11 (5) \$424,000 of the legal services revolving account--state  
12 appropriation is provided solely for replacement of a portion of the  
13 agency's personal computers. The amount provided in this subsection is  
14 conditioned on the department satisfying the requirements of the  
15 project management oversight standards and policies established by the  
16 office of the chief information officer and section 945 of this act,  
17 personal computer acquisition and replacement.

18 (6) \$609,000 of the legal services revolving account--state  
19 appropriation is provided solely for upgrades to software programs.  
20 The amount provided in this subsection is conditioned on the department  
21 satisfying the requirements of the project management oversight  
22 standards and policies established by the office of the chief  
23 information officer.

24 (7) \$150,000 of the legal services revolving account--state  
25 appropriation is provided solely for the implementation of Engrossed  
26 Second Substitute Senate Bill No. 5405 (extended foster care). If the  
27 bill is not enacted by June 30, 2013, the amount provided in this  
28 subsection shall lapse.

29 (8) \$50,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$50,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for the implementation of  
32 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If  
33 the bill is not enacted by June 30, 2013, the amount provided in this  
34 subsection shall lapse.

35 (9) \$189,000 of the legal services revolving account--state  
36 appropriation is provided solely for the implementation of Substitute  
37 House Bill No. 1420 (transportation improvement projects). If the bill

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

3 (10) \$2,093,000 of the public service revolving account--state  
4 appropriation is provided solely for the work of the public counsel  
5 section of the office of the attorney general.

6 (11) \$353,000 of the general fund--state appropriation for fiscal  
7 year 2014 and \$353,000 of the general fund--state appropriation for  
8 fiscal year 2015 are provided solely for a grant to the Washington  
9 coalition of crime victim advocates to provide training, certification,  
10 and technical assistance for crime victim service center advocates.

11 (12) \$182,000 of the general fund--state appropriation for fiscal  
12 year 2015 and \$3,402,000 of the legal services revolving account--state  
13 appropriation are provided solely for the purposes of salary  
14 adjustments addressing recruitment and retention issues for assistant  
15 attorneys general in the first six years of their employment with the  
16 attorney general's office.

17 **Sec. 118.** 2013 2nd sp.s. c 4 s 127 (uncodified) is amended to read  
18 as follows:

19 **FOR THE CASELOAD FORECAST COUNCIL**

20	General Fund--State Appropriation (FY 2014) . . . . .	(((\$1,260,000))
21		<u>\$1,210,000</u>
22	General Fund--State Appropriation (FY 2015) . . . . .	(((\$1,230,000))
23		<u>\$1,202,000</u>
24	TOTAL APPROPRIATION . . . . .	(((\$2,490,000))
25		<u>\$2,412,000</u>

26 **Sec. 119.** 2013 2nd sp.s. c 4 s 128 (uncodified) is amended to read  
27 as follows:

28 **FOR THE DEPARTMENT OF COMMERCE**

29	General Fund--State Appropriation (FY 2014) . . . . .	(((\$63,076,000))
30		<u>\$61,053,000</u>
31	General Fund--State Appropriation (FY 2015) . . . . .	(((\$60,151,000))
32		<u>\$61,018,000</u>
33	General Fund--Federal Appropriation . . . . .	(((\$265,004,000))
34		<u>\$266,827,000</u>
35	General Fund--Private/Local Appropriation . . . . .	(((\$5,638,000))
36		<u>\$5,620,000</u>



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

8 ~~(2) ((\$500,000 of the general fund--state appropriation for fiscal~~  
9 ~~year 2014 and \$500,000 of the general fund--state appropriation for~~  
10 ~~fiscal year 2015 are provided solely for a grant to resolution~~  
11 ~~Washington to building statewide capacity for alternative dispute~~  
12 ~~resolution centers and dispute resolution programs that guarantee that~~  
13 ~~citizens have access to low-cost resolution as an alternative to~~  
14 ~~litigation.))~~ The director is authorized to expend \$1,000,000 from the  
15 financial services regulation fund during the fiscal biennium solely  
16 for a grant to resolution Washington to build statewide capacity for  
17 alternative dispute resolution centers and dispute resolution programs  
18 that guarantee that citizens have access to low-cost resolution as an  
19 alternative to litigation.

20 (3) \$306,000 of the general fund--state appropriation for fiscal  
21 year 2014 and \$306,000 of the general fund--state appropriation for  
22 fiscal year 2015 are provided solely for a grant to the retired senior  
23 volunteer program.

24 (4) The department shall administer its growth management act  
25 technical assistance and pass-through grants so that smaller cities and  
26 counties receive proportionately more assistance than larger cities or  
27 counties.

28 (5) \$375,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$375,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely as pass-through funding to Walla  
31 Walla Community College for its water and environmental center.

32 (6) \$1,800,000 of the home security fund--state appropriation is  
33 provided for transitional housing assistance or partial payments for  
34 rental assistance under the independent youth housing program.

35 (7) \$5,000,000 of the home security fund--state appropriation is  
36 for the operation, repair, and staffing of shelters in the homeless  
37 family shelter program.

1 (8) \$198,000 of the general fund--state appropriation for fiscal  
2 year 2014 and (~~(\$198,000)~~) \$396,000 of the general fund--state  
3 appropriation for fiscal year 2015 are provided solely for the  
4 Washington new Americans program.

5 (9) \$2,949,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$2,949,000 of the general fund--state appropriation for  
7 fiscal year 2015 are provided solely for associate development  
8 organizations. During the 2013-2015 fiscal biennium, the department  
9 shall consider an associate development organization's total resources  
10 when making contracting and fund allocation decisions, in addition to  
11 the schedule provided in RCW 43.330.086.

12 (10) \$234,000 of the general fund--state appropriation for fiscal  
13 year 2014 and \$233,000 of the general fund--state appropriation for  
14 fiscal year 2015 are provided solely for the Washington asset building  
15 coalitions.

16 (11) \$5,605,000 of the liquor revolving account--state  
17 appropriation is provided solely for the department to contract with  
18 the municipal research and services center of Washington.

19 (12) \$500,000 of the general fund--state appropriation for fiscal  
20 year 2014 and \$500,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for the purposes of purchasing  
22 contracted services to expand and promote the tourism industry in the  
23 state of Washington.

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

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

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

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

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

37 (b) The department may not use more than 4 percent of the funds to  
38 administer, monitor, and report the outcomes of the services. The

1 department must electronically submit performance metrics by January 1,  
2 2014, and report the outcomes of the services by January 1, 2015, to  
3 the economic development committees of the legislature.

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

10 (13) \$72,000 of the prostitution prevention and intervention  
11 account is provided solely for implementation of Engrossed Substitute  
12 House Bill No. 1291 (sex trade victims). If the bill is not enacted by  
13 June 30, 2013, the amount provided in this subsection shall lapse.

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

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

32 (16) \$2,000,000 of the Washington housing trust account--state  
33 appropriation is provided solely for the department of commerce for  
34 services to homeless families through the Washington families fund.

35 (17) \$5,000,000 of the home security account--state appropriation  
36 is provided solely for the department of commerce to provide emergency  
37 assistance to homeless families in the temporary assistance for needy  
38 families program.

1 (18) \$75,000 of the general fund--state appropriation for fiscal  
2 year 2014 is provided solely for the economic development commission to  
3 retain one current administrative position. The department shall  
4 convene a work group, chaired by the current chair of the economic  
5 development commission, of representatives of associate development  
6 organizations and the economic development commission to recommend:  
7 (1) Changes to the economic development commission's purpose and source  
8 and amount of funding; (2) objective benchmarks and outcome-based  
9 performance measures for evaluating state investments in economic  
10 development; (3) high priority regulatory reforms to foster a favorable  
11 business climate for long-term private sector job creation and  
12 competitiveness; and (4) organizational roles responsibilities and  
13 structures to strengthen cohesive planning, streamline execution, and  
14 improve outcomes. The work group shall be comprised of representatives  
15 from no less than eight associate development organizations  
16 representing both urban and rural counties and counties on both sides  
17 of the Cascade range. The department shall submit a report of the work  
18 group's recommendation to the fiscal and economic development policy  
19 committees of the legislature by December 15, 2013.

20 (19) (~~(\$4,000,000)~~) \$2,515,000 of the general fund--state  
21 appropriation for fiscal year 2014 and (~~(\$850,000)~~) \$1,875,000 of the  
22 general fund--state appropriation for fiscal year 2015 are provided  
23 solely for purposes of (~~creating and operating a community health care  
24 and education and innovation center at the Pacific Medical Center in  
25 Seattle. Amounts provided in this subsection must be used for lease,  
26 maintenance, operations, and other required related expenses for  
27 Seattle community colleges allied health programs and other related  
28 uses identified by the department of commerce. The department is  
29 authorized to enter into a thirty-year lease for the Pacific Medical  
30 Center property~~) the lease, maintenance, operations and other related  
31 expenses at the Pacific medical center in Seattle. The department is  
32 authorized to enter into a thirty-year lease for the Pacific medical  
33 center property and is directed to generate revenue from subleases to  
34 the greatest extent possible, consistent with the terms of the lease.

35 (20) Within the appropriations in this section, the department  
36 shall, by December 1, 2013, develop a comprehensive start-up Washington  
37 strategy to facilitate the growth of start-ups and enhance the state's  
38 competitiveness in recruiting and retaining businesses that start up in

1 Washington. This shall include but is not limited to: Business and  
2 occupation tax relief, capital investment, regulatory burdens,  
3 workforce and infrastructure needs and support. Start-up businesses  
4 interactions with state government and other public entities as a  
5 customer shall also be considered.

6 (21) \$700,000 of the general fund--state appropriation for fiscal  
7 year 2014 and \$700,000 of the general fund--state appropriation for  
8 fiscal year 2015 are provided solely for the department to identify and  
9 invest in strategic growth areas, support key sectors, and align  
10 existing economic development programs and priorities. The department  
11 must consider Washington's position as the most trade dependent state  
12 when identifying priority investments. The department must engage  
13 states and provinces in the northwest as well as associate development  
14 organizations, small business development centers, chambers of  
15 commerce, ports, and other partners to leverage the funds provided.  
16 For each dollar expended the department must receive a one hundred  
17 percent match. The match may be provided by the department through  
18 nongeneral fund sources, or any partnering governments or  
19 organizations. Sector leads established by the department must include  
20 the industries of: (a) Tourism; (b) agriculture, wood products, and  
21 other natural resource industries; and (c) clean technology and  
22 renewable and nonrenewable energy. The department must develop  
23 performance metrics and milestones. The department must electronically  
24 submit the performance metrics and performance-to-date by January 1,  
25 2014, to the economic development committees of the legislature.

26 (22) The department is authorized to suspend issuing any  
27 nonstatutorily required grants or contracts of an amount less than  
28 \$1,000,000 per year.

29 (23) The department is authorized to require an applicant to pay an  
30 application fee to cover the cost of reviewing the project and  
31 preparing an advisory opinion on whether a proposed electric generation  
32 project or conservation resource qualifies to meet mandatory  
33 conservation targets.

34 (24) \$25,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$25,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for the economic impact and  
37 infrastructure cost study for Covington town center.

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

6 (26) Within existing resources, the department shall provide  
7 administrative and other indirect support to the developmental  
8 disabilities council.

9 (27) \$5,000 of the general fund--state appropriation for fiscal  
10 year 2014 and \$45,000 of the general fund--state appropriation for  
11 fiscal year 2015 are provided solely for the department to contract  
12 with the University of Washington women's center to conduct a study to  
13 research supply chain policies related to labor practices of small,  
14 medium, and large businesses. The study shall analyze whether or not  
15 there is a correlation between supply chain management practices that  
16 protect workers from human trafficking and unsafe working conditions  
17 and higher shareholder value and/or market share. The study will  
18 examine the impact of corporate sourcing practices in social media  
19 feedback and in customer satisfaction. The study shall provide case  
20 studies and best practices in ethical sourcing practices that protect  
21 workers. The study shall recommend how to evaluate and monitor supply  
22 chain management related to labor and vendor management practices of  
23 companies without bias. The study shall make recommendations on how  
24 the state can design legislation on global ethical sourcing practices  
25 that is comprehensive, pragmatic, and enforceable. The study shall be  
26 presented to the house of representatives and senate commerce and labor  
27 committees no later than January 31, 2015.

28 (28) \$144,000 of the general fund--state appropriation for fiscal  
29 year 2015 is provided solely to the following community mobilization  
30 organizations in the following amounts:

31 (a) \$21,000 to TOGETHER for Drug Free Youth of Chelan and Douglas  
32 counties;

33 (b) \$61,000 to safe streets campaign of Pierce county;

34 (c) \$32,000 to TOGETHER of Thurston county; and

35 (d) \$30,000 to safe Yakima valley of Yakima county.

36 (29) \$1,635,000 of the general fund--state appropriation for fiscal  
37 year 2015 is provided solely for the department's international trade  
38 program and foreign trade contracts and subject to the following

1 conditions and limitations: The department shall contract for the  
 2 activities and services of its international trade office to include,  
 3 but not be limited to, market development assistance and training;  
 4 business matchmaking services such as trade shows, missions, and  
 5 partner searches; foreign trade representatives, and other activities  
 6 that assist Washington companies in exporting their products and  
 7 services or expand market share abroad. Vendors must have the option  
 8 of providing all or portions of these activities. The annual level of  
 9 funding for the contract shall be based on amount provided in this  
 10 subsection. The contract shall begin June 1, 2015, and shall be for a  
 11 term no longer than three years. Activities currently under contract  
 12 may be renewed, but for a term no longer than June 1, 2015.

13 **Sec. 120.** 2013 2nd sp.s. c 4 s 129 (uncodified) is amended to read  
 14 as follows:

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

16	General Fund--State Appropriation (FY 2014) . . . . .	(((\$764,000))
17		<u>\$757,000</u>
18	General Fund--State Appropriation (FY 2015) . . . . .	(((\$802,000))
19		<u>\$809,000</u>
20	Lottery Administrative Account--State Appropriation . . . . .	\$50,000
21	TOTAL APPROPRIATION . . . . .	\$1,616,000

22 **Sec. 121.** 2013 2nd sp.s. c 4 s 130 (uncodified) is amended to read  
 23 as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

25	General Fund--State Appropriation (FY 2014) . . . . .	(((\$18,414,000))
26		<u>\$18,182,000</u>
27	General Fund--State Appropriation (FY 2015) . . . . .	(((\$17,542,000))
28		<u>\$18,526,000</u>
29	General Fund--Federal Appropriation . . . . .	(((\$31,340,000))
30		<u>\$34,340,000</u>
31	General Fund--Private/Local Appropriation . . . . .	\$370,000
32	Economic Development Strategic Reserve Account--State	
33	Appropriation . . . . .	\$289,000
34	Personnel Service Fund--State Appropriation . . . . .	(((\$8,656,000))
35		<u>\$8,642,000</u>



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

14 (4)(a) The legislature finds that the state's nationally recognized  
15 student achievement initiative has led to significant improvements at  
16 two-year institutions of higher education. With the goal of creating  
17 such efficiencies within the four-year institutions of higher  
18 education, the office of financial management shall convene, in  
19 coordination with the joint committee on higher education and the  
20 student achievement council, a technical incentive funding model task  
21 force to propose an incentive funding model for the four-year  
22 institutions of higher education. The model will provide new incentive  
23 funding to four-year institutions of higher education that demonstrate  
24 improvement on existing performance measures and control resident  
25 undergraduate tuition growth. Participation in the program is  
26 voluntary; however, funding appropriated for this program shall only be  
27 available to those institutions that have chosen to participate in the  
28 program.

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

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

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

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

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

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

38 (A) Performance in specific metrics;

1 (B) Control and reduction where possible of resident undergraduate  
2 and graduate tuition; and

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

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

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

14 (iv) A methodology for establishing a baseline level of state  
15 funding that:

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

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

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

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

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

29 (5) \$1,000,000 of the general fund--state appropriation for fiscal  
30 year 2015 is provided solely for the office of financial management to  
31 contract with a statewide nonprofit organization with expertise in  
32 promoting and supporting STEM education from early learning through  
33 postsecondary education in accordance with chapter 25, Laws of 2013 2nd  
34 sp. sess.

35 (6) \$46,000 of the general fund--state appropriation for fiscal  
36 year 2015 is provided solely for the education data center to:

37 (a) Collect and publish short-term and long-term earnings and  
38 employment data for completers of higher education degrees,

1 apprenticeships, and certificates awarded by institutions of higher  
2 education as defined in RCW 28B.10.016 for each institution on its web  
3 site by October 1, 2014;

4 (b) With the assistance of the legislative evaluation and  
5 accountability program committee, make publicly available on its web  
6 site a detailed inventory of the data that are contained in the data  
7 warehouse. The data center and its contributors shall continue to  
8 expand efforts to improve the integrity of the information and web site  
9 displays to maximize value and utility. The education data center  
10 shall also collaborate with the legislative evaluation and  
11 accountability program committee to broadly disseminate meaningful  
12 information on the publicly accessible web sites by expanding and  
13 increasing interactive web-based reporting; and

14 (c) In consultation with the state board for community and  
15 technical colleges, the workforce training and education coordinating  
16 board, representatives of the public four-year institutions of higher  
17 education, and the legislative evaluation and accountability program  
18 committee, prepare, or contract with an entity to prepare, an economic  
19 success metrics report of employment and earnings outcomes for degrees,  
20 apprenticeships, and certificates earned at institutions of higher  
21 education. The final report shall be published on the education data  
22 center web site and delivered to the governor and the higher education  
23 and fiscal committees of the legislature by November 1, 2014.

24 (7) Consistent with chapter 9.94A RCW, the sentencing guidelines  
25 commission shall undertake a thorough review of juvenile sentencing as  
26 it relates to the intersection of the adult and juvenile justice  
27 systems and make recommendations for reforms that promote improved  
28 outcomes for youth, public safety, and taxpayer resources. The review  
29 shall include, but is not limited to:

30 (a) The process and circumstances for transferring a juvenile to  
31 adult jurisdiction, including discretionary and mandatory decline  
32 hearings and automatic transfer to adult jurisdiction;

33 (b) Sentencing standards, term lengths, sentencing enhancements,  
34 and stacking provisions that apply once a juvenile is transferred to  
35 adult jurisdiction; and

36 (c) The appropriate custody, treatment, and resources for declined  
37 youth who will complete their term of confinement prior to reaching age  
38 twenty-one.

1 The commission shall report its findings and recommendations to the  
2 governor and the appropriate committees of the legislature by December  
3 1, 2014.

4 (8) \$1,000,000 of the general fund--state appropriation for fiscal  
5 year 2015 is provided solely for the office of financial management to  
6 allocate to the University of Washington for the institute for protein  
7 design, and \$250,000 of the general fund--state appropriation for  
8 fiscal year 2014 and \$500,000 of the general fund--state appropriation  
9 for fiscal year 2015 is provided solely for the office of financial  
10 management to allocate to Washington State University for the air  
11 transportation center of excellence for alternative jet fuels. Funding  
12 provided in this subsection shall not be distributed by the office of  
13 financial management until the state auditor has executed a contract  
14 for the audit required in section 115 of this act.

15 (9) Within amounts provided in this section, the office of the  
16 chief information officer shall review the security plans of the  
17 provider one system and other health information technology systems  
18 within the health care authority and the department of social and  
19 health services to ensure compliance with federal health information  
20 portability and accountability act rules and the council for affordable  
21 quality healthcare committee on operating rules for information  
22 exchange.

23 (10) \$300,000 of the general fund--state appropriation for fiscal  
24 year 2015 is provided solely for an analysis of statewide jail system.  
25 The analysis must examine:

26 (a) Regional capacities and how the capacity is used for local and  
27 state detention, to include:

28 (i) Historical and current utilization;

29 (ii) Level of security;

30 (iii) Ability to provide medical and mental health care; and

31 (iv) Availability of programming;

32 (b) Identification of barriers and solutions for the use of local  
33 jails including:

34 (i) For individuals who would otherwise be transferred to  
35 department of corrections for a short-term stay;

36 (ii) Violator population billing and tracking; and

37 (iii) Long-term stays in jail in lieu of prison; and

1 (c) Financial impacts to counties of providing felon and juvenile  
2 detention.

3 An initial report defining benchmarks and desired outcomes shall be  
4 provided to the governor and legislative fiscal committees by July 15,  
5 2014, with a final report of findings and recommendations due November  
6 1, 2014.

7 (11) \$809,000 of the state agency innovation and efficiency grant  
8 program account--state appropriation is provided solely for the  
9 purposes of Substitute Senate Bill No. 5872 (state agency innovation  
10 and efficiency grant program). If the bill is not enacted by June 30,  
11 2014, the amount provided in this subsection shall lapse.

12 **Sec. 122.** 2013 2nd sp.s. c 4 s 131 (uncodified) is amended to read  
13 as follows:

14 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

15 Administrative Hearings Revolving Account--State

16	Appropriation . . . . .	(( <del>\$37,772,000</del> ))
17		<u>\$38,256,000</u>

18 The appropriation in this section is subject to the following  
19 conditions and limitations:

20 (1) \$151,000 of the administrative hearings revolving account--  
21 state appropriation is provided solely for replacement of computer  
22 equipment, including servers, routers, and storage system upgrades.  
23 The amount provided in this subsection is conditioned on the department  
24 satisfying the requirements of the project management oversight  
25 standards and policies established by the office of the chief  
26 information officer.

27 (2) \$137,000 of the administrative hearings revolving account--  
28 state appropriation is provided solely for replacement of a portion of  
29 the agency's personal computers. The amount provided in this  
30 subsection is conditioned on the department satisfying the requirements  
31 of the project management oversight standards and policies established  
32 by the office of the chief information officer.

33 (3) Within the amounts provided in this section, the office shall  
34 improve the timeliness of its hearings and report the progress of its  
35 efforts to the office of financial management and the fiscal committees  
36 of the legislature by November 1, 2014.





1 Bill No. 5882 or House Bill No. 2081 (tax preferences and  
2 transparency). If neither bill is enacted by June 30, 2013, the  
3 amounts provided in the subsection shall lapse.

4 (5) \$62,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$11,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for the purposes of Substitute  
7 Senate Bill No. 6057 (hiring persons with developmental disabilities).  
8 If the bill is not enacted by June 30, 2014, the amounts provided in  
9 this subsection shall lapse.

10 (6) \$69,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$21,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for the purposes of Substitute  
13 Senate Bill No. 6515 (state job creation). If the bill is not enacted  
14 by June 30, 2014, the amounts provided in this subsection shall lapse.

15 (7) \$588,000 of the general fund--state appropriation for fiscal  
16 year 2014 and \$856,000 of the general fund--state appropriation for  
17 fiscal year 2015 are provided solely to provide security at two  
18 department field offices and at the liquor control board's headquarters  
19 to handle cash tax payments for recreational marijuana related  
20 businesses. The department shall enter into an interagency agreement  
21 to provide some of the funding to the liquor control board as needed.

22 (8) Appropriations in this section are sufficient to implement  
23 Senate Bill No. 6151 (cultural access authorities).

24 **Sec. 127.** 2013 2nd sp.s. c 4 s 137 (uncodified) is amended to read  
25 as follows:

26 **FOR THE BOARD OF TAX APPEALS**

27	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$1,217,000</del> ))
28		<u>\$1,203,000</u>
29	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$1,178,000</del> ))
30		<u>\$1,192,000</u>
31	TOTAL APPROPRIATION . . . . .	\$2,395,000

32 **Sec. 128.** 2013 2nd sp.s. c 4 s 138 (uncodified) is amended to read  
33 as follows:

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

35	OMWBE Enterprises Account--State Appropriation . . . . .	(( <del>\$4,077,000</del> ))
36		<u>\$3,567,000</u>

1 The appropriation in this section is subject to the following  
2 conditions and limitations: (~~(\$200,000 of the minority and women's~~  
3 ~~business enterprises account--state appropriation is provided for~~  
4 ~~implementation of a certification program for small business~~  
5 ~~enterprises.))~~

6 (1) The agency will collaborate with the department of  
7 transportation to certify small businesses as small business  
8 enterprises. Funding for this work is provided through interagency  
9 agreement with the state department of transportation.

10 (2) The department will engage in the stakeholder process with the  
11 department of transportation, cities, counties, ports, transit agencies  
12 and other entities that rely upon the office for federal certification  
13 as a small business enterprise, disadvantaged business enterprise, or  
14 airport concessionaire disadvantaged business enterprise to determine  
15 an equitable manner to fully recover from users the office's costs for  
16 providing this statewide service. Cost to be reviewed include, but are  
17 not limited to, business outreach, certification application and  
18 renewal processing, investigations and audits, and appeals from denials  
19 and decertifications.

20 **Sec. 129.** 2013 2nd sp.s. c 4 s 139 (uncodified) is amended to read  
21 as follows:

22 **FOR THE INSURANCE COMMISSIONER**

23	General Fund--State Appropriation (FY 2014) . . . . .	\$300,000
24	General Fund--State Appropriation (FY 2015) . . . . .	<del>(\$100,000)</del>
25		<u>\$227,000</u>
26	General Fund--Federal Appropriation . . . . .	\$4,495,000
27	Health Benefit Exchange Account--State Appropriation . . . . .	\$676,000
28	Insurance Commissioners Regulatory Account--State	
29	Appropriation . . . . .	<del>(\$49,555,000)</del>
30		<u>\$49,866,000</u>
31	TOTAL APPROPRIATION . . . . .	<del>(\$55,126,000)</del>
32		<u>\$55,564,000</u>

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

35 (1) \$676,000 of the health benefit exchange account--state  
36 appropriation is provided solely to implement Engrossed Substitute

1 House Bill No. 1947 (Washington health benefit exchange). If the bill  
2 is not enacted by June 30, 2013, the amount provided in this subsection  
3 shall lapse.

4 (2) The office of the insurance commissioner shall not curtail  
5 functions relating to solvency, rates and forms, and consumer  
6 protection.

7 (3) Appropriations in this section, as previously appropriated by  
8 the legislature in section 144, chapter 564, Laws of 2009 for the  
9 implementation of chapter 298, Laws of 2009, are sufficient to  
10 implement Engrossed Substitute Senate Bill No. 6511 (prior  
11 authorization).

12 (4) \$182,000 of the insurance commissioner regulatory account--  
13 state appropriation is provided solely for the implementation of  
14 Engrossed Second Substitute Senate Bill No. 5540 including section 6 of  
15 the bill (out-of-state carriers).

16 **Sec. 130.** 2013 2nd sp.s. c 4 s 140 (uncodified) is amended to read  
17 as follows:

18 **FOR THE STATE INVESTMENT BOARD**

19 State Investment Board Expense Account--State  
20 Appropriation . . . . . ((\$36,035,000))  
21 \$36,059,000

22 **Sec. 131.** 2013 2nd sp.s. c 4 s 141 (uncodified) is amended to read  
23 as follows:

24 **FOR THE LIQUOR CONTROL BOARD**

25 Liquor Revolving Account--State Appropriation . . . . . ((\$65,146,000))  
26 \$58,223,000  
27 Dedicated Marijuana Account--State Appropriation . . . . . \$4,856,000  
28 General Fund--Federal Appropriation . . . . . \$945,000  
29 General Fund--Private/Local Appropriation . . . . . \$25,000  
30 TOTAL APPROPRIATION . . . . . ((\$66,116,000))  
31 \$64,049,000

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

34 (1) \$2,494,000 of the liquor revolving account--state appropriation  
35 (~~is~~) and \$4,856,000 of the dedicated marijuana account--state

1 appropriation are provided solely for the liquor control board to  
2 implement Initiative Measure No. 502.

3 (2)(a) The liquor control board must work with the department of  
4 health and the department of revenue to develop recommendations for the  
5 legislature regarding the interaction of medical marijuana regulations  
6 and the provisions of Initiative Measure No. 502. At a minimum, the  
7 recommendations must include provisions addressing the following:

- 8 (i) Age limits;
- 9 (ii) Authorizing requirements for medical marijuana;
- 10 (iii) Regulations regarding health care professionals;
- 11 (iv) Collective gardens;
- 12 (v) Possession amounts;
- 13 (vi) Location requirements;
- 14 (vii) Requirements for medical marijuana producing, processing, and  
15 retail licensing;
- 16 (viii) Taxation of medical marijuana in relation to recreational  
17 marijuana; and
- 18 (ix) The state agency that should be the regulatory body for  
19 medical cannabis.

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

22 **Sec. 132.** 2013 2nd sp.s. c 4 s 142 (uncodified) is amended to read  
23 as follows:

24 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

25	General Fund--Federal Appropriation . . . . .	\$150,000
26	General Fund--Private/Local Appropriation . . . . .	(( <del>\$11,228,000</del> ))
27		<u>\$11,230,000</u>
28	Public Service Revolving Account--State	
29	Appropriation . . . . .	(( <del>\$29,893,000</del> ))
30		<u>\$29,944,000</u>
31	Pipeline Safety Account--State Appropriation . . . . .	(( <del>\$4,411,000</del> ))
32		<u>\$4,414,000</u>
33	Pipeline Safety Account--Federal Appropriation . . . . .	\$1,938,000
34	TOTAL APPROPRIATION . . . . .	(( <del>\$47,620,000</del> ))
35		<u>\$47,676,000</u>

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

1 (1) The commission shall work with the Idaho public utilities  
2 commission and the public utility commission of Oregon to identify  
3 common regulatory functions that can be performed jointly, with the  
4 goal of formalizing an agreement that protects essential services while  
5 increasing regulatory effectiveness and efficiencies through economies  
6 of scale. The commission is authorized to enter into an agreement with  
7 such other state public utility commissions to work jointly in  
8 administering specified respective regulatory functions.

9 (2) Up to \$200,000 of the total appropriation is provided for the  
10 commission to continue to evaluate the regulatory processes for energy  
11 companies and identify and implement administrative actions to improve  
12 those processes. The commission shall develop and adopt a schedule for  
13 such administrative actions.

14 **Sec. 133.** 2013 2nd sp.s. c 4 s 143 (uncodified) is amended to read  
15 as follows:

16 **FOR THE MILITARY DEPARTMENT**

17	General Fund--State Appropriation (FY 2014) . . . . .	(((\$1,880,000))
18		<u>\$1,840,000</u>
19	General Fund--State Appropriation (FY 2015) . . . . .	(((\$1,846,000))
20		<u>\$1,794,000</u>
21	General Fund--Federal Appropriation . . . . .	(((\$140,135,000))
22		<u>\$140,213,000</u>
23	Enhanced 911 Account--State Appropriation . . . . .	(((\$58,514,000))
24		<u>\$58,397,000</u>
25	Disaster Response Account--State Appropriation . . . . .	(((\$14,531,000))
26		<u>\$20,251,000</u>
27	Disaster Response Account--Federal Appropriation . . . . .	(((\$53,253,000))
28		<u>\$69,625,000</u>
29	Military Department Rent and Lease Account--State	
30	Appropriation . . . . .	\$615,000
31	Worker and Community Right-to-Know Account--State	
32	Appropriation . . . . .	(((\$2,794,000))
33		<u>\$3,182,000</u>
34	TOTAL APPROPRIATION . . . . .	(((\$273,568,000))
35		<u>\$295,917,000</u>

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

1 (1) (~~(\$14,531,000)~~) \$20,251,000 of the disaster response account--  
2 state appropriation and (~~(\$53,253,000)~~) \$69,625,000 of the disaster  
3 response account--federal appropriation may be spent only on disasters  
4 declared by the governor and with the approval of the office of  
5 financial management. The military department shall submit a report to  
6 the office of financial management and the legislative fiscal  
7 committees on October 1st and February 1st of each year detailing  
8 information on the disaster response account, including: (a) The  
9 amount and type of deposits into the account; (b) the current available  
10 fund balance as of the reporting date; and (c) the projected fund  
11 balance at the end of the 2014-2015 biennium based on current revenue  
12 and expenditure patterns.

13 (2) (~~(\$75,000,000)~~) \$60,000,000 of the general fund--federal  
14 appropriation is provided solely for homeland security, subject to the  
15 following conditions:

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

19 (b) The department shall submit an annual report to the office of  
20 financial management and the legislative fiscal committees detailing  
21 the governor's domestic security advisory group recommendations;  
22 homeland security revenues and expenditures, including estimates of  
23 total federal funding for the state; and incremental changes from the  
24 previous estimate.

25 (3) \$388,000 of the worker and community right-to-know account--  
26 state appropriation is provided solely for the department's equipment  
27 replacement plan. Prior to using appropriated funds for the purchase  
28 of server or other related equipment, the department shall create a  
29 plan, in consultation with consolidated technology services and the  
30 office of the chief information officer, to migrate the department's  
31 existing data center to the state data center located in the 1500  
32 Jefferson building and use services provided by consolidated technology  
33 services instead of purchasing new servers or other related equipment.  
34 If the department has specific service or performance requirements for  
35 locating servers outside the state data center, the agency will submit  
36 a waiver request to the office of the chief information officer as  
37 required in RCW 43.41A.150.



1 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

2	General Fund--State Appropriation (FY 2014) . . . . .	\$3,654,000
3	General Fund--State Appropriation (FY 2015) . . . . .	\$3,628,000
4	Building Code Council Account--State Appropriation . . . . .	<del>(\$1,227,000)</del>
5		<u>\$1,228,000</u>
6	<u>Enterprise Services Account--State Appropriation . . . . .</u>	<u>\$2,400,000</u>
7	<u>Data Processing Revolving Account--State Appropriation . . . . .</u>	<u>\$7,062,000</u>
8	TOTAL APPROPRIATION . . . . .	<del>(\$8,509,000)</del>
9		<u>\$17,972,000</u>

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

12 (1) \$3,287,000 of the general fund--state appropriation for fiscal  
13 year 2014 and \$3,286,000 of the general fund--state appropriation for  
14 fiscal year 2015 are provided solely for the payment of facilities and  
15 services charges, utilities and contracts charges, public and historic  
16 facilities charges, and capital projects surcharges allocable to the  
17 senate, house of representatives, statute law committee, and joint  
18 legislative systems committee. The department shall allocate charges  
19 attributable to these agencies among the affected revolving funds. The  
20 department shall maintain an interagency agreement with these agencies  
21 to establish performance standards, prioritization of preservation and  
22 capital improvement projects, and quality assurance provisions for the  
23 delivery of services under this subsection. The legislative agencies  
24 named in this subsection shall continue to enjoy all of the same rights  
25 of occupancy and space use on the capitol campus as historically  
26 established.

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

30 (3) The building code council account appropriation is provided  
31 solely for the operation of the state building code council as required  
32 by statute and modified by the standards established by executive order  
33 10-06. The council shall not consider any proposed code amendment or  
34 take any other action not authorized by statute or in compliance with  
35 the standards established in executive order 10-06. No member of the  
36 council may receive compensation, per diem, or reimbursement for  
37 activities other than physical attendance at those meetings of the  
38 state building code council or the council's designated committees, at

1 which the opportunity for public comment is provided generally and on  
2 all agenda items upon which the council proposes to take action. The  
3 building code council shall comply with chapter 19.85 RCW, known as the  
4 regulatory fairness act, by including with all proposed substantial  
5 code amendments an analysis addressing cost effectiveness, net  
6 benefits, payback periods, and life-cycle costs.

7 ~~((+5))~~ (4) The department of enterprise services shall purchase  
8 flags needed for ceremonial occasions on the capitol campus in order to  
9 fully represent the countries that have an international consulate in  
10 Washington state.

11 ~~((+6))~~ (5) Before any agency may purchase a passenger motor  
12 vehicle as defined in RCW 43.19.560, the agency must have written  
13 approval from the director of the department of enterprise services.

14 ~~((+7))~~ (6) \$2,400,000 of the ~~((data processing revolving account))~~  
15 enterprise services account--state appropriation is provided solely for  
16 the implementation of a pilot program to implement a strategy and  
17 action plan to modernize the state's enterprise financial and  
18 administrative systems. The department, the office of financial  
19 management, and the office of the chief information officer, will lead  
20 the planning effort and establish advisory committees composed of key  
21 stakeholders. The plan will include an assessment of the readiness of  
22 state government to conduct a business transformation and system  
23 replacement project of this scale. The plan shall incorporate the  
24 objectives of lean management and should include recommendations on:  
25 Project scope, phasing and timeline, expected outcomes and measures of  
26 success, product strategy, budget and financing strategy options, risk  
27 mitigation, staffing and organization, and strategies to close  
28 readiness gaps. The department shall submit the implementation plan to  
29 the fiscal committees of the legislature by December 15, ~~((2013))~~ 2014.

30 The amounts provided in this subsection are conditioned on the  
31 department satisfying the requirements of the project management  
32 oversight standards and policies established by the office of the chief  
33 information officer.

34 ~~((+8) \$8,013,000))~~ (7) \$7,062,000 of the data processing revolving  
35 account--state appropriation is provided solely for the implementation  
36 of a pilot program to implement a time, leave, and attendance  
37 enterprise system. The amounts provided in this subsection are

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

4 ~~((+9))~~ (8) From the fee charged to master contract vendors, the  
5 department shall transfer to the office of minority and women's  
6 business enterprises in equal monthly installments \$2,039,000 in fiscal  
7 year 2014 and \$2,038,000 in fiscal year 2015.

8 ~~((+10))~~ (9) The legislature intends to review for purchase parcel  
9 number one and surrounding property on McNeil Island. The department  
10 shall coordinate with the federal government to obtain an appraisal  
11 determining the fair market value and shall provide an estimate to the  
12 legislative fiscal committees by October 1, 2013.

13 (10) Appropriations to state agencies in this act have been reduced  
14 to reflect the following changes and reductions in services provided by  
15 the department. The department shall revise its central services rates  
16 charged to state agencies to implement these changes in services and  
17 policy: Small agency client services shall be transferred to the  
18 office of financial management on July 1, 2014; small agency human  
19 resources services shall cease on July 1, 2014; the personnel services  
20 fee shall be reduced fifty percent; costs for the print and imaging  
21 program shall be fully recovered through rates charged to state  
22 agencies and other government and nonprofit entities for this service;  
23 and the enterprise services rate shall be reduced to remove the portion  
24 of the rate subsidizing the operations of the print and imaging  
25 program.

26 (11) Through a competitive process, the department, in consultation  
27 with the office of the chief information officer, must contract with an  
28 entity with significant experience in web portals and e-government  
29 services to provide state agencies with services to include, but not be  
30 limited to, development and management of the state's web portal  
31 (access Washington); development of a state one-stop business portal;  
32 facilitating financial transactions and processing; application  
33 development, hosting and support; and integration services with  
34 existing state agency application systems.

35 **Sec. 138.** 2013 2nd sp.s. c 4 s 149 (uncodified) is amended to read  
36 as follows:

1 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**  
2 Volunteer Firefighters' and Reserve Officers'  
3 Administrative Account--State Appropriation . . . . (~~(\$1,044,000)~~)  
4 \$967,000

(End of part)

**PART II**  
**HUMAN SERVICES**

**Sec. 201.** 2013 2nd sp.s. c 4 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

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

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

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the

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

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

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

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

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

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

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

33 (b) To the extent that transfers under (a) of this subsection are  
34 insufficient to fund actual expenditures in excess of fiscal year 2014  
35 caseload forecasts and utilization assumptions in the long-term care,  
36 foster care, adoptions support, medicaid personal care, and child  
37 support programs, the department may transfer state moneys that are  
38 provided solely for a specified purpose. The department may not



1 (2) \$668,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$668,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely to contract for the operation of  
4 one pediatric interim care center. The center shall provide  
5 residential care for up to thirteen children through two years of age.  
6 Seventy-five percent of the children served by the center must be in  
7 need of special care as a result of substance abuse by their mothers.  
8 The center shall also provide on-site training to biological, adoptive,  
9 or foster parents. The center shall provide at least three months of  
10 consultation and support to the parents accepting placement of children  
11 from the center. The center may recruit new and current foster and  
12 adoptive parents for infants served by the center. The department  
13 shall not require case management as a condition of the contract.

14 (3) \$538,500 of the general fund--state appropriation for fiscal  
15 year 2014, \$539,500 of the general fund--state appropriation for fiscal  
16 year 2015, \$656,000 of the general fund--private/local appropriation,  
17 and \$253,000 of the general fund--federal appropriation are provided  
18 solely for children's administration to contract with an educational  
19 advocacy provider with expertise in foster care educational outreach.  
20 The amounts in this subsection are provided solely for contracted  
21 education coordinators to assist foster children in succeeding in K-12  
22 and higher education systems and to assure a focus on education during  
23 the transition to performance based contracts. Funding shall be  
24 prioritized to regions with high numbers of foster care youth and/or  
25 regions where backlogs of youth that have formerly requested  
26 educational outreach services exist. The department shall utilize  
27 private matching funds to maintain educational advocacy services.

28 (4) \$10,741,000 of the home security fund--state appropriation is  
29 provided solely for the department to contract for services pursuant to  
30 RCW 13.32A.030 and 74.15.220. The department shall contract and  
31 collaborate with service providers in a manner that maintains the  
32 availability and geographic representation of secure and semi-secure  
33 crisis residential centers and HOPE centers. To achieve efficiencies  
34 and increase utilization, the department shall allow the co-location of  
35 these centers, except that a youth may not be placed in a secure  
36 facility or the secure portion of a co-located facility except as  
37 specifically authorized by chapter 13.32A RCW. The reductions to  
38 appropriations in this subsection related to semi-secure crisis

1 residential centers reflect a reduction to the number of beds for semi-  
2 secure crisis residential centers and not a reduction in rates. Any  
3 secure crisis residential center or semi-secure crisis residential  
4 center bed reduction shall not be based solely upon bed utilization.  
5 The department is to exercise its discretion in reducing the number of  
6 beds but to do so in a manner that maintains availability and  
7 geographic representation of semi-secure and secure crisis residential  
8 centers.

9 (5) \$125,000 of the general fund--state appropriation for fiscal  
10 year 2014 and \$125,000 of the general fund--state appropriation for  
11 fiscal year 2015 are provided solely for a community-based organization  
12 that has innovated, developed, and replicated a foster care delivery  
13 model that includes a licensed hub home. The community-based  
14 organization will provide training and technical assistance to the  
15 children's administration to develop five hub home models in region 2  
16 that will improve child outcomes, support foster parents, and encourage  
17 the least restrictive community placements for children.

18 (6) \$73,000 of the general fund--state appropriation for fiscal  
19 year 2014, \$20,000 of the general fund--state appropriation for fiscal  
20 year 2015, and \$31,000 of the general fund--federal appropriation are  
21 provided solely for implementation of Second Substitute House Bill No.  
22 1566 (youth in out-of-home care). If the bill is not enacted by June  
23 30, 2013, the amounts provided in this subsection shall lapse.

24 (7) \$88,000 of the general fund--state appropriation for fiscal  
25 year 2014, \$2,000 of the general fund--state appropriation for fiscal  
26 year 2015, and \$28,000 of the general fund--federal appropriation are  
27 provided solely for implementation of Engrossed Substitute House Bill  
28 No. 1774 (child welfare system). If the bill is not enacted by June  
29 30, 2013, the amounts provided in this subsection shall lapse.

30 (8) (~~(\$1,698,000)~~) \$1,809,000 of the general fund--state  
31 appropriation for fiscal year 2014, (~~(\$2,788,000)~~) \$3,218,000 of the  
32 general fund--state appropriation for fiscal year 2015, and  
33 (~~(\$1,894,000)~~) \$2,053,000 of the general fund--federal appropriation  
34 are provided solely for implementation of Engrossed Second Substitute  
35 Senate Bill No. 5405 (extended foster care). If the bill is not  
36 enacted by June 30, 2013, the amounts provided in this subsection shall  
37 lapse.

1 (9) \$579,000 of the general fund--state appropriation for fiscal  
2 year 2014, \$579,000 of the general fund--state appropriation for fiscal  
3 year 2015, and \$109,000 of the general fund--federal appropriation are  
4 provided solely for a receiving care center east of the Cascade  
5 mountains.

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

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

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

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

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

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

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

37 (iii) Monitoring education progress of participating youth;

1 (iv) Providing participating youth with school and local resources  
2 that may assist in educational access and success; and

3 (v) Coaching youth, caregivers, and social workers to advocate for  
4 dependent youth in the educational system.

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

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

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

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

19 (11) \$50,000 of the general fund--state appropriation for fiscal  
20 year 2014, and \$50,000 of the general fund--state appropriation for  
21 fiscal year 2015, and \$256,000 of the general fund--federal  
22 appropriation are provided solely for implementation of Substitute  
23 Senate Bill No. 5315 (Powell fatality team). If the bill is not  
24 enacted by June 30, 2013, the amounts provided in this subsection shall  
25 lapse.

26 (12) \$670,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$670,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for services provided through  
29 children's advocacy centers.

30 (13)(a) \$22,695,000 of the general fund--state appropriation for  
31 fiscal year 2014, \$22,695,000 of the general fund--state appropriation  
32 for fiscal year 2015, and \$28,450,000 of the general fund--federal  
33 appropriation are provided solely for services for children and  
34 families. Prior to approval of contract services pursuant to RCW  
35 74.13B.020, the amounts provided in this section shall be allotted on  
36 a monthly basis and expenditures shall not exceed allotments based on  
37 a three-month rolling average without approval of the office of

1 financial management following notification to the legislative fiscal  
2 committees.

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

7 (14) \$1,783,000 of the general fund--state appropriation for fiscal  
8 year 2015, (~~(\$6,491,000)~~) \$2,648,000 of the child and family  
9 reinvestment account--state appropriation, and \$8,274,000 of the  
10 general fund--federal appropriation, are provided solely for the  
11 implementation and operations of the family assessment response  
12 program.

13 (15) \$35,000 of the general fund--state appropriation for fiscal  
14 year 2015 is provided solely for a rate add-on paid to residential  
15 facilities providing behavioral rehabilitation service placements to  
16 children or youth who have been assessed as needing mental health  
17 services through the mental health division's children's long-term  
18 inpatient program and are waiting for an available placement.

19 (16) \$150,000 of the general fund--state appropriation for fiscal  
20 year 2015 is provided solely for training, technical assistance, and  
21 oversight for an open-source parenting program developed by a  
22 university-based child welfare research entity. The amount provided in  
23 this subsection may be expended only if private or local funds are  
24 available to develop the parenting curriculum. The department shall  
25 make the open-source parenting program developed under this subsection  
26 available to parents and caregivers with an open child welfare case  
27 beginning January 1, 2015.

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

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

32	General Fund--State Appropriation (FY 2014) . . . . .	((\$89,967,000))
33		<u>\$89,365,000</u>
34	General Fund--State Appropriation (FY 2015) . . . . .	((\$90,255,000))
35		<u>\$89,074,000</u>
36	General Fund--Federal Appropriation . . . . .	\$3,464,000
37	General Fund--Private/Local Appropriation . . . . .	\$1,981,000



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

6 (5) \$3,123,000 of the general fund--state appropriation for fiscal  
7 year 2014 and \$3,123,000 of the general fund--state appropriation for  
8 fiscal year 2015 are provided solely for grants to county juvenile  
9 courts for the following programs identified by the Washington state  
10 institute for public policy (institute) in its October 2006 report:  
11 "Evidence-Based Public Policy Options to Reduce Future Prison  
12 Construction, Criminal Justice Costs and Crime Rates": Functional  
13 family therapy, multi-systemic therapy, aggression replacement training  
14 and interagency coordination programs, or other programs with a  
15 positive benefit-cost finding in the institute's report. County  
16 juvenile courts shall apply to the juvenile rehabilitation  
17 administration for funding for program-specific participation and the  
18 administration shall provide grants to the courts consistent with the  
19 per-participant treatment costs identified by the institute.

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

33 (7)(a) The juvenile rehabilitation administration shall administer  
34 a block grant, rather than categorical funding, of consolidated  
35 juvenile service funds, community juvenile accountability act grants,  
36 the chemical dependency disposition alternative funds, the mental  
37 health disposition alternative, and the sentencing disposition  
38 alternative for the purpose of serving youth adjudicated in the

1 juvenile justice system. In making the block grant, the juvenile  
2 rehabilitation administration shall follow the following formula and  
3 will prioritize evidence-based programs and disposition alternatives  
4 and take into account juvenile courts program-eligible youth in  
5 conjunction with the number of youth served in each approved evidence-  
6 based program or disposition alternative: (i) Thirty-seven and one-  
7 half percent for the at-risk population of youth ten to seventeen years  
8 old; (ii) fifteen percent for moderate and high-risk youth; (iii)  
9 twenty-five percent for evidence-based program participation; (iv)  
10 seventeen and one-half percent for minority populations; (v) three  
11 percent for the chemical dependency disposition alternative; and (vi)  
12 two percent for the mental health and sentencing dispositional  
13 alternatives. Funding for the special sex offender disposition  
14 alternative (SSODA) shall not be included in the block grant, but  
15 allocated on the average daily population in juvenile courts. Funding  
16 for the evidence-based expansion grants shall be excluded from the  
17 block grant formula. Funds may be used for promising practices when  
18 approved by the juvenile rehabilitation administration and juvenile  
19 courts, through the community juvenile accountability act committee,  
20 based on the criteria established in consultation with Washington state  
21 institute for public policy and the juvenile courts.

22 (b) The juvenile rehabilitation administration and the juvenile  
23 courts shall establish a block grant funding formula oversight  
24 committee with equal representation from the juvenile rehabilitation  
25 administration and the juvenile courts. The purpose of this committee  
26 is to assess the ongoing implementation of the block grant funding  
27 formula, utilizing data-driven decision making and the most current  
28 available information. The committee will be cochaired by the juvenile  
29 rehabilitation administration and the juvenile courts, who will also  
30 have the ability to change members of the committee as needed to  
31 achieve its purpose. Initial members will include one juvenile court  
32 representative from the finance committee, the community juvenile  
33 accountability act committee, the risk assessment quality assurance  
34 committee, the executive board of the Washington association of  
35 juvenile court administrators, the Washington state center for court  
36 research, and a representative of the superior court judges  
37 association; two representatives from the juvenile rehabilitation  
38 administration headquarters program oversight staff, two

1 representatives of the juvenile rehabilitation administration regional  
2 office staff, one representative of the juvenile rehabilitation  
3 administration fiscal staff and a juvenile rehabilitation  
4 administration division director. The committee may make changes to  
5 the formula categories other than the evidence-based program and  
6 disposition alternative categories if it is determined the changes will  
7 increase statewide service delivery or effectiveness of evidence-based  
8 program or disposition alternative resulting in increased cost benefit  
9 savings to the state. Long-term cost benefit must be considered.  
10 Percentage changes may occur in the evidence-based program or  
11 disposition alternative categories of the formula should it be  
12 determined the changes will increase evidence-based program or  
13 disposition alternative delivery and increase the cost benefit to the  
14 state. These outcomes will also be considered in determining when  
15 evidence-based expansion or special sex offender disposition  
16 alternative funds should be included in the block grant or left  
17 separate.

18 (c) The juvenile courts and administrative office of the courts  
19 shall be responsible for collecting and distributing information and  
20 providing access to the data systems to the juvenile rehabilitation  
21 administration and the Washington state institute for public policy  
22 related to program and outcome data. The juvenile rehabilitation  
23 administration and the juvenile courts will work collaboratively to  
24 develop program outcomes that reinforce the greatest cost benefit to  
25 the state in the implementation of evidence-based practices and  
26 disposition alternatives.

27 (8) The juvenile courts and administrative office of the courts  
28 shall collect and distribute information related to program outcome and  
29 provide access to these data systems to the juvenile rehabilitation  
30 administration and Washington state institute for public policy. The  
31 agreements between administrative office of the courts, the juvenile  
32 courts, and the juvenile rehabilitation administration shall be  
33 executed to ensure that the juvenile rehabilitation administration  
34 receives the data that the juvenile rehabilitation administration  
35 identifies as needed to comply with this subsection. This includes,  
36 but is not limited to, information by program at the statewide  
37 aggregate level, individual court level, and individual client level  
38 for the purpose of the juvenile rehabilitation administration providing

1 quality assurance and oversight for the locally committed youth block  
2 grant and associated funds and at times as specified by the juvenile  
3 rehabilitation administration as necessary to carry out these  
4 functions. The data shall be provided in a manner that reflects the  
5 collaborative work the juvenile rehabilitation administration and  
6 juvenile courts have developed regarding program outcomes that  
7 reinforce the greatest cost benefit to the state in the implementation  
8 of evidence-based practices and disposition alternatives.

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

13 (10) \$178,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$178,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely for the juvenile detention  
16 alternatives initiative.

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

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

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

33 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

34	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$327,467,000</del> ))
35		<u>\$328,527,000</u>
36	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$308,723,000</del> ))
37		<u>\$320,330,000</u>

1	General Fund--Federal Appropriation . . . . .	(\$561,394,000)
2		<u>\$663,424,000</u>
3	General Fund--Private/Local Appropriation . . . . .	\$17,864,000
4	TOTAL APPROPRIATION . . . . .	(\$1,215,448,000)
5		<u>\$1,330,145,000</u>

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

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

21 (i) The \$4,343,000 reduction in fiscal year 2014 and \$11,723,000 of  
22 the reduction in fiscal year 2015 must be distributed among regional  
23 support networks based on a formula that equally weights each regional  
24 support networks proportion of individuals who become newly eligible  
25 and enroll in medicaid under the expansion provisions of the affordable  
26 care act in fiscal year 2014 and each regional support network's  
27 spending of flexible nonmedicaid funding on services that would be  
28 reimbursable for federal medicaid matching funds if provided to  
29 medicaid enrollees in the 2011-2013 fiscal biennium.

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

35 (b) \$6,590,000 of the general fund--state appropriation for fiscal  
36 year 2014, \$6,590,000 of the general fund--state appropriation for  
37 fiscal year 2015, and \$7,620,000 of the general fund--federal  
38 appropriation are provided solely for the department and regional

1 support networks to continue to contract for implementation of high-  
2 intensity programs for assertive community treatment (PACT) teams. In  
3 determining the proportion of medicaid and nonmedicaid funding provided  
4 to regional support networks with PACT teams, the department shall  
5 consider the differences between regional support networks in the  
6 percentages of services and other costs associated with the teams that  
7 are not reimbursable under medicaid. The department may allow regional  
8 support networks which have nonmedicaid reimbursable costs that are  
9 higher than the nonmedicaid allocation they receive under this section  
10 to supplement these funds with local dollars or funds received under  
11 section 204(1)(a) of this act. The department and regional support  
12 networks shall maintain consistency with all essential elements of the  
13 PACT evidence-based practice model in programs funded under this  
14 section.

15 (c) \$5,850,000 of the general fund--state appropriation for fiscal  
16 year 2014, \$5,850,000 of the general fund--state appropriation for  
17 fiscal year 2015, and \$1,300,000 of the general fund--federal  
18 appropriation are provided solely for the western Washington regional  
19 support networks to provide either community- or hospital campus-based  
20 services for persons who require the level of care previously provided  
21 by the program for adaptive living skills (PALS) at western state  
22 hospital.

23 (d) The number of nonforensic beds allocated for use by regional  
24 support networks at eastern state hospital shall be 192 per day. The  
25 number of nonforensic beds allocated for use by regional support  
26 networks at western state hospital shall be 557 per day.

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

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

36 (g) \$750,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$750,000 of the general fund--state appropriation for  
38 fiscal year 2015 are provided solely to continue performance-based

1 incentive contracts to provide appropriate community support services  
2 for individuals with severe mental illness who were discharged from the  
3 state hospitals as part of the expanding community services initiative.  
4 These funds will be used to enhance community residential and support  
5 services provided by regional support networks through other state and  
6 federal funding.

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

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

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

18 (iii) Mental health services provided in nursing facilities to  
19 individuals with dementia, and consultation to facility staff treating  
20 those individuals; and

21 (iv) Services at the sixteen-bed evaluation and treatment facility.  
22 At least annually, the Spokane regional support network shall assess  
23 the effectiveness of these services in reducing utilization at eastern  
24 state hospital, identify services that are not optimally effective, and  
25 modify those services to improve their effectiveness.

26 (i) \$1,529,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$1,529,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely to reimburse Pierce and Spokane  
29 counties for the cost of conducting 180-day commitment hearings at the  
30 state psychiatric hospitals.

31 (j) Regional support networks may use local funds to earn  
32 additional federal medicaid match, provided the locally matched rate  
33 does not exceed the upper-bound of their federally allowable rate  
34 range, and provided that the enhanced funding is used only to provide  
35 medicaid state plan or waiver services to medicaid clients.  
36 Additionally, regional support networks may use a portion of the state  
37 funds allocated in accordance with (a) of this subsection to earn  
38 additional medicaid match, but only to the extent that the application

1 of such funds to medicaid services does not diminish the level of  
2 crisis and commitment, community inpatient, residential care, and  
3 outpatient services presently available to persons not eligible for  
4 medicaid.

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

11 (l) \$523,000 of the general fund--state appropriation for fiscal  
12 year 2014, \$775,000 of the general fund--state appropriation for fiscal  
13 year 2015, and \$854,000 of the general fund--federal appropriation are  
14 provided solely for implementation of sections 3 through 5 of chapter  
15 289, Laws of 2013 (E2SHB 1114). Regional support networks must use  
16 this funding for the development of intensive community programs that  
17 allow individuals to be diverted or transitioned from the state  
18 hospitals in accordance with plans approved by the department.

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

27 (n) Due to recent approval of federal medicaid matching funds for  
28 the disability lifeline and the alcohol and drug abuse treatment  
29 support act programs, the department shall charge regional support  
30 networks for only the state share rather than the total cost of  
31 community psychiatric hospitalization for persons enrolled in those  
32 programs.

33 (o) The legislature finds that the circumstances of the Chelan-  
34 Douglas regional support network (CD-RSN) make it necessary for CD-RSN  
35 to undergo restructuring in order to provide mental health services  
36 essential to the health and wellness of the citizens within its service  
37 area. The legislature intends to provide additional temporary

1 financial relief to the CD-RSN while it undergoes internal  
2 restructuring or negotiates a merger with another regional support  
3 network.

4 The department shall negotiate relief for outstanding fiscal year  
5 2013 reimbursements owed by CD-RSN to the state provided that the CD-  
6 RSN has a plan in place that is approved by the department by August 1,  
7 2013, that demonstrates how CD-RSN will maintain financial viability  
8 and stability or will merge with another regional support network.

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

23 (p) \$266,000 of the general fund--state appropriation for fiscal  
24 year 2014 is provided solely to maintain services for the King county  
25 regional support network as it works to transition services to settings  
26 that are eligible for federal participation for individuals covered  
27 under the medicaid program.

28 (q) \$6,546,000 of the general fund--state appropriation for fiscal  
29 year 2015 and \$6,546,000 of the general fund--federal appropriation are  
30 provided solely for the purposes of implementing statewide wraparound  
31 with intensive services for children pursuant to Substitute Senate Bill  
32 No. 6558 (children's mental health services). If the bill is not  
33 enacted by June 30, 2014, the amounts provided in this subsection (q)  
34 shall lapse.

35 (2) INSTITUTIONAL SERVICES

36	General Fund--State Appropriation (FY 2014) . . . . .	(( \$135,246,000 ))
37		<u>\$140,320,000</u>
38	General Fund--State Appropriation (FY 2015) . . . . .	(( \$131,863,000 ))

1		<u>\$130,487,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$150,863,000</del> ))
3		<u>\$159,836,000</u>
4	General Fund--Private/Local Appropriation . . . . .	(( <del>\$63,097,000</del> ))
5		<u>\$58,844,000</u>
6	TOTAL APPROPRIATION . . . . .	(( <del>\$481,069,000</del> ))
7		<u>\$489,487,000</u>

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

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

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

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

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

32 (e) ((~~\$2,068,000~~)) \$6,194,000 of the general fund--state  
33 appropriation for fiscal year 2014, \$2,066,000 of the general fund--  
34 state appropriation for fiscal year 2015, and \$240,000 of the general  
35 fund--federal appropriation are provided solely for the state  
36 psychiatric hospitals to plan, procure, and implement the core elements  
37 of an electronic medical record system that is compliant with the  
38 international classification of diseases (ICD-10) by October 1, 2014.

1 These funds must only be used for an electronic medical record system  
2 that meets federal criteria for electronic sharing of patient  
3 information and clinical care summaries with doctors' offices,  
4 hospitals, and health systems which use federally certified electronic  
5 health record systems. The procurement and implementation shall be  
6 conducted to allow for these services to be expanded to the department  
7 of corrections. The amounts provided in this subsection are  
8 conditioned on the department satisfying the requirements of the  
9 project management oversight standards and policies established by the  
10 office of the chief information officer.

11 (3) SPECIAL PROJECTS

12	General Fund--State Appropriation (FY 2014) . . . . .	\$1,609,000
13	General Fund--State Appropriation (FY 2015) . . . . .	<del>(\$1,610,000)</del>
14		<u>\$449,000</u>
15	General Fund--Federal Appropriation . . . . .	\$6,286,000
16	TOTAL APPROPRIATION . . . . .	<del>(\$9,505,000)</del>
17		<u>\$8,344,000</u>

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

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

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

35 (4) PROGRAM SUPPORT

36	General Fund--State Appropriation (FY 2014) . . . . .	<del>(\$5,287,000)</del>
37		<u>\$5,567,000</u>

1	General Fund--State Appropriation (FY 2015) . . . . .	((( <del>\$4,777,000</del> )))
2		<u>\$6,337,000</u>
3	General Fund--Federal Appropriation . . . . .	((( <del>\$7,711,000</del> )))
4		<u>\$8,466,000</u>
5	General Fund--Private/Local Appropriation . . . . .	\$502,000
6	TOTAL APPROPRIATION . . . . .	((( <del>\$18,277,000</del> )))
7		<u>\$20,872,000</u>

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

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

24 (b) \$74,000 of the general fund--state appropriation for fiscal  
25 year 2014, \$74,000 of the general fund--state appropriation for fiscal  
26 year 2015, and \$78,000 of the general fund--federal appropriation are  
27 provided solely for implementation of chapter 335, Laws of 2013 (ESSB  
28 5480).

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

33 (d) In developing the new medicaid managed care rates under which  
34 the public mental health managed care system will operate, the  
35 department must seek to estimate the reasonable and necessary cost of  
36 efficiently and effectively providing a comparable set of medically  
37 necessary mental health benefits to persons of different acuity levels  
38 regardless of where in the state they live. The department must report

1 to the office of financial management and to the relevant fiscal and  
2 policy committees of the legislature on its proposed new mental health  
3 managed care rate-setting approach by August 1, 2013, and again at  
4 least sixty days prior to implementation of new capitation rates.

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

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

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

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

31 (i) \$45,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$135,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for implementation of Second  
34 Substitute Senate Bill No. 6312 (behavioral health purchasing). If the  
35 bill is not enacted by June 30, 2014, the amounts provided in this  
36 subsection shall lapse.

37 (j) \$45,000 of the general fund--state appropriation for fiscal  
38 year 2014, \$135,000 of the general fund--state appropriation for fiscal

1 year 2015, and \$675,000 of the general fund--federal appropriation are  
2 provided solely for the purposes of implementing statewide wraparound  
3 with intensive services for children pursuant to Substitute Senate Bill  
4 No. 6558 (children's mental health services). If the bill is not  
5 enacted by June 30, 2014, the amounts provided in this subsection (j)  
6 shall lapse.

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

9 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
10 **DISABILITIES PROGRAM**

11 (1) COMMUNITY SERVICES

12 General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$439,963,000</del> ))
	<u>\$444,264,000</u>
14 General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$458,131,000</del> ))
	<u>\$467,895,000</u>
16 General Fund--Federal Appropriation . . . . .	(( <del>\$820,769,000</del> ))
	<u>\$832,546,000</u>
18 General Fund--Private/Local Appropriation . . . . .	(( <del>\$21,000</del> ))
	<u>\$535,000</u>
20 TOTAL APPROPRIATION . . . . .	(( <del>\$1,718,884,000</del> ))
	<u>\$1,745,240,000</u>

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

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

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

37 (i) The current annual renewal license fee for adult family homes  
38 shall be increased to \$225 per bed beginning in fiscal year 2014 and

1 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750  
2 shall be charged to each adult family home when the home is initially  
3 licensed. This fee is nonrefundable.

4 (ii) The current annual renewal license fee for assisted living  
5 facilities shall be increased to \$106 per bed beginning in fiscal year  
6 2014 and \$106 per bed beginning in fiscal year 2015.

7 (iii) The current annual renewal license fee for nursing facilities  
8 shall be increased to \$359 per bed beginning in fiscal year 2014 and  
9 \$359 per bed beginning in fiscal year 2015.

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

17 (d) \$13,301,000 of the general fund--state appropriation for fiscal  
18 year 2014, \$20,607,000 of the general fund--state appropriation for  
19 fiscal year 2015, and \$33,910,000 of the general fund federal  
20 appropriation are provided solely for the implementation of the  
21 agreement reached between the governor and the service employees  
22 international union healthcare 775nw through an interest arbitration  
23 decision under the provisions of chapters 74.39A and 41.56 RCW for the  
24 2013-2015 fiscal biennium.

25 ((~~d~~)) (e) \$6,244,000 of the general fund--state appropriation for  
26 fiscal year 2014 and \$6,244,000 of the general fund--state  
27 appropriation for fiscal year 2015 are appropriated solely for the  
28 individual and family support program. Within these amounts, the  
29 department shall expand the current number of clients receiving  
30 services and focus on extending services to individuals with  
31 developmental disabilities who are not otherwise receiving paid  
32 services from the department.

33 (f) (~~(\$1,547,000)~~) \$774,000 of the general fund--state  
34 appropriation for fiscal year 2015, and (~~(\$4,790,000)~~) \$2,395,000 of  
35 the general fund--federal appropriation are provided solely for a  
36 payment system that satisfies medicaid requirements regarding time  
37 reporting for W-2 providers. The amounts provided in this subsection

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

4 (g) \$1,707,000 of the general fund--state appropriation for fiscal  
5 year 2014, \$2,670,000 of the general fund--state appropriation for  
6 fiscal year 2015, and \$4,376,000 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 (h) The department is authorized to establish limited exemption  
11 criteria in rule to address RCW 74.39A.325 when a landline phone is not  
12 available to the employee.

13 (i) The department shall continue to provide the exceptional rate  
14 established in 1999 to adult family homes that care solely for clients  
15 with HIV/AIDS and shall not reduce the exceptional rate from the rate  
16 paid on October 1, 2013.

17 (j) \$136,000 of the general fund--state appropriation for fiscal  
18 year 2015 and \$559,000 of the general fund--federal appropriation are  
19 provided solely for the purposes of converting individual and family  
20 services to a medicaid program and expanding caseloads for individuals  
21 with developmental disabilities pursuant to Substitute Senate Bill No.  
22 6387 (developmental disabilities services). If the bill is not enacted  
23 by June 30, 2014, the amounts provided in this subsection (j) shall  
24 lapse.

25 (2) INSTITUTIONAL SERVICES

26	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$85,261,000</del> ))
27		<u>\$85,892,000</u>
28	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$84,980,000</del> ))
29		<u>\$85,865,000</u>
30	General Fund--Federal Appropriation . . . . .	(( <del>\$160,021,000</del> ))
31		<u>\$161,677,000</u>
32	General Fund--Private/Local Appropriation . . . . .	\$23,041,000
33	TOTAL APPROPRIATION . . . . .	(( <del>\$353,303,000</del> ))
34		<u>\$356,475,000</u>

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

37 (a) Individuals receiving services as supplemental security income

1 (SSI) state supplemental payments shall not become eligible for medical  
2 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
3 supplemental payments.

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

11 (3) PROGRAM SUPPORT

12	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$1,943,000</del> ))
13		<u>\$1,972,000</u>
14	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$1,993,000</del> ))
15		<u>\$2,090,000</u>
16	General Fund--Federal Appropriation . . . . .	(( <del>\$1,957,000</del> ))
17		<u>\$2,108,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$5,893,000</del> ))
19		<u>\$6,170,000</u>

20 The appropriations in this subsection are subject to the following  
21 conditions and limitations: \$68,000 of the general fund--state  
22 appropriation for fiscal year 2015 and \$46,000 of the general fund--  
23 federal appropriation are provided solely for the purposes of designing  
24 and implementing the community first choice option benefit pursuant to  
25 Substitute Senate Bill No. 6387 (developmental disabilities services).  
26 If the bill is not enacted by June 30, 2014, the amounts provided in  
27 this subsection shall lapse.

28 (4) SPECIAL PROJECTS

29	General Fund--State Appropriation (FY 2014) . . . . .	\$1,400,000
30	General Fund--State Appropriation (FY 2015) . . . . .	\$1,400,000
31	General Fund--Federal Appropriation . . . . .	\$1,200,000
32	TOTAL APPROPRIATION . . . . .	\$4,000,000

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

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
36 **SERVICES PROGRAM**

37	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$869,628,000</del> ))
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1 staffing levels for certified nurse aides; or to increase wages and/or  
2 benefits for dietary aides, housekeepers, laundry aides, or any other  
3 category of worker whose statewide average dollars-per-hour wage was  
4 less than \$15 in calendar year 2008, according to cost report data.  
5 The add-on may also be used to address resulting wage compression for  
6 related job classes immediately affected by wage increases to low-wage  
7 workers. The department shall continue reporting requirements and a  
8 settlement process to ensure that the funds are spent according to this  
9 subsection.

10 (b) The department shall do a comparative analysis of the facility-  
11 based payment rates calculated on July 1, 2013, using the payment  
12 methodology defined in chapter 74.46 RCW and as funded in the omnibus  
13 appropriations act, excluding the comparative add-on, acuity add-on,  
14 and safety net reimbursement, to the facility-based payment rates in  
15 effect June 30, 2010. If the facility-based payment rate calculated on  
16 July 1, 2013, is smaller than the facility-based payment rate on June  
17 30, 2010, then the difference shall be provided to the individual  
18 nursing facilities as an add-on payment per medicaid resident day.

19 (c) During the comparative analysis performed in subsection (b) of  
20 this section, if it is found that the direct care rate for any facility  
21 calculated using the payment methodology defined in chapter 74.46 RCW  
22 and as funded in the omnibus appropriations act, excluding the  
23 comparative add-on, acuity add-on, and safety net reimbursement, is  
24 greater than the direct care rate in effect on June 30, 2010, then the  
25 facility shall receive a ten percent direct care rate add-on to  
26 compensate that facility for taking on more acute clients than they  
27 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) of this subsection do not  
2 apply.

3 (2) In accordance with chapter 74.46 RCW, the department shall  
4 issue no additional certificates of capital authorization for fiscal  
5 year 2014 and no new certificates of capital authorization for fiscal  
6 year 2015 and shall grant no rate add-ons to payment rates for capital  
7 improvements not requiring a certificate of need and a certificate of  
8 capital authorization for fiscal years 2014 and 2015.

9 (3) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and  
10 43.135.055, the department is authorized to increase nursing facility,  
11 assisted living facility, and adult family home fees as necessary to  
12 fully support the actual costs of conducting the licensure, inspection,  
13 and regulatory programs. The license fees may not exceed the  
14 department's annual licensing and oversight activity costs and shall  
15 include the department's cost of paying providers for the amount of the  
16 license fee attributed to medicaid clients.

17 (a) The current annual renewal license fee for adult family homes  
18 shall be increased to \$225 per bed beginning in fiscal year 2014 and  
19 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750  
20 shall be charged to each adult family home when the home is initially  
21 licensed. This fee is nonrefundable.

22 (b) The current annual renewal license fee for assisted living  
23 facilities shall be increased to \$106 per bed beginning in fiscal year  
24 2014 and \$106 per bed beginning in fiscal year 2015.

25 (c) The current annual renewal license fee for nursing facilities  
26 shall be increased to \$359 per bed beginning in fiscal year 2014 and  
27 \$359 per bed beginning in fiscal year 2015.

28 (4) The department may authorize a one-time waiver of all or any  
29 portion of the licensing and processing fees required under RCW  
30 70.128.060 in any case in which the department determines that an adult  
31 family home is being relicensed because of exceptional circumstances,  
32 such as death or incapacity of a provider, and that to require the full  
33 payment of the licensing and processing fees would present a hardship  
34 to the applicant.

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

1        ~~((+5))~~ (6) \$30,640,000 of the general fund--state appropriation  
2 for fiscal year 2014, \$48,633,000 of the general fund--state  
3 appropriation for fiscal year 2015, and \$79,273,000 of the general  
4 fund--federal appropriation are provided solely for the implementation  
5 of the agreement reached between the governor and the service employees  
6 international union healthcare 775nw through an interest arbitration  
7 decision under the provisions of chapters 74.39A and 41.56 RCW for the  
8 2013-2015 fiscal biennium.

9        ~~((+6))~~ (7) \$1,840,000 of the general fund--state appropriation for  
10 fiscal year 2014 and \$1,877,000 of the general fund--state  
11 appropriation for fiscal year 2015 are provided solely for operation of  
12 the volunteer services program. Funding shall be prioritized towards  
13 serving populations traditionally served by long-term care services to  
14 include senior citizens and persons with disabilities.

15        ~~((+7) \$4,894,000)~~ (8) \$2,447,000 of the general fund--state  
16 appropriation for fiscal year 2015, and ~~((+15,150,000))~~ \$7,575,000 of  
17 the general fund--federal appropriation are provided solely for a  
18 payment system that satisfies medicaid requirements regarding time  
19 reporting for W-2 providers. The amounts provided in this subsection  
20 are conditioned on the department satisfying the requirements of the  
21 project management oversight standards and policies established by the  
22 office of the chief information officer.

23        ~~((+8))~~ (9) The department is authorized to establish limited  
24 exemption criteria in rule to address RCW 74.39A.325 when a landline  
25 phone is not available to the employee.

26        ~~((+9))~~ (10) Within the amounts appropriated in this section, in a  
27 report to the appropriate fiscal committees of the legislature that  
28 must be submitted by December 1, 2013, the department of social and  
29 health services must describe the process for establishing medicaid  
30 rates for assisted living and adult family homes. The report must  
31 include information about licensing and physical plant standards,  
32 contracting provisions, and per capita and biennial expenditures for  
33 assisted living and adult family homes.

34        ~~((+10))~~ (11) \$10,800,000 of the general fund--state appropriation  
35 for fiscal year 2014, \$17,768,000 of the general fund--state  
36 appropriation for fiscal year 2015, and \$28,567,000 of the general  
37 fund--federal appropriation are provided solely for the homecare agency

1 parity impacts of the service employees international union healthcare  
2 775nw arbitration award.

3 ((+11+)) (12) \$33,000 of the general fund--state appropriation for  
4 fiscal year 2014, \$17,000 of the general fund--state appropriation for  
5 fiscal year 2015, and \$50,000 of the general fund--federal  
6 appropriation are provided solely for staffing and other expenses  
7 associated with the work of the joint legislative executive committee  
8 on planning for aging and disability issues that is established by this  
9 subsection.

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

12 (i) Four members of the senate, with the leaders of the two largest  
13 caucuses each appointing two members. Four members of the house of  
14 representatives, with the leaders of the two largest caucuses each  
15 appointing two members;

16 (ii) A member from the office of the governor, appointed by the  
17 governor;

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

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

22 (v) The director of the department of retirement systems or his or  
23 her designee.

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

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

31 (i) Establish a profile of Washington's current population of older  
32 people and people with disabilities and a projection of population  
33 growth through 2030;

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

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

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

8 (v) Identify policy options to create financing mechanisms for  
9 long-term services and supports that will promote additional private  
10 responsibility for individuals and families to meet their needs for  
11 service;

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

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

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

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

24 (f) Within existing appropriations, the cost of meetings must be  
25 paid jointly by the senate, house of representatives, and the office of  
26 financial management. Joint committee expenditures are subject to  
27 approval by the senate facilities and operations committee and the  
28 house of representatives executive rules committee, or their successor  
29 committees. The joint committee members may be reimbursed for travel  
30 expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter  
31 44.04 RCW as appropriate. Advisory committee members may not receive  
32 compensation or reimbursement for travel and expenses.

33 (g) The committee shall issue an interim report to the legislature  
34 by December 10, 2013, and issue final recommendations to the governor  
35 and relevant standing committees of the legislature by December 10,  
36 2014.

37 ((+12)) (13) \$240,000 of the general fund--state appropriation for  
38 fiscal year 2014, \$1,342,000 of the general fund--state appropriation

1 for fiscal year 2015, and \$1,468,000 of the general fund--federal  
2 appropriation are provided solely to implement chapter 320, Laws of  
3 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

4 ~~((+13))~~ (14) The department shall review the capital add-on rate  
5 established by RCW 74.39A.320 for effectiveness in incentivizing  
6 assisted living facilities to serve Medicaid eligible clients. Upon  
7 completing its review, the department shall submit its findings along  
8 with recommendations for alternatives to the office of financial  
9 management and the fiscal committees of the legislature by December 1,  
10 2013. The department is encouraged to engage stakeholders in  
11 developing alternatives.

12 ~~((+14))~~ (15) \$239,000 of the general fund--state appropriation for  
13 fiscal year 2014, \$160,000 of the general fund--state appropriation for  
14 fiscal year 2015, and \$398,000 of the general fund--federal  
15 appropriation are provided solely to implement chapter 300, Laws of  
16 2013 (SSB 5630).

17 (16) \$5,094,000 of the general fund--state appropriation for fiscal  
18 year 2015 is provided solely for services and support to individuals  
19 who are deaf, hard of hearing, or deaf-blind.

20 (17) \$30,000 of the general fund--state appropriation for fiscal  
21 year 2014 is provided solely for the department to contract with area  
22 agencies on aging to convene a work group to include first responders  
23 and companies providing life alert or other emergency alert services  
24 and to develop a proposal on how vulnerable adults who have life alert  
25 services might be made known to first responders in the event of a  
26 long-term power or telecommunications outage. The work group shall  
27 review methods for information sharing to include:

- 28 (a) Protocols and conditions in which information would be shared;  
29 (b) A process whereby vulnerable life alert and emergency alert  
30 customers may provide permission for their information to be shared in  
31 the event of an emergency;  
32 (c) Privacy protections for participants in the program; and  
33 (d) Liability protections for agencies that collect, maintain, and  
34 track information.

35 The work group shall develop recommendations and provide them to the  
36 office of financial management and to the appropriate legislative  
37 committees by November 15, 2014.

1 (18) Within existing appropriations, the department is authorized  
2 to implement the fully capitated demonstration project for individuals  
3 who are dually eligible for medicare and medicaid. Savings realized  
4 from this implementation may be used to offset any general fund--state  
5 costs incurred by the department.

6 (19) \$233,000 of the general fund--state appropriation for fiscal  
7 year 2015 and \$175,000 of the general fund--federal appropriation are  
8 provided solely for the purposes of designing and implementing the  
9 community first choice option benefit pursuant to Substitute Senate  
10 Bill No. 6387 (developmental disabilities services). If the bill is  
11 not enacted by June 30, 2014, the amounts provided in this subsection  
12 shall lapse.

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

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

17	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$402,504,000</del> ))
18		<u>\$363,084,000</u>
19	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$405,019,000</del> ))
20		<u>\$369,714,000</u>
21	General Fund--Federal Appropriation . . . . .	(( <del>\$1,211,774,000</del> ))
22		<u>\$1,214,981,000</u>
23	General Fund--Private/Local Appropriation . . . . .	(( <del>\$30,594,000</del> ))
24		<u>\$36,450,000</u>
25	<u>Administration Contingency Account--State</u>	
26	<u>Appropriation . . . . .</u>	<u>\$5,000,000</u>
27	TOTAL APPROPRIATION . . . . .	(( <del>\$2,049,891,000</del> ))
28		<u>\$1,989,229,000</u>

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

31 (1)(a) ((~~\$178,757,000~~)) \$136,955,000 of the general fund--state  
32 appropriation for fiscal year 2014, ((~~\$172,999,000~~)) \$137,766,000 of  
33 the general fund--state appropriation for fiscal year 2015, \$5,000,000  
34 of the administrative contingency account--state appropriation, and  
35 ((~~\$732,881,000~~)) \$756,523,000 of the general fund--federal  
36 appropriation are provided solely for all components of the WorkFirst  
37 program. Within the amounts provided for the WorkFirst program, the

1 department may provide assistance using state-only funds for families  
2 eligible for temporary assistance for needy families. The department  
3 must create a WorkFirst budget structure that allows for transparent  
4 tracking of budget units and subunits of expenditures where these units  
5 and subunits are mutually exclusive from other department budget units.  
6 The budget structure must include budget units for the following: Cash  
7 assistance, child care, WorkFirst activities, and administration of the  
8 program. Within these budget units, the department must develop  
9 program index codes for specific activities and develop allotments and  
10 track expenditures using these codes. The department shall report to  
11 the office of financial management and the relevant fiscal and policy  
12 committees of the legislature prior to adopting the new structure. The  
13 secretary of the department of social and health services, working with  
14 WorkFirst partner agencies and in collaboration with the WorkFirst  
15 oversight task force, shall develop a plan for maximizing the following  
16 outcomes and shall report back to the legislature by November 1, 2013.  
17 The outcomes to be measured are: (i) Increased employment; (ii)  
18 completion of education or post-secondary training; (iii) completion of  
19 barrier removal activity including drug and alcohol or mental health  
20 treatment; (iv) housing stability; (v) child care or education  
21 stability for the children of temporary assistance for needy families  
22 recipients; (vi) reduced rate of return after exit from the WorkFirst  
23 program; and (vii) work participation requirements.

24 (b) (~~(\$406,818,000)~~) \$372,704,000 of the amounts in (a) of this  
25 subsection are provided solely for assistance to clients, including  
26 grants, diversion cash assistance, and additional diversion emergency  
27 assistance including but not limited to assistance authorized under RCW  
28 74.08A.210. The department may use state funds to provide support to  
29 working families that are eligible for temporary assistance for needy  
30 families but otherwise not receiving cash assistance.

31 (c) (~~(\$168,019,000)~~) \$167,808,000 of the amounts in (a) of this  
32 subsection are provided solely for WorkFirst job search, education and  
33 training activities, barrier removal services, limited English  
34 proficiency services, and tribal assistance under RCW 74.08A.040. The  
35 department must allocate this funding based on client outcomes and cost  
36 effectiveness measures.

37 (d) (~~(\$367,676,000)~~) \$352,085,000 of the amounts in (a) of this  
38 subsection are provided solely for the working connections child care

1 program under RCW 43.215.135. The amounts provided in this subsection  
2 (d) are provided conditioned on the department of social and health  
3 services and the department of early learning taking additional actions  
4 to identify and reduce the backlog of overpayment cases related to  
5 public assistance programs, including the working connections child  
6 care program. The departments shall collaborate and create a plan to  
7 triage overpayment cases in a manner that identifies and prioritizes  
8 cases with large overpayments and likelihood of fraudulent activity.  
9 The departments shall provide a quarterly report to the appropriate  
10 policy and fiscal committees of the legislature detailing the specific  
11 actions taken as a result of this subsection (d). The department of  
12 social and health services shall also establish an interagency  
13 agreement with the state auditor's office to conduct an independent  
14 performance audit of the office of fraud and accountability recovery.  
15 The audit shall include an analysis of the data reporting elements used  
16 by the office, current methods for determining the closing of cases,  
17 workload allocation, and issues associated with coordination between  
18 the two departments. \$300,000 of the amount provided in this  
19 subsection (d) is provided solely for this performance audit.

20 (e) (~~(\$142,124,000)~~) \$142,974,000 of the amounts in (a) of this  
21 subsection are provided solely for WorkFirst and working connections  
22 child care administration and overhead.

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

34 (2) \$1,657,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$1,657,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for naturalization services.

37 (3) \$2,366,000 of the general fund--state appropriation for fiscal  
38 year 2014 is provided solely for employment services for refugees and

1 immigrants, of which \$1,774,000 is provided solely for the department  
2 to pass through to statewide refugee and immigrant assistance  
3 organizations for limited English proficiency pathway services; and  
4 \$2,366,000 of the general fund--state appropriation for fiscal year  
5 2015 is provided solely for employment services for refugees and  
6 immigrants, of which \$1,774,000 is provided solely for the department  
7 to pass through to statewide refugee and immigrant assistance  
8 organizations for limited English proficiency pathway services.

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

15 (5) To ensure expenditures remain within available funds  
16 appropriated in this section, the legislature establishes the benefit  
17 under the state food assistance program, pursuant to RCW 74.08A.120, to  
18 be seventy-five percent of the federal supplemental nutrition  
19 assistance program benefit amount.

20 (6) \$18,000 of the general fund--state appropriation for fiscal  
21 year 2014 is provided solely for implementation of section 1, chapter  
22 337, Laws of 2013 (2SSB 5595).

23 (7) \$4,729,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$4,729,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely for implementation of the  
26 telephone assistance program and the Washington information network 211  
27 organization pursuant to Substitute House Bill No. 1971 (communication  
28 services). Of these funds, \$500,000 of the general fund--state  
29 appropriation for fiscal year 2014 and \$500,000 of the general fund--  
30 state appropriation for fiscal year 2015 are provided solely for  
31 operational support of the Washington information network 211  
32 organization. If Substitute House Bill No. 1971 (communication  
33 services) is not enacted by June 30, 2013, the amounts provided in this  
34 subsection shall lapse.

35 (8) The department shall review clients receiving services through  
36 the aged, blind, or disabled assistance program, to determine whether  
37 they would benefit from assistance in becoming naturalized citizens,

1 and thus be eligible to receive federal supplemental security income  
2 benefits. Those cases shall be given high priority for naturalization  
3 funding through the department.

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

10 (10) \$500,000 of the general fund--state appropriation for fiscal  
11 year 2014 and (~~(\$1,500,000)~~) \$650,000 of the general fund--state  
12 appropriation for fiscal year 2015 are provided solely for  
13 implementation of Substitute House Bill No. 2069 (safety net benefits).  
14 If the bill is not enacted by June 30, 2013, the amounts provided in  
15 this subsection shall lapse.

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

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**  
19 **SUBSTANCE ABUSE PROGRAM**

20	General Fund--State Appropriation (FY 2014) . . . . .	((\$72,650,000))
21		<u>\$73,008,000</u>
22	General Fund--State Appropriation (FY 2015) . . . . .	((\$61,855,000))
23		<u>\$63,616,000</u>
24	General Fund--Federal Appropriation . . . . .	((\$277,248,000))
25		<u>\$279,242,000</u>
26	General Fund--Private/Local Appropriation . . . . .	((\$13,554,000))
27		<u>\$16,316,000</u>
28	Criminal Justice Treatment Account--State	
29	Appropriation . . . . .	((\$14,568,000))
30		<u>\$14,285,000</u>
31	Problem Gambling Account--State Appropriation . . . . .	\$1,450,000
32	TOTAL APPROPRIATION . . . . .	((\$441,325,000))
33		<u>\$447,917,000</u>

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

36 (1) Within the amounts appropriated in this section, the department  
37 may contract with the University of Washington and community-based

1 providers for the provision of the parent-child assistance program or  
2 other specialized chemical dependency case management providers for  
3 pregnant, post-partum, and parenting women. For all contractors: (a)  
4 Service and other outcome data must be provided to the department by  
5 request; (b) program modifications needed to maximize access to federal  
6 medicaid matching funds will be phased in over the course of the 2013-  
7 2015 fiscal biennium; and (c) indirect charges for administering the  
8 program shall not exceed ten percent of the total contract amount.

9 (2) Within the amounts appropriated in this section, the department  
10 shall continue to provide for chemical dependency treatment services  
11 for adult medicaid eligible, pregnant and parenting women, disability  
12 lifeline, and alcoholism and drug addiction treatment and support act,  
13 and medical care services clients.

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

28 (4) \$3,500,000 of the general fund--federal appropriation (from the  
29 substance abuse prevention and treatment federal block grant) is  
30 provided solely for the continued funding of existing county drug and  
31 alcohol use prevention programs.

32 (5) \$2,600,000 of the general fund--state appropriation for fiscal  
33 year 2014 is provided solely for the department to transition 128 beds  
34 from settings that are considered institutions for mental diseases to  
35 facilities with no more than 16 beds that are able to claim federal  
36 match for services provided to medicaid clients or individuals covered  
37 under the department's section 1115 medicaid waiver. The department  
38 may conduct a request for proposal process to fulfill this requirement

1 and adopt rates that are comparable to the pilot projects implemented  
 2 in the 2011-13 fiscal biennium. The department may use these funds to  
 3 assist with the costs of providers in setting up or converting to 16-  
 4 bed facilities. This funding may also be used for providers that are  
 5 developing new capacity for clients who will become eligible for  
 6 services under the affordable care act medicaid expansion. The number  
 7 of beds available for pregnant and parenting women must not be reduced.

8 (6) (~~(\$283,000 of the criminal justice treatment account~~  
 9 ~~appropriation is provided solely for transitional funding for the~~  
 10 ~~family drug court in Pierce county.)) Within existing appropriations,  
 11 the department shall prioritize the prevention and treatment of  
 12 intravenous, opiate-based drug use.~~

13 (7) \$62,000 of the general fund--state appropriation for fiscal  
 14 year 2015 is provided solely to expand access to a program located in  
 15 a county with a population over 700,000 that provides case management  
 16 and coordinating services for low-income women who are pregnant or  
 17 parenting and have a suspected history of alcohol or drug abuse.

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

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

22	General Fund--State Appropriation (FY 2014) . . . . .	(( \$16,478,000 ))
23		<u>\$16,523,000</u>
24	General Fund--State Appropriation (FY 2015) . . . . .	(( \$16,459,000 ))
25		<u>\$11,410,000</u>
26	General Fund--Federal Appropriation . . . . .	(( \$99,413,000 ))
27		<u>\$99,397,000</u>
28	TOTAL APPROPRIATION . . . . .	(( \$132,350,000 ))
29		<u>\$127,330,000</u>

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



1 transition facility. The department shall establish an accounting  
2 structure that enables it to track and report on costs specific to  
3 island operations.

4 (3) By November 1, 2014, the department of social and health  
5 services shall provide a report to the office of financial management  
6 and the appropriate fiscal and policy committees of the legislature  
7 that evaluates the department's expenditures for certain medical and  
8 pharmacy costs for its residents within the special commitment center.  
9 The department, as part of its evaluation, shall consult with the  
10 health care authority, the health benefits exchange, and the department  
11 of corrections. At a minimum, the report must look at the following  
12 items:

- 13 (a) Obtaining medicaid eligibility for residents;
- 14 (b) Feasibility of obtaining insurance for residents through the  
15 health benefit exchange;
- 16 (c) Utilizing multi-state consortiums for the purchase of  
17 pharmaceuticals to reduce costs; and
- 18 (d) Consolidating contracts for medical inpatient and outpatient  
19 services with western state hospital.

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

24 ((+4)) (5) All classified employees of the department of social  
25 and health services assigned to the department of corrections under  
26 this subsection whose positions are within an existing bargaining unit  
27 description at the department of corrections shall become a part of the  
28 existing bargaining unit at the department of corrections and shall be  
29 considered an appropriate inclusion or modification of the existing  
30 bargaining unit under the provisions of chapter 41.80 RCW.

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

33 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
34 **SUPPORTING SERVICES PROGRAM**

35	General Fund--State Appropriation (FY 2014) . . . . .	(((\$30,127,000))
36		<u>\$29,732,000</u>
37	General Fund--State Appropriation (FY 2015) . . . . .	(((\$29,333,000))

1		<u>\$29,649,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$37,150,000</del> ))
3		<u>\$37,291,000</u>
4	General Fund--Private/Local Appropriation . . . . .	\$654,000
5	TOTAL APPROPRIATION . . . . .	(( <del>\$97,264,000</del> ))
6		<u>\$97,326,000</u>

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

9 (1) \$395,000 of the general fund--state appropriation for fiscal  
10 year 2014, \$228,000 of the general fund--state appropriation for fiscal  
11 year 2015, and \$335,000 of the general fund--federal appropriation are  
12 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and  
13 chapter 338, Laws of 2013 (2SSB 5732).

14 (2) \$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 mentors  
17 program to continue its public-private partnerships to provide  
18 technical assistance and training to mentoring programs that serve  
19 at-risk youth.

20 (3) \$82,000 of the general fund--state appropriation for fiscal  
21 year 2014, \$44,000 of the general fund--state appropriation for fiscal  
22 year 2015, and \$28,000 of the general fund--federal appropriation are  
23 provided solely to develop a report on state efforts to prevent and  
24 control diabetes. The department, the health care authority, and the  
25 department of health shall submit a coordinated report to the governor  
26 and the appropriate committees of the legislature by December 31, 2014,  
27 on the following:

28 (a) The financial impacts and reach that diabetes of all types and  
29 undiagnosed gestational diabetes are having on the programs  
30 administered by each agency and individuals, including children with  
31 mothers with undiagnosed gestational diabetes, enrolled in those  
32 programs. Items in this assessment must include: (i) The number of  
33 lives with diabetes and undiagnosed gestational diabetes impacted or  
34 covered by the programs administered by each agency; (ii) the number of  
35 lives with diabetes, or at risk for diabetes, and family members  
36 impacted by prevention and diabetes control programs implemented by  
37 each agency; (iii) the financial toll or impact diabetes and its  
38 complications, and undiagnosed gestational diabetes and the

1 complications experienced during labor to children of mothers with  
2 gestational diabetes places on these programs in comparison to other  
3 chronic diseases and conditions; and (iv) the financial toll or impact  
4 diabetes and its complications, and diagnosed gestational diabetes and  
5 the complications experienced during labor to children of mothers with  
6 gestational diabetes places on these programs;

7 (b) An assessment of the benefits of implemented and existing  
8 programs and activities aimed at controlling all types of diabetes and  
9 preventing the disease. This assessment must also document the amount  
10 and source for any funding directed to each agency for the programs and  
11 activities aimed at reaching those with diabetes of all types;

12 (c) A description of the level of coordination existing between the  
13 agencies on activities, programmatic activities, and messaging on  
14 managing, treating, or preventing all types of diabetes and its  
15 complications;

16 (d) The development or revision of detailed policy-related action  
17 plans and budget recommendations for battling diabetes and undiagnosed  
18 gestational diabetes that includes a range of actionable items for  
19 consideration by the legislature. The plans and budget recommendations  
20 must identify proposed action steps to reduce the impact of diabetes,  
21 prediabetes, related diabetes complications, and undiagnosed  
22 gestational diabetes. The plans and budget recommendations must also  
23 identify expected outcomes of the action steps proposed in the  
24 following biennium while also establishing benchmarks for controlling  
25 and preventing all types of diabetes; and

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

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

31 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**  
32 **AGENCIES PROGRAM**

33	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$60,470,000</del> ))
34		<u>\$61,998,000</u>
35	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$60,511,000</del> ))
36		<u>\$62,764,000</u>
37	General Fund--Federal Appropriation . . . . .	(( <del>\$55,264,000</del> ))

1 \$56,148,000  
 2 TOTAL APPROPRIATION . . . . . ((~~\$176,245,000~~))  
 3 \$180,910,000

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

6 **FOR THE STATE HEALTH CARE AUTHORITY**  
 7 General Fund--State Appropriation (FY 2014) . . . . . ((~~\$2,131,026,000~~))  
 8 \$2,143,469,000  
 9 General Fund--State Appropriation (FY 2015) . . . . . ((~~\$2,114,731,000~~))  
 10 \$2,157,699,000  
 11 General Fund--Federal Appropriation . . . . . ((~~\$7,245,749,000~~))  
 12 \$7,884,777,000  
 13 General Fund--Private/Local Appropriation . . . . . ((~~\$57,780,000~~))  
 14 \$56,407,000  
 15 Emergency Medical Services and Trauma Care Systems  
 16 Trust Account--State Appropriation . . . . . \$15,082,000  
 17 Hospital Safety Net Assessment Fund--State  
 18 Appropriation . . . . . \$669,381,000  
 19 Health Benefit Exchange Account--State  
 20 Appropriation . . . . . ((~~\$17,277,000~~))  
 21 \$16,589,000  
 22 State Health Care Authority Administration Account--  
 23 State Appropriation . . . . . ((~~\$34,809,000~~))  
 24 \$35,137,000  
 25 Medical Aid Account--State Appropriation . . . . . \$528,000  
 26 Medicaid Fraud Penalty Account--State Appropriation . . . . \$21,206,000  
 27 TOTAL APPROPRIATION . . . . . ((~~\$12,307,569,000~~))  
 28 \$13,000,275,000

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

31 (1) ((~~\$1,143,994,000~~)) \$1,900,484,000 of the general fund--federal  
 32 appropriation is provided solely to implement the medicaid expansion as  
 33 defined in the social security act, section 1902(a)(10)(A)(i)(VIII),  
 34 subject to the conditions and limitations in this subsection. If the  
 35 federal medical assistance percentage for the medicaid expansion falls  
 36 below the percentages in section 1905(y) of the social security act as  
 37 of July 1, 2013, the authority shall ensure that the state does not

1 incur any additional state costs above what would have been incurred  
2 had the federal medical assistance percentages remained at the  
3 percentages in section 1905(y) as of July 1, 2013. The director is  
4 authorized to make any necessary program adjustments to comply with  
5 this requirement, including adding or adjusting premiums, modifying  
6 benefits, or reducing optional programs. To the extent a waiver is  
7 needed to accomplish this, the director shall promptly apply for such  
8 waiver. If a necessary waiver is not approved, the medicaid expansion  
9 program shall be terminated upon appropriate notification to the  
10 legislature and enrollees.

11 (2) The requirements of this subsection apply to the basic health  
12 plan. This subsection is null and void and has no further effect upon  
13 implementation of the medicaid expansion under subsection (1) of this  
14 section.

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

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

30 (c) The administrator shall take at least the following actions to  
31 assure that persons participating in the basic health plan are eligible  
32 for the level of assistance they receive: (a) Require submission of  
33 (i) income tax returns, and recent pay history, from all applicants, or  
34 (ii) other verifiable evidence of earned and unearned income from those  
35 persons not required to file income tax returns; (b) check employment  
36 security payroll records at least once every twelve months on all  
37 enrollees; (c) require enrollees whose income as indicated by payroll  
38 records exceeds that upon which their subsidy is based to document

1 their current income as a condition of continued eligibility; (d)  
2 require enrollees for whom employment security payroll records cannot  
3 be obtained to document their current income at least once every six  
4 months; (e) not reduce gross family income for self-employed persons by  
5 noncash-flow expenses such as, but not limited to, depreciation,  
6 amortization, and home office deductions, as defined by the United  
7 States internal revenue service; and (f) pursue repayment and civil  
8 penalties from persons who have received excessive subsidies, as  
9 provided in RCW 70.47.060(9).

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

15 (3) The legislature finds that medicaid payment rates, as  
16 calculated by the health care authority pursuant to the appropriations  
17 in this act, bear a reasonable relationship to the costs incurred by  
18 efficiently and economically operated facilities for providing quality  
19 services and will be sufficient to enlist enough providers so that care  
20 and services are available to the extent that such care and services  
21 are available to the general population in the geographic area. The  
22 legislature finds that the cost reports, payment data from the federal  
23 government, historical utilization, economic data, and clinical input  
24 constitute reliable data upon which to determine the payment rates.

25 (4) Based on quarterly expenditure reports and caseload forecasts,  
26 if the health care authority estimates that expenditures for the  
27 medical assistance program will exceed the appropriations, the health  
28 care authority shall take steps including but not limited to reduction  
29 of rates or elimination of optional services to reduce expenditures so  
30 that total program costs do not exceed the annual appropriation  
31 authority.

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

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

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

6 (8) \$4,261,000 of the general fund--state appropriation for fiscal  
7 year 2014, \$4,261,000 of the general fund--state appropriation for  
8 fiscal year 2015, and \$8,522,000 of the general fund--federal  
9 appropriation are provided solely for low-income disproportionate share  
10 hospital payments.

11 (9) \$400,000 of the general fund--state appropriation for fiscal  
12 year 2014, \$400,000 of the general fund--state appropriation for fiscal  
13 year 2015, and \$800,000 of the general fund--federal appropriation are  
14 provided solely for disproportionate share hospital payments to rural  
15 hospitals certified by the centers for medicare and medicaid services  
16 as sole community hospitals as of January 1, 2013, with less than one  
17 hundred fifty acute care licensed beds in fiscal year 2011 that do not  
18 participate in the certified public expenditures program.

19 (10) \$100,000 of the general fund--state appropriation for fiscal  
20 year 2014 and \$100,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for grants to rural hospitals in  
22 Clallam county that were certified by the centers for medicare and  
23 medicaid services as sole community hospitals as of January 1, 2013,  
24 with less than one hundred fifty acute care licensed beds in fiscal  
25 year 2011.

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

31 (12) \$6,000,000 of the general fund--federal appropriation is  
32 provided solely for supplemental payments to nursing homes operated by  
33 public hospital districts. The public hospital district shall be  
34 responsible for providing the required nonfederal match for the  
35 supplemental payment, and the payments shall not exceed the maximum  
36 allowable under federal rules. It is the legislature's intent that the  
37 payments shall be supplemental to and shall not in any way offset or  
38 reduce the payments calculated and provided in accordance with part E

1 of chapter 74.46 RCW. It is the legislature's further intent that  
2 costs otherwise allowable for rate-setting and settlement against  
3 payments under chapter 74.46 RCW shall not be disallowed solely because  
4 such costs have been paid by revenues retained by the nursing home from  
5 these supplemental payments. The supplemental payments are subject to  
6 retrospective interim and final cost settlements based on the nursing  
7 homes' as-filed and final medicare cost reports. The timing of the  
8 interim and final cost settlements shall be at the health care  
9 authority's discretion. During either the interim cost settlement or  
10 the final cost settlement, the health care authority shall recoup from  
11 the public hospital districts the supplemental payments that exceed the  
12 medicaid cost limit and/or the medicare upper payment limit. The  
13 health care authority shall apply federal rules for identifying the  
14 eligible incurred medicaid costs and the medicare upper payment limit.

15 (13) The health care authority shall continue the inpatient  
16 hospital certified public expenditures program for the 2013-2015 fiscal  
17 biennium. The program shall apply to all public hospitals, including  
18 those owned or operated by the state, except those classified as  
19 critical access hospitals or state psychiatric institutions. The  
20 health care authority shall submit reports to the governor and  
21 legislature by November 1, 2013, and by November 1, 2014, that evaluate  
22 whether savings continue to exceed costs for this program. If the  
23 certified public expenditures (CPE) program in its current form is no  
24 longer cost-effective to maintain, the health care authority shall  
25 submit a report to the governor and legislature detailing  
26 cost-effective alternative uses of local, state, and federal resources  
27 as a replacement for this program. During fiscal year 2014 and fiscal  
28 year 2015, hospitals in the program shall be paid and shall retain one  
29 hundred percent of the federal portion of the allowable hospital cost  
30 for each medicaid inpatient fee-for-service claim payable by medical  
31 assistance and one hundred percent of the federal portion of the  
32 maximum disproportionate share hospital payment allowable under federal  
33 regulations. Inpatient medicaid payments shall be established using an  
34 allowable methodology that approximates the cost of claims submitted by  
35 the hospitals. Payments made to each hospital in the program in each  
36 fiscal year of the biennium shall be compared to a baseline amount.  
37 The baseline amount will be determined by the total of (a) the  
38 inpatient claim payment amounts that would have been paid during the

1 fiscal year had the hospital not been in the CPE program based on the  
2 reimbursement rates developed, implemented, and consistent with  
3 policies approved in the 2013-2015 biennial operating appropriations  
4 act and in effect on July 1, 2013, (b) one-half of the indigent  
5 assistance disproportionate share hospital payment amounts paid to and  
6 retained by each hospital during fiscal year 2005, and (c) all of the  
7 other disproportionate share hospital payment amounts paid to and  
8 retained by each hospital during fiscal year 2005 to the extent the  
9 same disproportionate share hospital programs exist in the 2013-2015  
10 fiscal biennium. If payments during the fiscal year exceed the  
11 hospital's baseline amount, no additional payments will be made to the  
12 hospital except the federal portion of allowable disproportionate share  
13 hospital payments for which the hospital can certify allowable match.  
14 If payments during the fiscal year are less than the baseline amount,  
15 the hospital will be paid a state grant equal to the difference between  
16 payments during the fiscal year and the applicable baseline amount.  
17 Payment of the state grant shall be made in the applicable fiscal year  
18 and distributed in monthly payments. The grants will be recalculated  
19 and redistributed as the baseline is updated during the fiscal year.  
20 The grant payments are subject to an interim settlement within eleven  
21 months after the end of the fiscal year. A final settlement shall be  
22 performed. To the extent that either settlement determines that a  
23 hospital has received funds in excess of what it would have received as  
24 described in this subsection, the hospital must repay the excess  
25 amounts to the state when requested. (~~(\$3,860,000)~~) \$11,928,000 of the  
26 general fund--state appropriation for fiscal year 2014 and  
27 (~~(\$1,137,000)~~) \$9,521,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for state grants for the  
29 participating hospitals.

30 (14) The health care authority shall seek public-private  
31 partnerships and federal funds that are or may become available to  
32 provide on-going support for outreach and education efforts under the  
33 federal children's health insurance program reauthorization act of  
34 2009.

35 (15) The health care authority shall target funding for maternity  
36 support services towards pregnant women with factors that lead to  
37 higher rates of poor birth outcomes, including hypertension, a preterm  
38 or low birth weight birth in the most recent previous birth, a

1 cognitive deficit or developmental disability, substance abuse, severe  
2 mental illness, unhealthy weight or failure to gain weight, tobacco  
3 use, or African American or Native American race. The health care  
4 authority shall prioritize evidence-based practices for delivery of  
5 maternity support services. To the extent practicable, the health care  
6 authority shall develop a mechanism to increase federal funding for  
7 maternity support services by leveraging local public funding for those  
8 services.

9 (16) \$170,000 of the general fund--state appropriation for fiscal  
10 year 2014, \$121,000 of the general fund--state appropriation for fiscal  
11 year 2015, and \$292,000 of the general fund--federal appropriation are  
12 provided solely to implement Engrossed Substitute House Bill No. 1519  
13 (service coordination organizations) and Second Substitute Senate Bill  
14 No. 5732 (behavioral health services). If neither of the bills is  
15 enacted by June 30, 2013, the amounts provided in this subsection shall  
16 lapse.

17 (17) \$57,000 of the general fund--state appropriation for fiscal  
18 year 2014, \$40,000 of the general fund--state appropriation for fiscal  
19 year 2015, and \$55,000 of the general fund--federal appropriation are  
20 provided solely to develop a report on state efforts to prevent and  
21 control diabetes. The authority, the department of social and health  
22 services, and the department of health shall submit a coordinated  
23 report to the governor and the appropriate committees of the  
24 legislature by December 31, 2014, on the following:

25 (a) The financial impacts and reach that diabetes of all types and  
26 undiagnosed gestational diabetes are having on the programs  
27 administered by each agency and individuals, including children with  
28 mothers with undiagnosed gestational diabetes, enrolled in those  
29 programs. Items in this assessment must include: (i) The number of  
30 lives with diabetes and undiagnosed gestational diabetes impacted or  
31 covered by the programs administered by each agency; (ii) the number of  
32 lives with diabetes, or at risk for diabetes, and family members  
33 impacted by prevention and diabetes control programs implemented by  
34 each agency; (iii) the financial toll or impact diabetes and its  
35 complications, and undiagnosed gestational diabetes and the  
36 complications experienced during labor to children of mothers with  
37 gestational diabetes places on these programs in comparison to other  
38 chronic diseases and conditions; and (iv) the financial toll or impact

1 diabetes and its complications, and diagnosed gestational diabetes and  
2 the complications experienced during labor to children of mothers with  
3 gestational diabetes places on these programs;

4 (b) An assessment of the benefits of implemented and existing  
5 programs and activities aimed at controlling all types of diabetes and  
6 preventing the disease. This assessment must also document the amount  
7 and source for any funding directed to each agency for the programs and  
8 activities aimed at reaching those with diabetes of all types;

9 (c) A description of the level of coordination existing between the  
10 agencies on activities, programmatic activities, and messaging on  
11 managing, treating, or preventing all types of diabetes and its  
12 complications;

13 (d) The development or revision of detailed policy-related action  
14 plans and budget recommendations for battling diabetes and undiagnosed  
15 gestational diabetes that includes a range of actionable items for  
16 consideration by the legislature. The plans and budget recommendations  
17 must identify proposed action steps to reduce the impact of diabetes,  
18 prediabetes, related diabetes complications, and undiagnosed  
19 gestational diabetes. The plans and budget recommendations must also  
20 identify expected outcomes of the action steps proposed in the  
21 following biennium while also establishing benchmarks for controlling  
22 and preventing all types of diabetes; and

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

26 (18) Within the amounts appropriated in this section, the authority  
27 shall identify strategies to improve patient adherence to treatment  
28 plans for diabetes and implement these strategies as a pilot through  
29 one health home program to be identified by the authority. The  
30 authority shall report to the governor and the legislature in December  
31 2014 on the progress of strategy implementation. The authority shall  
32 report to the governor and legislature in December 2015 on patient  
33 outcomes and cost savings derived from new adherence strategies in the  
34 health home model and make recommendations for improving the  
35 strategies.

36 (19) Effective January 1, 2014, managed care contracts must  
37 incorporate accountability measures that monitor patient health and  
38 improved health outcomes, and shall include an expectation that each

1 patient receive a wellness examination that documents the baseline  
2 health status and allows for monitoring of health improvements and  
3 outcome measures.

4 (20) \$25,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$25,000 of the general fund--federal appropriation are  
6 provided solely for the development of recommendations for funding  
7 integrated school nursing and outreach services. The authority shall  
8 collaborate with the office of the superintendent of public instruction  
9 to develop recommendations for increasing federal financial  
10 participation for providing nursing services in schools with the goals  
11 of integrating nursing and outreach services and supporting one nurse  
12 for every four hundred fifty students in elementary schools and one  
13 nurse for every seven hundred fifty students in secondary schools. In  
14 developing these recommendations, the authority shall inquire with the  
15 federal centers for medicare and medicaid services about state plan  
16 amendment or waiver options for receiving additional federal matching  
17 funds for school nursing services provided to children enrolled in  
18 apple health for kids. The recommendations shall include proposals for  
19 funding training and reimbursement for nurses that provide outreach  
20 services to help eligible students enroll in apple health for kids and  
21 other social services programs. The authority and the office of the  
22 superintendent of public instruction shall provide these  
23 recommendations to the governor and the legislature by December 1,  
24 2013.

25 (21) \$430,000 of the general fund--state appropriation for fiscal  
26 year 2014 and \$500,000 of the general fund--federal appropriation are  
27 provided solely to complete grant requirements for the health  
28 information exchange.

29 (22) \$143,000 of the medicaid fraud penalty account--state  
30 appropriation and \$423,000 of the general fund--federal appropriation  
31 are provided solely for the rebasing of outpatient and inpatient  
32 payment methods.

33 (23) \$1,163,000 of the medicaid fraud penalty account--state  
34 appropriation and \$9,710,000 of the general fund--federal appropriation  
35 are provided solely to implement the conversion to the tenth version of  
36 the world health organization's international classification of  
37 diseases.

1 (24) \$111,000 of the general fund--state appropriation for fiscal  
2 year 2014, \$35,000 of the general fund--state appropriation for fiscal  
3 year 2015, and \$359,000 of the general fund--federal appropriation are  
4 provided solely to update the medicaid information technology  
5 architecture state self-assessment and to develop the five year road  
6 map for the medicaid information technology architecture architect.

7 (25) \$62,000 of the general fund--state appropriation for fiscal  
8 year 2014, \$62,000 of the general fund--state appropriation for fiscal  
9 year 2015, and \$126,000 of the general fund--federal appropriation are  
10 provided solely to support the Robert Bree collaborative's efforts to  
11 disseminate evidence-based best practices for preventing and treating  
12 health problems.

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

17 (27) The authority shall seek a medicaid state plan amendment to  
18 create a professional services supplemental payment managed care  
19 program for professional services delivered to managed care recipients  
20 by University of Washington medicine and other public professional  
21 providers. This program shall be effective as soon as administratively  
22 possible and shall operate concurrently with the existing professional  
23 services supplemental payment program. The authority shall apply  
24 federal rules for identifying the difference between average commercial  
25 rates and fee-for-service medicaid payments. This difference will be  
26 multiplied by the number of managed care encounters and incorporated  
27 into the managed care plan capitation rates by a certified actuary.  
28 The managed care plans will pay the providers the difference  
29 attributable to the increased capitation rate. Participating providers  
30 shall be solely responsible for providing the local funds required to  
31 obtain federal matching funds. Any incremental costs incurred by the  
32 authority in the development, implementation, and maintenance of this  
33 program shall be the responsibility of the participating providers.  
34 Participating providers shall retain the full amount of supplemental  
35 payments provided under this program, net of any costs related to the  
36 program that are disallowed due to audits or litigation against the  
37 state.

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

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

7 (30) The authority shall facilitate enrollment under the medicaid  
8 expansion for clients applying for or receiving state funded services  
9 from the authority and its contractors. Prior to open enrollment, the  
10 authority shall coordinate with the department of social and health  
11 services to provide referrals to the Washington health benefit exchange  
12 for clients that will be ineligible for the medicaid expansion but are  
13 enrolled in coverage that will be eliminated in the transition to the  
14 medicaid expansion.

15 (31) \$90,000 of the general fund--state appropriation for fiscal  
16 year 2014, \$90,000 of the general fund--state appropriation for fiscal  
17 year 2015, and \$180,000 of the general fund--federal appropriation are  
18 provided solely to continue operation by a nonprofit organization of a  
19 toll-free hotline that assists families to learn about and enroll in  
20 the apple health for kids program.

21 (32) Within the amounts appropriated in this section, the authority  
22 shall reduce premiums for children with family incomes above 200  
23 percent of the federal poverty level in the state-funded children's  
24 health program who are not eligible for coverage under the federal  
25 children's health insurance program. Premiums in the state and federal  
26 children's health insurance program shall be equal.

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

30 (34) \$150,000 of the general fund--state appropriation for fiscal  
31 year 2014, \$436,000 of the general fund--state appropriation for fiscal  
32 year 2015, and \$170,561,000 of the general fund--federal appropriation  
33 are provided solely for the provider incentive program and other  
34 initiatives related to the health information technology medicaid plan.

35 (~~((37) \$1,531,000))~~ (35) \$1,528,000 of the general fund--state  
36 appropriation for fiscal year 2014, (~~(\$280,000))~~ \$2,206,000 of the  
37 general fund--state appropriation for fiscal year 2015, and  
38 (~~(\$10,803,000))~~ \$17,920,000 of the general fund--federal appropriation

1 are provided solely to implement phase two of the project to create a  
2 single provider payment system that consolidates medicaid medical and  
3 social services payments and replaces the social service payment  
4 system. The amounts provided in this subsection are conditioned on the  
5 authority satisfying the requirements of the project management  
6 oversight standards and policies established by the office of the chief  
7 information officer.

8 ~~((+38+))~~ (36) Within the amounts appropriated in this section, the  
9 health care authority and the department of social and health services  
10 shall implement the state option to provide health homes for enrollees  
11 with chronic conditions under section 2703 of the federal affordable  
12 care act. The total state match for enrollees who are dually-eligible  
13 for both medicare and medicaid and not enrolled in managed care shall  
14 be no more than the net savings to the state from the enhanced match  
15 rate for its medicaid-only managed care enrollees under section 2703.

16 ~~((+39+))~~ (37) The health care authority shall not initiate any  
17 services that require expenditure of state general fund moneys unless  
18 expressly authorized in this act or other law. The health care  
19 authority may seek, receive, and spend, under RCW 43.79.260 through  
20 43.79.282, federal moneys not anticipated in this act as long as the  
21 federal funding does not require expenditure of state moneys for the  
22 program in excess of amounts anticipated in this act. If the health  
23 care authority receives unanticipated unrestricted federal moneys,  
24 those moneys shall be spent for services authorized in this act or in  
25 any other legislation providing appropriation authority, and an equal  
26 amount of appropriated state general fund moneys shall lapse. Upon the  
27 lapsing of any moneys under this subsection, the office of financial  
28 management shall notify the legislative fiscal committees. As used in  
29 this subsection, "unrestricted federal moneys" includes block grants  
30 and other funds that federal law does not require to be spent on  
31 specifically defined projects or matched on a formula basis by state  
32 funds.

33 ~~((+40+))~~ (38) Within the amounts appropriated in this section, the  
34 authority shall reimburse for primary care services provided by  
35 naturopathic physicians.

36 ~~((+41+))~~ (39) Within amounts appropriated, the health care  
37 authority shall conduct a review of its management and staffing  
38 structure to identify efficiencies and opportunities to reduce full

1 time equivalent employees and other administrative costs. A report  
2 summarizing the review and the authority's recommendations to reduce  
3 costs and full time equivalent employees must be submitted to the  
4 governor and legislature by November 1, 2013.

5 ~~((42) \$17,279,000))~~ (40) \$16,589,000 of the health benefit  
6 exchange account--state appropriation and ~~((2,721,000))~~ \$3,409,000 of  
7 the general fund--federal appropriation are provided solely to support  
8 the operations of the Washington health benefit exchange from January  
9 1, 2015, to June 30, 2015. The Washington state health insurance pool  
10 administrator shall transfer \$20,838,000 of pool contributions to the  
11 treasurer for deposit into the health benefit exchange account in  
12 calendar year 2014. Within the amounts provided in this subsection,  
13 \$341,000 of the health benefit exchange account--state appropriation  
14 and \$688,000 of the general fund--federal appropriation are provided  
15 solely for print services and postage for modified adjusted gross  
16 income medicaid eligibility correspondence sent from the health benefit  
17 exchange.

18 ~~((43))~~ (41) Within the amounts appropriated in this section, the  
19 authority shall continue to provide coverage after December 31, 2013,  
20 for pregnant teens that qualify under existing pregnancy medical  
21 programs, but whose eligibility for pregnancy related services would  
22 otherwise end due to the application of the new modified adjusted gross  
23 income eligibility standard.

24 ~~((44) Upon implementation of the medicaid expansion under~~  
25 ~~subsection (1) of this section, the breast and cervical cancer~~  
26 ~~treatment program is eliminated. To maintain continuity of coverage,~~  
27 ~~the authority shall offer the option to stay in a fee for service~~  
28 ~~program to clients that are already enrolled in the breast and cervical~~  
29 ~~cancer treatment program and will be transitioned into the new adult~~  
30 ~~group upon implementation of the medicaid expansion. The authority~~  
31 ~~will continue to provide coverage to clients that are already enrolled~~  
32 ~~in the breast and cervical cancer treatment program at the time of~~  
33 ~~program elimination until their courses of treatment are completed.~~

34 ~~(45))~~ (42) \$40,000 of the general fund--state appropriation for  
35 fiscal year 2014 and \$40,000 of the general fund--federal appropriation  
36 are provided solely for the authority to create a new position to  
37 provide adequate oversight and assistance to managed care  
38 organizations, rural health clinics, and federally qualified health

1 centers under a new administratively streamlined payment methodology.  
2 Effective July 1, 2013, or upon obtaining any necessary federal  
3 approval, but in no case during the first quarter of a calendar year,  
4 the authority shall implement an administratively streamlined payment  
5 methodology for federally qualified health centers and rural health  
6 clinics. The authority's payments to managed care organizations shall  
7 include the full encounter payment comprised of both the standard and  
8 enhancement payments for federally qualified health centers and rural  
9 health clinics as defined in the medicaid state plan and in accordance  
10 with section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)).  
11 At no time will a managed care organization be at risk for or have any  
12 claim to the supplemental payment portion of the rate which will be  
13 reconciled to ensure accurate payment and full pass through of the  
14 obligated funds. For any services eligible for encounter payments, as  
15 defined in the medicaid state plan, managed care organizations shall be  
16 required to pay at least the full published encounter rates directly to  
17 each clinic or center, and payments will be reconciled on at least an  
18 annual basis between the managed care organization and the authority,  
19 with final review and approval by the authority. At the option of any  
20 clinic, the enhancement payment can be received from the managed care  
21 organization on a per member per month basis for all assigned managed  
22 care enrollees in an amount prescribed by the authority. Nothing in  
23 this section is intended to disrupt mutually agreeable contractual  
24 arrangements between managed care organizations and clinics that impact  
25 how the standard payment for services is paid. The authority will  
26 require participating managed care organizations to reimburse federally  
27 qualified health centers and rural health clinics for clean claims in  
28 strict adherence to the timeliness of payment standards established  
29 under contract and specified for the medicaid fee-for-service program  
30 in section 1902(a)(37) of the social security act (42 U.S.C.  
31 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers  
32 in WAC 284-43-321. The authority shall exercise all necessary options  
33 under its existing sanctions policy to enforce timely payment of  
34 claims. The authority shall ensure necessary staff and resources are  
35 identified to actively monitor and enforce the timeliness and accuracy  
36 of payments to federally qualified health centers and rural health  
37 clinics. By January 1, 2014, and after collaboration with federally  
38 qualified health centers, rural health clinics, managed care plans, and

1 the centers for medicare and medicaid services, the authority will  
2 produce a report that provides options for a new payment methodology  
3 that rewards innovation and outcomes over volume of services delivered,  
4 and which maintains the integrity of the rural health clinic and  
5 federally qualified health center programs as outlined under federal  
6 law. The report will detail necessary federal authority for  
7 implementation and provide the benefits and drawbacks of each option.

8 ~~((46))~~ (43) \$3,605,000 of the general fund--state appropriation  
9 for fiscal year 2014 is provided solely to proportionally reduce the  
10 amounts that rural health clinics owe the state under the calendar year  
11 2009 recoupment.

12 ~~((47))~~ (44) Sufficient amounts are appropriated in this section  
13 to remove the mental health visit limit and to provide the shingles  
14 vaccine and screening, brief intervention, and referral to treatment  
15 benefits that are available in the medicaid alternative benefit plan in  
16 the current medicaid benefit plan beginning January 1, 2014. The  
17 authority shall monitor the costs of the habilitative benefit as part  
18 of the forecasting process but shall not provide this benefit in the  
19 current medicaid benefit plan without a direct appropriation in the  
20 omnibus appropriations act.

21 ~~((48))~~ (45) The appropriations in this section reflect savings  
22 and efficiencies achieved by modifying dispensing methods of  
23 contraceptive drugs. The authority must make arrangements for all  
24 medicaid programs offered through managed care plans or fee-for-service  
25 programs to require dispensing of contraceptive drugs with a one-year  
26 supply provided at one time unless a patient requests a smaller supply  
27 or the prescribing physician instructs that the patient must receive a  
28 smaller supply. Contracts with managed care plans must allow on-site  
29 dispensing of the prescribed contraceptive drugs at family planning  
30 clinics. Dispensing practices must follow clinical guidelines for  
31 appropriate prescribing and dispensing to ensure the health of the  
32 patient while maximizing access to effective contraceptive drugs.

33 ~~((49))~~ (46)(a) \$75,000 of the general fund--state appropriation  
34 for fiscal year 2014 and \$75,000 of the general fund--federal  
35 appropriation are provided solely for preparing options with an expert  
36 consultant for possible implementation of a targeted premium assistance  
37 program and possible implementation of the federal basic health option.  
38 \$75,000 of the amounts appropriated in this subsection is provided

1 solely for the development of options related to the targeted premium  
2 assistance program. The authority shall develop options for a waiver  
3 request to the federal centers for medicare and medicaid services to  
4 implement a targeted premium assistance program for the expansion  
5 adults, identified in section 1902(a)(10)(A)(i)(VIII) of the social  
6 security act, with incomes above one hundred percent of the federal  
7 poverty level, and for children covered in the children's health  
8 insurance program with incomes above two hundred percent of the federal  
9 poverty level, with a goal of providing seamless coverage through the  
10 health benefit exchange and improving opportunities for families to be  
11 covered in the same health plans. The options must include the  
12 possibility of applying premiums for individuals and cost-sharing that  
13 may exceed the five percent of family income cap under federal law, and  
14 the options must include recommendations to make the targeted premium  
15 assistance program cost neutral. The authority shall submit a report  
16 on the options to the legislature and the governor by January 1, 2014.  
17 The authority is encouraged to be creative, use subject matter experts,  
18 and exhaust all possible options to achieve cost neutrality. The  
19 report shall also include a detailed plan and timeline. \$75,000 of the  
20 amounts appropriated in this subsection is provided solely for the  
21 development of options related to the federal basic health option. The  
22 authority shall prepare options for implementing the federal basic  
23 health option as federal guidance becomes available. The authority  
24 shall submit a report on the options to the legislature and the  
25 governor by January 1, 2014, or ninety days following the release of  
26 federal guidance. The report must include a comparison of the premiums  
27 and cost-sharing under the federal basic health option with the premium  
28 assistance options described in this subsection, options for  
29 implementing the federal basic health option in combination with a  
30 premium assistance program, a detailed fiscal analysis for each  
31 coverage approach, including the estimated costs for system design and  
32 implementation, and information about impacted populations.

33 (b) Where possible, the authority shall leverage the same expert  
34 consultants to review each proposal and compare and contrast the  
35 approaches to ensure seamless coordination with the health benefit  
36 exchange.

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

1       (47) Moneys appropriated in this section shall not be used to pay  
2 hospital owned physician practices or clinics a higher payment rate  
3 than the maximum resource based relative value scale fee rate received  
4 by non-hospital owned physician practices or clinics for the same  
5 procedure.

6       (48) \$390,000 of the general fund--state appropriation for fiscal  
7 year 2015 and \$3,510,000 of the general fund--federal appropriation are  
8 provided solely for medicaid clients to select the medicaid managed  
9 care organization of their choice within the Washington  
10 healthplanfinder online marketplace.

11       (49) Within the amounts provided in this section, the authority  
12 shall exercise the state option and open the medicaid breast and  
13 cervical cancer treatment program.

14       (50) Within the amounts provided in this section, the authority  
15 shall increase the use of value based contracting and other payment  
16 incentives that promote quality, efficiency, cost savings, and health  
17 improvement. The authority shall also implement additional chronic  
18 disease management techniques that reduce the subsequent need for  
19 hospitalization or readmissions. It is the intent of the legislature  
20 that the reforms the authority implements under this subsection are  
21 anticipated to reduce extraneous medical costs when fully phased in by  
22 fiscal year 2017 and as a result achieve a twenty-five million dollar  
23 general fund--state savings in the 2015-2017 fiscal biennium.

24       (51) \$200,000 of the general fund--state appropriation for fiscal  
25 year 2015 is provided solely for a grant to the Yakima valley hearing  
26 and speech center to serve low-income children.

27       (52) Within the amounts appropriated in this section, the authority  
28 must conduct an actuarial analysis of the differences in claim costs  
29 and utilization of services by enrollees in consumer-directed health  
30 plans offered by the public employees benefits board program as  
31 compared to the claim costs and utilization of services by enrollees in  
32 other state employee health plans. The analysis shall separately  
33 identify the level of savings attributable to the benefit design and  
34 cost-sharing of the consumer-directed health plans versus savings  
35 attributable to differences in the health status of plan enrollees.

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

1 **FOR THE HUMAN RIGHTS COMMISSION**

2	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$2,077,000</del> ))
3		<u>\$2,080,000</u>
4	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$1,996,000</del> ))
5		<u>\$2,028,000</u>
6	General Fund--Federal Appropriation . . . . .	\$2,185,000
7	TOTAL APPROPRIATION . . . . .	(( <del>\$6,258,000</del> ))
8		<u>\$6,293,000</u>

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

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

16 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

17	Worker and Community Right-to-Know Account--State	
18	Appropriation . . . . .	\$10,000
19	Accident Account--State Appropriation . . . . .	(( <del>\$19,763,000</del> ))
20		<u>\$19,775,000</u>
21	Medical Aid Account--State Appropriation . . . . .	(( <del>\$19,763,000</del> ))
22		<u>\$19,775,000</u>
23	TOTAL APPROPRIATION . . . . .	(( <del>\$39,536,000</del> ))
24		<u>\$39,560,000</u>

25 **Sec. 216.** 2013 2nd sp.s. c 4 s 216 (uncodified) is amended to read  
26 as follows:

27 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

28	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$14,257,000</del> ))
29		<u>\$14,522,000</u>
30	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$14,159,000</del> ))
31		<u>\$14,859,000</u>
32	General Fund--Private/Local Appropriation . . . . .	(( <del>\$3,059,000</del> ))
33		<u>\$4,351,000</u>
34	Death Investigations Account--State Appropriation . . . . .	\$148,000
35	Municipal Criminal Justice Assistance Account--	
36	State Appropriation . . . . .	\$460,000



1 center advisory committee shall develop and revise the training  
2 program, using the best practices in school safety, for all school  
3 safety personnel. The commission shall provide research-related  
4 programs in school safety and security issues beneficial to both law  
5 enforcement and schools.

6 (6) \$123,000 of the general fund--state appropriation for fiscal  
7 year 2014 and \$123,000 of the general fund--state appropriation for  
8 fiscal year 2015 are provided solely for the costs of providing  
9 statewide advanced driving training with the use of a driving  
10 simulator.

11 (7) \$165,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$165,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for crisis intervention training  
14 for peace officers. The commission shall incorporate eight hours of  
15 crisis intervention curriculum into its basic law enforcement academy  
16 and shall offer an eight-hour in-service crisis intervention training  
17 course.

18 (8) \$500,000 of the general fund--state appropriation for fiscal  
19 year 2015 is provided solely for the Washington association of sheriffs  
20 and police chiefs to implement and operate an ongoing electronic  
21 statewide no-buy database program for use by scrap metal businesses,  
22 consistent with chapter 43.43 RCW.

23 (9) \$70,000 of the general fund--state appropriation for fiscal  
24 year 2015 is provided solely for the commission to design and initiate,  
25 in partnership with Seattle university criminal justice department, the  
26 first year of a five-year study to research the effectiveness of its  
27 crisis intervention training. By November 1, 2014, the commission  
28 shall provide a report to the office of financial management and the  
29 appropriate fiscal and policy committees of the legislature that sets  
30 forth the proposed benchmarks and outcomes to be evaluated by the  
31 study. The commission shall provide an annual report of its evaluation  
32 to date by June 30th of each fiscal year during the study.

33 (10) \$300,000 of the general fund--state appropriation for fiscal  
34 year 2015 is provided solely to the commission to provide drug  
35 enforcement and prosecution assistance to counties in the three  
36 enforcement areas identified in chapter 339, Laws of 2006. Funding  
37 shall be divided equally among the three enforcement areas and shall be  
38 used to supplement other fund sources such as federal grant funds for

1 drug intervention and enforcement efforts. These enforcement areas are  
 2 encouraged to continue pursuing funds available through the United  
 3 States office of national drug control policy. The counties comprising  
 4 a specific area must coordinate with each other to establish and  
 5 implement a regional strategy to enforce illegal drug laws. The  
 6 commission must allocate the funds to the Washington association of  
 7 prosecuting attorneys and the Washington association of sheriffs and  
 8 police chiefs for administration. The Washington association of  
 9 prosecuting attorneys is responsible for administration of the funding  
 10 and programs for the prosecution of crimes and court proceedings. The  
 11 Washington association of sheriffs and police chiefs is responsible for  
 12 administering the funds provided for law enforcement.

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

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

16	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$17,158,000</del> ))
17		<u>\$17,216,000</u>
18	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$17,733,000</del> ))
19		<u>\$17,790,000</u>
20	General Fund--Federal Appropriation . . . . .	\$11,876,000
21	Asbestos Account--State Appropriation . . . . .	\$366,000
22	Electrical License Account--State Appropriation . . . . .	(( <del>\$37,124,000</del> ))
23		<u>\$40,253,000</u>
24	Farm Labor Contractor Account--State Appropriation . . . . .	\$28,000
25	Worker and Community Right-to-Know Account--	
26	State Appropriation . . . . .	\$903,000
27	Public Works Administration Account--State	
28	Appropriation . . . . .	(( <del>\$6,252,000</del> ))
29		<u>\$7,230,000</u>
30	Manufactured Home Installation Training Account--	
31	State Appropriation . . . . .	\$353,000
32	Accident Account--State Appropriation . . . . .	(( <del>\$258,440,000</del> ))
33		<u>\$260,382,000</u>
34	Accident Account--Federal Appropriation . . . . .	\$13,626,000
35	Medical Aid Account--State Appropriation . . . . .	(( <del>\$278,697,000</del> ))
36		<u>\$280,441,000</u>
37	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000



1 assignment of two full-time auditors specifically for this purpose.  
 2 The department is directed to include \$420,000 of these costs in its  
 3 calculation of workers' compensation premiums for the forest products  
 4 industry for 2014, 2015, and 2016 rates. The department shall report  
 5 to the legislature by December 31, 2014, an approach for using a third  
 6 party safety certification vendor, accomplishments of the taskforce,  
 7 accomplishments on this effort to-date, and future plans. The report  
 8 must identify options for future funding and make recommendations for  
 9 permanent funding for this program.

10 (6) \$1,459,000 of the medical aid account--state appropriation and  
 11 \$1,459,000 of the accident account--state appropriation are provided  
 12 solely for implementation of Senate Bill No. 5112 (retrospective rating  
 13 plan). If the bill is not enacted by June 30, 2014, the amounts  
 14 provided in this subsection shall lapse.

15 (7) \$130,000 of the medical aid account--state appropriation and  
 16 \$132,000 of the accident account--state appropriation are provided  
 17 solely for implementation of Substitute Senate Bill No. 5360 (unpaid  
 18 wage collection). If the bill is not enacted by June 30, 2014, the  
 19 amounts provided in this subsection shall lapse.

20 (8) \$32,000 of the medical aid account--state appropriation and  
 21 \$176,000 of the accident account--state appropriation are provided  
 22 solely for implementation of Substitute Senate Bill No. 5123 (farm  
 23 internship program). If the bill is not enacted by June 30, 2014, the  
 24 amounts provided in this subsection shall lapse.

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

27 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

28 (1) HEADQUARTERS

29	General Fund--State Appropriation (FY 2014) . . . . .	((( <del>\$1,996,000</del> )))
30		<u>\$1,995,000</u>
31	General Fund--State Appropriation (FY 2015) . . . . .	((( <del>\$1,900,000</del> )))
32		<u>\$1,899,000</u>
33	Charitable, Educational, Penal, and Reformatory	
34	Institutions Account--State Appropriation . . . . .	\$10,000
35	TOTAL APPROPRIATION . . . . .	((( <del>\$3,906,000</del> )))
36		<u>\$3,904,000</u>

37 (2) FIELD SERVICES



1 expected to cover, to include proposed capabilities for the end  
2 solution; and

3 (v) Options for how this data integration would be paid for both  
4 long term and short term, including, but not limited to, potential  
5 partnering with the U.S. department of defense or other entities.

6 (3) INSTITUTIONAL SERVICES

7	General Fund--State Appropriation (FY 2014) . . . . .	(((\$102,000))
8		<u>\$101,000</u>
9	General Fund--State Appropriation (FY 2015) . . . . .	(((\$20,000))
10		<u>\$17,000</u>
11	General Fund--Federal Appropriation . . . . .	(((\$68,981,000))
12		<u>\$69,332,000</u>
13	General Fund--Private/Local Appropriation . . . . .	(((\$39,355,000))
14		<u>\$25,403,000</u>
15	TOTAL APPROPRIATION . . . . .	(((\$108,458,000))
16		<u>\$94,853,000</u>

17 **Sec. 219.** 2013 2nd sp.s. c 4 s 219 (uncodified) is amended to read  
18 as follows:

19 **FOR THE DEPARTMENT OF HEALTH**

20	General Fund--State Appropriation (FY 2014) . . . . .	(((\$60,230,000))
21		<u>\$59,865,000</u>
22	General Fund--State Appropriation (FY 2015) . . . . .	(((\$59,198,000))
23		<u>\$62,257,000</u>
24	General Fund--Federal Appropriation . . . . .	(((\$536,074,000))
25		<u>\$535,553,000</u>
26	General Fund--Private/Local Appropriation . . . . .	(((\$139,455,000))
27		<u>\$139,260,000</u>
28	Hospital Data Collection Account--State Appropriation . . . .	\$222,000
29	Health Professions Account--State Appropriation . . . . .	(((\$104,722,000))
30		<u>\$105,292,000</u>
31	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$604,000
32	Emergency Medical Services and Trauma Care Systems	
33	Trust Account--State Appropriation . . . . .	(((\$12,319,000))
34		<u>\$11,198,000</u>
35	Safe Drinking Water Account--State Appropriation . . . . .	(((\$5,267,000))
36		<u>\$5,255,000</u>
37	Drinking Water Assistance Account--Federal	

1	Appropriation . . . . .	(( <del>\$14,806,000</del> ))
2		<u>\$14,745,000</u>
3	Waterworks Operator Certification--State	
4	Appropriation . . . . .	\$1,560,000
5	Drinking Water Assistance Administrative Account--	
6	State Appropriation . . . . .	\$339,000
7	Site Closure Account--State Appropriation . . . . .	\$159,000
8	Biotoxin Account--State Appropriation . . . . .	\$1,323,000
9	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$3,949,000</del> ))
10		<u>\$3,935,000</u>
11	Medical Test Site Licensure Account--State	
12	Appropriation . . . . .	(( <del>\$4,737,000</del> ))
13		<u>\$4,730,000</u>
14	Youth Tobacco Prevention Account--State Appropriation . . . . .	\$1,512,000
15	<u>Dedicated Marijuana Account--State Appropriation . . . . .</u>	<u>\$1,000,000</u>
16	Public Health Supplemental Account--Private/Local	
17	Appropriation . . . . .	\$3,236,000
18	Accident Account--State Appropriation . . . . .	\$304,000
19	Medical Aid Account--State Appropriation . . . . .	\$50,000
20	Medicaid Fraud Penalty Account--State	
21	Appropriation . . . . .	\$987,000
22	TOTAL APPROPRIATION . . . . .	(( <del>\$951,053,000</del> ))
23		<u>\$953,386,000</u>

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

26 (1)(a) The department of health shall not initiate any services  
27 that will require expenditure of state general fund moneys unless  
28 expressly authorized in this act or other law. The department of  
29 health and the state board of health shall not implement any new or  
30 amended rules pertaining to primary and secondary school facilities  
31 until the rules and a final cost estimate have been presented to the  
32 legislature, and the legislature has formally funded implementation of  
33 the rules through the omnibus appropriations act or by statute. The  
34 department may seek, receive, and spend, under RCW 43.79.260 through  
35 43.79.282, federal moneys not anticipated in this act as long as the  
36 federal funding does not require expenditure of state moneys for the  
37 program in excess of amounts anticipated in this act. If the  
38 department receives unanticipated unrestricted federal moneys, those

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

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

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

28 (3) \$150,000 of the state toxics control account--state  
29 appropriation is provided solely to provide water filtration systems  
30 for low-income households with individuals at high public health risk  
31 from nitrate-contaminated wells in the lower Yakima basin.

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

1 (b) The integration must provide prescription monitoring program  
2 data to emergency department personnel when the patient registers in  
3 the emergency department. Such exchange may be a private or public  
4 joint venture, including the use of the state health information  
5 exchange.

6 (c) As part of the integration, the department shall request  
7 insurers and third-party administrators that provide coverage to  
8 residents of Washington state to provide the following to the  
9 coordinated care electronic tracking program:

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

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

17 (5) (~~(\$270,000)~~) \$180,000 of the general fund--state appropriation  
18 for fiscal year 2014 (~~(is)~~) and \$150,000 of the general fund--state  
19 appropriation for fiscal year 2015 are provided solely for the  
20 Washington autism alliance to assist autistic individuals and families  
21 with autistic children during the transition to federal health reform.

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

33 (a) When choosing members of the work group, the department shall  
34 consult with the health care personnel shortage task force and shall  
35 attempt to ensure that the membership of the work group is  
36 geographically diverse. The work group must, at a minimum, include  
37 representatives of the following:

38 (i) Two-year institutions of higher education;

- 1 (ii) Four-year institutions of higher education;  
2 (iii) The University of Washington medical school;  
3 (iv) The college of osteopathic medicine at the Pacific Northwest  
4 University of Health Sciences;  
5 (v) The health care personnel shortage task force;  
6 (vi) Statewide organizations representing hospitals and other  
7 facilities that accept clinical placements;  
8 (vii) A statewide organization representing physicians;  
9 (viii) A statewide organization representing osteopathic physicians  
10 and surgeons;  
11 (ix) A statewide organization representing nurses;  
12 (x) A labor organization representing nurses; and  
13 (xi) Any other groups deemed appropriate by the department in  
14 consultation with the health care personnel shortage task force.

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

18 (7) \$65,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$65,000 of the general fund--state appropriation for  
20 fiscal year 2015 are for the midwifery licensure and regulatory program  
21 to supplement revenue from fees. The department shall charge no more  
22 than five hundred twenty-five dollars annually for new or renewed  
23 licenses for the midwifery program.

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

28 (9) \$654,000 of the health professions account--state appropriation  
29 is provided solely for the implementation of Engrossed Senate Bill No.  
30 5206 (health sciences library). If the bill is not enacted by June 30,  
31 2013, the amount provided in this subsection shall lapse.

32 (10) \$35,000 of the health professions account--state appropriation  
33 is provided solely for the implementation of House Bill No. 1003  
34 (health professions licensees). If the bill is not enacted by June 30,  
35 2013, the amount provided in this subsection shall lapse.

36 (11) \$10,000 of the health professions account--state appropriation  
37 is provided solely for the implementation of Substitute House Bill No.

1 1270 (board of denturists). If the bill is not enacted by June 30,  
2 2013, the amount provided in this subsection shall lapse.

3 (12) \$10,000 of the health professions account--state appropriation  
4 is provided solely for the implementation of Substitute House Bill No.  
5 1271 (denturism). If the bill is not enacted by June 30, 2013, the  
6 amount provided in this subsection shall lapse.

7 (13) \$11,000 of the health professions account--state appropriation  
8 is provided solely for the implementation of House Bill No. 1330  
9 (dental hygienists, assistants). If the bill is not enacted by June  
10 30, 2013, the amount provided in this subsection shall lapse.

11 (14) \$1,008,000 of the health professions account--state  
12 appropriation is provided solely for the implementation of Substitute  
13 House Bill No. 1343 (nurses surcharge). If the bill is not enacted by  
14 June 30, 2013, the amount provided in this subsection shall lapse.

15 (15) \$34,000 of the health professions account--state appropriation  
16 is provided solely for the implementation of Substitute House Bill No.  
17 1376 (suicide assessment training). If the bill is not enacted by June  
18 30, 2013, the amount provided in this subsection shall lapse.

19 (16) \$10,000 of the health professions account--state appropriation  
20 is provided solely for the implementation of Engrossed Substitute House  
21 Bill No. 1515 (medical assistants). If the bill is not enacted by June  
22 30, 2013, the amount provided in this subsection shall lapse.

23 (17) \$2,185,000 of the health professions account--state  
24 appropriation is provided solely for the implementation of Second  
25 Substitute House Bill No. 1518 (disciplinary authorities). If the bill  
26 is not enacted by June 30, 2013, the amount provided in this subsection  
27 shall lapse.

28 (18) \$141,000 of the general fund--private/local appropriation is  
29 provided solely for the implementation of Substitute House Bill No.  
30 1525 (birth certificates). If the bill is not enacted by June 30,  
31 2013, the amount provided in this subsection shall lapse.

32 (19) \$220,000 of the health professions account--state  
33 appropriation is provided solely for the implementation of House Bill  
34 No. 1534 (impaired dentist program). If the bill is not enacted by  
35 June 30, 2013, the amount provided in this subsection shall lapse.

36 (20) \$51,000 of the health professions account--state appropriation  
37 is provided solely for the implementation of House Bill No. 1609 (board

1 of pharmacy). If the bill is not enacted by June 30, 2013, the amount  
2 provided in this subsection shall lapse.

3 (21) \$12,000 of the health professions account--state appropriation  
4 is provided solely for the implementation of Substitute House Bill No.  
5 1629 (home care aide continuing education). If the bill is not enacted  
6 by June 30, 2013, the amount provided in this subsection shall lapse.

7 (22) \$18,000 of the health professions account--state appropriation  
8 is provided solely for the implementation of Substitute House Bill No.  
9 1737 (physician assistants). If the bill is not enacted by June 30,  
10 2013, the amount provided in this subsection shall lapse.

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

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

35 (b) An assessment of the benefits of implemented and existing  
36 programs and activities aimed at controlling all types of diabetes and  
37 preventing the disease. This assessment must also document the amount

1 and source for any funding directed to each agency for the programs and  
2 activities aimed at reaching those with diabetes of all types;

3 (c) A description of the level of coordination existing between the  
4 agencies on activities, programmatic activities, and messaging on  
5 managing, treating, or preventing all types of diabetes and its  
6 complications;

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

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

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

28 (25) Moneys appropriated in this section are sufficient to maintain  
29 and operate the marine biotoxin information hotline and the department  
30 shall not suspend or reduce its operation.

31 (26) \$1,000,000 of the general fund--state appropriation for fiscal  
32 year 2015 and \$1,000,000 of the dedicated marijuana account--state  
33 appropriation are provided solely for tobacco, marijuana, and e-  
34 cigarette prevention activities that serve youth and populations with  
35 a high incidence of smoking. For activities that serve youth, the  
36 department must partner with the office of the superintendent of public  
37 instruction to fund effective tobacco, marijuana, and e-cigarette  
38 prevention programs at middle and high schools. For activities that

1 serve populations with a high incidence of smoking, the department must  
2 contract with community based organizations that serve populations that  
3 have a high incidence of smoking tobacco, marijuana, or e-cigarettes.  
4 The legislature intends to fund tobacco, marijuana, and e-cigarette  
5 prevention programs in future biennia based on the Washington state  
6 institute for public policy report in section 609 of this act. The  
7 department shall work with the institute and shall develop a budget  
8 request for the 2015-2017 fiscal biennium based on the institute's  
9 report.

10 (27) \$2,194,000 of the general fund--state appropriation for fiscal  
11 year 2015 is provided solely for the implementation of Second  
12 Substitute Senate Bill No. 5887 (medical use of cannabis). If the bill  
13 is not enacted by June 30, 2014, the amount provided in this subsection  
14 shall lapse.

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

17 **FOR THE DEPARTMENT OF CORRECTIONS**

18 (1) ADMINISTRATION AND SUPPORT SERVICES

19 General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$56,437,000</del> ))
	<u>\$56,294,000</u>
21 General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$54,779,000</del> ))
	<u>\$55,161,000</u>
23 Data Processing Revolving Account--State	
24 Appropriation . . . . .	\$1,249,000
25 TOTAL APPROPRIATION . . . . .	(( <del>\$112,465,000</del> ))
	<u>\$112,704,000</u>

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

29 (a) \$35,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$35,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for the support of a statewide  
32 council on mentally ill offenders that includes as its members  
33 representatives of community-based mental health treatment programs,  
34 current or former judicial officers, and directors and commanders of  
35 city and county jails and state prison facilities. The council will  
36 investigate and promote cost-effective approaches to meeting the  
37 long-term needs of adults and juveniles with mental disorders who have

1 a history of offending or who are at-risk of offending, including their  
2 mental health, physiological, housing, employment, and job training  
3 needs.

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

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

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

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

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

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

4 (vi) The department shall hold the consultant on retainer to assist  
5 the department as needed throughout the implementation process. The  
6 consultant shall review quarterly the actual implementation compared to  
7 the written implementation plan and shall provide a report to the  
8 secretary of the department. The department shall provide reports to  
9 the office of financial management and legislative fiscal committees as  
10 follows:

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

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

15 (c) The appropriations to the department of corrections in this act  
16 must be expended for the programs and in the amounts specified in this  
17 section. However, after May 1, 2014, after approval by the director of  
18 financial management and unless specifically prohibited by this act,  
19 the department may transfer general fund--state appropriations for  
20 fiscal year 2014 between programs. The department may not transfer  
21 funds, and the director of financial management may not approve the  
22 transfer, unless the transfer is consistent with the objective of  
23 conserving, to the maximum extent possible, the expenditure of state  
24 funds. The director of financial management shall notify the  
25 appropriate fiscal committees of the senate and house of  
26 representatives in writing seven days prior to approving any deviations  
27 from appropriation levels. The written notification must include a  
28 narrative explanation and justification of the changes, along with  
29 expenditures and allotments by budget unit and appropriation, both  
30 before and after any allotment modifications or transfers.

31 (2) CORRECTIONAL OPERATIONS

32	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$605,039,000</del> ))
33		<u>\$593,271,000</u>
34	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$604,704,000</del> ))
35		<u>\$599,565,000</u>
36	General Fund--Federal Appropriation . . . . .	(( <del>\$3,322,000</del> ))
37		<u>\$3,356,000</u>
38	Washington Auto Theft Prevention Authority Account--	

1	State Appropriation . . . . .	\$7,585,000
2	Environmental Legacy Stewardship Account--State	
3	Appropriation . . . . .	(( <del>\$105,000</del> ))
4		<u>\$180,000</u>
5	County Criminal Justice Assistance Account--State	
6	Appropriation . . . . .	\$390,000
7	TOTAL APPROPRIATION . . . . .	(( <del>\$1,221,145,000</del> ))
8		<u>\$1,204,347,000</u>

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

11 (a) During the 2013-2015 fiscal biennium, when contracts are  
12 established or renewed for offender pay phone and other telephone  
13 services provided to inmates, the department shall select the  
14 contractor or contractors primarily based on the following factors:  
15 (i) The lowest rate charged to both the inmate and the person paying  
16 for the telephone call; and (ii) the lowest commission rates paid to  
17 the department, while providing reasonable compensation to cover the  
18 costs of the department to provide the telephone services to inmates  
19 and provide sufficient revenues for the activities funded from the  
20 institutional welfare betterment account.

21 (b) \$501,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$501,000 of the general fund--state appropriation for  
23 fiscal year 2015 are provided solely for the department to maintain the  
24 facility, property, and assets at the institution formerly known as the  
25 maple lane school in Rochester. The department may not house  
26 incarcerated offenders at the maple lane site until specifically  
27 directed to do so by the legislature.

28 (c) By (~~December 1, 2013~~) April 1, 2014, the department of  
29 corrections shall provide a report to the office of financial  
30 management and the appropriate fiscal and policy committees of the  
31 legislature that evaluates the department's inmate intake processes and  
32 expenditures and makes recommendations for improvements. The  
33 evaluation must include an analysis of lean management processes that,  
34 if adopted, could improve the efficiency and cost effectiveness of  
35 inmate intake.

36 (d) By December 1, 2013, the department of corrections shall  
37 provide a report to the office of financial management and the  
38 appropriate fiscal and policy committees of the legislature that

1 evaluates the department's use of partial confinement and work release  
2 programs and makes recommendations for improving public safety and  
3 decreasing recidivism through increasing participation in partial  
4 confinement re-entry and work release programs. In making its  
5 recommendations, the department shall identify:

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

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

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

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

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

28 (f) The department of corrections shall contract with local and  
29 tribal governments for the provision of jail capacity to house  
30 offenders who violate the terms of their community supervision. A  
31 contract shall not have a cost of incarceration in excess of \$85 per  
32 day per offender. A contract shall not have a year-to-year increase in  
33 excess of three percent per year. The contracts may include rates for  
34 the medical care of offenders which exceed the daily cost of  
35 incarceration and the limitation on year-to-year increase, provided  
36 that medical payments conform to the department's offender health plan,  
37 pharmacy formulary, and all off-site medical expenses are preapproved  
38 by department utilization management staff.

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

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

20 (h) The department of corrections shall issue a competitive  
21 solicitation by August 1, 2013, to contract with local jurisdictions  
22 for the use of inmate bed capacity in lieu of prison beds operated by  
23 the state. The department may contract for up to 300 beds statewide  
24 (~~(to the extent that it is at no net cost to the department)~~) within  
25 available funds. The department shall calculate and report the average  
26 cost per offender per day, inclusive of all services, on an annual  
27 basis for a facility that is representative of average medium or lower  
28 offender costs. The duration of the contracts may be for up to four  
29 years. The department shall not pay a rate greater than \$65 per day  
30 per offender for all costs associated with the offender while in the  
31 local correctional facility to include programming and health care  
32 costs, or the equivalent of \$65 per day per bed including programming  
33 and health care costs for full units. The capacity provided at local  
34 correctional facilities must be for offenders whom the department of  
35 corrections defines as medium or lower security offenders. Programming  
36 provided for inmates held in local jurisdictions is included in the  
37 rate, and details regarding the type and amount of programming, and any  
38 conditions regarding transferring offenders will be negotiated with the

1 department as part of any contract. Local jurisdictions must provide  
2 health care to offenders that meet standards set by the department.  
3 The local jail will provide all medical care including unexpected  
4 emergent care. The department must utilize a screening process to  
5 ensure that offenders with existing extraordinary medical/mental health  
6 needs are not transferred to local jail facilities. If extraordinary  
7 medical conditions develop for an inmate while at a jail facility the  
8 jail may transfer the offender back to the department, subject to terms  
9 of the negotiated agreement. Health care costs incurred prior to  
10 transfer will be the responsibility of the jail. The department will  
11 report to legislative fiscal committees and the office of financial  
12 management by November 1, 2013, to provide a status update on  
13 implementation.

14 (i) \$816,000 of the general fund--state appropriation for fiscal  
15 year 2015 is provided solely for the department to contract with local  
16 jurisdictions for the use of female inmate bed capacity in lieu of  
17 prison beds operated by the state. The department shall rent jail beds  
18 through contracts established under (h) of this subsection to house  
19 female offenders beginning no later than July 1, 2014.

20 (j) The department shall continually review its capacity to house  
21 male offenders within its state operated prison system. Within  
22 available funds, and after all funded units are being fully utilized,  
23 the department determines that its male offender population exceeds one  
24 hundred two percent of its capacity, including the use of all emergency  
25 beds, it shall rent jail beds through contracts established under (h)  
26 of this subsection to keep its prison population below one hundred two  
27 percent.

28 (k) The department shall convene a work group to develop health  
29 care cost containment strategies at local jail facilities. The work  
30 group shall identify cost containment strategies in place at the  
31 department and at local jail facilities, identify the costs and  
32 benefits of implementing strategies in jail health-care facilities, and  
33 make recommendations on implementing beneficial strategies. The work  
34 group shall submit a report on its findings and recommendations to the  
35 fiscal committees of the legislature by October 1, 2013. The work  
36 group shall include jail administrators, representatives from health  
37 care facilities at the local jail level and the state prisons level,  
38 and other representatives as deemed necessary.

1        ~~((j) \$1,026,000))~~ (l) \$526,000 of the general fund--state  
2 appropriation for fiscal year 2014 and \$781,000 of the general fund--  
3 state appropriation for fiscal year 2015 are provided solely to expand  
4 the piloted risk-needs-responsivity model to include the use of  
5 cognitive behavioral therapy with evidence-based programming at two  
6 minimum security prison facilities and at the Monroe correctional  
7 complex.

8        ~~((k) \$23,653,000))~~ (m) \$23,453,000 of the general fund--state  
9 appropriation for fiscal year 2014 and \$24,919,000 of the general  
10 fund--state appropriation for fiscal year 2015 are provided solely for  
11 offender programming. Pursuant to section 220(1) of this act, the  
12 department shall develop and implement a written comprehensive plan for  
13 offender programming that prioritizes programs which follow the risk-  
14 needs-responsivity model, are evidence-based, and have measurable  
15 outcomes. The department is authorized to discontinue ineffective  
16 programs and to repurpose underspent funds according to the priorities  
17 in the written plan.

18        ~~((l))~~ (n) \$36,000 of the general fund--state appropriation for  
19 fiscal year 2014 and \$36,000 of the general fund--state appropriation  
20 for fiscal year 2015 are provided solely for implementation of  
21 Engrossed Senate Bill No. 5484 (assault in the third-degree). If the  
22 bill is not enacted by June 30, 2013, the amounts provided in this  
23 subsection shall lapse.

24        ~~((m))~~ (o) \$48,000 of the general fund--state appropriation for  
25 fiscal year 2014 and \$48,000 of the general fund--state appropriation  
26 for fiscal year 2015 are provided solely for implementation of  
27 Engrossed Substitute House Bill No. 1383 (stalking protection orders).  
28 If the bill is not enacted by June 30, 2013, the amounts provided in  
29 this subsection shall lapse.

30        ~~((n))~~ (p) \$36,000 of the general fund--state appropriation for  
31 fiscal year 2014 and \$36,000 of the general fund--state appropriation  
32 for fiscal year 2015 are provided solely for implementation of Senate  
33 Bill No. 5149 (crimes against pharmacies). If the bill is not enacted  
34 by June 30, 2013, the amounts provided in this subsection shall lapse.

35        ~~((o))~~ (q) \$24,000 of the general fund--state appropriation for  
36 fiscal year 2014 and \$24,000 of the general fund--state appropriation  
37 for fiscal year 2015 are provided solely for implementation of

1 Engrossed Substitute Senate Bill No. 5669 (trafficking). If the bill  
2 is not enacted by June 30, 2013, the amounts provided in this  
3 subsection shall lapse.

4 ~~((p))~~ (r) \$24,000 of the general fund--state appropriation for  
5 fiscal year 2014 and \$24,000 of the general fund--state appropriation  
6 for fiscal year 2015 are provided solely for implementation of  
7 Engrossed Senate Bill No. 5053 (vehicle prowling). If the bill is not  
8 enacted by June 30, 2013, the amounts provided in this subsection shall  
9 lapse.

10 ~~((q))~~ (s) \$96,000 of the county criminal justice assistance--  
11 state appropriation is provided solely for implementation of Engrossed  
12 Senate Bill No. 5105 (rental vouchers for offenders). If the bill is  
13 not enacted by June 30, 2013, the amount provided in this subsection  
14 shall lapse.

15 (3) COMMUNITY SUPERVISION

16	General Fund--State Appropriation (FY 2014) . . . . .	<del>(((\$130,568,000))</del>
17		<u>\$148,645,000</u>
18	General Fund--State Appropriation (FY 2015) . . . . .	<del>(((\$131,973,000))</del>
19		<u>\$152,928,000</u>
20	County Criminal Justice Assistance Account--State . . . . .	\$2,249,000
21	Ignition Interlock Device Revolving Account--State . . . . .	\$2,200,000
22	TOTAL APPROPRIATION . . . . .	<del>(((\$266,990,000))</del>
23		<u>\$306,022,000</u>

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

26 (a) \$1,906,000 of the county criminal justice assistance account--  
27 state appropriation and \$2,200,000 of the ignition interlock device  
28 revolving account--state appropriation are provided solely for the  
29 department to contract for additional residential drug offender  
30 sentencing alternative treatment slots. By December 1, 2013, the  
31 department shall provide a report to the appropriate fiscal committees  
32 of the house of representatives and the senate on the use of the  
33 additional treatment slots.

34 (b) \$4,186,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$6,362,000 of the general fund--state appropriation for  
36 fiscal year 2015 must be expended on evidence-based programs that  
37 follow the risk-needs-responsivity model. The department is authorized  
38 to use up to ten percent of these funds as necessary to secure physical

1 space as needed to maximize program delivery of evidence-based  
2 treatment to all high-risk, high-need offenders in community  
3 supervision. Funding may be prioritized by the department to any  
4 program recognized as evidence-based for adult offenders by the  
5 Washington state institute for public policy.

6 (c) (~~(\$16,513,000)~~) \$15,363,000 of the general fund--state  
7 appropriation for fiscal year 2014 and \$16,527,000 of the general  
8 fund--state appropriation for fiscal year 2015 are provided solely for  
9 offender programming. Pursuant to section 220 (1) of this act, the  
10 department shall develop and implement a written comprehensive plan for  
11 offender programming that prioritizes programs which follow the risk-  
12 needs-responsivity model, are evidence-based, and have measurable  
13 outcomes. The department is authorized to discontinue ineffective  
14 programs and to repurpose underspent funds according to the priorities  
15 in the written plan.

16 (d) \$107,000 of the county criminal justice--state appropriation is  
17 provided solely for implementation of Engrossed Senate Bill No. 5105  
18 (rental vouchers for offenders). If the bill is not enacted by June  
19 30, 2013, the amount provided in this subsection shall lapse.

20 (e) Within the amounts provided in this section, funding is  
21 sufficient to implement Senate Bill No. 6327 (expanding the categories  
22 of offenses eligible for the community parenting alternative program  
23 within the department of corrections).

24 (4) CORRECTIONAL INDUSTRIES

25 General Fund--State Appropriation (FY 2014) . . . . .	<del>(\$6,780,000)</del>
	<u>\$6,830,000</u>
27 General Fund--State Appropriation (FY 2015) . . . . .	\$7,182,000
28 TOTAL APPROPRIATION . . . . .	<del>(\$13,962,000)</del>
29	<u>\$14,012,000</u>

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

32 (a) \$3,293,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$3,707,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely for the stewardship of McNeil  
35 island. The department shall assume responsibility of all island  
36 maintenance excluding site specific maintenance operations for the  
37 special commitment center and the Pierce county secure transitional  
38 facility. The department shall as part of its industries program

1 provide job skills to offenders while providing the minimum maintenance  
2 and preservation necessary for the state to remain in compliance with  
3 the federal deed for McNeil island. The department shall report on  
4 efficiencies and potential cost reductions to the office of financial  
5 management and legislative fiscal committees by December 15, 2013.

6 (b)(i) The department of social and health services shall transfer  
7 the stewardship of McNeil Island to the department of corrections  
8 industries program, effective September 1, 2013. The transferred  
9 responsibilities shall include marine operations, waste water  
10 treatment, water treatment, road maintenance, and any other general  
11 island maintenance that is not site specific to the operations of the  
12 special commitment center or the Pierce county secure community  
13 transition facility. Facility maintenance within the perimeter of the  
14 special commitment center shall remain the responsibility of the  
15 department of social and health services. Capital repairs and  
16 maintenance necessary to maintain the special commitment center on  
17 McNeil Island shall be managed by the department of social and health  
18 services. The legislature directs both departments to enter into an  
19 interagency agreement by August 1, 2013. The office of financial  
20 management shall oversee the negotiations of the interagency agreement.  
21 The interagency agreement must describe equipment that will transfer  
22 between the departments, warehouse space that will be shared by the  
23 departments, and occupancy requirements for any shops outside the  
24 perimeter of the special commitment center. The office of financial  
25 management will make the final determination on any disagreements  
26 between the departments on the details of the interagency agreement.

27 (ii) All employees of the department of social and health services  
28 engaged in performing the powers, functions, and duties transferred to  
29 the department of corrections industries program under this subsection,  
30 are transferred to the department of corrections.

31 (iii) All classified employees of department of social and health  
32 services assigned to the department of corrections under this  
33 subsection whose positions are within an existing bargaining unit  
34 description at the department of corrections shall become a part of the  
35 existing bargaining unit at the department of corrections and shall be  
36 considered an appropriate inclusion or modification of the existing  
37 bargaining unit under the provisions of chapter 41.80 RCW.

38 (5) INTERAGENCY PAYMENTS

1	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$35,345,000</del> ))
2		<u>\$40,904,000</u>
3	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$32,115,000</del> ))
4		<u>\$37,289,000</u>
5	TOTAL APPROPRIATION . . . . .	(( <del>\$67,460,000</del> ))
6		<u>\$78,193,000</u>

7 The appropriations in this subsection are subject to the following  
8 conditions and limitations: The state prison medical facilities may  
9 use funds appropriated in this subsection to purchase goods and  
10 supplies through hospital or other group purchasing organizations when  
11 it is cost effective to do so.

12 **Sec. 221.** 2013 2nd sp.s. c 4 s 221 (uncodified) is amended to read  
13 as follows:

14 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

15	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$2,242,000</del> ))
16		<u>\$2,221,000</u>
17	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$2,197,000</del> ))
18		<u>\$2,210,000</u>
19	General Fund--Federal Appropriation . . . . .	(( <del>\$21,060,000</del> ))
20		<u>\$21,028,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$60,000
22	TOTAL APPROPRIATION . . . . .	(( <del>\$25,559,000</del> ))
23		<u>\$25,519,000</u>

24 **Sec. 222.** 2013 2nd sp.s. c 4 s 222 (uncodified) is amended to read  
25 as follows:

26 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

27	General Fund--Federal Appropriation . . . . .	(( <del>\$269,977,000</del> ))
28		<u>\$269,835,000</u>
29	General Fund--Private/Local Appropriation . . . . .	(( <del>\$34,206,000</del> ))
30		<u>\$34,177,000</u>
31	Unemployment Compensation Administration Account--	
32	Federal Appropriation . . . . .	(( <del>\$320,006,000</del> ))
33		<u>\$332,471,000</u>
34	Administrative Contingency Account--State	
35	Appropriation . . . . .	(( <del>\$22,728,000</del> ))
36		<u>\$17,953,000</u>



1 appropriated in this subsection shall be used by the contracted center  
2 for workers to support initiatives that generate high-skill, high-wage  
3 jobs; improve workforce and training systems; improve service delivery  
4 for dislocated workers; and build alliances with community and  
5 environmental organizations.

6 (6) The department is prohibited from expending amounts  
7 appropriated in this section for implementation of chapter 49.86 RCW.

8 (7) \$3,809,000 of the unemployment compensation administration  
9 account--federal appropriation is from amounts made available to the  
10 state by section 903(g) of the social security act (Reed act). This  
11 amount is provided solely for the replacement of the unemployment  
12 insurance benefit system for the employment security department. The  
13 amounts provided in this subsection are conditioned on the department  
14 satisfying the requirements of the project management oversight  
15 standards and policies established by the office of the chief  
16 information officer.

17 (8) \$469,000 of the administrative contingency account--state  
18 appropriation is provided solely for elevator repair and replacement at  
19 the department's headquarters in Olympia.

(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>\$449,000</u>
General Fund--Federal Appropriation . . . . .	\$31,000
General Fund--Private/Local Appropriation . . . . .	\$874,000
TOTAL APPROPRIATION . . . . .	\$1,796,000

**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>\$25,894,000</u>
General Fund--State Appropriation (FY 2015) . . . . .	(\$25,506,000)
	<u>\$25,481,000</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>\$3,994,000</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>\$9,719,000</u>
State Drought Preparedness Account--State Appropriation . . . . .	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation . . . . .	\$426,000
Environmental Legacy Stewardship Account--State	

1	Appropriation . . . . .	(( <del>\$43,748,000</del> ))
2		<u>\$44,226,000</u>
3	Aquatic Algae Control Account--State Appropriation . . . . .	\$513,000
4	Water Rights Tracking System Account--State	
5	Appropriation . . . . .	\$46,000
6	Site Closure Account--State Appropriation . . . . .	\$556,000
7	Wood Stove Education and Enforcement Account--State	
8	Appropriation . . . . .	\$612,000
9	Worker and Community Right-to-Know Account--State	
10	Appropriation . . . . .	\$1,701,000
11	Water Rights Processing Account--State Appropriation . . . . .	\$135,000
12	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$124,238,000</del> ))
13		<u>\$125,240,000</u>
14	State Toxics Control Account--Private/Local	
15	Appropriation . . . . .	\$979,000
16	Local Toxics Control Account--State Appropriation . . . . .	(( <del>\$3,774,000</del> ))
17		<u>\$3,769,000</u>
18	Water Quality Permit Account--State Appropriation . . . . .	(( <del>\$40,982,000</del> ))
19		<u>\$41,773,000</u>
20	Underground Storage Tank Account--State	
21	Appropriation . . . . .	(( <del>\$3,347,000</del> ))
22		<u>\$3,346,000</u>
23	Biosolids Permit Account--State Appropriation . . . . .	(( <del>\$1,848,000</del> ))
24		<u>\$2,147,000</u>
25	Hazardous Waste Assistance Account--State	
26	Appropriation . . . . .	(( <del>\$6,037,000</del> ))
27		<u>\$6,033,000</u>
28	Air Pollution Control Account--State Appropriation . . . . .	\$3,128,000
29	Oil Spill Prevention Account--State Appropriation . . . . .	(( <del>\$5,684,000</del> ))
30		<u>\$6,332,000</u>
31	Air Operating Permit Account--State Appropriation . . . . .	\$3,132,000
32	Freshwater Aquatic Weeds Account--State	
33	Appropriation . . . . .	\$1,409,000
34	Oil Spill Response Account--State Appropriation . . . . .	\$7,076,000
35	Water Pollution Control Revolving Account--State	
36	Appropriation . . . . .	\$356,000
37	Water Pollution Control Revolving Account--Federal	
38	Appropriation . . . . .	\$1,505,000

1 Water Pollution Control Revolving Administration  
 2 Account--State Appropriation . . . . . \$1,021,000  
 3 Radioactive Mixed Waste Account--State  
 4 Appropriation . . . . . ((~~\$13,800,000~~))  
 5 \$14,336,000  
 6 TOTAL APPROPRIATION . . . . . ((~~\$455,316,000~~))  
 7 \$457,256,000

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

10 (1) \$170,000 of the oil spill prevention account--state  
 11 appropriation is provided solely for a contract with the University of  
 12 Washington's sea grant program to continue an educational program  
 13 targeted to small spills from commercial fishing vessels, ferries,  
 14 cruise ships, ports, and marinas.

15 (2) Pursuant to RCW 43.135.055, the department is authorized to  
 16 increase the following fees as necessary to meet the actual costs of  
 17 conducting business and the appropriation levels in this section:  
 18 Wastewater discharge permit, not more than 4.55 percent in fiscal year  
 19 2014 and 4.63 percent in fiscal year 2015; mixed waste management  
 20 service charge authorized in RCW 70.105.280, not more than 1.82 percent  
 21 in fiscal year 2014 and 0.62 percent in fiscal year 2015; and  
 22 reasonably available control technology fee.

23 (3) \$1,981,000 of the state toxics control account--state  
 24 appropriation is for the department to provide training regarding the  
 25 benefits of low-impact development including, but not limited to, when  
 26 the use of low-impact development is appropriate and feasible, and the  
 27 design, installation, maintenance, and best practices of low-impact  
 28 development. The department will consult with Washington State  
 29 University extension low-impact development technical center and others  
 30 in the development of the low-impact technical training. As  
 31 appropriate, the department may contract with the Washington State  
 32 University extension low-impact development technical center, private  
 33 sector vendors, associations, and others to deliver the technical  
 34 training. The training must be provided free of cost to phase I and  
 35 phase II permittees and the private development community including  
 36 builders, engineers, and other industry professionals. The training  
 37 must be sequenced geographically and provided in time for local  
 38 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By

1 August 1, 2013, the department of ecology shall provide the governor  
2 and appropriate legislative committees a plan for how low-impact  
3 development training funds will be spent during fiscal years 2014  
4 through 2017.

5 (4) \$440,000 of the state toxics control account--state  
6 appropriation is provided solely for administering the water pollution  
7 control facilities financial assistance program authorized in chapter  
8 90.50A RCW.

9 (5) \$350,000 of the state toxics control account--state  
10 appropriation is provided solely for the Spokane river regional toxics  
11 task force to support their efforts to address elevated levels of  
12 polychlorinated biphenyls in the Spokane river. Funding will be used  
13 to determine the extent of the cleanup required, implement cleanup  
14 actions to meet applicable water quality standards, and prevent  
15 recontamination.

16 (6) \$516,000 of the state toxics control account--state  
17 appropriation is provided solely for the department to support an  
18 ultrafine particulate study to determine how, if at all, the biomass  
19 cogeneration facilities in Port Townsend and Port Angeles may impact  
20 air quality and the health of citizens in the region.

21 (7) \$65,000 of the water quality permit account--state  
22 appropriation is provided solely for the implementation of Engrossed  
23 Substitute House Bill No. 1245 (derelict and abandoned vessels). If  
24 the bill is not enacted by June 30, 2013, the amount provided in this  
25 subsection shall lapse.

26 ~~((+9))~~ (8) The department shall collaborate with the middle snake  
27 river watershed, WRIA 35 planning unit in implementing its watershed  
28 plan.

29 ~~((+10))~~ (9)(a) \$14,000,000 of the general fund--state  
30 appropriation for fiscal year 2014 and \$14,000,000 of the general  
31 fund--state appropriation for fiscal year 2015 are for activities  
32 within the water resources program.

33 (b) Of the amounts provided in (a) of this subsection, \$500,000 of  
34 the general fund--state appropriation for fiscal year 2015 is provided  
35 solely for processing water right permit applications only if the  
36 department of ecology issues at least five hundred water right  
37 decisions in fiscal year 2014, and if the department of ecology does  
38 not issue at least five hundred water right decisions in fiscal year

1 2014 the amount provided in this subsection shall lapse and remain  
2 unexpended. The department of ecology shall submit a report to the  
3 office of financial management and the state treasurer by June 30,  
4 2014, that documents whether five hundred water right decisions were  
5 issued in fiscal year 2014. For the purposes of this subsection,  
6 applications that are voluntarily withdrawn by an applicant do not  
7 count towards the five hundred water right decision requirement. For  
8 the purposes of water budget-neutral requests under chapter 173-539A  
9 WAC, multiple domestic connections authorized within a single water  
10 budget-neutral decision are considered one decision for the purposes of  
11 this subsection.

12 ~~((+11))~~ (10) The department of ecology, in consultation with the  
13 office of financial management, shall prepare a facilities plan to  
14 reduce the agency's facilities obligation and the agency's cost per FTE  
15 for its facilities by 2017 to align with comparable state agencies.  
16 The plan must be submitted to the office of financial management and  
17 the appropriate legislative fiscal committees by November 1, 2013. The  
18 plan must include: (a) An inventory of all currently owned and leased  
19 buildings, consistent with the data provided through the state's  
20 facilities inventory process prescribed by the office of financial  
21 management annually by September 1st; (b) a list of facilities  
22 solutions that will reduce costs with an emphasis on consolidation,  
23 collocation, and alternative space solutions such as shared workspace  
24 and mobile work; and (c) a department-wide coordinated process and plan  
25 for regularly evaluating facility needs.

26 (11) \$25,000 of the general fund--state appropriation for fiscal  
27 year 2015 is provided solely for the protection of groundwater aquifers  
28 that are the sole drinking water source as prescribed in RCW 90.54.140  
29 specifically for the protection of artesian groundwater aquifers in a  
30 county with a population greater than one million five hundred thousand  
31 that are being detrimentally impacted by development. If the amount  
32 provided in this subsection is not sufficient for this purpose, the  
33 department must use existing funds to implement this subsection.

34 (12) \$100,000 of the environmental legacy stewardship account--  
35 state appropriation is provided solely to fund the Bertrand watershed  
36 improvement district's development of a conceptual groundwater model  
37 for water right permitting and mitigation efforts in the Lynden,

1 Everson, Nooksack, and Sumas (LENS) aquifer study area. The conceptual  
2 groundwater model shall be developed in cooperation with the WRIA 1  
3 watershed planning joint board.

4 **Sec. 303.** 2013 2nd sp.s. c 4 s 303 (uncodified) is amended to read  
5 as follows:

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

7	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$4,254,000</del> ))
8		<u>\$4,271,000</u>
9	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$4,254,000</del> ))
10		<u>\$4,137,000</u>
11	General Fund--Federal Appropriation . . . . .	\$6,014,000
12	Winter Recreation Program Account--State	
13	Appropriation . . . . .	(( <del>\$2,065,000</del> ))
14		<u>\$2,465,000</u>
15	ORV and Nonhighway Vehicle Account--State	
16	Appropriation . . . . .	\$215,000
17	Snowmobile Account--State Appropriation . . . . .	\$4,859,000
18	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$363,000
19	Parks Renewal and Stewardship Account--State	
20	Appropriation . . . . .	(( <del>\$103,065,000</del> ))
21		<u>\$106,139,000</u>
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation . . . . .	\$300,000
24	Waste Reduction/Recycling/Litter Control Account--State	
25	Appropriation . . . . .	\$1,700,000
26	TOTAL APPROPRIATION . . . . .	(( <del>\$127,089,000</del> ))
27		<u>\$130,463,000</u>

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

30 (1) \$79,000 of the general fund--state appropriation for fiscal  
31 year 2014 and \$79,000 of the general fund--state appropriation for  
32 fiscal year 2015 are provided solely for a grant for the operation of  
33 the Northwest weather and avalanche center.

34 (2) Prior to closing any state park, the commission must notify all  
35 affected local governments and relevant nonprofit organizations of the  
36 intended closure and provide an opportunity for the notified local

1 governments and nonprofit organizations to elect to acquire, or enter  
2 into, a maintenance and operating contract with the commission that  
3 would allow the park to remain open.

4 (3) The commission shall prepare a report on its efforts to  
5 increase revenue from all sources, including the discover pass. The  
6 report shall also include a status update on the fiscal health of the  
7 state parks system, and shall be submitted to the office of financial  
8 management and the appropriate committees of the legislature by October  
9 28, 2013.

10 (4)(a) Within the amounts appropriated in this section, the state  
11 parks and recreation commission must continue its ongoing efforts to  
12 evaluate the agency's mission and options to improve the efficiency and  
13 effectiveness of the agency, which may include the evaluation of  
14 options relating to organizational structure, administrative processes,  
15 land and facility ownership and management, and provision of services.

16 (b) The evaluation must include development of specific performance  
17 measures relating to the efficiency and effectiveness of the agency,  
18 which may include measures relating to data collection necessary for  
19 future analysis consistent with the purposes of this subsection.

20 (c) In developing the performance measures required by (b) of this  
21 subsection, the state parks and recreation commission must produce and  
22 consider the following:

23 (i) An inventory of land and facilities owned and managed by the  
24 commission and a process to upgrade the inventory to one capable of  
25 describing primary land and facility uses;

26 (ii) An evaluation of the lands and facilities identified under  
27 (c)(i) of this subsection for lands and facilities surplus to state  
28 park needs and actions taken or planned to dispose of or more  
29 advantageously position these assets;

30 (iii) Current annual visitation data categorized by state park and  
31 a process to upgrade the system for collecting parks visitation data to  
32 better understand existing and potential markets for park services;

33 (iv) A process to systematically assess and prioritize the state  
34 parks and recreation commission's capital needs, including a financial  
35 analysis;

36 (v) An inventory of and progress developing ongoing partnerships  
37 with entities including the state parks foundation, state park friends  
38 groups, and other appropriate public and nonprofit entities;

1 (vi) An inventory of existing enterprise activities and agreements  
2 at state parks, including those relating to product sales, concessions,  
3 sponsorships, and advertising, and a process for identifying and  
4 evaluating additional potential enterprise opportunities for generating  
5 revenue or cost savings;

6 (vii) A summary of actions taken and planned for application of  
7 lean management philosophies and tools throughout the agency; and

8 (viii) A summary of actions taken and planned towards continued  
9 development of a sustained, strategic approach to marketing state  
10 parks.

11 (d) The outcomes of the evaluation under (a) of this subsection,  
12 the performance measures required under (b) of this subsection, and the  
13 information to be produced and considered under (c) of this subsection  
14 must be provided to the office of financial management and appropriate  
15 committees of the senate and house of representatives by September 1,  
16 2014.

17 (5) The fiscal year 2015 general fund--state appropriation to the  
18 commission has been reduced by \$250,000. The legislature assumes the  
19 reduced appropriation will be offset by increased discover pass sales  
20 pursuant to RCW 79A.80.110.

21 **Sec. 304.** 2013 2nd sp.s. c 4 s 304 (uncodified) is amended to read  
22 as follows:

23 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

24	General Fund--State Appropriation (FY 2014) . . . . .	(((\$823,000))
25		\$828,000
26	General Fund--State Appropriation (FY 2015) . . . . .	(((\$815,000))
27		\$898,000
28	General Fund--Federal Appropriation . . . . .	\$3,425,000
29	General Fund--Private/Local Appropriation . . . . .	(((\$24,000))
30		\$124,000
31	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$480,000
32	<u>Park Land Trust Revolving Account--State Appropriation . . . . .</u>	<u>\$34,000</u>
33	<u>State Wildlife Account--State Appropriation . . . . .</u>	<u>\$33,000</u>
34	<u>Parks Renewal and Stewardship Account--State</u>	
35	<u>Appropriation . . . . .</u>	<u>\$33,000</u>
36	Firearms Range Account--State Appropriation . . . . .	\$37,000
37	Recreation Resources Account--State Appropriation . . . . .	(((\$3,086,000))



1 (1) Within the amounts appropriated in this section, the  
2 conservation commission, in consultation with conservation districts,  
3 must submit to the office of financial management and legislative  
4 fiscal committees by December 10, 2013, a report outlining  
5 opportunities to minimize districts' overhead costs, including  
6 consolidation of conservation districts within counties in which there  
7 is more than one district. The report must include details on the  
8 anticipated future savings that could be expected from implementing  
9 these efficiencies starting on July 1, 2014.

10 (2) \$300,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$246,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely to implement the voluntary  
13 stewardship program in Thurston and Chelan counties. These amounts may  
14 not be used to fund agency indirect and administrative expenses.

15 (3) \$1,000,000 of the general fund--federal appropriation is  
16 provided solely to implement the voluntary stewardship program  
17 statewide. The commission shall place the appropriation in this  
18 subsection in unallotted status, and may not allot any of these funds  
19 until the federal government has provided funding to the commission for  
20 the purpose of implementing the voluntary stewardship program.

21 (4) The conservation commission must evaluate the current system  
22 for the election of conservation district board supervisors and  
23 recommend improvements to ensure the highest degree of public  
24 involvement in these elections. The commission must engage with  
25 stakeholder groups and conservation districts to gather a set of  
26 options for improvement to district elections, which must include an  
27 option aligning district elections with state and local general  
28 elections. The commission must submit a report detailing the options  
29 to the office of financial management and appropriate committees of the  
30 legislature by December 10, 2013.

31 (5) \$100,000 of the state toxics control account--state  
32 appropriation is provided solely for the Whatcom agricultural district  
33 coalition to educate and inform agricultural landowners on regulatory  
34 compliance issues relating to groundwater quality issues including  
35 nitrates, fecal coliform, and pesticide contamination within WRIA 1 and  
36 to organize watershed improvement districts to implement environmental  
37 regulatory compliance strategies.





1 (6) \$1,000,000 of the state wildlife account--state appropriation  
2 is provided solely to the department for resources that serve to  
3 promote and engage nonlethal deterrence methods relating to wolf and  
4 livestock interaction with a priority given to funding cooperative  
5 agreements with livestock producers, and of this amount, \$250,000 in  
6 fiscal year 2014 is provided solely for compensation for injury or loss  
7 of livestock caused by wolves as prescribed in chapter 77.36 RCW.

8 (7) \$100,000 of the state wildlife account--state appropriation is  
9 provided solely for the transfer of trout from the Clarks creek  
10 hatchery to the Lakewood hatchery.

11 (8) \$100,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$100,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for the production of steelhead,  
14 coho, and Chinook salmon at the Clarks creek hatchery.

15 (9) \$200,000 of the state wildlife account--state appropriation,  
16 \$50,000 of the general fund--state appropriation for fiscal year 2014,  
17 and \$50,000 of the general fund--state appropriation for fiscal year  
18 2015 are provided solely for the department to increase production of  
19 juvenile fall Chinook on the Cowlitz river. The funds provided may be  
20 used to match or leverage funds from private or public sources for the  
21 same purpose.

22 (10) \$596,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$596,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for weed assessments and for  
25 payments in lieu of real property taxes to counties that elect to  
26 receive the payments for department owned game lands within the county.

27 (11) \$10,000 of the aquatic lands enhancement account--state  
28 appropriation is provided solely for development of an aquatic invasive  
29 species passport program to improve the efficiency and effectiveness of  
30 watercraft inspections by expediting aquatic invasive species  
31 watercraft inspections for watercraft at low risk of transmitting  
32 invasive species and prioritizing the use of available resources for  
33 the inspection of high risk vessels.

34 (12) Within the amounts appropriated in this section, the  
35 department must deploy additional wildlife conflict specialists to  
36 provide landowner assistance and address wildlife conflicts, with at  
37 least one additional specialist primarily assigned to each of the  
38 following areas: Administrative region six of the department; Okanogan

1 and Chelan counties in administrative region two of the department; and  
2 Whatcom and Skagit counties in administrative region four of the  
3 department.

4 (13) \$25,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$25,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for implementation of House Bill  
7 No. 1112 (science and public policy). If the bill is not enacted by  
8 June 30, 2013, the amounts provided in this subsection shall lapse.

9 (14) Within the amounts appropriated in this section the department  
10 shall work with the regional fisheries enhancement groups to identify  
11 a revenue source or sources capable of providing long-term funding to  
12 support the community-based salmon restoration work of regional  
13 fisheries enhancement groups. The department shall work with the  
14 regional fisheries enhancement group coalition to submit a report to  
15 the office of financial management and the appropriate legislative  
16 committees by December 1, 2013, with the outcomes and recommendations.

17 (15) Within the amounts appropriated in this section, the  
18 department must conduct a study of the Lake Washington basin sockeye  
19 salmon to evaluate the impact of predation on juvenile sockeye by  
20 several species of fish that inhabit the lake, and develop management  
21 actions by the state to increase the returns of adult sockeye to the  
22 lake.

23 **Sec. 308.** 2013 2nd sp.s. c 4 s 308 (uncodified) is amended to read  
24 as follows:

25 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

26	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$42,515,000</del> ))
27		<u>\$48,628,000</u>
28	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$45,092,000</del> ))
29		<u>\$45,056,000</u>
30	General Fund--Federal Appropriation . . . . .	\$26,963,000
31	General Fund--Private/Local Appropriation . . . . .	\$2,372,000
32	Forest Development Account--State Appropriation . . . . .	(( <del>\$49,054,000</del> ))
33		<u>\$50,630,000</u>
34	ORV and Nonhighway Vehicle Account--State	
35	Appropriation . . . . .	\$4,494,000
36	Surveys and Maps Account--State Appropriation . . . . .	(( <del>\$2,170,000</del> ))
37		<u>\$1,680,000</u>

1	Aquatic Lands Enhancement Account--State	
2	Appropriation . . . . .	(( <del>\$3,634,000</del> ))
3		<u>\$3,624,000</u>
4	Snowmobile Account--State Appropriation . . . . .	\$100,000
5	Environmental Legacy Stewardship Account--State	
6	Appropriation . . . . .	\$3,948,000
7	Resources Management Cost Account--State	
8	Appropriation . . . . .	(( <del>\$111,073,000</del> ))
9		<u>\$116,389,000</u>
10	Surface Mining Reclamation Account--State	
11	Appropriation . . . . .	(( <del>\$3,972,000</del> ))
12		<u>\$3,968,000</u>
13	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
14	Forest and Fish Support Account--State	
15	Appropriation . . . . .	\$11,759,000
16	Aquatic Land Dredged Material Disposal Site	
17	Account--State Appropriation . . . . .	(( <del>\$843,000</del> ))
18		<u>\$463,000</u>
19	Natural Resources Conservation Areas Stewardship	
20	Account--State Appropriation . . . . .	\$34,000
21	Marine Resources Stewardship Trust Account--State	
22	Appropriation . . . . .	\$3,700,000
23	State Toxics Control Account--State Appropriation . . . . .	\$80,000
24	Forest Practices Application Account--State	
25	Appropriation . . . . .	\$1,697,000
26	Air Pollution Control Account--State Appropriation . . . . .	\$785,000
27	NOVA Program Account--State Appropriation . . . . .	\$950,000
28	Derelict Vessel Removal Account--State	
29	Appropriation . . . . .	\$1,770,000
30	Agricultural College Trust Management Account--State	
31	Appropriation . . . . .	\$2,712,000
32	TOTAL APPROPRIATION . . . . .	(( <del>\$324,717,000</del> ))
33		<u>\$336,802,000</u>

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

- 36       (1) \$1,389,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$1,323,000 of the general fund--state appropriation for  
38 fiscal year 2015 are provided solely for deposit into the agricultural

1 college trust management account and are provided solely to manage  
2 approximately 70,700 acres of Washington State University's  
3 agricultural college trust lands.

4 (2) (~~(\$19,099,000)~~) \$25,271,000 of the general fund--state  
5 appropriation for fiscal year 2014, \$19,099,000 of the general fund--  
6 state appropriation for fiscal year 2015, and \$5,000,000 of the  
7 disaster response account--state appropriation are provided solely for  
8 emergency fire suppression. None of the general fund and disaster  
9 response account amounts provided in this subsection may be used to  
10 fund agency indirect and administrative expenses. Agency indirect and  
11 administrative costs shall be allocated among the agency's remaining  
12 accounts and appropriations. The department of natural resources shall  
13 submit a quarterly report to the office of financial management and the  
14 legislative fiscal committees detailing information on current and  
15 planned expenditures from the disaster response account. This work  
16 shall be done in coordination with the military department.

17 (3) \$5,000,000 of the forest and fish support account--state  
18 appropriation is provided solely for outcome-based, performance  
19 contracts with tribes to participate in the implementation of the  
20 forest practices program. Contracts awarded may only contain indirect  
21 costs set at or below the rate in the contracting tribe's indirect cost  
22 agreement with the federal government. If federal funding for this  
23 purpose is reinstated, the amount provided in this subsection shall  
24 lapse.

25 (4) \$518,000 of the forest and fish support account--state  
26 appropriation is provided solely for outcome-based performance  
27 contracts with nongovernmental organizations to participate in the  
28 implementation of the forest practices program. Contracts awarded may  
29 only contain indirect cost set at or below a rate of eighteen percent.

30 (5) \$717,000 of the forest and fish support account--state  
31 appropriation is provided solely to fund interagency agreements with  
32 the department of ecology and the department of fish and wildlife as  
33 part of the adaptive management process.

34 (6) \$440,000 of the state general fund--state appropriation for  
35 fiscal year 2014 and \$440,000 of the state general fund--state  
36 appropriation for fiscal year 2015 are provided solely for forest work  
37 crews that support correctional camps and are contingent upon  
38 continuing operations of Naselle youth camp.

1 (7) \$2,382,000 of the resource management cost account--state  
2 appropriation is for addressing the growing backlog of expired aquatic  
3 leases and new aquatic lease applications. The department shall  
4 implement a Lean process to improve the lease review process and  
5 further reduce the backlog, and submit a report on its progress in  
6 addressing the backlog and implementation of the Lean process to the  
7 governor and the appropriate committees of the legislature by October  
8 1, 2013.

9 (8) \$1,948,000 of the environmental legacy stewardship account--  
10 state appropriation is provided solely for the department to pay a  
11 portion of the costs to complete remedial investigation work at  
12 Whitmarsh landfill and Mill site A and perform final-year maintenance  
13 of the Olympic view triangle site in Commencement Bay.

14 (9) \$265,000 of the resources management cost account--state  
15 appropriation is provided solely for implementation of Second  
16 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill  
17 is not enacted by June 30, 2013, the amount provided in this subsection  
18 shall lapse.

19 (10) \$425,000 of the derelict vessel removal account--state  
20 appropriation is provided solely for implementation of Engrossed  
21 Substitute House Bill No. 1245 (derelict and abandoned vessels). If  
22 the bill is not enacted by June 30, 2013, the amount provided in this  
23 subsection shall lapse.

24 (11) \$3,700,000 of the marine resources stewardship trust account--  
25 state appropriation is provided solely for implementation of priority  
26 marine management planning efforts including mapping activities,  
27 ecological assessment, data tools, stakeholder engagement, and all  
28 other work identified in Engrossed Senate Bill No. 5603 (marine  
29 advisory councils) during the 2013-2015 fiscal biennium.

30 **Sec. 309.** 2013 2nd sp.s. c 4 s 309 (uncodified) is amended to read  
31 as follows:

32 **FOR THE DEPARTMENT OF AGRICULTURE**

33	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$15,300,000</del> ))
34		<u>\$15,257,000</u>
35	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$15,294,000</del> ))
36		<u>\$16,245,000</u>
37	General Fund--Federal Appropriation . . . . .	(( <del>\$23,098,000</del> ))





1 marine resources committees, including the Northwest straits  
2 initiative, regional fisheries enhancement groups, local integrating  
3 organizations, lead entities, and other county watershed councils, as  
4 well as representatives of federal, state, tribal, and local government  
5 agencies. Recommendations must be provided to the appropriate  
6 legislative committees by December 1, 2014.

(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) . . . . .	(( <del>\$1,103,000</del> ))
	<u>\$1,114,000</u>
General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$1,341,000</del> ))
	<u>\$1,729,000</u>
Architects' License Account--State Appropriation . . . . .	\$902,000
Professional Engineers' Account--State	
Appropriation . . . . .	(( <del>\$3,558,000</del> ))
	<u>\$3,545,000</u>
Real Estate Commission Account--State Appropriation . . . . .	(( <del>\$9,929,000</del> ))
	<u>\$9,935,000</u>
Uniform Commercial Code Account--State	
Appropriation . . . . .	(( <del>\$3,154,000</del> ))
	<u>\$3,145,000</u>
Real Estate Education Account--State Appropriation . . . . .	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation . . . . .	(( <del>\$1,703,000</del> ))
	<u>\$1,705,000</u>
Business and Professions Account--State	
Appropriation . . . . .	(( <del>\$17,454,000</del> ))
	<u>\$17,484,000</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 . . . . .	(( <del>\$39,963,000</del> ))
	<u>\$40,378,000</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) \$409,000 of the general fund--state appropriation is provided  
24 solely for seven temporary staff to eliminate the firearm transfer  
25 backlog of 144,000 documents by June 30, 2015.

26 (6) \$32,000 of the general fund--state appropriation for fiscal  
27 year 2014 is provided solely for the purposes of Engrossed Substitute  
28 Senate Bill No. 6040 (invasive species). If the bill is not enacted by  
29 June 30, 2014, the amount provided in this subsection shall lapse.

30 **Sec. 402.** 2013 2nd sp.s. c 4 s 402 (uncodified) is amended to read  
31 as follows:

32 **FOR THE STATE PATROL**

33	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$34,653,000</del> ))
34		<u>\$35,702,000</u>
35	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$32,485,000</del> ))
36		<u>\$31,725,000</u>
37	General Fund--Federal Appropriation . . . . .	(( <del>\$16,189,000</del> ))

1		<u>\$15,882,000</u>
2	General Fund--Private/Local Appropriation . . . . .	\$3,020,000
3	Death Investigations Account--State Appropriation . . . . .	(( <del>\$9,956,000</del> ))
4		<u>\$9,960,000</u>
5	Enhanced 911 Account--State Appropriation . . . . .	\$3,480,000
6	County Criminal Justice Assistance Account--State	
7	Appropriation . . . . .	\$3,332,000
8	Municipal Criminal Justice Assistance Account--State	
9	Appropriation . . . . .	\$1,351,000
10	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
11	Disaster Response Account--State Appropriation . . . . .	\$8,000,000
12	Fire Service Training Account--State Appropriation . . . . .	\$9,797,000
13	Aquatic Invasive Species Enforcement Account--State	
14	Appropriation . . . . .	\$54,000
15	State Toxics Control Account--State Appropriation . . . . .	\$516,000
16	Fingerprint Identification Account--State	
17	Appropriation . . . . .	(( <del>\$10,747,000</del> ))
18		<u>\$12,247,000</u>
19	Vehicle License Fraud Account--State Appropriation . . . . .	\$447,000
20	TOTAL APPROPRIATION . . . . .	(( <del>\$134,158,000</del> ))
21		<u>\$135,644,000</u>

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

24       (1) \$200,000 of the fire service training account--state  
25 appropriation is provided solely for two FTEs in the office of the  
26 state director of fire protection to exclusively review K-12  
27 construction documents for fire and life safety in accordance with the  
28 state building code. It is the intent of this appropriation to provide  
29 these services only to those districts that are located in counties  
30 without qualified review capabilities.

31       (2) \$8,000,000 of the disaster response account--state  
32 appropriation is provided solely for Washington state fire service  
33 resource mobilization costs incurred in response to an emergency or  
34 disaster authorized under RCW 43.43.960 through 43.43.964. The state  
35 patrol shall submit a report quarterly to the office of financial  
36 management and the legislative fiscal committees detailing information  
37 on current and planned expenditures from this account. This work shall  
38 be done in coordination with the military department.

1 (3) \$700,000 of the fire service training account--state  
2 appropriation is provided solely for the firefighter apprenticeship  
3 training program.

4 (4) \$3,480,000 of the enhanced 911 account--state appropriation is  
5 provided solely for upgrades to the Washington state identification  
6 system and the Washington crime information center. Amounts provided  
7 in this subsection may not be expended until the office of the chief  
8 information officer approves a plan to move the Washington state  
9 patrol's servers and data center equipment into the state data center  
10 in the 1500 Jefferson building, and the office of the chief information  
11 officer certifies that the Washington state patrol has begun the move.  
12 The amounts provided in this subsection are conditioned on the  
13 department satisfying the requirements of the project management  
14 oversight standards and policies established by the office of the chief  
15 information officer.

16 (5) \$154,000 of the fingerprint identification account--state  
17 appropriation is provided solely for implementation of Substitute House  
18 Bill No. 1612 (firearms offenders). If the bill is not enacted by June  
19 30, 2013, 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) . . . . .	(( <del>\$27,264,000</del> ))
	<u>\$27,220,000</u>
General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$26,041,000</del> ))
	<u>\$26,526,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$63,826,000</del> ))
	<u>\$71,064,000</u>
General Fund--Private/Local Appropriation . . . . .	\$4,005,000
Performance Audits of Government Account--State	
Appropriation . . . . .	\$200,000
TOTAL APPROPRIATION . . . . .	(( <del>\$121,336,000</del> ))
	<u>\$129,015,000</u>

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

(1) A maximum of ((~~\$16,881,000~~)) \$16,943,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$16,602,000~~)) \$16,961,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) ((~~\$8,846,000~~)) \$8,908,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$8,910,000~~)) \$8,732,000 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, using a uniform definition of unexcused absence as established by the superintendent.

1 (iii) By September of each year, the office of the superintendent  
2 of public instruction shall produce an annual status report of the  
3 budget provisos in sections 501 and 513 of this act. The status report  
4 of each proviso shall include, but not be limited to, the following  
5 information: Purpose and objective, number of staff, number of  
6 contractors, status of proviso implementation, number of beneficiaries  
7 by year, list of beneficiaries, and proviso outcomes and achievements.

8 (iv) The superintendent of public instruction shall update the  
9 program prepared and distributed under RCW 28A.230.150 for the  
10 observation of temperance and good citizenship day to include providing  
11 an opportunity for eligible students to register to vote at school.

12 ~~((vi))~~ (v) Appropriations in this section are sufficient for the  
13 office of the superintendent of public instruction to conduct ongoing  
14 consolidated program reviews of alternative learning experience  
15 programs and dropout reengagement programs established under chapter  
16 20, Laws of 2010. The office of the superintendent of public  
17 instruction shall include alternative learning education and dropout  
18 reengagement programs in their ongoing consolidated program reviews, as  
19 well as provide outreach and training to school districts regarding  
20 implementation of the programs. Findings from the program reviews will  
21 be used to support and prioritize office of the superintendent outreach  
22 and education efforts that assist school districts in implementing the  
23 programs in accordance with statute and legislative intent, as well as  
24 to support financial and performance audit work conducted by the office  
25 of the state auditor.

26 (b) \$1,017,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$1,017,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for activities associated with the  
29 implementation of new school finance systems required by chapter 236,  
30 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009  
31 (state's education system), including technical staff, systems  
32 reprogramming, and workgroup deliberations, including the quality  
33 education council and the data governance working group.

34 (c) \$1,012,000 of the general fund--state appropriation for fiscal  
35 year 2014 and ~~(( \$1,012,000 ))~~ \$1,034,000 of the general fund--state  
36 appropriation for fiscal year 2015 are provided solely for the  
37 operation and expenses of the state board of education, including basic  
38 education assistance activities. Of these amounts, \$161,000 of the

1 general fund--state appropriation for fiscal year 2014 and \$161,000 of  
2 the general fund-- state appropriation for fiscal year 2015 are  
3 provided for implementation of Initiative Measure No. 1240 (charter  
4 schools), and \$22,000 of the general fund--state appropriation for  
5 fiscal year 2015 is provided solely for the state board of education to  
6 adopt rules to implement the career and college ready graduation  
7 requirement proposal adopted under board resolution on November 10,  
8 2010, and revised on January 9, 2014, to take effect beginning with the  
9 graduating class of 2019 as required by Engrossed Second Substitute  
10 Senate Bill No. 6552 (improving student success by modifying  
11 instructional hour and graduation requirements). If the bill is not  
12 enacted by June 30, 2014, the amounts provided for Engrossed Second  
13 Substitute Senate Bill No. 6552 shall lapse.

14 (d) \$1,325,000 of the general fund--state appropriation for fiscal  
15 year 2014 and (~~(\$1,325,000)~~) \$1,453,000 of the general fund--state  
16 appropriation for fiscal year 2015 are provided solely to the  
17 professional educator standards board for the following:

18 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year  
19 2015 are for the operation and expenses of the Washington professional  
20 educator standards board;

21 (ii) \$250,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$250,000 of the general fund--state appropriation for  
23 fiscal year 2015 are for mentor stipends provided through the  
24 alternative routes to certification program administered by the  
25 professional educator standards board, including the pipeline for  
26 paraeducators program and the retooling to teach conditional loan  
27 programs. Funding within this subsection (1)(d)(ii) is also provided  
28 for the recruiting Washington teachers program; (~~and~~)

29 (iii) \$128,000 of the general fund--state appropriation for fiscal  
30 year 2015 is provided solely for the purposes of Substitute Senate Bill  
31 No. 6129 (paraeducator development). If the bill is not enacted by  
32 June 30, 2014, the amount provided in this subsection (iii) shall  
33 lapse; and

34 (iv) \$25,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$25,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for the professional educator  
37 standards board to develop educator interpreter standards and identify  
38 interpreter assessments that are available to school districts.

1 Interpreter assessments should meet the following criteria: (A)  
2 Include both written assessment and performance assessment; (B) be  
3 offered by a national organization of professional sign language  
4 interpreters and transliterators; and (C) be designed to assess  
5 performance in more than one sign system or sign language. The board  
6 shall establish a performance standard, defining what constitutes a  
7 minimum assessment result, for each educational interpreter assessment  
8 identified. The board shall publicize the standards and assessments  
9 for school district use.

10 (e) \$133,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$133,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for the implementation of chapter  
13 240, Laws of 2010, including staffing the office of equity and civil  
14 rights.

15 (f) \$50,000 of the general fund--state appropriation for fiscal  
16 year 2014 and \$50,000 of the general fund--state appropriation for  
17 fiscal year 2015 are provided solely for the ongoing work of the  
18 education opportunity gap oversight and accountability committee.

19 (g) \$45,000 of the general fund--state appropriation for fiscal  
20 year 2014 and \$45,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for the implementation of chapter  
22 380, Laws of 2009 (enacting the interstate compact on educational  
23 opportunity for military children).

24 (h) \$131,000 of the general fund--state appropriation for fiscal  
25 year 2014 and \$131,000 of the general fund--state appropriation for  
26 fiscal year 2015 are provided solely for the implementation of  
27 Initiative Measure No. 1240 (charter schools).

28 (i) \$1,826,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$1,802,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for implementing a comprehensive  
31 data system to include financial, student, and educator data, including  
32 development and maintenance of the comprehensive education data and  
33 research system (CEDARS).

34 (j) \$25,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$25,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for project citizen, a program  
37 sponsored by the national conference of state legislatures and the

1 center for civic education to promote participation in government by  
2 middle school students.

3 (k) \$1,500,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$1,500,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely for collaborative schools for  
6 innovation and success authorized under chapter 53, Laws of 2012. The  
7 office of the superintendent of public instruction shall award \$500,000  
8 per year in funding for each collaborative school for innovation and  
9 success selected for participation in the pilot program during 2012.

10 (l) \$123,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$123,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for implementation of chapter 163,  
13 Laws of 2012 (foster care outcomes). The office of the superintendent  
14 of public instruction shall annually report each December on the  
15 implementation of the state's plan of cross-system collaboration to  
16 promote educational stability and improve education outcomes of foster  
17 youth.

18 (m) \$250,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$250,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely for implementation of chapter 178,  
21 Laws of 2012 (open K-12 education resources).

22 (n) \$93,000 of the general fund--state appropriation for fiscal  
23 year 2014 and (~~(\$93,000)~~) \$193,000 of the general fund--state  
24 appropriation for fiscal year 2015 are provided solely for chapter 185,  
25 Laws of 2011 (bullying prevention, which requires the office of the  
26 superintendent of public instruction to convene an ongoing workgroup on  
27 school bullying and harassment prevention. Within the amounts  
28 provided, (~~(\$140,000)~~) \$240,000 is for youth suicide prevention  
29 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) \$287,000 of the general fund--state appropriation for fiscal  
24 year 2015 is provided solely for the purpose of developing math and  
25 science equivalency curriculum and course modules for career and  
26 technical education and skill center courses to allow students to  
27 fulfill math and science credit requirements for graduation as required  
28 by Engrossed Second Substitute Senate Bill No. 6552 (improving student  
29 success by modifying instructional hour and graduation requirements).  
30 If the bill is not enacted by June 30, 2014, the amount provided in  
31 this subsection (w) shall lapse.

32 (2) \$200,000 of the performance audits of government account--state  
33 appropriation is provided solely for a one-time workload increase to  
34 address additional audit resolutions and appeals in the alternative  
35 learning experience programs.

36 (3) \$10,277,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$9,565,000 of the general fund--state appropriation for  
38 fiscal year 2015 are for statewide programs.

1 (a) HEALTH AND SAFETY

2 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
3 year 2014 and \$2,541,000 of the general fund--state appropriation for  
4 fiscal year 2015 are provided solely for a corps of nurses located at  
5 educational service districts, as determined by the superintendent of  
6 public instruction, to be dispatched to the most needy schools to  
7 provide direct care to students, health education, and training for  
8 school staff.

9 (ii) \$135,000 of the general fund--state appropriation for fiscal  
10 year 2014 and \$135,000 of the general fund--state appropriation for  
11 fiscal year 2015 are provided solely for a nonviolence and leadership  
12 training program provided by the institute for community leadership.

13 (b) TECHNOLOGY

14 \$1,221,000 of the general fund--state appropriation for fiscal year  
15 2014 and \$1,221,000 of the general fund--state appropriation for fiscal  
16 year 2015 are provided solely for K-20 telecommunications network  
17 technical support in the K-12 sector to prevent system failures and  
18 avoid interruptions in school utilization of the data processing and  
19 video-conferencing capabilities of the network. These funds may be  
20 used to purchase engineering and advanced technical support for the  
21 network.

22 (c) GRANTS AND ALLOCATIONS

23 (i) \$1,875,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$1,875,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely for the Washington state achievers  
26 scholarship program. The funds shall be used to support community  
27 involvement officers that recruit, train, and match community volunteer  
28 mentors with students selected as achievers scholars.

29 (ii) \$1,000,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$1,000,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for contracting with a college  
32 scholarship organization with expertise in conducting outreach to  
33 students concerning eligibility for the Washington college bound  
34 scholarship consistent with chapter 405, Laws of 2007.

35 (iii) \$1,000,000 of the general fund--state appropriation for  
36 fiscal year 2014 and \$1,000,000 of the general fund--state  
37 appropriation for fiscal year 2015 are provided solely for dropout  
38 prevention, intervention, and reengagement programs, including the jobs

1 for America's graduates (JAG) program and the building bridges  
2 statewide program. Starting in school year 2014-15 students in the  
3 foster care system or who are homeless shall be given priority by  
4 districts offering the jobs for America's graduates program. The  
5 office of the superintendent of public instruction shall convene staff  
6 representatives from high schools to meet and share best practices for  
7 dropout prevention.

8 (iv) \$2,112,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$1,400,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for the implementation of chapter  
11 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the  
12 development and implementation of the Washington kindergarten inventory  
13 of developing skills (WaKIDS).

14 (v) \$100,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$100,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely to subsidize advanced placement  
17 exam fees and international baccalaureate class fees and exam fees for  
18 low-income students. To be eligible for the subsidy, a student must be  
19 either enrolled or eligible to participate in the federal free or  
20 reduced price lunch program, and the student must have maximized the  
21 allowable federal contribution. The office of the superintendent of  
22 public instruction shall set the subsidy in an amount so that the  
23 advanced placement exam fee does not exceed \$15.00 and the combined  
24 class and exam fee for the international baccalaureate does not exceed  
25 \$14.50.

26 (vi) \$293,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$293,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for the office of the  
29 superintendent of public instruction to support (~~the dissemination of~~  
30 ~~the navigation 101 curriculum to all districts~~) district  
31 implementation of comprehensive guidance and planning programs  
32 consistent with RCW 28A.600.045.

33 **Sec. 502.** 2013 2nd sp.s. c 4 s 502 (uncodified) is amended to read  
34 as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**  
36 **APPORTIONMENT**

37 General Fund--State Appropriation (FY 2014) . . . . ((\$5,395,289,000))

1		<u>\$5,386,820,000</u>
2	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$5,581,336,000</del> ))
3		<u>\$5,632,857,000</u>
4	Education Legacy Trust Account--State	
5	Appropriation . . . . .	\$328,563,000
6	TOTAL APPROPRIATION . . . . .	(( <del>\$11,305,188,000</del> ))
7		<u>\$11,348,240,000</u>

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

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

13       (b) For the 2013-14 and 2014-15 school years, the superintendent  
14 shall allocate general apportionment funding to school districts as  
15 provided in the funding formulas and salary schedules in sections 502  
16 and 503 of this act, excluding (c) of this subsection.

17       (c) From July 1, 2013, to August 31, 2013, the superintendent shall  
18 allocate general apportionment funding to school districts programs as  
19 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.  
20 sess., as amended.

21       (d) The enrollment of any district shall be the annual average  
22 number of full-time equivalent students and part-time students as  
23 provided in RCW 28A.150.350, enrolled on the fourth day of school in  
24 September and on the first school day of each month October through  
25 June, including students who are in attendance pursuant to RCW  
26 28A.335.160 and 28A.225.250 who do not reside within the servicing  
27 school district. Any school district concluding its basic education  
28 program in May must report the enrollment of the last school day held  
29 in May in lieu of a June enrollment.

30       (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

31       Allocations for certificated instructional staff salaries for the  
32 2013-14 and 2014-15 school years are determined using formula-generated  
33 staff units calculated pursuant to this subsection.

34       (a) Certificated instructional staff units, as defined in RCW  
35 28A.150.410, shall be allocated to reflect the minimum class size  
36 allocations, requirements, and school prototypes assumptions as  
37 provided in RCW 28A.150.260, except that the allocation for guidance  
38 counselors in a middle school shall be 1.216 and for school year 2013-

1 14 the allocation for guidance counselors in a high school shall be  
 2 2.009, which enhancements are within the program of basic education.  
 3 The superintendent shall make allocations to school districts based on  
 4 the district's annual average full-time equivalent student enrollment  
 5 in each grade.

6 (b) Additional certificated instructional staff units provided in  
 7 this subsection (2) that exceed the minimum requirements in RCW  
 8 28A.150.260 are enhancements outside the program of basic education,  
 9 except as otherwise provided in this section.

10 (c)(i) The superintendent shall base allocations for each level of  
 11 prototypical school on the following regular education average class  
 12 size of full-time equivalent students per teacher, except as provided  
 13 in (c)(ii) of this subsection:

14

15 General education class size:

16 Grade	RCW 28A.150.260	2013-14	2014-15
		School Year	School Year
18 Grades K-3	.....	25.23	25.23
19 Grade 4	.....	27.00	27.00
20 Grades 5-6	.....	27.00	27.00
21 Grades 7-8	.....	28.53	28.53
22 Grades 9-12	.....	28.74	28.74

23 The superintendent shall base allocations for laboratory science,  
 24 career and technical education (CTE) and skill center programs average  
 25 class size as provided in RCW 28A.150.260.

26 (ii) For each level of prototypical school at which more than fifty  
 27 percent of the students were eligible for free and reduced-price meals  
 28 in the prior school year, the superintendent shall allocate funding  
 29 based on the following average class size of full-time equivalent  
 30 students per teacher:

31 (A) General education class size in high poverty schools:

32 Grade	RCW 28A.150.260
33 Grade 2	..... 24.10

1	Grade 3	.....	24.10
2	Grade 4	.....	27.00
3	Grades 5-6	.....	27.00
4	Grades 7-8	.....	28.53
5	Grades 9-12	.....	28.74

6 (B) For grades K-1, class size of 20.85 is provided for high  
7 poverty schools for the 2013-14 school year;

8 (C) For grades K through 1, the superintendent shall, at a minimum,  
9 allocate funding to high-poverty schools for the 2014-15 school year  
10 based on an average class size of 24.10 full-time equivalent students  
11 per teacher. The superintendent shall provide enhanced funding for  
12 class size reduction in grades K through 1 to the extent of, and  
13 proportionate to, the school's demonstrated actual average class size  
14 up to a class size of 20.30 full-time equivalent students per teacher.  
15 The office of the superintendent of public instruction shall develop  
16 rules to implement the enhanced funding authorized under (ii)(C) of  
17 this subsection and shall distribute draft rules for review no later  
18 than December 1, 2013. The office of the superintendent of public  
19 instruction shall report the draft rules and proposed methodology to  
20 the governor and the appropriate policy and fiscal committees of the  
21 legislature by December 1, 2013.

22 (D) The enhancement in this subsection (2)(c)(ii) is within the  
23 program of basic education.

24 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher  
25 planning period, expressed as a percentage of a teacher work day, is  
26 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

27 (iv) (~~Laboratory science,~~) Advanced placement(~~(7)~~) and  
28 international baccalaureate courses are funded at the same class size  
29 assumptions as general education schools in the same grade; and

30 (d)(i) Funding for teacher librarians, school nurses, social  
31 workers, school psychologists, and guidance counselors is allocated  
32 based on the school prototypes as provided in RCW 28A.150.260 and (a)  
33 of this subsection and is considered certificated instructional staff,  
34 except as provided in (d)(ii) of this subsection.

35 (ii) Students in approved career and technical education and skill  
36 center programs generate certificated instructional staff units to



1 (4) CLASSIFIED STAFF ALLOCATIONS

2 Allocations for classified staff units providing school building-  
3 level and district-wide support services for the 2013-14 and 2014-15  
4 school years are determined using the formula-generated staff units  
5 provided in RCW 28A.150.260, and adjusted based on each district's  
6 annual average full-time equivalent student enrollment in each grade,  
7 except that the allocation for parent involvement coordinators in an  
8 elementary school shall be 0.0825, which enhancement is within the  
9 program of basic education.

10 (5) CENTRAL OFFICE ALLOCATIONS

11 In addition to classified and administrative staff units allocated  
12 in subsections (3) and (4) of this section, classified and  
13 administrative staff units are provided for the 2013-14 and 2014-15  
14 school year for the central office administrative costs of operating a  
15 school district, at the following rates:

16 (a) The total central office staff units provided in this  
17 subsection (5) are calculated by first multiplying the total number of  
18 eligible certificated instructional, certificated administrative, and  
19 classified staff units providing school-based or district-wide support  
20 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

21 (b) Of the central office staff units calculated in (a) of this  
22 subsection, 74.53 percent are allocated as classified staff units, as  
23 generated in subsection (4) of this section, and 25.47 percent shall be  
24 allocated as administrative staff units, as generated in subsection (3)  
25 of this section.

26 (c) Staff units generated as enhancements outside the program of  
27 basic education to the minimum requirements of RCW 28A.150.260, and  
28 staff units generated by skill center and career-technical students,  
29 are excluded from the total central office staff units calculation in  
30 (a) of this subsection.

31 (d) For students in approved career-technical and skill center  
32 programs, central office classified units are allocated at the same  
33 staff unit per student rate as those generated for general education  
34 students of the same grade in this subsection (5), and central office  
35 administrative staff units are allocated at staff unit per student  
36 rates that exceed the general education rate established for students  
37 in the same grade in this subsection (5) by 1.71 percent in the 2013-14  
38 school year and 2.00 percent in the 2014-15 school year for career and

1 technical education students, and (~~21.60~~) 21.57 percent in the 2013-  
2 14 school year and (~~15.98~~) 18.20 percent in the 2014-15 school year  
3 for skill center students.

4 (6) FRINGE BENEFIT ALLOCATIONS

5 Fringe benefit allocations shall be calculated at a rate of 18.68  
6 percent in the 2013-14 school year and 18.68 percent in the 2014-15  
7 school year for certificated salary allocations provided under  
8 subsections (2), (3), and (5) of this section, and a rate of 20.95  
9 percent in the 2013-14 school year and 20.95 percent in the 2014-15  
10 school year for classified salary allocations provided under  
11 subsections (4) and (5) of this section.

12 (7) INSURANCE BENEFIT ALLOCATIONS

13 Insurance benefit allocations shall be calculated at the  
14 maintenance rate specified in section 504 of this act, based on the  
15 number of benefit units determined as follows:

16 (a) The number of certificated staff units determined in  
17 subsections (2), (3), and (5) of this section; and

18 (b) The number of classified staff units determined in subsections  
19 (4) and (5) of this section multiplied by 1.152. This factor is  
20 intended to adjust allocations so that, for the purposes of  
21 distributing insurance benefits, full-time equivalent classified  
22 employees may be calculated on the basis of 1440 hours of work per  
23 year, with no individual employee counted as more than one full-time  
24 equivalent.

25 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

26 Funding is allocated per annual average full-time equivalent  
27 student for the materials, supplies, and operating costs (MSOC)  
28 incurred by school districts, consistent with the requirements of RCW  
29 28A.150.260.

30 (a) MSOC funding for general education students are allocated at  
31 the following per student rates:

32 MSOC RATES/STUDENT FTE

33

MSOC Component	2013-14 SCHOOL YEAR	2014-15 SCHOOL YEAR
Technology	\$77.46	<del>(\$82.16)</del> <u>\$125.92</u>
Utilities and Insurance	\$210.46	\$223.23
Curriculum and Textbooks	\$83.17	\$88.21
Other Supplies and Library Materials	\$176.56	\$187.27
Instructional Professional Development for Certificated and Classified Staff	\$12.86	\$13.64
Facilities Maintenance	\$104.27	\$110.59
Security and Central Office	\$72.24	\$76.62
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$737.02	<del>(\$781.72)</del> <u>\$825.48</u>

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,244.25 for the 2013-14 school year and ~~(\$1,262.92)~~ \$1,260.41 for the 2014-15 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation of \$1,399.30 for the 2013-14 school year and ~~(\$1,420.29)~~ \$1,417.48 for the 2014-15 school year.

~~(d) ((Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.))~~ Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocation provided in (a) of this subsection at the following rate:

	<u>2014-15</u> <u>SCHOOL YEAR</u>
<u>Technology</u>	<u>\$36.35</u>
<u>Curriculum and Textbooks</u>	<u>\$39.02</u>
<u>Other Supplies and Library Materials</u>	<u>\$82.84</u>
<u>Instructional Professional Development for Certificated and Classified Staff</u>	<u>\$6.04</u>
<u>TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE</u>	<u>\$164.25</u>

(9) SUBSTITUTE TEACHER ALLOCATIONS  
For the 2013-14 and 2014-15 school years, funding for substitute

1 costs for classroom teachers is based on four (4) funded substitute  
2 days per classroom teacher unit generated under subsection (2) of this  
3 section, at a daily substitute rate of \$151.86.

4 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

5 (a) Amounts provided in this section from July 1, 2013, to August  
6 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of  
7 2011 1st sp. sess. (allocation of funding for funding for students  
8 enrolled in alternative learning experiences).

9 (b) Amounts provided in this section beginning September 1, 2013,  
10 are adjusted to reflect modifications to alternative learning  
11 experience courses in Engrossed Substitute Senate Bill No. 5946  
12 (student educational outcomes).

13 (c) The superintendent of public instruction shall require all  
14 districts receiving general apportionment funding for alternative  
15 learning experience (ALE) programs as defined in WAC 392-121-182 to  
16 provide separate financial accounting of expenditures for the ALE  
17 programs offered in district or with a provider, including but not  
18 limited to private companies and multidistrict cooperatives, as well as  
19 accurate, monthly headcount and FTE enrollment claimed for basic  
20 education, including separate counts of resident and nonresident  
21 students.

22 (11) DROPOUT REENGAGEMENT PROGRAM FUNDING

23 Starting with the 2014-15 school year, the superintendent of public  
24 instruction shall require all districts claiming general apportionment  
25 funding for dropout reengagement programs authorized under RCW  
26 28A.175.100 through 28A.175.115 to meet minimum weekly instructional  
27 contact requirements. The superintendent shall revise its rules  
28 accordingly to implement this subsection. Districts must also provide  
29 separate financial accounting of expenditures for the open door  
30 programs offered in district or with a provider, as well as accurate,  
31 monthly headcount and FTE enrollment claimed for basic education,  
32 including separate counts of resident and nonresident students.

33 (12) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

34 Funding in this section is sufficient to fund voluntary full day  
35 kindergarten programs in qualifying high poverty schools, pursuant to  
36 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls  
37 for the voluntary full-day program in a qualifying school shall count

1 as one-half of one full-time equivalent student for purpose of making  
2 allocations under this section. Funding in this section provides full-  
3 day kindergarten programs for 43.75 percent of kindergarten enrollment  
4 in the 2013-14 school year and 43.75 percent in the 2014-15 school  
5 year, which enhancement is within the program of basic education.

6 ~~((12) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH~~  
7 ~~TWELVE~~

8 ~~(a) School districts shall implement the increased instructional~~  
9 ~~hours for the instructional program of basic education required under~~  
10 ~~the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15~~  
11 ~~school year, which enhancement is within the program of basic~~  
12 ~~education.~~

13 ~~(b) Amounts provided in this section are sufficient to fund~~  
14 ~~increased instructional hours in grades seven through twelve. For the~~  
15 ~~2014-15 school year, the superintendent shall allocate funding to~~  
16 ~~school districts for increased instructional hours. In calculating the~~  
17 ~~allocations, the superintendent shall assume the following averages:~~  
18 ~~(a) Additional instruction of 2.2222 hours per week per full-time~~  
19 ~~equivalent student in grades seven through twelve in school year 2014-~~  
20 ~~15; (b) the general education average class sizes specified in section~~  
21 ~~502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional~~  
22 ~~hours per teacher; and (e) the district's average staff mix and~~  
23 ~~compensation rates as provided in sections 503 and 504 of this act.)~~

24 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
25 NECESSARY PLANTS

26 For small school districts and remote and necessary school plants  
27 within any district which have been judged to be remote and necessary  
28 by the superintendent of public instruction, additional staff units are  
29 provided to ensure a minimum level of staffing support. Additional  
30 administrative and certificated instructional staff units provided to  
31 districts in this subsection shall be reduced by the general education  
32 staff units, excluding career and technical education and skills center  
33 enhancement units, otherwise provided in subsections (2) through (5) of  
34 this section on a per district basis.

35 (a) For districts enrolling not more than twenty-five average  
36 annual full-time equivalent students in grades K-8, and for small  
37 school plants within any school district which have been judged to be

1 remote and necessary by the superintendent of public instruction and  
2 enroll not more than twenty-five average annual full-time equivalent  
3 students in grades K-8:

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

9 (ii) For those enrolling students in grades 7 or 8, 1.68  
10 certificated instructional staff units and 0.32 certificated  
11 administrative staff units for enrollment of not more than five  
12 students, plus one-tenth of a certificated instructional staff unit for  
13 each additional student enrolled;

14 (b) For specified enrollments in districts enrolling more than  
15 twenty-five but not more than one hundred average annual full-time  
16 equivalent students in grades K-8, and for small school plants within  
17 any school district which enroll more than twenty-five average annual  
18 full-time equivalent students in grades K-8 and have been judged to be  
19 remote and necessary by the superintendent of public instruction:

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

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

26 (c) For districts operating no more than two high schools with  
27 enrollments of less than three hundred average annual full-time  
28 equivalent students, for enrollment in grades 9-12 in each such school,  
29 other than alternative schools, except as noted in this subsection:

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

35 (ii) For all other small high schools under this subsection, nine  
36 certificated instructional staff units and one-half of a certificated  
37 administrative staff unit for the first sixty average annual full-time  
38 equivalent students, and additional staff units based on a ratio of

1 0.8732 certificated instructional staff units and 0.1268 certificated  
2 administrative staff units per each additional forty-three and one-half  
3 average annual full-time equivalent students;

4 (iii) Districts receiving staff units under this subsection shall  
5 add students enrolled in a district alternative high school and any  
6 grades nine through twelve alternative learning experience programs  
7 with the small high school enrollment for calculations under this  
8 subsection;

9 (d) For each nonhigh school district having an enrollment of more  
10 than seventy annual average full-time equivalent students and less than  
11 one hundred eighty students, operating a grades K-8 program or a grades  
12 1-8 program, an additional one-half of a certificated instructional  
13 staff unit;

14 (e) For each nonhigh school district having an enrollment of more  
15 than fifty annual average full-time equivalent students and less than  
16 one hundred eighty students, operating a grades K-6 program or a grades  
17 1-6 program, an additional one-half of a certificated instructional  
18 staff unit;

19 (f)(i) For enrollments generating certificated staff unit  
20 allocations under (a) through (e) of this subsection, one classified  
21 staff unit for each 2.94 certificated staff units allocated under such  
22 subsections;

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

27 (g) School districts receiving additional staff units to support  
28 small student enrollments and remote and necessary plants under this  
29 subsection (12) shall generate additional MSOC allocations consistent  
30 with the nonemployee related costs (NERC) allocation formula in place  
31 for the 2010-11 school year as provided in section 502, chapter 37,  
32 Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted  
33 annually for inflation.

34 (14) Any school district board of directors may petition the  
35 superintendent of public instruction by submission of a resolution  
36 adopted in a public meeting to reduce or delay any portion of its basic  
37 education allocation for any school year. The superintendent of public  
38 instruction shall approve such reduction or delay if it does not impair

1 the district's financial condition. Any delay shall not be for more  
2 than two school years. Any reduction or delay shall have no impact on  
3 levy authority pursuant to RCW 84.52.0531 and local effort assistance  
4 pursuant to chapter 28A.500 RCW.

5 (15) The superintendent may distribute funding for the following  
6 programs outside the basic education formula during fiscal years 2014  
7 and 2015 as follows:

8 (a) \$605,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$614,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for fire protection for school  
11 districts located in a fire protection district as now or hereafter  
12 established pursuant to chapter 52.04 RCW.

13 (b) \$436,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$436,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely for programs providing skills  
16 training for secondary students who are enrolled in extended day  
17 school-to-work programs, as approved by the superintendent of public  
18 instruction. The funds shall be allocated at a rate not to exceed \$500  
19 per full-time equivalent student enrolled in those programs.

20 (16) \$214,000 of the general fund--state appropriation for fiscal  
21 year 2014 and \$217,000 of the general fund--state appropriation for  
22 fiscal year 2015 are provided solely for school district emergencies as  
23 certified by the superintendent of public instruction. At the close of  
24 the fiscal year the superintendent of public instruction shall report  
25 to the office of financial management and the appropriate fiscal  
26 committees of the legislature on the allocations provided to districts  
27 and the nature of the emergency.

28 (17) Funding in this section is sufficient to fund a maximum of 1.6  
29 FTE enrollment for skills center students pursuant to chapter 463, Laws  
30 of 2007.

31 (18) Students participating in running start programs may be funded  
32 up to a combined maximum enrollment of 1.2 FTE including school  
33 district and institution of higher education enrollment. In  
34 calculating the combined 1.2 FTE, the office of the superintendent of  
35 public instruction may average the participating student's September  
36 through June enrollment to account for differences in the start and end  
37 dates for courses provided by the high school and higher education  
38 institution. Additionally, the office of the superintendent of public

1 instruction, in consultation with the state board for community and  
2 technical colleges, the student achievement council, and the education  
3 data center, shall annually track and report to the fiscal committees  
4 of the legislature on the combined FTE experience of students  
5 participating in the running start program, including course load  
6 analyses at both the high school and community and technical college  
7 system.

8 (19) If two or more school districts consolidate and each district  
9 was receiving additional basic education formula staff units pursuant  
10 to subsection (12) of this section, the following apply:

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

15 (b) For the fourth through eighth school years following  
16 consolidation, the difference between the basic education formula staff  
17 units received by the districts for the school year prior to  
18 consolidation and the basic education formula staff units after  
19 consolidation pursuant to subsection (12) of this section shall be  
20 reduced in increments of twenty percent per year.

21 (20)(a) Indirect cost charges by a school district to approved  
22 career and technical education middle and secondary programs shall not  
23 exceed 15 percent of the combined basic education and career and  
24 technical education program enhancement allocations of state funds.  
25 Middle and secondary career and technical education programs are  
26 considered separate programs for funding and financial reporting  
27 purposes under this section.

28 (b) Career and technical education program full-time equivalent  
29 enrollment shall be reported on the same monthly basis as the  
30 enrollment for students eligible for basic support, and payments shall  
31 be adjusted for reported career and technical education program  
32 enrollments on the same monthly basis as those adjustments for  
33 enrollment for students eligible for basic support.

34 **Sec. 503.** 2013 2nd sp.s. c 4 s 505 (uncodified) is amended to read  
35 as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**  
37 General Fund--State Appropriation (FY 2014) . . . . . (~~(\$365,120,000)~~)

1		<u>\$365,048,000</u>
2	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$427,408,000</del> ))
3		<u>\$428,754,000</u>
4	TOTAL APPROPRIATION . . . . .	(( <del>\$792,528,000</del> ))
5		<u>\$793,802,000</u>

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

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

11 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent  
12 shall allocate funding to school district programs for the  
13 transportation of eligible students as provided in RCW 28A.160.192 or  
14 for approved schools and eligible students as provided in RCW  
15 28A.710.220(3). Students are considered eligible only if meeting the  
16 definitions provided in RCW 28A.160.160. Funding in this section for  
17 school year 2014-15 constitutes full implementation of RCW 28A.160.192,  
18 which enhancement is within the program of basic education.

19 (b) From July 1, 2013 to August 31, 2013, the superintendent shall  
20 allocate funding to school districts programs for the transportation of  
21 students as provided in section 505, chapter 50, Laws of 2011 1st sp.  
22 sess., as amended.

23 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation  
24 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be  
25 expended for regional transportation coordinators and related  
26 activities. The transportation coordinators shall ensure that data  
27 submitted by school districts for state transportation funding shall,  
28 to the greatest extent practical, reflect the actual transportation  
29 activity of each district.

30 (4) The office of the superintendent of public instruction shall  
31 provide reimbursement funding to a school district for school bus  
32 purchases only after the superintendent of public instruction  
33 determines that the school bus was purchased from the list established  
34 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process  
35 based on the lowest price quote based on similar bus categories to  
36 those used to establish the list pursuant to RCW 28A.160.195.

37 (5) The superintendent of public instruction shall base  
38 depreciation payments for school district buses on the pre-sales tax

1 five-year average of lowest bids in the appropriate category of bus.  
2 In the final year on the depreciation schedule, the depreciation  
3 payment shall be based on the lowest bid in the appropriate bus  
4 category for that school year.

5 (6) Funding levels in this section reflect waivers granted by the  
6 state board of education for four-day school weeks as allowed under RCW  
7 28A.305.141.

8 (7) The office of the superintendent of public instruction shall  
9 annually disburse payments for bus depreciation in August.

10 **Sec. 504.** 2013 2nd sp.s. c 4 s 506 (uncodified) is amended to read  
11 as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
13 **PROGRAMS**

14	General Fund--State Appropriation (FY 2014) . . . . .	\$7,111,000
15	General Fund--State Appropriation (FY 2015) . . . . .	\$7,111,000
16	General Fund--Federal Appropriation . . . . .	<del>(\$473,326,000)</del>
17		<u>\$501,326,000</u>
18	TOTAL APPROPRIATION . . . . .	<del>(\$487,548,000)</del>
19		<u>\$515,548,000</u>

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

22 (1) \$7,111,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$7,111,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for state matching money for  
25 federal child nutrition programs, and may support the meals for kids  
26 program through the following allowable uses:

27 (a) Elimination of breakfast copays for eligible public school  
28 students and lunch copays for eligible public school students in grades  
29 kindergarten through third grade who are eligible for reduced price  
30 lunch;

31 (b) Assistance to school districts and authorized public and  
32 private nonprofit organizations for supporting summer food service  
33 programs, and initiating new summer food service programs in low-income  
34 areas;

35 (c) Reimbursements to school districts for school breakfasts served  
36 to students eligible for free and reduced price lunch, pursuant to  
37 chapter 287, Laws of 2005; and

1 (d) Assistance to school districts in initiating and expanding  
2 school breakfast programs.

3 The office of the superintendent of public instruction shall report  
4 annually to the fiscal committees of the legislature on annual  
5 expenditures in (a), (b), and (c) of this subsection.

6 **Sec. 505.** 2013 2nd sp.s. c 4 s 507 (uncodified) is amended to read  
7 as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
9 **PROGRAMS**

10	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$702,149,000</del> ))
11		<u>\$693,894,000</u>
12	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$738,043,000</del> ))
13		<u>\$739,998,000</u>
14	General Fund--Federal Appropriation . . . . .	(( <del>\$462,022,000</del> ))
15		<u>\$476,122,000</u>
16	Education Legacy Trust Account--State Appropriation . . . . .	\$46,151,000
17	TOTAL APPROPRIATION . . . . .	(( <del>\$1,948,365,000</del> ))
18		<u>\$1,956,165,000</u>

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

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

30 (2)(a) The superintendent of public instruction shall ensure that:

- 31 (i) Special education students are basic education students first;
- 32 (ii) As a class, special education students are entitled to the  
33 full basic education allocation; and
- 34 (iii) Special education students are basic education students for  
35 the entire school day.

36 (b) The superintendent of public instruction shall continue to

1 implement the full cost method of excess cost accounting, as designed  
2 by the committee and recommended by the superintendent, pursuant to  
3 section 501(1)(k), chapter 372, Laws of 2006.

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

7 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent  
8 shall allocate funding to school district programs for special  
9 education students as provided in RCW 28A.150.390, except that the  
10 calculation of the base allocation also includes allocations (~~for~~  
11 ~~increased instructional hours for grades seven through twelve as~~)  
12 provided under section 502(~~(+12)(b)~~) (2)(a) and (4), which enhancement  
13 is within the program of basic education.

14 (b) From July 1, 2013 to August 31, 2013, the superintendent shall  
15 allocate funding to school district programs for special education  
16 students as provided in section 507, chapter 50, Laws of 2011 1st sp.  
17 sess., as amended.

18 (5) The following applies throughout this section: The definitions  
19 for enrollment and enrollment percent are as specified in RCW  
20 28A.150.390(3). Each district's general fund--state funded special  
21 education enrollment shall be the lesser of the district's actual  
22 enrollment percent or 12.7 percent.

23 (6) At the request of any interdistrict cooperative of at least 15  
24 districts in which all excess cost services for special education  
25 students of the districts are provided by the cooperative, the maximum  
26 enrollment percent shall be calculated in accordance with RCW  
27 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
28 rather than individual district units. For purposes of this  
29 subsection, the average basic education allocation per full-time  
30 equivalent student shall be calculated in the aggregate rather than  
31 individual district units.

32 (7) (~~(\$22,263,000)~~) \$17,578,000 of the general fund--state  
33 appropriation for fiscal year 2014, (~~(\$34,392,000)~~) \$29,948,000 of the  
34 general fund--state appropriation for fiscal year 2015, and \$29,574,000  
35 of the general fund--federal appropriation are provided solely for  
36 safety net awards for districts with demonstrated needs for special  
37 education funding beyond the amounts provided in subsection (4) of this  
38 section. If the federal safety net awards based on the federal

1 eligibility threshold exceed the federal appropriation in this  
2 subsection (7) in any fiscal year, the superintendent shall expend all  
3 available federal discretionary funds necessary to meet this need. At  
4 the conclusion of each school year, the superintendent shall recover  
5 safety net funds that were distributed prospectively but for which  
6 districts were not subsequently eligible.

7 (a) For the 2013-14 and 2014-15 school years, safety net funds  
8 shall be awarded by the state safety net oversight committee as  
9 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

10 (b) The office of the superintendent of public instruction shall  
11 make award determinations for state safety net funding in August of  
12 each school year. Determinations on school district eligibility for  
13 state safety net awards shall be based on analysis of actual  
14 expenditure data from the current school year.

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

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

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

30 (11) \$252,000 of the general fund--state appropriation for fiscal  
31 year 2014 and \$252,000 of the general fund--state appropriation for  
32 fiscal year 2015 are provided solely for two additional full-time  
33 equivalent staff to support the work of the safety net committee and to  
34 provide training and support to districts applying for safety net  
35 awards.

36 (12) \$50,000 of the general fund--state appropriation for fiscal  
37 year 2014, \$50,000 of the general fund--state appropriation for fiscal

1 year 2015, and \$100,000 of the general fund--federal appropriation  
2 shall be expended to support a special education ombudsman program  
3 within the office of superintendent of public instruction.

4 **Sec. 506.** 2013 2nd sp.s. c 4 s 508 (uncodified) is amended to read  
5 as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
7 **DISTRICTS**

8	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$8,143,000</del> ))
9		<u>\$8,121,000</u>
10	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$8,151,000</del> ))
11		<u>\$8,124,000</u>
12	TOTAL APPROPRIATION . . . . .	(( <del>\$16,294,000</del> ))
13		<u>\$16,245,000</u>

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

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

19 (2) Funding within this section is provided for regional  
20 professional development related to mathematics and science curriculum  
21 and instructional strategies aligned with common core state standards  
22 and next generation science standards. Funding shall be distributed  
23 among the educational service districts in the same proportion as  
24 distributions in the 2007-2009 biennium. Each educational service  
25 district shall use this funding solely for salary and benefits for a  
26 certificated instructional staff with expertise in the appropriate  
27 subject matter and in professional development delivery, and for  
28 travel, materials, and other expenditures related to providing regional  
29 professional development support.

30 (3) The educational service districts, at the request of the state  
31 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may  
32 receive and screen applications for school accreditation, conduct  
33 school accreditation site visits pursuant to state board of education  
34 rules, and submit to the state board of education post-site visit  
35 recommendations for school accreditation. The educational service  
36 districts may assess a cooperative service fee to recover actual plus  
37 reasonable indirect costs for the purposes of this subsection.



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. 509.** 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) . . . . .	( <del>(\$9,555,000)</del> )
26		<u>\$9,539,000</u>
27	General Fund--State Appropriation (FY 2015) . . . . .	( <del>(\$9,677,000)</del> )
28		<u>\$9,685,000</u>
29	TOTAL APPROPRIATION . . . . .	( <del>(\$19,232,000)</del> )
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. 510.** 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 \$4,302,000

23 **Sec. 511.** 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 \$114,798,000

29 General Fund--State Appropriation (FY 2015) . . . . . ((~~\$104,524,000~~))  
 30 \$99,558,000

31 General Fund--Federal Appropriation . . . . . ((~~\$206,234,000~~))  
 32 \$217,834,000

33 General Fund--Private/Local Appropriation . . . . . \$4,002,000

34 Education Legacy Trust Account--State  
 35 Appropriation . . . . . \$1,599,000

36 TOTAL APPROPRIATION . . . . . ((~~\$438,199,000~~))

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

(1)(a) (~~(\$44,575,000)~~) \$38,031,000 of the general fund--state appropriation for fiscal year 2014, (~~(\$27,134,000)~~) \$22,806,000 of the general fund--state appropriation for fiscal year 2015, \$1,350,000 of the education legacy trust account--state appropriation, and \$15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system, including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student assessment results, on or around June 10th of each year. State funding to districts shall be limited to one collection of evidence payment per student, per content-area assessment.

(b) The superintendent of public instruction shall modify the statewide student assessment system and implement assessments developed with a multistate consortium beginning in the 2014-15 school year to assess student proficiency on the standards adopted under RCW 28A.655.071 and including the provisions of House Bill No. 1450.

(c) Within the amounts provided in this section, the superintendent of public instruction shall develop and administer the biology collection of evidence.

(d) Within the amounts provided in this section, the superintendent of public instruction shall create an alternative assessment for students with the most significant cognitive challenges that is aligned to the common core state standards.

(2) \$356,000 of the general fund--state appropriation for fiscal year 2014 and \$356,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional

1 partnership activities coordinated at the Pacific science center,  
2 including instructional material purchases, teacher and principal  
3 professional development, and school and community engagement events.

4 (3) \$5,851,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$3,935,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for implementation of a new  
7 performance-based evaluation for certificated educators and other  
8 activities as provided in chapter 235, Laws of 2010 (education reform)  
9 and chapter 35, Laws of 2012 (certificated employee evaluations).

10 (4)(a) (~~(\$45,263,000)~~) \$44,879,000 of the general fund--state  
11 appropriation for fiscal year 2014 and (~~(\$49,673,000)~~) \$48,746,000 of  
12 the general fund--state appropriation for fiscal year 2015 are provided  
13 solely for the following bonuses for teachers who hold valid, unexpired  
14 certification from the national board for professional teaching  
15 standards and who are teaching in a Washington public school, subject  
16 to the following conditions and limitations:

17 (i) For national board certified teachers, a bonus of \$5,090 per  
18 teacher in the 2013-14 and 2014-15 school years;

19 (ii) An additional \$5,000 annual bonus shall be paid to national  
20 board certified teachers who teach in either: (A) High schools where  
21 at least 50 percent of student headcount enrollment is eligible for  
22 federal free or reduced price lunch, (B) middle schools where at least  
23 60 percent of student headcount enrollment is eligible for federal free  
24 or reduced price lunch, or (C) elementary schools where at least 70  
25 percent of student headcount enrollment is eligible for federal free or  
26 reduced price lunch;

27 (iii) The superintendent of public instruction shall adopt rules to  
28 ensure that national board certified teachers meet the qualifications  
29 for bonuses under (a)(ii) of this subsection for less than one full  
30 school year receive bonuses in a pro-rated manner. All bonuses in  
31 (a)(i) and (ii) of this subsection will be paid in July of each school  
32 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced  
33 by a factor of 40 percent for first year NBPTS certified teachers, to  
34 reflect the portion of the instructional school year they are  
35 certified; and

36 (iv) During the 2013-14 and 2014-15 school years, and within  
37 available funds, certificated instructional staff who have met the  
38 eligibility requirements and have applied for certification from the

1 national board for professional teaching standards may receive a  
2 conditional loan of two thousand dollars or the amount set by the  
3 office of the superintendent of public instruction to contribute toward  
4 the current assessment fee, not including the initial up-front  
5 candidacy payment. The fee shall be an advance on the first annual  
6 bonus under RCW 28A.405.415. The conditional loan is provided in  
7 addition to compensation received under a district's salary schedule  
8 and shall not be included in calculations of a district's average  
9 salary and associated salary limitation under RCW 28A.400.200.  
10 Recipients who fail to receive certification after three years are  
11 required to repay the conditional loan. The office of the  
12 superintendent of public instruction shall adopt rules to define the  
13 terms for initial grant of the assessment fee and repayment, including  
14 applicable fees. To the extent necessary, the superintendent may use  
15 revenues from the repayment of conditional loan scholarships to ensure  
16 payment of all national board bonus payments required by this section  
17 in each school year.

18 (5) \$477,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$477,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely for the leadership internship  
21 program for superintendents, principals, and program administrators.

22 (6) \$950,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$950,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for the Washington reading corps.  
25 The superintendent shall allocate reading corps members to low-  
26 performing schools and school districts that are implementing  
27 comprehensive, proven, research-based reading programs. Two or more  
28 schools may combine their Washington reading corps programs.

29 (7) \$810,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$810,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for the development of a  
32 leadership academy for school principals and administrators. The  
33 superintendent of public instruction shall contract with an independent  
34 organization to operate a state-of-the-art education leadership academy  
35 that will be accessible throughout the state. Semiannually the  
36 independent organization shall report on amounts committed by  
37 foundations and others to support the development and implementation of  
38 this program. Leadership academy partners shall include the state

1 level organizations for school administrators and principals, the  
2 superintendent of public instruction, the professional educator  
3 standards board, and others as the independent organization shall  
4 identify.

5 (8) \$2,000,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$2,000,000 of the general fund--state appropriation for  
7 fiscal year 2015 are provided solely for a statewide information  
8 technology (IT) academy program. This public-private partnership will  
9 provide educational software, as well as IT certification and software  
10 training opportunities for students and staff in public schools.

11 (9) \$1,277,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$1,277,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for secondary career and technical  
14 education grants pursuant to chapter 170, Laws of 2008. If equally  
15 matched by private donations, \$300,000 of the 2014 appropriation and  
16 \$300,000 of the 2015 appropriation shall be used to support FIRST  
17 robotics programs. Of the amounts in this subsection, \$100,000 of the  
18 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015  
19 appropriation are provided solely for the purpose of statewide  
20 supervision activities for career and technical education student  
21 leadership organizations.

22 (10) \$125,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$125,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for (a) staff at the office of the  
25 superintendent of public instruction to coordinate and promote efforts  
26 to develop integrated math, science, technology, and engineering  
27 programs in schools and districts across the state; and (b) grants of  
28 \$2,500 to provide twenty middle and high school teachers each year with  
29 professional development training for implementing integrated math,  
30 science, technology, and engineering programs in their schools.

31 (11) \$135,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$135,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for science, technology,  
34 engineering and mathematics lighthouse projects, consistent with  
35 chapter 238, Laws of 2010.

36 (12) \$1,000,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$1,000,000 of the general fund--state appropriation for  
38 fiscal year 2015 are provided solely for a beginning educator support

1 program. School districts and/or regional consortia may apply for  
2 grant funding. The superintendent shall implement this program in 5 to  
3 15 school districts and/or regional consortia. The program provided by  
4 a district and/or regional consortia shall include: A paid  
5 orientation; assignment of a qualified mentor; development of a  
6 professional growth plan for each beginning teacher aligned with  
7 professional certification; release time for mentors and new teachers  
8 to work together; and teacher observation time with accomplished peers.  
9 \$250,000 may be used to provide statewide professional development  
10 opportunities for mentors and beginning educators.

11 (13) \$250,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$250,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for advanced project lead the way  
14 courses at ten high schools. To be eligible for funding in 2014, a  
15 high school must have offered a foundational project lead the way  
16 course during the 2012-13 school year. The 2014 funding must be used  
17 for one-time start-up course costs for an advanced project lead the way  
18 course, to be offered to students beginning in the 2013-14 school year.  
19 To be eligible for funding in 2015, a high school must have offered a  
20 foundational project lead the way course during the 2013-14 school  
21 year. The 2015 funding must be used for one-time start-up course costs  
22 for an advanced project lead the way course, to be offered to students  
23 beginning in the 2014-15 school year. The office of the superintendent  
24 of public instruction and the education research and data center at the  
25 office of financial management shall track student participation and  
26 long-term outcome data.

27 (14) \$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 annual start-up grants for  
30 aerospace and manufacturing technical programs housed at four skill  
31 centers. The grants are provided for start-up equipment and curriculum  
32 purchases. To be eligible for funding, the skill center must agree to  
33 provide regional high schools with access to a technology laboratory,  
34 expand manufacturing certificate and course offerings at the skill  
35 center, and provide a laboratory space for local high school teachers  
36 to engage in professional development in the instruction of courses  
37 leading to student employment certification in the aerospace and  
38 manufacturing industries. Once a skill center receives a start-up

1 grant, it is ineligible for additional start-up funding in the  
2 following school year. The office of the superintendent of public  
3 instruction shall administer the grants in consultation with the center  
4 for excellence for aerospace and advanced materials manufacturing.

5 (15) \$150,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$150,000 of the general fund--state appropriation for  
7 fiscal year 2015 are provided solely for annual start-up grants to six  
8 high schools to implement the aerospace assembler program.  
9 Participating high schools must agree to offer the aerospace assembler  
10 training program to students by spring semester of school year 2013-14.  
11 Once a high school receives a start-up grant, it is ineligible for  
12 additional start-up funding in the following school year. The office  
13 of the superintendent of public instruction and the education research  
14 and data center at the office of financial management shall track  
15 student participation and long-term outcome data.

16 (16) \$10,000,000 of the general fund--state appropriation for  
17 fiscal year 2014 and \$5,000,000 of the general fund--state  
18 appropriation for fiscal year 2015 are provided solely for the  
19 provision of training for teachers in the performance-based teacher  
20 principal evaluation program. Of the amounts appropriated in this  
21 subsection, \$5,000,000 for fiscal year 2014 is a one-time  
22 appropriation.

23 (17) \$3,600,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$6,681,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely for the implementation of  
26 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing  
27 schools). If the bill is not enacted by June 30, 2013, the amounts  
28 provided in this subsection shall lapse.

29 (18) \$100,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$100,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely to promote the financial literacy  
32 of students. The effort will be coordinated through the financial  
33 literacy public-private partnership.

34 (19) \$109,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$99,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for the office of the  
37 superintendent of public instruction to implement a youth dropout  
38 prevention program that incorporates partnerships between community-

1 based organizations, schools, food banks and farms or gardens. The  
2 office of the superintendent of public instruction shall select one  
3 school district that must partner with an organization that is  
4 operating an existing similar program and that also has the ability to  
5 serve at least 40 students. Of the amount appropriated in this  
6 subsection, up to \$10,000 may be used by the office of the  
7 superintendent of public instruction for administration of the program.

8 (20) (~~(\$2,399,000)~~) \$2,285,000 of the general fund--state  
9 appropriation for fiscal year 2014 and (~~(\$2,035,000)~~) \$1,912,000 of the  
10 general fund--state appropriation for fiscal year 2015 are provided  
11 solely to implement Engrossed Substitute Senate Bill No. 5946  
12 (strengthening student educational outcomes). If the bill is not  
13 enacted by June 30, 2013, the amounts provided in this subsection shall  
14 lapse.

15 (21) \$1,110,000 of the general fund--state appropriation for fiscal  
16 year 2014 and \$1,061,000 of the general fund--state appropriation for  
17 fiscal year 2015 are provided solely for chapter 184, Laws of 2013  
18 (Second Substitute House Bill No. 1642) (academic acceleration). Of  
19 the amount appropriated in this section, forty-nine thousand is  
20 provided as one-time funding.

21 (22) \$198,000 of the general fund--state appropriation for fiscal  
22 year 2015 is provided solely for the purposes of Substitute Senate Bill  
23 No. 6062 (requiring internet access to public school data and  
24 expenditure information). If the bill is not enacted by June 30, 2014,  
25 the amount provided in this subsection shall lapse.

26 (23) \$66,000 of the general fund--state appropriation for fiscal  
27 year 2015 is provided solely for the purposes of Substitute Senate Bill  
28 No. 6104 (establishing the interactive gaming in schools public-private  
29 partnership). If the bill is not enacted by June 30, 2014, the amount  
30 provided in this subsection shall lapse.

31 (24) \$44,000 of the general fund--state appropriation for fiscal  
32 year 2015 is provided solely for the purposes of Substitute Senate Bill  
33 No. 6074 (enacting provisions to improve educational outcomes for  
34 homeless students). If the bill is not enacted by June 30, 2014, the  
35 amount provided in this subsection shall lapse.

36 (25) \$83,000 of the general fund--state appropriation for fiscal  
37 year 2015 is provided solely for the purposes of Second Substitute

1 Senate Bill No. 6163 (expanded learning opportunities). If the bill is  
2 not enacted by June 30, 2014, the amount provided in this subsection  
3 shall lapse.

4 (26) \$21,000 of the general fund--state appropriation for fiscal  
5 year 2015 is provided solely for the purposes of Senate Bill No. 6424  
6 (state seal of biliteracy for high school students). If the bill is  
7 not enacted by June 30, 2014, the amount provided in this subsection  
8 shall lapse.

9 **Sec. 512.** 2013 2nd sp.s. c 4 s 514 (uncodified) is amended to read  
10 as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
12 **BILINGUAL PROGRAMS**

13	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$95,500,000</del> ))
14		<u>\$97,796,000</u>
15	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$106,120,000</del> ))
16		<u>\$110,084,000</u>
17	General Fund--Federal Appropriation . . . . .	(( <del>\$71,016,000</del> ))
18		<u>\$72,116,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$272,636,000</del> ))
20		<u>\$279,996,000</u>

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

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

26 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent  
27 shall allocate funding to school districts for transitional bilingual  
28 programs under RCW 28A.180.010 through 28A.180.080, including programs  
29 for exited students, as provided in RCW 28A.150.260(10)(b) and the  
30 provisions of this section. In calculating the allocations, the  
31 superintendent shall assume the following averages: (i) Additional  
32 instruction of 4.7780 hours per week per transitional bilingual program  
33 student in grades kindergarten through twelve in school years 2013-14  
34 and 2014-15; (ii) additional instruction of 3.0000 hours per week in  
35 school year 2013-14 for the head count number of students who have  
36 exited the transitional bilingual instruction program within the  
37 previous school year based on their performance on the English

1 proficiency assessment; (iii) additional instruction of 3.0000 hours  
2 per week in school year 2014-15 for the head count number of students  
3 who have exited the transitional bilingual instruction program within  
4 the previous two years based on their performance on the English  
5 proficiency assessment; (iv) fifteen transitional bilingual program  
6 students per teacher; (v) 36 instructional weeks per year; (vi) 900  
7 instructional hours per teacher; and (vii) the district's average staff  
8 mix and compensation rates as provided in sections 503 and 504 of this  
9 act.

10 (b) From July 1, 2013, to August 31, 2013, the superintendent shall  
11 allocate funding to school districts for transitional bilingual  
12 instruction programs as provided in section 514, chapter 50, Laws of  
13 2011 1st sp. sess., as amended.

14 (3) The superintendent may withhold allocations to school districts  
15 in subsection (2) of this section solely for the central provision of  
16 assessments as provided in RCW 28A.180.090 (1) and (2) up to the  
17 following amounts: (~~(1.76)~~) 1.69 percent for school year 2013-14 and  
18 (~~(1.59)~~) 1.52 percent for school year 2014-15.

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

23 (5) \$35,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$35,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely to track current and former  
26 transitional bilingual program students.

27 **Sec. 513.** 2013 2nd sp.s. c 4 s 515 (uncodified) is amended to read  
28 as follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
30 **ASSISTANCE PROGRAM**

31	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$196,356,000</del> ))
32		<u>\$194,728,000</u>
33	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$218,335,000</del> ))
34		<u>\$214,877,000</u>
35	General Fund--Federal Appropriation . . . . .	(( <del>\$448,434,000</del> ))
36		<u>\$450,534,000</u>
37	TOTAL APPROPRIATION . . . . .	(( <del>\$863,125,000</del> ))

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

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

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2013-14 school year and the 2014-15 school year; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 50, Laws of 2011 1st sp. sess., as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year. Starting with the allocation for the 2014-15 school year, the prior school year's October headcount enrollment for free and reduced price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school

1 lunch program, as recommended in the report of the state auditor on the  
2 learning assistance program dated February, 2010.

3 (3) The general fund--federal appropriation in this section is  
4 provided for Title I Part A allocations of the no child left behind act  
5 of 2001.

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

10 **Sec. 514.** 2013 2nd sp.s. c 4 s 516 (uncodified) is amended to read  
11 as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

13 (1) Amounts distributed to districts by the superintendent through  
14 part V of this act are for allocations purposes only, unless specified  
15 by part V of this act, and do not entitle a particular district,  
16 district employee, or student to a specific service, beyond what has  
17 been expressly provided in statute. Part V of this act restates the  
18 requirements of various sections of Title 28A RCW. If any conflict  
19 exists, the provisions of Title 28A RCW control unless this act  
20 explicitly states that it is providing an enhancement. Any amounts  
21 provided in part V of this act in excess of the amounts required by  
22 Title 28A RCW provided in statute, are not within the program of basic  
23 education unless clearly stated by this act.

24 (2) To the maximum extent practicable, when adopting new or revised  
25 rules or policies relating to the administration of allocations in part  
26 V of this act that result in fiscal impact, the office of the  
27 superintendent of public instruction shall attempt to seek legislative  
28 approval through the budget request process.

29 (3) Appropriations made in this act to the office of the  
30 superintendent of public instruction shall initially be allotted as  
31 required by this act. Subsequent allotment modifications shall not  
32 include transfers of moneys between sections of this act, except as  
33 expressly provided in subsection (4) of this section.

34 (4) The appropriations to the office of the superintendent of  
35 public instruction in this act shall be expended for the programs and  
36 amounts specified in this act. However, after May 1, 2014, unless  
37 specifically prohibited by this act and after approval by the director

1 of financial management, the superintendent of public instruction may  
2 transfer state general fund appropriations for fiscal year 2014 among  
3 the following programs to meet the apportionment schedule for a  
4 specified formula in another of these programs: General apportionment;  
5 employee compensation adjustments; pupil transportation; special  
6 education programs; institutional education programs; transitional  
7 bilingual programs; highly capable; and learning assistance programs.

8 (5) The director of financial management shall notify the  
9 appropriate legislative fiscal committees in writing prior to approving  
10 any allotment modifications or transfers under this section.

11 (6) As required by RCW 28A.710.110, the office of the  
12 superintendent of public instruction shall transfer the charter school  
13 authorizer oversight fee for the charter school commission to the  
14 charter school oversight fund.

15 NEW SECTION. Sec. 515. A new section is added to 2013 2nd sp.s.  
16 c 4 (uncodified) to read as follows:

17 **FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION**

18	General Fund--State Appropriation (FY 2014) . . . . .	\$466,000
19	General Fund--State Appropriation (FY 2015) . . . . .	\$555,000
20	Charter School Oversight Account--State	
21	Appropriation . . . . .	\$17,000
22	TOTAL APPROPRIATION . . . . .	\$1,038,000

23 The appropriations in this section are subject to the following  
24 conditions and limitations: \$50,000 of the general fund--state  
25 appropriation for fiscal year 2014 and \$33,000 of the general fund--  
26 state appropriation for fiscal year 2015 are provided solely for the  
27 office of the attorney general costs related to *League of Women Voters*  
28 *v. State of Washington*.

(End of part)

**PART VI**  
**HIGHER EDUCATION**

**Sec. 601.** 2013 2nd sp.s. c 4 s 602 (uncodified) is amended to read as follows:

(1) Within the amounts appropriated in this act and chapter 1, Laws of 2013 3rd sp. sess. (aerospace industry appropriations), each institution of higher education is expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
University of Washington	37,162	((37,162)) <u>39,081</u>
Washington State University	22,228	((22,228)) <u>23,642</u>
Central Washington University	9,105	((9,105)) <u>8,808</u>
Eastern Washington University	8,734	((8,734)) <u>9,523</u>
The Evergreen State College	((4,335)) <u>4,213</u>	((4,335)) <u>4,213</u>
Western Washington University	((12,710)) <u>11,762</u>	((12,710)) <u>11,762</u>
State Board for Community & Technical Colleges		
Adult Students	139,237	((139,237)) <u>142,854</u>
Running Start Students	11,558	11,558

(2) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

1 (3) For purposes of monitoring and reporting statewide enrollment,  
2 the University of Washington and Washington State University shall  
3 notify the office of financial management of the number of full-time  
4 student equivalent enrollments budgeted for each of their campuses.

5 **Sec. 602.** 2013 2nd sp.s. c 4 s 603 (uncodified) is amended to read  
6 as follows:

7 **PUBLIC BACCALAUREATE INSTITUTIONS**

8 (1) In order to operate within the state funds appropriated in this  
9 act, the governing boards of the state research universities, the state  
10 regional universities, and The Evergreen State College are authorized  
11 to adopt and adjust tuition and fees for the 2013-14 and 2014-15  
12 academic years as provided in this section.

13 (2) For the purposes of chapter 28B.15 RCW, the omnibus  
14 appropriations act assumes no increase of tuition levels for resident  
15 undergraduate students over the amounts charged to resident  
16 undergraduate students for the prior year.

17 (3) Appropriations in sections 606 through 611 of this act are  
18 sufficient to maintain resident undergraduate tuition levels at the  
19 levels charged to resident undergraduate students during the 2012-13  
20 academic year. As a result, for the 2013-14 and 2014-15 academic  
21 years, the institutions of higher education shall not adopt resident  
22 undergraduate tuition levels that are greater than the tuition levels  
23 assumed in subsection (2) of this section. (~~For the 2014-15 academic~~  
24 ~~year, the institutions of higher education are authorized to adopt~~  
25 ~~tuition levels for resident undergraduate students that are less than,~~  
26 ~~equal to, or greater than tuition levels assumed in the omnibus~~  
27 ~~appropriations act in subsection (2) of this section. However, to the~~  
28 ~~extent that tuition levels exceed the tuition levels assumed in~~  
29 ~~subsection (2) of this section, the institution of higher education~~  
30 ~~shall be subject to the conditions and limitations provided in RCW~~  
31 ~~28B.15.102-.)~~)

32 (4) Each governing board is authorized to increase tuition charges  
33 to graduate and professional students, and to nonresident undergraduate  
34 students, by amounts judged reasonable and necessary by the governing  
35 board.

36 (5) Each governing board is authorized to increase summer quarter

1 or semester tuition fees for resident and nonresident undergraduate,  
2 graduate, and professional students pursuant to RCW 28B.15.067.

3 (6) Each governing board is authorized to adopt or increase charges  
4 for fee-based, self-sustaining degree programs, credit courses,  
5 noncredit workshops and courses, and special contract courses by  
6 amounts judged reasonable and necessary by the governing board.

7 (7) Each governing board is authorized to adopt or increase  
8 services and activities fees for all categories of students as provided  
9 in RCW 28B.15.069.

10 (8) Each governing board is authorized to adopt or increase  
11 technology fees as provided in RCW 28B.15.069.

12 (9) Each governing board is authorized to adopt or increase special  
13 course and lab fees, and health and counseling fees, to the extent  
14 necessary to cover the reasonable and necessary exceptional cost of the  
15 course or service.

16 (10) Each governing board is authorized to adopt or increase  
17 administrative fees such as, but not limited to, those charged for  
18 application, matriculation, special testing, and transcripts by amounts  
19 judged reasonable and necessary by the governing board.

20 (11) The state universities, the regional universities, and The  
21 Evergreen State College must accept the transfer of college-level  
22 courses taken by running start students if a student seeking a transfer  
23 of the college-level courses has been admitted to the state university,  
24 the regional university, or The Evergreen State College, and if the  
25 college-level courses are recognized as transferrable by the admitting  
26 institution of higher education.

27 (12) Appropriations in sections 606 through 611 of this act are  
28 sufficient to implement 2013-2015 collective bargaining agreements at  
29 institutions of higher education negotiated under chapter 41.80 RCW.  
30 The institutions may also use these funds for any other purpose  
31 including restoring prior compensation reductions, increasing  
32 compensation, and implementing other collective bargaining agreements.

33 **Sec. 603.** 2013 2nd sp.s. c 4 s 604 (uncodified) is amended to read  
34 as follows:

35 **STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

36 (1) In order to operate within the state funds appropriated in this

1 act, the state board is authorized to adopt and adjust tuition and fees  
2 for the 2013-14 and 2014-15 academic years as provided in this section.

3 (2) For the purposes of chapter 28B.15 RCW, appropriations in the  
4 omnibus appropriations act assumes no increase in tuition levels for  
5 resident undergraduate students over the amounts charged to resident  
6 undergraduate students for the prior year. ~~((For the 2014-15 academic  
7 year, the state board is authorized to adopt tuition levels for  
8 resident undergraduate students that are less than, equal to, or  
9 greater than tuition levels assumed in the omnibus appropriations act  
10 in this subsection. However, to the extent that tuition levels exceed  
11 the tuition levels assumed in this subsection, the state board shall  
12 retain an additional one percent of operating fees above what is  
13 already retained pursuant to RCW 28B.15.031 for the purposes of RCW  
14 28B.15.820. For the 2013-2015 fiscal biennium, when expending this  
15 additional retained amount, the community and technical colleges are  
16 subject to the conditions and limitations in RCW 28B.15.102.))~~  
17 Appropriations in section 604 of this act are sufficient to maintain  
18 resident undergraduate tuition levels at the levels charged to resident  
19 undergraduate students during the 2012-13 academic year.

20 (3) For the 2013-14 and 2014-15 academic years, the state board may  
21 increase tuition fees charged to resident undergraduates enrolled in  
22 upper division applied baccalaureate programs as specified in  
23 subsection (2) of this section.

24 (4) Appropriations in section 605 include the restoration of the  
25 three percent reduction in compensation costs taken in the 2011-2013  
26 fiscal biennium. This funding is sufficient to implement 2013-2015  
27 collective bargaining agreements at institutions of higher education  
28 negotiated under chapter 41.80 RCW. The colleges may also use the  
29 restored funds for any other purpose including restoring prior  
30 compensation reductions, increasing compensation, and implementing  
31 other collective bargaining agreements.

32 (5) The state board may increase the tuition fees charged to  
33 nonresident students by amounts judged reasonable and necessary by the  
34 board.

35 (6) The trustees of the technical colleges are authorized to either  
36 (a) increase operating fees by no more than the percentage increases  
37 authorized for community colleges by the state board; or (b) fully

1 adopt the tuition fee charge schedule adopted by the state board for  
2 community colleges.

3 (7) For academic years 2013-14 and 2014-15, the trustees of the  
4 technical colleges are authorized to increase building fees by an  
5 amount judged reasonable in order to progress toward parity with the  
6 building fees charged students attending the community colleges.

7 (8) The state board is authorized to increase the maximum allowable  
8 services and activities fees as provided in RCW 28B.15.069. The  
9 trustees of the community and technical colleges are authorized to  
10 increase services and activities fees up to the maximum level  
11 authorized by the state board.

12 (9) The trustees of the community and technical colleges are  
13 authorized to adopt or increase charges for fee-based, self-sustaining  
14 programs such as summer session, international student contracts, and  
15 special contract courses by amounts judged reasonable and necessary by  
16 the trustees.

17 (10) The trustees of the community and technical colleges are  
18 authorized to adopt or increase special course and lab fees to the  
19 extent necessary to cover the reasonable and necessary exceptional cost  
20 of the course or service.

21 (11) The trustees of the community and technical colleges are  
22 authorized to adopt or increase administrative fees such as but not  
23 limited to those charged for application, matriculation, special  
24 testing, and transcripts by amounts judged reasonable and necessary by  
25 the trustees.

26 **Sec. 604.** 2013 2nd sp.s. c 4 s 605 (uncodified) is amended to read  
27 as follows:

28 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

29	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$570,262,000</del> ))
30		<u>\$569,849,000</u>
31	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$568,999,000</del> ))
32		<u>\$566,750,000</u>
33	Community/Technical College Capital Projects	
34	Account--State Appropriation . . . . .	\$17,548,000
35	Education Legacy Trust Account--State	
36	Appropriation . . . . .	\$95,373,000
37	TOTAL APPROPRIATION . . . . .	(( <del>\$1,252,182,000</del> ))

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

(1) \$33,261,000 of the general fund--state appropriation for fiscal year 2014 and \$33,261,000 of the general fund--state appropriation for fiscal year 2015 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2014 and at least 7,170 full-time equivalent students in fiscal year 2015.

(2) \$5,450,000 of the education legacy trust account--state appropriation is provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$100,000 of the general fund--state appropriation for fiscal year 2014 and \$100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(4) \$181,000 of the general fund--state appropriation for fiscal year 2014 and \$181,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the opportunity center for employment and education internet technology integration project at north Seattle community college.

(5) \$255,000 of the general fund--state appropriation for fiscal

1 year 2014 and \$255,000 of the general fund--state appropriation for  
2 fiscal year 2015 are provided solely for implementation of a maritime  
3 industries training program at south Seattle community college.

4 (6) \$5,250,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$5,250,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for the student achievement  
7 initiative.

8 (7) \$500,000 of the general fund--state appropriation for fiscal  
9 year 2014 is provided solely for implementation of Second Substitute  
10 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not  
11 enacted by June 30, 2013, the amount provided in this subsection shall  
12 lapse.

13 (8) Community and technical colleges are not required to send mass  
14 mailings of course catalogs to residents of their districts. Community  
15 and technical colleges shall consider lower cost alternatives, such as  
16 mailing postcards or brochures that direct individuals to online  
17 information and other ways of acquiring print catalogs.

18 (9) The state board for community and technical colleges shall not  
19 use funds appropriated in this section to support intercollegiate  
20 athletics programs.

21 (10) In accordance with chapter 321, Laws of 2011, the university  
22 center of north Puget Sound is transferred to Washington State  
23 University from the state board for community and technical colleges.  
24 Beginning in fiscal year 2015, this transfer will reduce the state  
25 board for community and technical college's funding level and  
26 enrollment targets by 310 full-time equivalent students. A  
27 corresponding addition is made to the appropriations to Washington  
28 State University.

29 (11) \$13,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$168,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for the purposes of Substitute  
32 Senate Bill No. 6129 (paraeducator development). If the bill is not  
33 enacted by June 30, 2014, the amounts provided in this subsection shall  
34 lapse.

35 **Sec. 605.** 2013 2nd sp.s. c 4 s 606 (uncodified) is amended to read  
36 as follows:

1	<b>FOR THE UNIVERSITY OF WASHINGTON</b>	
2	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$246,897,000</del> ))
3		<u>\$246,895,000</u>
4	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$245,200,000</del> ))
5		<u>\$245,599,000</u>
6	Geoduck Aquaculture Research Account--State	
7	Appropriation . . . . .	\$300,000
8	Education Legacy Trust Account--State Appropriation . . . . .	\$13,998,000
9	Economic Development Strategic Reserve Account--	
10	State Appropriation . . . . .	\$3,000,000
11	Biotoxin Account--State Appropriation . . . . .	\$390,000
12	Accident Account--State Appropriation . . . . .	\$6,741,000
13	Medical Aid Account--State Appropriation . . . . .	\$6,546,000
14	Aquatic Land Enhancement Account--State Appropriation . . . . .	\$700,000
15	State Toxics Control Account--State Appropriation . . . . .	\$1,120,000
16	TOTAL APPROPRIATION . . . . .	(( <del>\$524,892,000</del> ))
17		<u>\$525,289,000</u>

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

20       (1) \$300,000 of the geoduck aquaculture research account--state  
21 appropriation is provided solely for the University of Washington sea  
22 grant program to commission scientific research studies that examine  
23 possible negative and positive effects, including the cumulative  
24 effects and the economic contribution, of evolving shellfish  
25 aquaculture techniques and practices on Washington's economy and marine  
26 ecosystems. The research conducted for the studies is not intended to  
27 be a basis for an increase in the number of shellfish harvesting  
28 permits available and should be coordinated with any research efforts  
29 related to ocean acidification. The University of Washington must  
30 submit an annual report detailing any findings and outline the progress  
31 of the study, consistent with RCW 43.01.036, to the appropriate  
32 legislative committees by December 1st of each year.

33       (2) \$52,000 of the general fund--state appropriation for fiscal  
34 year 2014 and \$52,000 of the general fund--state appropriation for  
35 fiscal year 2015 are provided solely for the center for international  
36 trade in forest products in the college of forest resources.

37       (3) \$4,459,000 of the general fund--state appropriation for fiscal  
38 year 2014 and \$4,459,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the expansion of computer  
2 science and engineering enrollments. The university will work with the  
3 education research and data center to establish program baselines and  
4 demonstrate enrollment increases. By September 1, 2014, and each  
5 September 1st thereafter, the university shall provide a report that  
6 provides the specific detail on how these amounts were spent in the  
7 preceding fiscal year, including but not limited to the cost per  
8 student, student completion rates, and the number of low-income  
9 students enrolled in each program, any process changes or best-  
10 practices implemented by the college, and how many students are  
11 enrolled in computer science and engineering programs above the 2012-  
12 2013 academic year baseline.

13 (4) \$3,000,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$3,000,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely for creation of a clean energy  
16 institute. The institute shall integrate physical sciences and  
17 engineering with a research focus on energy storage and solar energy.

18 (5) \$3,000,000 of the economic development strategic reserve  
19 account appropriation is provided solely to support the joint center  
20 for aerospace innovation technology.

21 (6) Within existing resources the University of Washington may:  
22 (a) Form and implement an integrated innovation institute and research,  
23 planning, and outreach initiatives at the Olympic national resources  
24 center; and (b) accredit a four-year undergraduate forestry program  
25 from the society of American foresters. Accreditation may occur in  
26 conjunction with reaccreditation of the master of forest resources  
27 program.

28 (7) \$700,000 of the aquatic lands enhancement account--state  
29 appropriation and \$1,120,000 of the state toxics control account--state  
30 appropriation are provided solely for the center on ocean acidification  
31 and related work necessary to implement the recommendations of the  
32 governor's blue ribbon task force on ocean acidification. The  
33 university shall provide staffing for this purpose.

34 (8) The University of Washington shall not use funds appropriated  
35 in this section to support intercollegiate athletics programs.

36 (9) \$400,000 of the general fund--state appropriation for fiscal  
37 year 2015 is provided solely for the University of Washington-Tacoma to  
38 develop a law school.



- 1 (b) Resources necessary to accommodate requests;
- 2 (c) Potential harassment of government employees;
- 3 (d) Potential safety concerns of people named in the record;
- 4 (e) Potentially assisting criminal activity; and
- 5 (f) Other issues brought forward by the participants.

6 The center shall report to the appropriate committees of the  
7 legislature by December 15, 2013.

8 (4) \$300,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$300,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for the Washington State  
11 University agricultural research center to conduct public outreach and  
12 education related to nonlethal methods of mitigating conflicts between  
13 livestock and large wild carnivores. Of the amounts provided in this  
14 subsection, \$200,000 of the general fund--state appropriation for  
15 fiscal year 2014 and \$200,000 of the general fund--state appropriation  
16 for fiscal year 2015 are provided solely to the center to conduct a  
17 detailed analysis of such methods. The amounts appropriated in this  
18 subsection may not be subject to an administrative fee or charge, and  
19 must be used for costs directly associated with the research and  
20 analysis.

21 (5) \$2,400,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$3,600,000 of the general fund--state appropriation for  
23 fiscal year 2015 are provided solely for expansion of medical education  
24 and biomedical research in Spokane.

25 (6) Washington State University shall not use funds appropriated in  
26 this section to support intercollegiate athletic programs.

27 (7) In accordance with chapter 321, Laws of 2011, the university  
28 center of north Puget Sound is transferred to Washington State  
29 University from the state board for community and technical colleges.  
30 Beginning in fiscal year 2015, this transfer will increase Washington  
31 State University's funding level and enrollment targets by 310 full-  
32 time equivalent students. A corresponding reduction is made to the  
33 appropriations to the state board for community and technical colleges.

34 **Sec. 607.** 2013 2nd sp.s. c 4 s 608 (uncodified) is amended to read  
35 as follows:

36 **FOR EASTERN WASHINGTON UNIVERSITY**

37 General Fund--State Appropriation (FY 2014) . . . . . ((\$31,674,000))



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

3 (1) \$25,000 of the general fund--state appropriation for fiscal  
4 year 2014 is provided solely for the college of education to conduct a  
5 study identifying the duties encompassed in a state-funded teacher's  
6 typical work day. The study must include an estimate of the percent of  
7 a teacher's typical day that is spent on teaching related duties and  
8 the percentage of the teacher's day that is spent on duties that are  
9 not directly related to teaching. The university shall submit a report  
10 to the appropriate committees of the legislature by December 1, 2013.

11 (2) Amounts appropriated in this section are sufficient for the  
12 university to develop a plan to create an online degree granting entity  
13 that awards degrees based on an alternative credit model. The  
14 university shall submit a final plan by December 1, 2013, to the higher  
15 education committees of the legislature.

16 (3) Central Washington University shall not use funds appropriated  
17 in this section to support intercollegiate athletics programs.

18 (4) \$1,000,000 of the general fund--state appropriation for fiscal  
19 year 2015 is provided solely for the expansion of computer science and  
20 engineering enrollments. The university will work with the education  
21 research and data center to establish program baselines and demonstrate  
22 enrollment increases. By September 1, 2015, and each September 1st  
23 thereafter, the university shall provide a report that provides the  
24 specific detail on how these amounts were spent in the preceding fiscal  
25 year, including but not limited to the cost per student, student  
26 completion rates, and the number of low-income students enrolled in  
27 each program, any process changes or best- practices implemented by the  
28 college, and how many students are enrolled in computer science and  
29 engineering programs above the 2012-2013 academic year baseline.

30 **Sec. 609.** 2013 2nd sp.s. c 4 s 610 (uncodified) is amended to read  
31 as follows:

32 **FOR THE EVERGREEN STATE COLLEGE**

33	General Fund--State Appropriation (FY 2014) . . . . .	(((\$18,563,000))
34		<u>\$18,352,000</u>
35	General Fund--State Appropriation (FY 2015) . . . . .	(((\$17,911,000))
36		<u>\$18,432,000</u>
37	Education Legacy Trust Account--State Appropriation . . . . .	\$5,450,000

1 TOTAL APPROPRIATION . . . . . ((~~\$41,924,000~~))  
2 \$42,234,000

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

5 ((+3)) (1) \$100,000 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 conduct a comprehensive retrospective  
9 outcome evaluation and return on investment analysis of the early  
10 learning childhood program pursuant to Senate Bill No. 5904 (high  
11 quality early learning). This evaluation is due December 15, 2014. If  
12 the bill is not enacted by June 30, 2013, the amount provided in this  
13 subsection shall lapse.

14 ((+4)) (2) \$50,000 of the general fund--state appropriation for  
15 fiscal year 2014 and \$50,000 of the general fund--state appropriation  
16 for fiscal year 2015 are provided solely for the Washington state  
17 institute for public policy to develop a risk assessment instrument for  
18 patients committed for involuntary treatment in Washington state.

19 ((+5)) (3) \$58,000 of the general fund--state appropriation for  
20 fiscal year 2014 and \$27,000 of the general fund--state appropriation  
21 for fiscal year 2015 are provided solely for the Washington state  
22 institute for public policy to prepare an inventory of evidence-based  
23 and research-based effective practices, activities, and programs for  
24 use by school districts in the learning assistance program pursuant to  
25 Engrossed Second Substitute Senate Bill No. 5946 (student educational  
26 outcomes), including partnerships with community-based organizations  
27 that deliver academic and nonacademic supports to students who are  
28 significantly at-risk of not being successful in school, such as one-  
29 to-one services to overcome barriers of success at school and school-  
30 wide afterschool academic support. The initial inventory is due by  
31 August 1, 2014, and shall be updated every two years thereafter. If  
32 the bill is not enacted by June 30, 2013, the amounts provided in this  
33 subsection shall lapse.

34 ((+6)) (4) \$50,000 of the general fund--state appropriation for  
35 fiscal year 2014 are provided solely for the Washington state institute  
36 for public policy to provide expertise to the department of corrections  
37 on the implementation of programming that follows the risk needs

1 responsivity model. In consultation with the department of  
2 corrections, the institute will systematically review selected programs  
3 for outcome measures.

4 (5) The Washington state institute for public policy shall examine  
5 the drug offender sentencing alternative (DOSA) for offenders sentenced  
6 to residential treatment in the community. The institute shall examine  
7 its effectiveness on recidivism and conduct a benefit-cost analysis.  
8 The institute shall report its findings to the appropriate committee of  
9 the legislature by December 1, 2014.

10 ~~((+7))~~ (6) Funding provided in this section is sufficient for The  
11 Evergreen State College to continue operations of the Longhouse Center  
12 and the Northwest Indian applied research institute.

13 ~~((+9))~~ (7) Notwithstanding other provisions in this section, the  
14 board of directors for the Washington state institute for public policy  
15 may adjust due dates for projects included on the institute's 2013-2015  
16 work plan as necessary to efficiently manage workload.

17 ~~((+10))~~ (8) The Evergreen State College shall not use funds  
18 appropriated in this section to support intercollegiate athletics  
19 programs.

20 (9) \$50,000 of the general fund--state appropriation for fiscal  
21 year 2015 is provided solely for Washington state institute for public  
22 policy to conduct a comprehensive study of tobacco and e-cigarette  
23 prevention programs that will yield the highest public health benefit  
24 and reduce tobacco use. In conducting this study, the institute shall  
25 identify: (a) The most effective population-based approaches and what  
26 targeted populations will yield the greatest return on investment; and  
27 (b) other state models, including the "Friday night light" program in  
28 California, that yield the greatest likelihood of reducing state health  
29 care costs. The institute shall work with the department of health to  
30 determine which programs can be brought to scale most efficiently. The  
31 institute shall report its findings to the appropriate committees of  
32 the legislature by December 31, 2014.

33 (10) \$154,000 of the general fund--state appropriation for fiscal  
34 year 2015 is provided solely for the purposes of Substitute Senate Bill  
35 No. 6064 (school days/use by districts). If the bill is not enacted by  
36 June 30, 2014, the amount provided in this subsection shall lapse.

37 (11) \$263,000 of the general fund--state appropriation for fiscal

1 year 2015 is provided solely for the purposes of Senate Bill No. 6555  
2 (education investment reviews). If the bill is not enacted by June 30,  
3 2014, the amount provided in this subsection shall lapse.

4 **Sec. 610.** 2013 2nd sp.s. c 4 s 611 (uncodified) is amended to read  
5 as follows:

6 **FOR WESTERN WASHINGTON UNIVERSITY**

7	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$44,542,000</del> ))
8		<u>\$44,518,000</u>
9	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$44,377,000</del> ))
10		<u>\$44,351,000</u>
11	Education Legacy Trust Account--State	
12	Appropriation . . . . .	\$13,050,000
13	TOTAL APPROPRIATION . . . . .	(( <del>\$101,969,000</del> ))
14		<u>\$101,919,000</u>

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

17 (1) \$1,497,000 of the general fund--state appropriation for fiscal  
18 year 2014 and \$1,498,000 of the general fund--state appropriation for  
19 fiscal year 2015 are provided solely for the expansion of computer  
20 science and engineering enrollments. The university will work with the  
21 education research and data center to establish program baselines and  
22 demonstrate enrollment increases. By September 1, 2014, and each  
23 September 1st thereafter, the university shall provide a report that  
24 provides the specific detail on how these amounts were spent in the  
25 preceding fiscal year, including but not limited to the cost per  
26 student, student completion rates, and the number of low-income  
27 students enrolled in each program, any process changes or best-  
28 practices implemented by the college, and how many students are  
29 enrolled in computer science and engineering programs above the 2012-  
30 2013 academic year baseline.

31 (2) Western Washington University shall not use funds appropriated  
32 in this section to support intercollegiate athletics programs.

33 **Sec. 611.** 2013 2nd sp.s. c 4 s 612 (uncodified) is amended to read  
34 as follows:

35 **FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND**

1 **ADMINISTRATION**

2	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$5,307,000</del> ))
3		<u>\$5,297,000</u>
4	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$5,318,000</del> ))
5		<u>\$5,432,000</u>
6	General Fund--Federal Appropriation . . . . .	(( <del>\$4,817,000</del> ))
7		<u>\$4,816,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$15,442,000</del> ))
9		<u>\$15,545,000</u>

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

12 (1) The student achievement council is authorized to increase or  
13 establish fees for initial degree authorization, degree authorization  
14 renewal, degree authorization reapplication, new program applications,  
15 and new site applications pursuant to RCW 28B.85.060.

16 (2) \$120,000 of the general fund--state appropriation for fiscal  
17 year 2015 is provided solely for the student achievement council to  
18 conduct an assessment of the higher education needs of the city of  
19 Covington. In conducting this assessment and making recommendations,  
20 the student achievement council shall ensure that consideration is  
21 given to online education programs as well as programs that coexist  
22 within the community and technical college system.

23 **Sec. 612.** 2013 2nd sp.s. c 4 s 613 (uncodified) is amended to read  
24 as follows:

25 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**  
26 **ASSISTANCE**

27	General Fund--State Appropriation (FY 2014) . . . . .	\$245,122,000
28	General Fund--State Appropriation (FY 2015) . . . . .	\$244,674,000
29	General Fund--Federal Appropriation . . . . .	(( <del>\$11,648,000</del> ))
30		<u>\$11,655,000</u>
31	General Fund--Private/Local Appropriation . . . . .	(( <del>\$34,000</del> ))
32		<u>\$334,000</u>
33	Education Legacy Trust Account--State	
34	Appropriation . . . . .	(( <del>\$36,036,000</del> ))
35		<u>\$73,297,000</u>
36	Washington Opportunity Pathways Account--State	
37	Appropriation . . . . .	\$147,000,000

1 TOTAL APPROPRIATION . . . . . ((\$684,514,000))  
2 \$722,082,000

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

5 (1) \$237,454,000 of the general fund--state appropriation for  
6 fiscal year 2014, \$237,455,000 of the general fund--state  
7 appropriation, and \$147,000,000 of the Washington opportunity pathways  
8 account--state appropriation are provided solely for student financial  
9 aid payments under the state need grant and state work study programs  
10 including up to four percent administrative allowance for the state  
11 work study program.

12 (2) Changes made to the state need grant program in the 2011-2013  
13 fiscal biennium are continued in the 2013-2015 fiscal biennium  
14 including aligning increases in awards given to private institutions  
15 with the annual tuition increases for public research institutions or  
16 the private institution's average annual tuition increase experience of  
17 3.5 percent per year, whichever is less(~~(, and reducing the awards for~~  
18 ~~students who first enrolled as a new student in for-profit institutions~~  
19 ~~as of the 2011-2012 academic year or thereafter by fifty percent,~~  
20 ~~except that one half of the fifty percent reduction shall be restored~~  
21 ~~on July 1, 2013, for students attending regionally accredited for-~~  
22 ~~profit institutions)).~~

23 (3) Changes made to the state work study program in the 2009-2011  
24 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal  
25 biennium including maintaining the increased required employer share of  
26 wages; adjusted employer match rates; discontinuation of nonresident  
27 student eligibility for the program; and revising distribution methods  
28 to institutions by taking into consideration other factors such as off-  
29 campus job development, historical utilization trends, and student  
30 need.

31 (4) Within the funds appropriated in this section, eligibility for  
32 the state need grant shall include students with family incomes at or  
33 below 70 percent of the state median family income (MFI), adjusted for  
34 family size, and shall include students enrolled in three to five  
35 credit-bearing quarter credits, or the equivalent semester credits.  
36 Awards for all students shall be adjusted by the estimated amount by  
37 which Pell grant increases exceed projected increases in the  
38 noninstructional costs of attendance. Awards for students with incomes

1 between 51 and 70 percent of the state median shall be prorated at the  
2 following percentages of the award amount granted to those with incomes  
3 below 51 percent of the MFI: 70 percent for students with family  
4 incomes between 51 and 55 percent MFI; 65 percent for students with  
5 family incomes between 56 and 60 percent MFI; 60 percent for students  
6 with family incomes between 61 and 65 percent MFI; and 50 percent for  
7 students with family incomes between 66 and 70 percent MFI.

8 (5)(a) Students who are eligible for the college bound scholarship  
9 shall be given priority for the state need grant program if the  
10 students have applied by the institution's priority financial aid  
11 deadline and have completed their financial aid file in a timely  
12 manner. These eligible college bound students whose family incomes are  
13 in the 0-65 median family income ranges shall be awarded the maximum  
14 state need grant for which they are eligible under state policies and  
15 may not be denied maximum state need grant funding due to institutional  
16 policies or delayed awarding of college bound scholarship students.

17 (b) In calculating the college bound award, public institutions of  
18 higher education shall be subject to the conditions and limitations in  
19 RCW 28B.15.102 and shall not utilize college bound funds to offset  
20 tuition costs from rate increases in excess of levels authorized in  
21 section 603, chapter 50, Laws of 2011 and those assumed in section 603  
22 of this act.

23 (6) (~~(\$36,036,000)~~) \$48,297,000 of the education legacy trust  
24 account--state appropriation is provided solely for the college bound  
25 scholarship program and may support scholarships for summer session.  
26 This amount assumes that college bound scholarship recipients will  
27 receive priority for state need grant awards in fiscal year 2014 and  
28 fiscal year 2015. If this policy of prioritization is not fully  
29 achieved, it is the intent of this legislation to provide supplemental  
30 appropriations in the 2014 supplemental operating budget.

31 (7) \$2,236,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$2,236,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for the passport to college  
34 program. The maximum scholarship award shall be \$5,000. The board  
35 shall contract with a nonprofit organization to provide support  
36 services to increase student completion in their postsecondary program  
37 and shall, under this contract, provide a minimum of \$500,000 in fiscal  
38 years 2014 and 2015 for this purpose.

1 (8) In developing the skilled and educated workforce report  
2 pursuant to RCW 28B.77.080(3), the council shall use the bureau of  
3 labor statistics analysis of the education and training requirements of  
4 occupations, in addition to any other method the council may choose to  
5 use, to assess the number and type of higher education and training  
6 credentials required to match employer demand for a skilled and  
7 educated workforce.

8 (9) \$25,000,000 of the education legacy trust account--state  
9 appropriation is provided solely to meet state match requirements  
10 associated with the opportunity scholarship program.

11 **Sec. 613.** 2013 2nd sp.s. c 4 s 614 (uncodified) is amended to read  
12 as follows:

13 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

14	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$1,582,000</del> ))
15		<u>\$1,556,000</u>
16	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$1,478,000</del> ))
17		<u>\$1,464,000</u>
18	General Fund--Federal Appropriation . . . . .	(( <del>\$54,260,000</del> ))
19		<u>\$54,823,000</u>
20	<u>General Fund--Private/Local Appropriation . . . . .</u>	<u>\$44,000</u>
21	TOTAL APPROPRIATION . . . . .	(( <del>\$57,320,000</del> ))
22		<u>\$57,887,000</u>

23 The appropriations in this section are subject to the following  
24 conditions and limitations: For the 2013-2015 fiscal biennium the  
25 board shall not designate recipients of the Washington award for  
26 vocational excellence or recognize them at award ceremonies as provided  
27 in RCW 28C.04.535.

28 **Sec. 614.** 2013 2nd sp.s. c 4 s 615 (uncodified) is amended to read  
29 as follows:

30 **FOR THE DEPARTMENT OF EARLY LEARNING**

31	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$34,253,000</del> ))
32		<u>\$29,959,000</u>
33	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$48,689,000</del> ))
34		<u>\$52,415,000</u>
35	General Fund--Federal Appropriation . . . . .	(( <del>\$293,652,000</del> ))
36		<u>\$299,640,000</u>

1	<u>General Fund--Private/Local Appropriation . . . . .</u>	<u>\$50,000</u>
2	Opportunity Pathways Account--State Appropriation . . . . .	\$80,000,000
3	Home Visiting Services Account--State Appropriation . . . . .	\$2,868,000
4	Home Visiting Services Account--Federal	
5	Appropriation . . . . .	\$22,756,000
6	Children's Trust Account--State Appropriation . . . . .	\$180,000
7	TOTAL APPROPRIATION . . . . .	<del>(\$482,398,000)</del>
8		<u>\$487,868,000</u>

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

11       (1) \$20,229,000 of the general fund--state appropriation for fiscal  
12 year 2014, \$36,474,000 of the general fund--state appropriation for  
13 fiscal year 2015, and \$80,000,000 of the opportunity pathways account  
14 appropriation are provided solely for the early childhood education  
15 assistance program services. Of these amounts, \$10,284,000 is a  
16 portion of the biennial amount of state maintenance of effort dollars  
17 required to receive federal child care and development fund grant  
18 dollars.

19       (2) \$638,000 of the general fund--state appropriation for fiscal  
20 year 2014, and \$638,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for child care resource and  
22 referral network services.

23       (3) \$200,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$200,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely to develop and provide culturally  
26 relevant supports for parents, family, and other caregivers.

27       (4) The department is the lead agency for and recipient of the  
28 federal child care and development fund grant. Amounts within this  
29 grant shall be used to fund child care licensing, quality initiatives,  
30 agency administration, and other costs associated with child care  
31 subsidies. The department shall transfer a portion of this grant to  
32 the department of social and health services to fund the child care  
33 subsidies paid by the department of social and health services on  
34 behalf of the department of early learning.

35       (5) \$1,434,000 of the general fund--state appropriation for fiscal  
36 year 2014, \$1,434,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for expenditure into the home

1 visiting services account. This funding is intended to meet federal  
2 maintenance of effort requirements and to secure private matching  
3 funds.

4 (6)(a) \$153,717,000 of the general fund--federal appropriation is  
5 provided solely for the working connections child care program under  
6 RCW 43.215.135.

7 (b) In addition to groups that were given prioritized access to the  
8 working connections child care program effective March 1, 2011, the  
9 department shall also give prioritized access into the program to  
10 families in which a parent of a child in care is a minor who is not  
11 living with a parent or guardian and who is a full-time student in a  
12 high school that has a school-sponsored on-site child care center.

13 (7) Within available amounts, the department in consultation with  
14 the office of financial management and the department of social and  
15 health services shall report quarterly enrollments and active caseload  
16 for the working connections child care program to the legislative  
17 fiscal committees and the legislative-executive WorkFirst oversight  
18 task force. The report shall also identify the number of cases  
19 participating in both temporary assistance for needy families and  
20 working connections child care.

21 (8) (~~(\$1,025,000)~~) \$1,213,000 of the general fund--state  
22 appropriation for fiscal year 2014, (~~(\$1,025,000)~~) \$1,761,000 of the  
23 general fund--state appropriation for fiscal year 2015, and \$13,424,000  
24 of the general fund--federal appropriation are provided solely for the  
25 seasonal child care program. If federal sequestration cuts are  
26 realized, cuts to the seasonal child care program must be proportional  
27 to other federal reductions made within the department.

28 (9) \$3,572,000 of the general fund--state appropriation for fiscal  
29 year 2014, \$2,522,000 of the general fund--state appropriation for  
30 fiscal year 2015, and \$4,304,000 of the general fund--federal  
31 appropriation are provided solely for the medicaid treatment child care  
32 (MTCC) program. The department shall contract for MTCC services to  
33 provide therapeutic child care and other specialized treatment services  
34 to abused, neglected, at-risk, and/or drug-affected children. Priority  
35 for services shall be given to children referred from the department of  
36 social and health services children's administration. In addition to  
37 referrals made by children's administration, the department shall

1 authorize services for children referred to the MTCC program, as long  
2 as the children meet the eligibility requirements as outlined in the  
3 Washington state plan for the MTCC program.

4 (a) Of the amounts appropriated in this subsection, \$60,000 per  
5 fiscal year may be used by the department for administering the MTCC  
6 program, if needed.

7 (b) Of the amounts provided in this subsection, \$1,050,000 of the  
8 general fund--state appropriation for fiscal year 2014 is provided  
9 solely to continue providing services in the event of losing federal  
10 funding for the MTCC program. To the extent that the moneys provided  
11 in this subsection (9)(b) are not necessary for this purpose, the  
12 amounts provided shall lapse.

13 (10) \$150,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$150,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely for a contract with a nonprofit  
16 entity experienced in the provision of promoting early literacy for  
17 children through pediatric office visits.

18 (11) \$721,000 of the general fund--state appropriation for fiscal  
19 year 2014 is provided solely for the department to complete development  
20 work of the electronic benefits transfer system.

21 (12) (~~(\$793,000)~~) \$221,000 of the general fund--state appropriation  
22 for fiscal year 2014 and (~~(\$796,000)~~) \$1,234,000 of the general fund--  
23 state appropriation for fiscal year 2015 are provided solely for  
24 implementation of an electronic benefits transfer system. To the  
25 maximum extent possible, the department shall work to integrate this  
26 system with the department of social and health services payment  
27 system. The amounts provided in this subsection are conditioned on the  
28 department satisfying the requirements of the project management  
29 oversight standards and policies established by the office of the chief  
30 information officer.

31 (13) \$32,000 of the general fund--state appropriation for fiscal  
32 year 2014 is provided solely for implementation of Second Substitute  
33 Senate Bill No. 5595 (child care reform). If the bill is not enacted  
34 by June 30, 2013, the amounts provided in this subsection shall lapse.

35 (14)(a)(i) The department of early learning is required to provide  
36 to the education research and data center, housed at the office of  
37 financial management, data on all state-funded early childhood  
38 programs. These programs include the early support for infants and

1 toddlers, early childhood education and assistance program (ECEAP), and  
2 the working connections and seasonal subsidized childcare programs  
3 including license exempt facilities or family, friend, and neighbor  
4 care. The data provided by the department to the education research  
5 data center must include information on children who participate in  
6 these programs, including their name and date of birth, and dates the  
7 child received services at a particular facility.

8 (ii) The ECEAP early learning professionals must enter  
9 qualifications into the department's professional development registry  
10 during the 2013-14 school year. By October 2015, the department must  
11 provide ECEAP early learning professional data to the education  
12 research data center.

13 (iii) The department must request federally funded head start  
14 programs to voluntarily provide data to the department and the  
15 education research data center that is equivalent to what is being  
16 provided for state-funded programs.

17 (iv) The education research and data center must provide a report  
18 on early childhood program participation and K-12 outcomes to the house  
19 of representatives appropriations committee and the senate ways and  
20 means committee using available data by November 2013 for the school  
21 year ending in 2012 and again in March 2014 for the school year ending  
22 in 2013.

23 (b) The department, in consultation with the department of social  
24 and health services, must withhold payment for services to early  
25 childhood programs that do not report on the name, date of birth, and  
26 the dates a child received services at a particular facility.

27 **Sec. 615.** 2013 2nd sp.s. c 4 s 616 (uncodified) is amended to read  
28 as follows:

29 **FOR THE STATE SCHOOL FOR THE BLIND**

30	General Fund--State Appropriation (FY 2014) . . . . .	(( <del>\$6,032,000</del> ))
31		<u>\$6,036,000</u>
32	General Fund--State Appropriation (FY 2015) . . . . .	(( <del>\$5,805,000</del> ))
33		<u>\$5,810,000</u>
34	General Fund--Private/Local Appropriation . . . . .	\$15,000
35	TOTAL APPROPRIATION . . . . .	(( <del>\$11,852,000</del> ))
36		<u>\$11,861,000</u>



1	General Fund--State Appropriation (FY 2015) . . . . .	((\$1,530,000))
2		<u>\$1,699,000</u>
3	TOTAL APPROPRIATION . . . . .	((\$3,130,000))
4		<u>\$3,310,000</u>

(End of part)

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

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2014), General Fund--State Appropriation (FY 2015), State Building Construction Account--State Appropriation, Columbia River Basin Water Supply Development Account--State Appropriation, State Taxable Building Construction Account--State Appropriation, Debt-Limit Reimbursable Bond Retire Account--State Appropriation, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation, and Columbia River Basin Taxable Bond Water Supply Development Account--State Appropriation. Total Appropriation is \$1,818,806,000.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. 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 \$34,567,000  
 2 TOTAL APPROPRIATION . . . . . ( (\$72,772,000) )  
 3 \$70,953,000

4 The appropriations in this section are subject to the following  
 5 conditions and limitations: The state treasurer shall distribute the  
 6 appropriations to the following counties and health districts in the  
 7 amounts designated to support public health services, including public  
 8 health nursing:

9 <b>Health District</b>	10 <b>FY 2014</b>	11 <b>FY 2015</b>	12 <b>2013-15</b>
			13 <b>Biennium</b>
14 Adams County Health District	\$121,213	(((\$121,213))	(((\$242,426))
		<u>\$115,153</u>	<u>\$236,366</u>
15 Asotin County Health District	\$159,890	(((\$159,890))	(((\$319,780))
		<u>\$151,897</u>	<u>\$311,787</u>
16 Benton-Franklin Health District	\$1,614,337	(((\$1,614,337))	(((\$3,228,674))
		<u>\$1,533,633</u>	<u>\$3,147,970</u>
17 Chelan-Douglas Health District	\$399,634	(((\$399,634))	(((\$799,268))
		<u>\$379,656</u>	<u>\$779,290</u>
18 Clallam County Health and Human Services	\$291,401	(((\$291,401))	(((\$582,802))
19 Department		<u>\$276,833</u>	<u>\$568,234</u>
20 Clark County Health District	\$1,767,341	(((\$1,767,341))	(((\$3,534,682))
		<u>\$1,678,989</u>	<u>\$3,446,330</u>
21 Skamania County Health Department	\$111,327	(((\$111,327))	(((\$222,654))
		<u>\$105,762</u>	<u>\$217,089</u>
22 Columbia County Health District	\$119,991	(((\$119,991))	(((\$239,982))
		<u>\$113,922</u>	<u>\$233,983</u>
23 Cowlitz County Health Department	\$477,981	(((\$477,981))	(((\$955,962))
		<u>\$454,086</u>	<u>\$932,067</u>
24 Garfield County Health District	\$93,154	(((\$93,154))	(((\$186,308))
		<u>\$88,497</u>	<u>\$181,651</u>
25 Grant County Health District	\$297,761	(((\$297,762))	(((\$595,523))
		<u>\$282,876</u>	<u>\$580,637</u>
26 Grays Harbor Health Department	\$335,666	(((\$335,666))	(((\$671,332))
		<u>\$318,885</u>	<u>\$654,551</u>

1	Island County Health Department	\$255,224	<u>(((\$225,224))</u>	<u>(((\$510,448))</u>
2			<u>\$242,465</u>	<u>\$497,689</u>
3	Jefferson County Health and Human Services	\$184,080	<u>(((\$184,080))</u>	<u>(((\$368,160))</u>
4			<u>\$174,878</u>	<u>\$358,958</u>
5	Seattle-King County Department of Public Health	\$10,558,598	<u>(((\$10,558,598))</u>	<u>(((\$21,117,196))</u>
6			<u>\$12,051,350</u>	<u>\$22,609,948</u>
7	Bremerton-Kitsap County Health District	\$997,476	<u>(((\$997,476))</u>	<u>(((\$1,994,952))</u>
8			<u>\$947,610</u>	<u>\$1,945,086</u>
9	Kittitas County Health Department	\$198,979	<u>(((\$198,979))</u>	<u>(((\$397,958))</u>
10			<u>\$189,032</u>	<u>\$388,011</u>
11	Klickitat County Health Department	\$153,784	<u>(((\$153,784))</u>	<u>(((\$307,568))</u>
12			<u>\$146,096</u>	<u>\$299,880</u>
13	Lewis County Health Department	\$263,134	<u>(((\$263,134))</u>	<u>(((\$526,268))</u>
14			<u>\$249,979</u>	<u>\$513,113</u>
15	Lincoln County Health Department	\$113,917	<u>(((\$113,917))</u>	<u>(((\$227,834))</u>
16			<u>\$108,222</u>	<u>\$222,139</u>
17	Mason County Department of Health Services	\$227,448	<u>(((\$227,448))</u>	<u>(((\$454,896))</u>
18			<u>\$216,077</u>	<u>\$443,525</u>
19	Okanogan County Health District	\$169,882	<u>(((\$169,882))</u>	<u>(((\$339,764))</u>
20			<u>\$161,389</u>	<u>\$331,271</u>
21	Pacific County Health Department	\$169,075	<u>(((\$169,075))</u>	<u>(((\$338,150))</u>
22			<u>\$160,623</u>	<u>\$329,698</u>
23	Tacoma-Pierce County Health Department	\$4,143,169	<u>(((\$4,143,169))</u>	<u>(((\$8,286,338))</u>
24			<u>\$3,936,045</u>	<u>\$8,079,214</u>
25	San Juan County Health and Community Services	\$2,253,493	<u>(((\$2,253,493))</u>	<u>(((\$4,506,986))</u>
26			<u>\$120,242</u>	<u>\$2,373,734</u>
27	Skagit County Health Department	\$449,745	<u>(((\$449,745))</u>	<u>(((\$899,490))</u>
28			<u>\$427,261</u>	<u>\$877,006</u>
29	Snohomish Health District	\$3,433,291	<u>(((\$3,433,291))</u>	<u>(((\$6,866,582))</u>
30			<u>\$3,261,655</u>	<u>\$6,694,946</u>
31	Spokane County Health District	\$2,877,318	<u>(((\$2,877,318))</u>	<u>(((\$5,574,636))</u>
32			<u>\$2,733,476</u>	<u>\$5,610,794</u>
33	Northeast Tri-County Health District	\$249,303	<u>(((\$249,303))</u>	<u>(((\$498,606))</u>
34			<u>\$236,840</u>	<u>\$486,143</u>
35	Thurston County Health Department	\$1,046,897	<u>(((\$1,046,897))</u>	<u>(((\$2,093,794))</u>
36			<u>\$994,561</u>	<u>\$2,041,458</u>

1	Wahkiakum County Health Department	\$93,181	(\$9,180)	(\$186,361)
2			<u>\$88,522</u>	<u>\$181,703</u>
3	Walla Walla County-City Health Department	\$302,173	(\$302,173)	(\$604,346)
4			<u>\$287,067</u>	<u>\$589,240</u>
5	Whatcom County Health Department	\$1,214,301	(\$1,214,301)	(\$2,428,602)
6			<u>\$1,153,596</u>	<u>\$2,367,897</u>
7	Whitman County Health Department	\$189,355	(\$189,355)	(\$378,710)
8			<u>\$179,889</u>	<u>\$369,244</u>
9	Yakima Health District	\$1,052,482	(\$1,052,482)	(\$2,104,964)
10			<u>\$999,867</u>	<u>\$2,052,349</u>
11				
12	TOTAL APPROPRIATIONS	\$36,386,001	(\$36,386,001)	(\$72,772,002)
13			<u>\$34,567,000</u>	<u>\$70,953,000</u>

14 NEW SECTION. **Sec. 707.** A new section is added to 2013 2nd sp.s.  
15 c 4 (uncodified) to read as follows:

16 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**  
17 **COSTS**

18 General Fund--State Appropriation (FY 2014) . . . . . \$1,126,000

19 The appropriation in this section is subject to the following  
20 conditions and limitations: The director of financial management shall  
21 distribute \$942,000 to Clallam county, \$148,000 to Mason county, and  
22 \$36,000 to Klickitat county for extraordinary criminal justice costs  
23 pursuant to RCW 43.330.190.

24 NEW SECTION. **Sec. 708.** A new section is added to 2013 2nd sp.s.  
25 c 4 (uncodified) to read as follows:

26 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--ATTORNEY GENERAL EXPENSES**

27 General Fund--State Appropriation (FY 2014) . . . . . \$994,000

28 General Fund--State Appropriation (FY 2015) . . . . . \$2,217,000

29 Dedicated Funds and Accounts Appropriation . . . . . \$4,785,000

30 TOTAL APPROPRIATION . . . . . \$7,996,000

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

33 (1) The appropriations in this section are provided solely to  
34 provide state agency expenditure authority for increased legal services

1 from the attorney general's office, including attorney salary  
2 adjustments to address recruitment and retention issues.

3 (2) The appropriation from dedicated funds and accounts shall be  
4 made in the amounts specified and from the dedicated funds and accounts  
5 specified in LEAP Document . . . . dated February . . . , 2014, which is  
6 hereby incorporated by reference. The office of financial management  
7 shall allocate the moneys appropriated in this section in the amounts  
8 specified and to the state agencies specified in LEAP Document . . . .  
9 and adjust appropriation schedules accordingly. The office of  
10 financial management shall make any further allotment adjustments  
11 necessary to reflect agency mergers or consolidations assumed in this  
12 act.

13 NEW SECTION. **Sec. 709.** A new section is added to 2013 2nd sp.s.  
14 c 4 (uncodified) to read as follows:

15 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF ADMINISTRATIVE**  
16 **HEARINGS EXPENSES**

17	General Fund--State Appropriation (FY 2014) . . . . .	\$16,000
18	General Fund--State Appropriation (FY 2015) . . . . .	\$36,000
19	Dedicated Funds and Accounts Appropriation . . . . .	\$151,000
20	TOTAL APPROPRIATION . . . . .	\$203,000

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

23 (1) The appropriations in this section are provided solely to  
24 provide state agency expenditure authority for funding the replacement  
25 of laptop and desktop computers in the office of administrative  
26 hearings.

27 (2) The appropriation from dedicated funds and accounts shall be  
28 made in the amounts specified and from the dedicated funds and accounts  
29 specified in LEAP Document . . . . dated February . . . , 2014, which  
30 is hereby incorporated by reference. The office of financial  
31 management shall allocate the moneys appropriated in this section in  
32 the amounts specified and to the state agencies specified in LEAP  
33 Document . . . . and adjust appropriation schedules accordingly. The  
34 office of financial management shall make any further allotment  
35 adjustments necessary to reflect agency mergers or consolidations  
36 assumed in this act.





1 notify the treasurer to distribute the funds provided in this section  
2 to the counties, cities, and towns in the following proportions: (a)  
3 Twenty percent of the moneys must be divided among and distributed to  
4 the counties of the state in accordance with the provisions of RCW  
5 66.08.200; and (b) eighty percent of the moneys must be divided among  
6 and distributed to the cities and towns of the state in accordance with  
7 the provisions of RCW 66.08.210. If the director does not make a  
8 determination by June 30, 2015, the amount provided in this section  
9 shall lapse.

(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.
When making the fiscal year 2015 distribution to Grant county, the state treasurer shall reduce the amount by \$140,000 and distribute the remainder to the county. This is the first of three reductions that will be made to reimburse the state for a nonqualifying extraordinary criminal justice act payment made to Grant county in fiscal



1 The appropriation in this section is subject to the following  
2 conditions and limitations: The amount appropriated in this section  
3 shall be distributed quarterly during the 2013-2015 fiscal biennium in  
4 accordance with RCW 82.14.310. This funding is provided to counties  
5 for the costs of implementing criminal justice legislation including,  
6 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
7 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,  
8 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998  
9 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
10 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
11 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
12 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
13 215, Laws of 1998 (DUI provisions).

14 **Sec. 803.** 2013 2nd sp.s. c 4 s 803 (uncodified) is amended to read  
15 as follows:

16 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**  
17 Impaired Driver Safety Account Appropriation . . . . . (~~(\$1,646,000)~~)  
18 \$1,606,000

19 The appropriation in this section is subject to the following  
20 conditions and limitations: The amount appropriated in this section  
21 shall be distributed quarterly during the 2013-2015 fiscal biennium to  
22 all cities ratably based on population as last determined by the office  
23 of financial management. The distributions to any city that  
24 substantially decriminalizes or repeals its criminal code after July 1,  
25 1990, and that does not reimburse the county for costs associated with  
26 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the  
27 county in which the city is located. This funding is provided to  
28 cities for the costs of implementing criminal justice legislation  
29 including, but not limited to: Chapter 206, Laws of 1998 (drunk  
30 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter  
31 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998  
32 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
33 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
34 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
35 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
36 215, Laws of 1998 (DUI provisions).



1 State Taxable Building Construction Account: For  
2 transfer to the Columbia River basin taxable bond  
3 water supply development account, an amount not to  
4 exceed . . . . . \$32,000,000  
5 Employment Training Finance Account: For transfer to  
6 the state general fund, \$1,000,000 for fiscal year  
7 2014 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000  
8 Tuition Recovery Trust Account: For transfer to the  
9 state general fund, \$1,250,000 for fiscal year 2014  
10 and \$1,250,000 for fiscal year 2015 . . . . . \$2,500,000  
11 General Fund: For transfer to the child and family  
12 reinvestment account, (~~(\$3,800,000)~~) \$1,656,000 for  
13 fiscal year 2014 and (~~(\$2,691,000)~~) \$992,000  
14 for fiscal year 2015 . . . . . (~~(\$6,491,000)~~)  
15 \$2,648,000  
16 Flood Control Assistance Account: For transfer to the  
17 state general fund, \$1,000,000 for fiscal year 2014  
18 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000  
19 Tobacco Settlement Account: For transfer to the state  
20 general fund, in an amount not to exceed the actual  
21 amount of the annual base payment to the tobacco  
22 settlement account . . . . . (~~(\$157,221,000)~~)  
23 \$168,053,000  
24 Tobacco Settlement Account: For transfer to the state  
25 general fund from the amounts deposited in the  
26 account that are attributable to the annual  
27 strategic contribution payment received in  
28 fiscal year 2014 . . . . . \$17,000,000  
29 Tobacco Settlement Account: For transfer to the state  
30 general fund from the amounts deposited in the  
31 account that are attributable to the annual  
32 strategic contribution payment received in fiscal  
33 year 2015 . . . . . \$17,000,000  
34 It is the intent of the legislature to transfer the full amounts  
35 received as strategic contribution payments in the tobacco settlement  
36 account to the education legacy trust account in the 2015-2017 fiscal  
37 biennium.  
38 Tobacco Settlement Account: For transfer to the life

1 sciences discovery fund, in an amount not to exceed  
2 the actual remaining amount of the annual strategic  
3 contribution payment to the tobacco settlement account  
4 for fiscal year 2014 . . . . . \$9,515,000

5 Tobacco Settlement Account: For transfer to the life  
6 sciences discovery fund, in an amount not to exceed  
7 the actual remaining amount of the annual strategic  
8 contribution payment to the tobacco settlement account  
9 for fiscal year 2015 . . . . . \$9,515,000

10 The transfer to the life sciences discovery fund is subject to the  
11 following conditions:

12 ~~(1) ((The life sciences discovery fund authority board of trustees~~  
13 ~~shall begin preparing to become a self-sustaining entity capable of~~  
14 ~~operating without direct state subsidy by the time the tobacco~~  
15 ~~strategic contribution supplemental payments end in fiscal year 2017.))~~  
16 The life sciences discovery fund authority board of trustees shall  
17 terminate all funding for contracts by June 30, 2014.

18 (2) \$250,000 of the appropriation in fiscal year 2014 ((and  
19 ~~\$250,000 of the appropriation in fiscal year 2015 are~~)) is provided  
20 solely to promote the development and delivery of global health  
21 technologies and products.

22 (a) The life sciences discovery fund authority must either  
23 administer a grant application, review, and reward process, or contract  
24 with a qualified nonprofit organization for these services. State  
25 moneys must be provided for grants to entities for the development,  
26 production, promotion, and delivery of global health technologies and  
27 products. Grant award criteria must include:

28 (i) The quality of the proposed research or the proposed technical  
29 assistance in product development or production process design. Any  
30 grant funds awarded for research activities must be awarded for  
31 nonbasic research that will assist in the commercialization or  
32 manufacture of global health technologies;

33 (ii) The potential for the grant recipient to improve global health  
34 outcomes;

35 (iii) The potential for the grant to leverage additional funding  
36 for the development of global health technologies and products;

37 (iv) The potential for the grant to stimulate, or promote technical

1 skills training for, employment in the development of global health  
2 technologies in the state; and

3 (v) The willingness of the grant recipient, when appropriate, to  
4 enter into royalty or licensing income agreements with the authority.

5 ~~((b) The authority, or the contractor of the authority, must  
6 report information including the types of products and research funded,  
7 the funding leveraged by the grants, and the number and types of jobs  
8 created as a result of the grants, to the economic development  
9 committees of the legislature by December 1, 2014.))~~

10 Life Sciences Discovery Fund: For transfer to the education legacy  
11 trust account, \$34,253,000 for fiscal year 2015 . . . . . \$34,253,000

12 Aquatic Lands Enhancement Account: For transfer to the  
13 geoduck aquaculture research account, \$150,000 for  
14 fiscal year 2014 and \$150,000 for fiscal year 2015 . . . . . \$300,000

15 Health Benefit Exchange Account: For transfer to the  
16 state general fund for fiscal year 2015 . . . . . \$21,514,000

17 Criminal Justice Treatment Account: For transfer to the  
18 state general fund, \$437,000 for fiscal year 2014  
19 and \$2,746,000 for fiscal year 2015 . . . . . \$3,183,000

20 Resources Management Cost Account--Aquatics: For transfer  
21 to the marine resources stewardship trust account,  
22 \$1,850,000 for fiscal year 2014 and \$1,850,000 for  
23 fiscal year 2015 . . . . . \$3,700,000

24 Legal Services Revolving Account: For transfer to the  
25 state general fund, \$976,000 for fiscal year 2014  
26 and \$1,477,000 for fiscal year 2015 . . . . . \$2,453,000

27 Personnel Service Account: For transfer to the state  
28 general fund, \$733,000 for fiscal year 2014 and  
29 \$733,000 for fiscal year 2015 . . . . . \$1,466,000

30 Data Processing Revolving Account: For transfer to the  
31 state general fund, \$4,069,000 for fiscal year 2014  
32 and \$4,070,000 for fiscal year 2015 . . . . . \$8,139,000

33 Home Security Fund Account: For transfer to the  
34 transitional housing operating and rent account . . . . . \$7,500,000

35 Professional Engineers' Account: For transfer to the  
36 state general fund, \$956,000 for fiscal year 2014 and  
37 \$957,000 for fiscal year 2015 . . . . . \$1,913,000

38 Electrical License Account: For transfer to the state

1       general fund, \$1,700,000 for fiscal year 2014 and  
 2       \$1,700,000 for fiscal year 2015 . . . . . \$3,400,000  
 3 Business and Professions Account: For transfer to the  
 4       state general fund, (~~(\$1,838,000)~~) \$2,838,000 for fiscal  
 5       year 2014 and (~~(\$1,800,000)~~) \$2,800,000 for fiscal  
 6       year 2015 . . . . . (~~(\$3,638,000)~~) \$5,638,000  
 7 Energy Freedom Account: For transfer to the state  
 8       general fund, (~~(\$1,000,000)~~) \$2,850,000 for fiscal  
 9       year 2014 and (~~(\$1,000,000)~~) \$2,850,000 for fiscal  
 10       year 2015 . . . . . (~~(\$2,000,000)~~) \$5,700,000  
 11 Pollution Liability Insurance Program Trust Account:  
 12       For transfer to the state general fund, \$2,500,000  
 13       for fiscal year 2014 and \$2,500,000 for fiscal year  
 14       2015 . . . . . \$5,000,000  
 15 Real Estate Commission Account: For transfer to the  
 16       state general fund, \$1,700,000 for fiscal year 2014  
 17       and \$1,700,000 for fiscal year 2015 . . . . . \$3,400,000  
 18 State Lottery Account: For transfer to the education  
 19       legacy trust account, \$6,050,000 for fiscal year 2014  
 20       and \$6,050,000 for fiscal year 2015 . . . . . \$12,100,000  
 21 State Toxics Control Account: For transfer to the  
 22       radioactive mixed waste account, \$2,000,000 for fiscal  
 23       year 2014 . . . . . \$2,000,000

(End of part)



1 domestic partner where the spouse or domestic partner has chosen not to  
2 enroll in other employer-based group health insurance that has benefits  
3 and premiums with an actuarial value of not less than 95 percent of the  
4 actuarial value of the public employees' benefits board plan with the  
5 largest enrollment.

6 (c) Consistent with the implementation of managed competition, the  
7 public employees benefits board must establish premium rates for  
8 consumer directed health plans at levels that reflect the projected  
9 lower enrollee claim expenses resulting from higher point-of-service  
10 cost sharing in those plans.

11 (d) All savings resulting from reduced claim costs or other factors  
12 identified after September 30, 2013, must be reserved for funding  
13 employee health benefits in the 2015-2017 fiscal biennium.

14 (e) The health care authority shall deposit any moneys received on  
15 behalf of the uniform medical plan as a result of rebates on  
16 prescription drugs, audits of hospitals, subrogation payments, or any  
17 other moneys recovered as a result of prior uniform medical plan claims  
18 payments, into the public employees' and retirees' insurance account to  
19 be used for insurance benefits. Such receipts shall not be used for  
20 administrative expenditures.

21 (2) The health care authority, subject to the approval of the  
22 public employees' benefits board, shall provide subsidies for health  
23 benefit premiums to eligible retired or disabled public employees and  
24 school district employees who are eligible for medicare, pursuant to  
25 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015  
26 shall be up to \$150 per month.

27 **Sec. 902.** 2013 2nd sp.s. c 4 s 933 (uncodified) is amended to read  
28 as follows:

29 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**  
30 **BENEFITS**

31 Appropriations for state agencies in this act are sufficient for  
32 represented employees outside the super coalition for health benefits,  
33 and are subject to the following conditions and limitations:

34 (1)(a) The monthly employer funding rate for insurance benefit  
35 premiums, wellness programs, and similar benefits or services for  
36 members of public employee benefits board health plans, public  
37 employees' benefits board administration, and the uniform medical plan,

1 shall not exceed \$782 per eligible employee for fiscal year 2014. For  
2 fiscal year 2015 the monthly employer funding rate shall not exceed  
3 ((~~\$763~~)) \$703 per eligible employee.

4 (b) In order to achieve the level of funding provided for health  
5 benefits, the public employees' benefits board shall require or make  
6 any or all of the following: Employee premium copayments, increases in  
7 point-of-service cost sharing, the implementation of managed  
8 competition, or other changes to benefits consistent with RCW  
9 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month  
10 surcharge to the premiums due from members who use tobacco products and  
11 a surcharge of not less than \$50 per month to the premiums due from  
12 members who cover a spouse or domestic partner where the spouse or  
13 domestic partner has chosen not to enroll in other employer-based group  
14 health insurance that has benefits and premiums with an actuarial value  
15 of not less than 95 percent of the actuarial value of the public  
16 employees' benefits board plan with the largest enrollment.

17 (c) Consistent with the implementation of managed competition, the  
18 public employees benefits board must establish premium rates for  
19 consumer directed health plans at levels that reflect the projected  
20 lower enrollee claim expenses resulting from higher point-of-service  
21 cost sharing in those plans.

22 (d) All savings resulting from reduced claim costs or other factors  
23 identified after September 30, 2013, must be reserved for funding  
24 employee health benefits in the 2015-2017 fiscal biennium.

25 (e) The health care authority shall deposit any moneys received on  
26 behalf of the uniform medical plan as a result of rebates on  
27 prescription drugs, audits of hospitals, subrogation payments, or any  
28 other moneys recovered as a result of prior uniform medical plan claims  
29 payments, into the public employees' and retirees' insurance account to  
30 be used for insurance benefits. Such receipts shall not be used for  
31 administrative expenditures.

32 (2) The health care authority, subject to the approval of the  
33 public employees' benefits board, shall provide subsidies for health  
34 benefit premiums to eligible retired or disabled public employees and  
35 school district employees who are eligible for medicare, pursuant to  
36 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015  
37 shall be up to \$150 per month.

1       **Sec. 903.** 2013 2nd sp.s. c 4 s 937 (uncodified) is amended to read  
2 as follows:

3       **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU LOCAL 925**  
4       **CHILDCARE WORKERS**

5       (1) An agreement has been reached between the governor and the  
6       service employees international union local 925 under the provisions of  
7       chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is  
8       provided for increases to health care, scholarship funding and  
9       non-standard hours bonus.

10       (2) An agreement has been reached between the governor and the  
11       service employees international union local 925 under the provisions of  
12       chapter 41.56 RCW for fiscal year 2015. Funding is provided to  
13       increase the child care subsidy rates for licensed and exempt family  
14       child care providers by four percent on July 1, 2014, and another four  
15       percent on January 1, 2015. Two million dollars is also provided to  
16       fund an early achievers tiered reimbursement pilot project for licensed  
17       family child care providers.

18       **Sec. 904.** 2013 2nd sp.s. c 4 s 939 (uncodified) is amended to read  
19 as follows:

20       **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

21       Appropriations for state agencies in this act are sufficient for  
22 nonrepresented state employee health benefits for state agencies,  
23 including institutions of higher education, and are subject to the  
24 following conditions and limitations:

25       (1)(a) The monthly employer funding rate for insurance benefit  
26 premiums, wellness programs, and similar benefits or services for  
27 members of public employee benefits board health plans, public  
28 employees' benefits board administration, and the uniform medical plan,  
29 shall not exceed \$782 per eligible employee for fiscal year 2014. For  
30 fiscal year 2015 the monthly employer funding rate shall not exceed  
31 ~~(( \$763 ))~~ \$703 per eligible employee.

32       (b) In order to achieve the level of funding provided for health  
33 benefits, the public employees' benefits board shall require or make  
34 any or all of the following: Employee premium copayments, increases in  
35 point-of-service cost sharing, the implementation of managed  
36 competition, or other changes to benefits consistent with RCW  
37 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month

1 surcharge to the premiums due from members who use tobacco products and  
2 a surcharge of not less than \$50 per month to the premiums due from  
3 members who cover a spouse or domestic partner where the spouse or  
4 domestic partner has chosen not to enroll in other employer-based group  
5 health insurance that has benefits and premiums with an actuarial value  
6 of not less than 95 percent of the actuarial value of the public  
7 employees' benefits board plan with the largest enrollment.

8 (c) Consistent with the implementation of managed competition, the  
9 public employees benefits board must establish premium rates for  
10 consumer directed health plans at levels that reflect the projected  
11 lower enrollee claim expenses resulting from higher point-of-service  
12 cost sharing in those plans.

13 (d) All savings resulting from reduced claim costs or other factors  
14 identified after September 30, 2013, must be reserved for funding  
15 employee health benefits in the 2015-2017 fiscal biennium.

16 (e) The health care authority shall deposit any moneys received on  
17 behalf of the uniform medical plan as a result of rebates on  
18 prescription drugs, audits of hospitals, subrogation payments, or any  
19 other moneys recovered as a result of prior uniform medical plan claims  
20 payments, into the public employees' and retirees' insurance account to  
21 be used for insurance benefits. Such receipts shall not be used for  
22 administrative expenditures.

23 (2) The health care authority, subject to the approval of the  
24 public employees' benefits board, shall provide subsidies for health  
25 benefit premiums to eligible retired or disabled public employees and  
26 school district employees who are eligible for medicare, pursuant to  
27 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015  
28 shall be up to \$150 per month.

29 (3) Technical colleges, school districts, and educational service  
30 districts shall remit to the health care authority for deposit into the  
31 public employees' and retirees' insurance account established in RCW  
32 41.05.120 the following amounts:

33 (a) For each full-time employee, \$64.40 per month beginning  
34 September 1, 2013, and \$70.39 beginning September 1, 2014; and

35 (b) For each part-time employee, who at the time of the remittance  
36 is employed in an eligible position as defined in RCW 41.32.010 or  
37 41.40.010 and is eligible for employer fringe benefit contributions for  
38 basic benefits, \$64.40 each month beginning September 1, 2013, and

1 \$70.39 beginning September 1, 2014, prorated by the proportion of  
2 employer fringe benefit contributions for a full-time employee that the  
3 part-time employee receives. The remittance requirements specified in  
4 this subsection (3) shall not apply to employees of a technical  
5 college, school district, or educational service district who purchase  
6 insurance benefits through contracts with the health care authority.

7 **Sec. 905.** 2013 2nd sp.s. c 4 s 943 (uncodified) is amended to read  
8 as follows:

9 **ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL**  
10 **CONTRACTS**

11 (1) Financial contracts for the acquisition of the information  
12 technology projects authorized in this section must be approved jointly  
13 by the office of the financial management and the office of the chief  
14 information officer. Information technology projects funded under this  
15 section shall meet the following requirements:

16 (a) The project reduces costs and achieves economies of scale by  
17 leveraging statewide investments in systems and data and other common  
18 or enterprise-wide solutions within and across state agencies;

19 (b) The project begins or continues replacement of legacy  
20 information technology systems and replacing these systems with modern  
21 and more efficient information technology systems;

22 (c) The project improves the ability of an agency to recover from  
23 major disaster;

24 (d) The project provides future savings and efficiencies for an  
25 agency through reduced operating costs, improved customer service, or  
26 increased revenue collections; and

27 (e) Preference for project approval must be given to an agency that  
28 has prior approval from the office of the chief information officer, an  
29 approved business plan, and where the primary hurdle to project funding  
30 is the lack of funding capacity.

31 (2) The following state agencies may enter into financial contracts  
32 to finance expenditures for the acquisition and implementation of the  
33 following information technology projects for up to the respective  
34 amounts indicated, plus financing expenses and required reserves  
35 pursuant to chapter 39.94 RCW:

36 (a) Subject to subsection (4) of this section, (~~(\$10,000,000)~~)

1 \$13,500,000 for the department of enterprise services time, leave, and  
2 attendance pilot project;

3 (b) \$3,867,000 for the Washington state patrol for continuation of  
4 the mobile office platform;

5 (c) (~~(\$8,500,000 for the department of social and health services~~  
6 ~~conversion to the tenth version of the world health organization's~~  
7 ~~international classification of diseases;~~

8 ~~(d) \$5,558,000))~~ \$3,315,000 for the department of early learning  
9 system implementation of electronic benefit transfers;

10 ~~((e))~~ (d) \$4,323,000 for the department of corrections for radio  
11 infrastructure upgrades.

12 (3) The office of financial management with assistance from the  
13 office of the chief information officer will report to the governor and  
14 fiscal committees of the legislature by November 1st of each year on  
15 the status of distributions and expenditures on information technology  
16 projects and improved statewide or agency performance results achieved  
17 by project funding.

18 (4) If the Washington state department of transportation enters  
19 into financial contracts pursuant to chapter 39.94 RCW for the  
20 acquisition and implementation of a time, leave, and labor distribution  
21 system, the authorization provided to the department of enterprise  
22 services in subsection (2)(a) of this section expires.

23 NEW SECTION. Sec. 906. A new section is added to chapter 28A.710  
24 RCW to read as follows:

25 The charter schools oversight account is hereby created in the  
26 state treasury. All moneys received by the commission under RCW  
27 28A.710.110 must be deposited into the account. Moneys in the account  
28 may be spent only after appropriation. Expenditures from the account  
29 may be used only for the purposes of this chapter.

30 Sec. 907. RCW 41.05.130 and 1988 c 107 s 11 are each amended to  
31 read as follows:

32 The state health care authority administrative account is hereby  
33 created in the state treasury. Moneys in the account, including  
34 unanticipated revenues under RCW 43.79.270, may be spent only after  
35 appropriation by statute, and may be used only for operating expenses

1 of the authority, and during the 2013-2015 fiscal biennium, for health  
2 care related analysis provided to the legislature by the office of the  
3 state actuary.

4 **Sec. 908.** RCW 43.43.839 and 2010 1st sp.s. c 37 s 922 are each  
5 amended to read as follows:

6 The fingerprint identification account is created in the custody of  
7 the state treasurer. All receipts from incremental charges of  
8 fingerprint checks requested for noncriminal justice purposes and  
9 electronic background requests shall be deposited in the account.  
10 Receipts for fingerprint checks by the federal bureau of investigation  
11 may also be deposited in the account. Expenditures from the account  
12 may be used only for the cost of record checks. Only the chief of the  
13 state patrol or the chief's designee may authorize expenditures from  
14 the account. The account is subject to allotment procedures under  
15 chapter 43.88 RCW. No appropriation is required for expenditures prior  
16 to July 1, 1997. After June 30, 1997, the account shall be subject to  
17 appropriation. During the 2009-2011 fiscal biennium, the legislature  
18 may transfer from the fingerprint identification account to the state  
19 general fund such amounts as reflect the excess fund balance of the  
20 account. During the 2013-2015 fiscal biennium, funds in the account  
21 may be used for expenditures that support the criminal records  
22 management division of the state patrol.

23 **Sec. 909.** RCW 43.101.220 and 2009 c 146 s 2 are each amended to  
24 read as follows:

25 (1) The corrections personnel of the state and all counties and  
26 municipal corporations initially employed on or after January 1, 1982,  
27 shall engage in basic corrections training which complies with  
28 standards adopted by the commission. The training shall be  
29 successfully completed during the first six months of employment of the  
30 personnel, unless otherwise extended or waived by the commission, and  
31 shall be requisite to the continuation of employment.

32 (2) The commission shall provide the training required in this  
33 section, together with facilities, supplies, materials, and the room  
34 and board for noncommuting attendees, except during the 2013-2015  
35 fiscal biennium, when the employing county, municipal corporation, or

1 state agency shall reimburse the commission for twenty-five percent of  
2 the cost of training its personnel.

3 (3)(a) Subsections (1) and (2) of this section do not apply to the  
4 Washington state department of corrections prisons division. The  
5 Washington state department of corrections is responsible for  
6 identifying training standards, designing curricula and programs, and  
7 providing the training for those corrections personnel employed by it.  
8 In doing so, the secretary of the department of corrections shall  
9 consult with staff development experts and correctional professionals  
10 both inside and outside of the agency, to include soliciting input from  
11 labor organizations.

12 (b) The commission and the department of corrections share the  
13 responsibility of developing and defining training standards and  
14 providing training for community corrections officers employed within  
15 the community corrections division of the department of corrections.

16 **Sec. 910.** RCW 43.320.110 and 2011 2nd sp.s. c 9 s 909 are each  
17 amended to read as follows:

18 There is created a local fund known as the "financial services  
19 regulation fund" which shall consist of all moneys received by the  
20 divisions of the department of financial institutions, except for the  
21 division of securities which shall deposit thirteen percent of all  
22 moneys received, except as provided in RCW 43.320.115, and which shall  
23 be used for the purchase of supplies and necessary equipment; the  
24 payment of salaries, wages, and utilities; the establishment of  
25 reserves; and other incidental costs required for the proper regulation  
26 of individuals and entities subject to regulation by the department.  
27 The state treasurer shall be the custodian of the fund. Disbursements  
28 from the fund shall be on authorization of the director of financial  
29 institutions or the director's designee. In order to maintain an  
30 effective expenditure and revenue control, the fund shall be subject in  
31 all respects to chapter 43.88 RCW, but no appropriation is required to  
32 permit expenditures and payment of obligations from the fund.

33 During the 2011-2013 fiscal biennium, the legislature may transfer  
34 from the financial services regulation fund to the state general fund  
35 such amounts as reflect the excess fund balance of the fund.

36 During the 2013-2015 fiscal biennium, moneys available in the

1 financial services regulation fund may be expended on the authorization  
2 of the director of the department of commerce solely for the purpose of  
3 funding local mediation and alternative dispute resolution centers.

4 **Sec. 911.** RCW 43.350.070 and 2011 c 5 s 916 are each amended to  
5 read as follows:

6 The life sciences discovery fund is created in the custody of the  
7 state treasurer. Only the board or the board's designee may authorize  
8 expenditures from the fund. Expenditures from the fund may be made  
9 only for purposes of this chapter. Administrative expenses of the  
10 authority, including staff support, may be paid only from the fund.  
11 Revenues to the fund consist of transfers made by the legislature from  
12 strategic contribution payments deposited in the tobacco settlement  
13 account under RCW 43.79.480, moneys received pursuant to contribution  
14 agreements entered into pursuant to RCW 43.350.030, moneys received  
15 from gifts, grants, and bequests, and interest earned on the fund.  
16 During the ((2009-2011)) 2013-2015 fiscal biennium, the legislature may  
17 transfer to other state funds or accounts such amounts as represent the  
18 ((~~excess~~)) balance of the life sciences discovery fund.

19 **Sec. 912.** RCW 50.16.010 and 2013 c 189 s 1 are each amended to  
20 read as follows:

21 (1) There shall be maintained as special funds, separate and apart  
22 from all public moneys or funds of this state an unemployment  
23 compensation fund and an administrative contingency fund, which shall  
24 be administered by the commissioner exclusively for the purposes of  
25 this title, and to which RCW 43.01.050 shall not be applicable.

26 (2)(a) The unemployment compensation fund shall consist of:

27 (i) All contributions collected under RCW 50.24.010 and payments in  
28 lieu of contributions collected pursuant to the provisions of this  
29 title;

30 (ii) Any property or securities acquired through the use of moneys  
31 belonging to the fund;

32 (iii) All earnings of such property or securities;

33 (iv) Any moneys received from the federal unemployment account in  
34 the unemployment trust fund in accordance with Title XII of the social  
35 security act, as amended;

1 (v) All money recovered on official bonds for losses sustained by  
2 the fund;

3 (vi) All money credited to this state's account in the unemployment  
4 trust fund pursuant to section 903 of the social security act, as  
5 amended;

6 (vii) All money received from the federal government as  
7 reimbursement pursuant to section 204 of the federal-state extended  
8 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304);

9 (viii) The portion of the additional penalties as provided in RCW  
10 50.20.070(2) that is fifteen percent of the amount of benefits overpaid  
11 or deemed overpaid; and

12 (ix) All moneys received for the fund from any other source.

13 (b) All moneys in the unemployment compensation fund shall be  
14 commingled and undivided.

15 (3)(a) Except as provided in (b) of this subsection, the  
16 administrative contingency fund shall consist of:

17 (i) All interest on delinquent contributions collected pursuant to  
18 this title;

19 (ii) All fines and penalties collected pursuant to the provisions  
20 of this title, except the portion of the additional penalties as  
21 provided in RCW 50.20.070(2) that is fifteen percent of the amount of  
22 benefits overpaid or deemed overpaid;

23 (iii) All sums recovered on official bonds for losses sustained by  
24 the fund; and

25 (iv) Revenue received under RCW 50.24.014.

26 (b) All fees, fines, forfeitures, and penalties collected or  
27 assessed by a district court because of the violation of this title or  
28 rules adopted under this title shall be remitted as provided in chapter  
29 3.62 RCW.

30 (c) Except as provided in (d) of this subsection, moneys available  
31 in the administrative contingency fund, other than money in the special  
32 account created under RCW 50.24.014, shall be expended upon the  
33 direction of the commissioner, with the approval of the governor,  
34 whenever it appears to him or her that such expenditure is necessary  
35 solely for:

36 (i) The proper administration of this title and that insufficient  
37 federal funds are available for the specific purpose to which such

1 expenditure is to be made, provided, the moneys are not substituted for  
2 appropriations from federal funds which, in the absence of such moneys,  
3 would be made available.

4 (ii) The proper administration of this title for which purpose  
5 appropriations from federal funds have been requested but not yet  
6 received, provided, the administrative contingency fund will be  
7 reimbursed upon receipt of the requested federal appropriation.

8 (iii) The proper administration of this title for which compliance  
9 and audit issues have been identified that establish federal claims  
10 requiring the expenditure of state resources in resolution. Claims  
11 must be resolved in the following priority: First priority is to  
12 provide services to eligible participants within the state; second  
13 priority is to provide substitute services or program support; and last  
14 priority is the direct payment of funds to the federal government.

15 (d)(i) During the 2007-2009 fiscal biennium, moneys available in  
16 the administrative contingency fund, other than money in the special  
17 account created under RCW 50.24.014(1)(a), shall be expended as  
18 appropriated by the legislature for: (A) The cost of the job skills or  
19 worker retraining programs at the community and technical colleges and  
20 administrative costs at the state board for community and technical  
21 colleges; and (B) reemployment services such as business and project  
22 development assistance, local economic development capacity building,  
23 and local economic development financial assistance at the department  
24 of commerce. The remaining appropriation may be expended as specified  
25 in (c) of this subsection.

26 (ii) During the (~~2009-2011~~) 2013-2015 fiscal biennium, moneys  
27 available in the administrative contingency fund, other than money in  
28 the special account created under RCW 50.24.014(1)(a), shall be  
29 expended by the department of social and health services as  
30 appropriated by the legislature for employment and training services  
31 and programs in the WorkFirst program, and for the administrative costs  
32 of state agencies participating in the WorkFirst program. The  
33 remaining appropriation may be expended as specified in (c) of this  
34 subsection.

35 (4) Money in the special account created under RCW 50.24.014(1)(a)  
36 may only be expended, after appropriation, for the purposes specified  
37 in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014,  
38 50.44.053, and 50.22.010.

1           **Sec. 913.** RCW 51.44.170 and 2011 c 5 s 917 are each amended to  
2 read as follows:

3           The industrial insurance premium refund account is created in the  
4 custody of the state treasurer. All industrial insurance refunds  
5 earned by state agencies or institutions of higher education under the  
6 state fund retrospective rating program shall be deposited into the  
7 account. The account is subject to the allotment procedures under  
8 chapter 43.88 RCW, but no appropriation is required for expenditures  
9 from the account. Only the executive head of the agency or institution  
10 of higher education, or designee, may authorize expenditures from the  
11 account. No agency or institution of higher education may make an  
12 expenditure from the account for an amount greater than the refund  
13 earned by the agency. If the agency or institution of higher education  
14 has staff dedicated to workers' compensation claims management,  
15 expenditures from the account must be used to pay for that staff, but  
16 additional expenditure from the account may be used for any program  
17 within an agency or institution of higher education that promotes or  
18 provides incentives for employee workplace safety and health and early,  
19 appropriate return-to-work for injured employees. During the 2009-2011  
20 fiscal biennium, the legislature may transfer from the industrial  
21 insurance premium refund account to the state general fund such amounts  
22 as reflect the excess fund balance of the account. During the 2013-  
23 2015 fiscal biennium, an agency or institution of higher education may  
24 make expenditures from the account for payment of industrial insurance  
25 premiums.

26           **Sec. 914.** RCW 67.70.230 and 2010 1st sp.s. c 37 s 941 are each  
27 amended to read as follows:

28           There is hereby created and established a separate account, to be  
29 known as the state lottery account. Such account shall be managed,  
30 maintained, and controlled by the commission and shall consist of all  
31 revenues received from the sale of lottery tickets or shares, and all  
32 other moneys credited or transferred thereto from any other fund or  
33 source pursuant to law. The account shall be a separate account  
34 outside the state treasury and shall not maintain a balance in excess  
35 of twelve million dollars at the end of each fiscal year. No  
36 appropriation is required to permit expenditures and payment of  
37 obligations from the account. During the 2009-2011 fiscal biennium,

1 the legislature may transfer from the state lottery account to the  
2 education legacy trust account such amounts as reflect the excess fund  
3 balance of the account.

4 **Sec. 915.** RCW 77.36.170 and 2013 c 329 s 2 are each amended to  
5 read as follows:

6 (1) The department may pay no more than fifty thousand dollars per  
7 fiscal year from the state wildlife account created in RCW 77.12.170  
8 for claims and assessment costs for injury or loss of livestock caused  
9 by wolves submitted under RCW 77.36.100.

10 (2) Notwithstanding other provisions of this chapter, the  
11 department may also accept and expend money from other sources to  
12 address injury or loss of livestock or other property caused by wolves  
13 consistent with the requirements on that source of funding.

14 (3) If any wildlife account expenditures authorized under  
15 subsections (1) and (4) of this section are unspent as of June 30th of  
16 a fiscal year, the state treasurer shall transfer the unspent amount to  
17 the wolf-livestock conflict account created in RCW 77.36.180.

18 (4) During the 2014 fiscal year, the department may pay no more  
19 than two hundred and fifty thousand dollars from the state wildlife  
20 account created in RCW 77.12.170 for claims and assessment costs for  
21 injury or loss of livestock caused by wolves submitted under RCW  
22 77.36.100.

23 **Sec. 916.** RCW 82.08.160 and 2013 2nd sp.s. c 4 s 1003 are each  
24 amended to read as follows:

25 (1) On or before the twenty-fifth day of each month, all taxes  
26 collected under RCW 82.08.150 during the preceding month must be  
27 remitted to the state department of revenue, to be deposited with the  
28 state treasurer. Except as provided in subsections (2), (3), and (4)  
29 of this section, upon receipt of such moneys the state treasurer must  
30 credit sixty-five percent of the sums collected and remitted under RCW  
31 82.08.150 (1) and (2) and one hundred percent of the sums collected and  
32 remitted under RCW 82.08.150 (3) and (4) to the state general fund and  
33 thirty-five percent of the sums collected and remitted under RCW  
34 82.08.150 (1) and (2) to a fund which is hereby created to be known as  
35 the "liquor excise tax fund."

1 (2) During the 2012 fiscal year, 66.19 percent of the sums  
2 collected and remitted under RCW 82.08.150 (1) and (2) must be  
3 deposited in the state general fund and the remainder collected and  
4 remitted under RCW 82.08.150 (1) and (2) must be deposited in the  
5 liquor excise tax fund.

6 (3) During fiscal year 2013, all funds collected under RCW  
7 82.08.150 (1), (2), (3), and (4) must be deposited into the state  
8 general fund.

9 (4) During (~~the 2013-2015~~) fiscal (~~biennium, eighty two~~) year  
10 2014, seventy seven and one-half percent of the sums collected and  
11 remitted under RCW 82.08.150 (1) and (2) must be deposited in the state  
12 general fund, and the remainder collected and remitted under RCW  
13 82.08.150 (1) and (2) must be deposited in the liquor excise tax fund.  
14 The legislature intends for the 2014 amendments in this subsection to  
15 be curative, clarifying, and remedial and to apply retroactively to  
16 July 1, 2013.

17 (5) During fiscal year 2015, eighty-four and four-tenths percent of  
18 the sums collected and remitted under RCW 82.08.150 (1) and (2) must be  
19 deposited in the state general fund, and the remainder collected and  
20 remitted under RCW 82.08.150 (1) and (2) must be deposited in the  
21 liquor excise tax fund.

22 NEW SECTION. Sec. 917. A new section is added to 2013 2nd sp.s.  
23 c 4 (uncodified) to read as follows:

24 Any residual balance of funds remaining in the investing in  
25 innovation account on April 1, 2014, shall be transferred to the state  
26 agency innovation and efficiency account created in chapter . . .  
27 (Substitute Senate Bill No. 5872), Laws of 2014.

28 NEW SECTION. Sec. 918. If any provision of this act or its  
29 application to any person or circumstance is held invalid, the  
30 remainder of the act or the application of the provision to other  
31 persons or circumstances is not affected.

32 NEW SECTION. Sec. 919. This act is necessary for the immediate  
33 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect  
2 immediately.

(End of Bill)

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