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SECRETARY OF THE SENATE

CONFERENCE COMMITTEE REPORT

Bill No: SHB 1128 | Date: April 21, 2007

Prepared by: Steve Jones (7440) | Includes "new item": YES

Mr. Speaker:
Mr. President:

We of your Conference Committee, to whom was referred SUBSTITUTE HOUSE BILL NO. 1128, Making operating appropriations for the 2005-07 and 2007-09 fiscal biennia, have had the same under consideration and we recommend that:

> All previous amendments not be adopted and that the attached striking amendment (H-3658.1/07) be adopted

and that the bill do pass as recommended by the Conference Committee.

Margarita Prentice
Senator Prentice

Lisa R. Pridemore
Senator Pridemore

Senator Zarelli

Helen Sommers
Representative Sommers

Dan Dunshee
Representative Dunshee

Representative Alexander

SHB 1128 - CONF REPT
By Conference Committee

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through IX of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2007, and ending June 30, 2009, except as otherwise provided, out of the several funds of the state hereinafter named.

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

(a) "Fiscal year 2008" or "FY 2008" means the fiscal year ending June 30, 2008.

(b) "Fiscal year 2009" or "FY 2009" means the fiscal year ending June 30, 2009.

(c) "FTE" means full time equivalent.

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

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

PART I
GENERAL GOVERNMENT

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

General Fund--State Appropriation (FY 2008) $34,522,000
General Fund--State Appropriation (FY 2009) $35,598,000
Pension Funding Stabilization Account
Appropriation $560,000
TOTAL APPROPRIATION $70,680,000

The appropriations in this section are subject to the following conditions and limitations: $56,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Senate Bill No. 5926 (construction industry). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $26,483,000
General Fund--State Appropriation (FY 2009) $29,196,000
Pension Funding Stabilization Account
Appropriation $467,000
TOTAL APPROPRIATION $56,146,000

The appropriations in this section are subject to the following conditions and limitations: $56,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Senate Bill No. 5926 (construction industry). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $3,377,000
General Fund--State Appropriation (FY 2009) $3,155,000
Pension Funding Stabilization Account
Appropriation $36,000
TOTAL APPROPRIATION $6,568,000

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

(1) Notwithstanding the provisions in this section, the committee

may adjust the due dates for projects included on the committee's 2007-09 work plan as necessary to efficiently manage workload.

(2) $100,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the joint legislative audit and review committee to conduct a review of the method used to determine lease rates for state-owned aquatic lands. The review shall include classification of current lease base and lease rates by category of use such as marinas; a review of previous studies of formulas for state-owned aquatic land leases; and identification of pros and cons of alternative approaches to calculating aquatic lands lease rates. The committee shall complete the review by June 2008.

(3) $100,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the joint legislative audit and review committee to conduct an evaluation and comparison of the cost efficiency of rental housing voucher programs versus other housing projects intended to assist low-income households, including construction and rehabilitation of housing units. The study will consider factors including administrative costs, capital costs, and other operating costs involved in operating voucher and other housing programs. The study will compare the number of households that can be served by voucher and other housing programs, given a set amount of available funds. The department of community, trade, and economic development, the housing finance commission, housing authorities, community action agencies, and local governments shall provide the joint legislative audit and review committee with information necessary for the study. The joint legislative audit and review committee shall solicit input regarding the study from interested parties, including representatives from the affordable housing advisory board, the department of community, trade, and economic development, the housing finance commission, representatives from the private rental housing industry, housing authorities, community action agencies, county and city governments, and nonprofit and for-profit housing developers. The joint legislative audit and review committee shall present the results of the study to the legislature by December 31, 2008.

(4) $100,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a cost analysis of the programs and activities administered by the department of fish and wildlife. In

conducting the study, the committee shall specifically identify the total costs that support both hunting and fishing programs as well as nongame programs, including appropriate shares of the agency's administrative and indirect costs. The committee shall compare the cost analysis to revenues that currently support the programs, including the level of support received from game licenses and fees. The committee shall base its analysis on available management information and shall provide the results of its analysis to the legislature by January 2008.

(5) $164,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the joint legislative audit and review committee to analyze gaps throughout the state in the availability and accessibility of services identified in the federal adoption and safe families act as directed by Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(6) Within the amounts appropriated in this section, the joint legislative audit and review committee shall conduct an analysis of the qualifications required to become a social worker I, II, III, or IV within the department of social and health services children's administration. The committee shall conduct an analysis of the qualifications used by other states for equivalent categories of social workers. The committee shall analyze the strengths and weaknesses of Washington's qualifications relative to the other states. The findings shall be reported to the legislature by December 1, 2007.

(7) Within amounts provided in this section, the committee shall conduct a review of the eligibility requirements and eligibility review processes that apply to any state program that offers individual health care coverage for qualified recipients.

(8) $75,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(9) $75,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute

House Bill No. 1488 (oil spill program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) Within the amounts provided in this section, the committee shall review the constitutional, case law, and statutory objectives and obligations of the department of natural resources' management of state-owned aquatic lands. The review will include an assessment of the degree to which the management practices of the department and other agencies are meeting these objectives and complying with legal obligations.

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

General Fund--State Appropriation (FY 2008) $1,843,000
General Fund--State Appropriation (FY 2009) $2,068,000
Pension Funding Stabilization Account
Appropriation $41,000
TOTAL APPROPRIATION $3,952,000

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

Department of Retirement Systems Expense Account--
State Appropriation $3,517,000

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

General Fund--State Appropriation (FY 2008) $9,023,000
General Fund--State Appropriation (FY 2009) $9,198,000
Pension Funding Stabilization Account
Appropriation $92,000
TOTAL APPROPRIATION $18,313,000

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

General Fund--State Appropriation (FY 2008) $4,810,000
General Fund--State Appropriation (FY 2009) $5,301,000
Pension Funding Stabilization Account
Appropriation $75,000
TOTAL APPROPRIATION $10,186,000

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

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

General Fund--State Appropriation (FY 2008) $7,255,000
General Fund--State Appropriation (FY 2009) $7,510,000
TOTAL APPROPRIATION $14,765,000

The appropriations in this section are subject to the following conditions and limitations: $150,000 of the general fund--state appropriation for fiscal year 2008 and $55,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement the task force on domestic violence as requested by section 306 of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $2,231,000
General Fund--State Appropriation (FY 2009) $2,259,000
TOTAL APPROPRIATION $4,490,000

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

General Fund--State Appropriation (FY 2008) $15,779,000
General Fund--State Appropriation (FY 2009) $16,819,000
TOTAL APPROPRIATION $32,598,000

The appropriations in this section are subject to the following conditions and limitations: $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for chapter 34, Laws of 2007 (Senate Bill No. 5351, court of appeals judges' travel).

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

General Fund--State Appropriation (FY 2008) $1,117,000
General Fund--State Appropriation (FY 2009) $1,148,000
TOTAL APPROPRIATION $2,265,000

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

General Fund--State Appropriation (FY 2008) $29,011,000
General Fund--State Appropriation (FY 2009) $30,148,000
Public Safety and Education Account--State
Appropriation (FY 2008) $24,071,000
Public Safety and Education Account--State
Appropriation (FY 2009) $24,223,000
Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2008) . . . $3,175,000
Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2009) . . . $3,175,000
Judicial Information Systems Account--State
Appropriation $39,437,000
TOTAL APPROPRIATION $153,240,000

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

(1) $3,900,000 of the general fund--state appropriation for fiscal year 2008 and $3,900,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for court-appointed special advocates in dependency matters. The administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain more than six percent of total funding to cover administrative or any other agency costs. Funding distributed in this subsection shall not be used to supplant existing local funding for the court-appointed special advocates program.

(2) $300,000 of the general fund--state appropriation for fiscal year 2008, $300,000 of the general fund--state appropriation for fiscal year 2009, $1,500,000 of the public safety and education account--state appropriation for fiscal year 2008, and $1,500,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(3)(a) $1,640,000 of the general fund--state appropriation for fiscal year 2008, $1,641,000 of the general fund--state appropriation for fiscal year 2009, $6,612,000 of the public safety and education account--state appropriation for fiscal year 2008, and $6,612,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2007-09 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a fiscal year

ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

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

(5) $325,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the completion of the juror pay pilot and research project.

(6) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for improving interpreter services at the trial court level.

(a) Of these amounts, $340,000 for fiscal year 2008 is provided solely to assist trial courts in developing and implementing language assistance plans. The administrator of the courts, in consultation with the interpreter commission, shall adopt language assistance plan standards consistent with chapters 2.42 and 2.43 RCW. The standards shall include guidelines on local community input, provisions on notifying court users on the right and methods to obtain an interpreter, information on training for judges and court personnel, procedures for identifying and appointing an interpreter, access to translations of commonly used forms, and processes to evaluate the development and implementation of the plan.

(b) Of these amounts, $610,000 for fiscal year 2008 and $950,000 for fiscal year 2009 are provided solely to assist trial courts with interpreter services. In order to be eligible for assistance, a trial court must have completed a language assistance plan consistent with the standards established in (a) of this subsection that is approved by the administrator of the courts and submit the amounts spent annually on interpreter services for fiscal years 2005, 2006, and 2007. The funding in this subsection (b) shall not be used to supplant existing funding and cannot be used for any purpose other than assisting trial courts with interpreter services. At the end of the fiscal year, recipients shall report to the administrator of the court the amount the trial court spent on interpreter services.

(c) $50,000 for fiscal year 2008 and $50,000 for fiscal year 2009 are provided solely to the administrator of the courts for administration of this subsection. By December 1, 2009, the administrator of the courts shall report to the appropriate policy and fiscal committees of the legislature: (i) The number of trial courts in the state that have completed a language assistance plan; (ii) the number of trial courts in the state that have not completed a language assistance plan; (iii) the number of trial courts in the state that received assistance under this subsection, the amount of the assistance, and the amount each trial court spent on interpreter services for fiscal years 2005 through 2008 and fiscal year 2009 to date.

(7) $443,000 of the general fund--state appropriation for fiscal year 2008 and $543,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Within the amounts provided:

(a) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for developing training materials for the family court liaisons.

(b) $43,000 of the general fund--state appropriation for fiscal year 2008 and $43,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for reimbursement costs related to the family law handbook;

(c) $350,000 of the general fund--state appropriation for fiscal year 2008 and $350,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for distribution to counties to provide guardian ad litem services for the indigent for a reduced or waived fee;

(d) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementing the data tracking provisions specified in sections 701 and 702 of Second Substitute Senate Bill No. 5470 (dissolution).

(8)(a) $20,458,000 of the judicial information systems account--state appropriation is provided solely for the development and

implementation of the core case management system. In expending the funds provided within this subsection, the following conditions must first be satisfied before any subsequent funds may be expended:

(i) Completion of feasibility studies detailing linkages between the objectives of the core case management system and the following: The technology efforts required and the impacts of the new investments on existing infrastructure and business functions, including the estimated fiscal impacts to the judicial information systems account and the near general fund accounts; the alignment of critical system requirements of varying size courts at the municipal, district, and superior court level with their respective proposed business processes resulting from business process engineering, and detail on the costs and other impacts to the courts for providing critical business requirements not addressed by new common business processes; the specific requirements and business process needs of state agencies dependent on data exchange with the judicial information system; and the results from a proof of implementation phase; and

(ii) Discussion with and presentation to the department of information systems and the information services board regarding the impact on the state agencies dependent on successful data exchange with the judicial information system and the results of the feasibility studies.

(b) The judicial information systems committee shall provide quarterly updates to the appropriate committees of the legislature and the department of information systems on the status of implementation of the core case management system.

(c) The legislature respectfully requests the judicial information systems committee invite representatives from the state agencies dependent on successful data exchange to their regular meetings for consultation as nonvoting members.

(9) Funding within this section is sufficient to cover costs associated with implementation of Substitute House Bill No. 1141 (diversion records).

(10) $534,000 of the general fund--state appropriation for fiscal year 2008 and $949,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Substitute Senate Bill No. 5320 (public guardianship office). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $18,014,000
General Fund--State Appropriation (FY 2009) $18,016,000
Public Safety and Education Account--State
Appropriation (FY 2008) $7,066,000
Public Safety and Education Account--State
Appropriation (FY 2009) $7,025,000
Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2008) . . . $2,250,000
Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2009) . . . $2,251,000
TOTAL APPROPRIATION $54,622,000

The appropriations in this section are subject to the following conditions and limitations: The amounts provided from the public safety and education account appropriations include funding for expert and investigative services in death penalty personal restraint petitions.

NEW SECTION. **Sec. 115. FOR THE OFFICE OF CIVIL LEGAL AID**

General Fund--State Appropriation (FY 2008) $5,923,000
General Fund--State Appropriation (FY 2009) $7,009,000
Public Safety and Education Account--State
Appropriation (FY 2008) $2,326,000
Public Safety and Education Account--State
Appropriation (FY 2009) $2,378,000
Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2008) $927,000
Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2009) $927,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2008) $1,494,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2009) $1,493,000
TOTAL APPROPRIATION $22,477,000

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

(1) $120,000 of the general fund--state appropriation for fiscal year 2008 and $120,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely to continue support for the existing agricultural dispute resolution system funded through the office of civil legal aid for disputes between farmers and farm workers. The office of civil legal aid shall report to the appropriate legislative committees on the effectiveness of this program by December 31, 2008.

(2) An amount not to exceed $40,000 of the general fund--state appropriation for fiscal year 2008 and an amount not to exceed $40,000 of the general fund--state appropriation for fiscal year 2009 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years of age or older on matters authorized by RCW 2.53.030(2)(a) through (k) regardless of household income or asset level.

NEW SECTION. **Sec. 116. FOR THE OFFICE OF THE GOVERNOR**

General Fund--State Appropriation (FY 2008) $6,614,000
General Fund--State Appropriation (FY 2009) $6,758,000
General Fund--Federal Appropriation $35,000
Economic Development Strategic Reserve Account--State
Appropriation $4,000,000
Oil Spill Prevention Account--State Appropriation $715,000
TOTAL APPROPRIATION $18,122,000

The appropriations in this section are subject to the following conditions and limitations: $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5224 (salmon office). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

NEW SECTION. **Sec. 117. FOR THE LIEUTENANT GOVERNOR**

General Fund--State Appropriation (FY 2008) $798,000
General Fund--State Appropriation (FY 2009) $837,000
General Fund--Private/Local Appropriation $90,000
TOTAL APPROPRIATION $1,725,000

NEW SECTION. **Sec. 118. FOR THE PUBLIC DISCLOSURE COMMISSION**

General Fund--State Appropriation (FY 2008) $2,546,000

General Fund--State Appropriation (FY 2009) $2,499,000
TOTAL APPROPRIATION $5,045,000

The appropriations in this section are subject to the following conditions and limitations: $100,000 of the general fund--state appropriation for fiscal year 2008 is for a feasibility study to determine the cost of designing, developing, implementing, and maintaining: (a) Software or other applications to accommodate electronic filing by lobbyists reporting under RCW 42.17.150 and 42.17.170, by lobbyist employers reporting under RCW 42.17.180, and by public agencies reporting under RCW 42.17.190; (b) a database and query system that results in data that is readily available to the public for review and analysis and that is compatible with current computer architecture, technology, and operating systems, including but not limited to Windows and Apple operating systems. The commission shall contract for the feasibility study and consult with the department of information services. The study may include other elements, as determined by the commission, that promote public access to information about lobbying activity reportable under chapter 42.17 RCW. The study shall be provided to the legislature by January 2008.

NEW SECTION. **Sec. 119. FOR THE SECRETARY OF STATE**

General Fund--State Appropriation (FY 2008) $32,941,000
General Fund--State Appropriation (FY 2009) $21,774,000
General Fund--Federal Appropriation $7,312,000
General Fund--Private/Local Appropriation $134,000
Archives and Records Management Account--State
Appropriation $8,390,000
Department of Personnel Service Account--State
Appropriation $768,000
Local Government Archives Account--State
Appropriation $13,791,000
Election Account--Federal Appropriation $39,103,000
Charitable Organization Education Account--State
Appropriation $122,000
TOTAL APPROPRIATION $124,335,000

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

(1) $13,104,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) $2,421,000 of the general fund--state appropriation for fiscal year 2008 and $3,893,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

(3) $125,000 of the general fund--state appropriation for fiscal year 2008 and $118,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for legal advertising of state measures under RCW 29A.52.330.

(4)(a) $2,465,000 of the general fund--state appropriation for fiscal year 2008 and $2,501,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2007-09 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

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

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

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

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

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

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

(5) $45,000 of the general fund--state appropriation for fiscal year 2008 and $45,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for humanities Washington's "we the people" community conversations program.

(6) $122,000 of the charitable organization education account--state appropriation is provided solely for implementation of Substitute House Bill No. 1777 (charitable organizations). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. **Sec. 120. FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

General Fund--State Appropriation (FY 2008) $348,000
General Fund--State Appropriation (FY 2009) $317,000
TOTAL APPROPRIATION $665,000

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

NEW SECTION. **Sec. 121. FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2008) $257,000
General Fund--State Appropriation (FY 2009) $252,000
TOTAL APPROPRIATION $509,000

NEW SECTION. **Sec. 122. FOR THE STATE TREASURER**

State Treasurer's Service Account--State
Appropriation $15,687,000

The appropriation in this section is subject to the following conditions and limitations: $183,000 of the state treasurer's service account--state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1512 (linked deposit program). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. **Sec. 123. FOR THE STATE AUDITOR**

General Fund--State Appropriation (FY 2008) $794,000
General Fund--State Appropriation (FY 2009) $829,000
State Auditing Services Revolving Account--State
Appropriation $15,188,000
TOTAL APPROPRIATION $16,811,000

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

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

(2) $752,000 of the general fund--state appropriation for fiscal year 2008 and $762,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits;

and to assist the state special education safety net committee when requested.

(3) $1,000 of the appropriation from the auditing services revolving account--state is provided solely for an adjustment to the agency lease rate for space occupied and parking in the Tacoma Rhodes Center. The department of general administration shall increase lease rates to meet the cash gain/loss break-even point for the Tacoma Rhodes Center effective July 1, 2007.

NEW SECTION. **Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

General Fund--State Appropriation (FY 2008) $159,000
General Fund--State Appropriation (FY 2009) $229,000
TOTAL APPROPRIATION $388,000

NEW SECTION. **Sec. 125. FOR THE ATTORNEY GENERAL**

General Fund--State Appropriation (FY 2008) $6,250,000
General Fund--State Appropriation (FY 2009) $6,656,000
General Fund--Federal Appropriation $3,951,000
Public Safety and Education Account--State
Appropriation (FY 2008) $1,143,000
Public Safety and Education Account--State
Appropriation (FY 2009) $1,199,000
New Motor Vehicle Arbitration Account--State
Appropriation $1,323,000
Legal Services Revolving Account--State
Appropriation $224,635,000
Tobacco Prevention and Control Account--State
Appropriation $270,000
TOTAL APPROPRIATION $245,427,000

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

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

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

(3) $9,446,000 of the legal services revolving account--state appropriation is provided solely for increases in salaries and benefits of assistant attorneys general effective July 1, 2007. This funding is provided solely for increases to address critical recruitment and retention problems, and shall not be used for the performance management program or to fund general administration. The attorney general shall report to the office of financial management and the fiscal committees of the senate and house of representatives by October 1, 2008, and provide detailed demographic information regarding assistant attorneys general who received increased salaries and benefits as a result of the appropriation. The report shall include at a minimum information regarding the years of service, division assignment within the attorney general's office, and client agencies represented by assistant attorneys general receiving increased salaries and benefits as a result of the amount provided in this subsection. The report shall include a proposed salary schedule for all assistant attorneys general using the same factors used to determine increased salaries under this section. The report shall also provide initial findings regarding the effect of the increases on recruitment and retention of assistant attorneys general.

(4) $69,000 of the legal services revolving fund--state appropriation is provided solely for Engrossed Substitute Senate Bill No. 6001 (climate change). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) $44,000 of the legal services revolving fund--state appropriation is provided solely for Substitute Senate Bill No. 5972 (surface mining reclamation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. **Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

General Fund--State Appropriation (FY 2008) $756,000
General Fund--State Appropriation (FY 2009) $781,000
TOTAL APPROPRIATION $1,537,000

NEW SECTION. **Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund--State Appropriation (FY 2008) $66,652,000
General Fund--State Appropriation (FY 2009) $67,867,000
General Fund--Federal Appropriation $251,537,000
General Fund--Private/Local Appropriation $14,680,000
Public Safety and Education Account--State
Appropriation (FY 2008) $2,775,000
Public Safety and Education Account--State
Appropriation (FY 2009) $2,735,000
Public Works Assistance Account--State Appropriation . . . $2,977,000
Tourism Promotion and Development Account--State
Appropriation $1,000,000
Drinking Water Assistance Administrative Account--
State Appropriation $415,000
Lead Paint Account--State Appropriation $6,000
Building Code Council Account--State Appropriation $1,180,000
Low-Income Weatherization Assistance Account--State
Appropriation $8,385,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2008) $3,644,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2009) $3,660,000
Community and Economic Development Fee Account--State
Appropriation $1,840,000
Washington Housing Trust Account--State
Appropriation $32,327,000
Homeless Families Service Account--State
Appropriation $300,000
Public Facility Construction Loan Revolving
Account--State Appropriation $635,000
Affordable Housing Account--State Appropriation $15,200,000
Community Preservation and Development Authority
Account--State Appropriation $350,000
Home Security Fund Account--State Appropriation $16,200,000
Independent Youth Housing Account--State Appropriation . . $1,000,000
TOTAL APPROPRIATION $495,365,000

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

(1) $2,838,000 of the general fund--state appropriation for fiscal year 2008 and $2,838,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a contract with the Washington technology center for work essential to the mission of the Washington technology center and conducted in partnership with universities. The center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1995-97 fiscal biennium.

(2) $1,658,000 of the general fund--state appropriation for fiscal year 2008 and $1,658,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for multijurisdictional drug task forces.

(3) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to fund domestic violence legal advocacy.

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

(5) $145,000 of the general fund--state appropriation for fiscal year 2008 and $144,000 of the general fund--state appropriation for fiscal year 2009 are provided to support a task force on human trafficking.

(6) $2,500,000 of the general fund--state appropriation for fiscal year 2008 and $2,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Second Substitute Senate Bill

No. 5092 (associate development organizations). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the community services block grant program.

(8) $70,000 of the general fund--state appropriation for fiscal year 2008 and $65,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department to implement the innovation partnership zone program.

(a) The director shall designate innovation partnership zones on the basis of the following criteria:

(i) Innovation partnership zones must have three types of institutions operating within their boundaries, or show evidence of planning and local partnerships that will lead to dense concentrations of these institutions:

(A) Research capacity in the form of a university or community college fostering commercially valuable research, nonprofit institutions creating commercially applicable innovations, or a national laboratory;

(B) Dense proximity of globally competitive firms in a research-based industry or industries or of individual firms with innovation strategies linked to (a)(i) of this subsection. A globally competitive firm may be signified through international organization for standardization 9000 or 1400 certification, or other recognized evidence of international success; and

(C) Training capacity either within the zone or readily accessible to the zone. The training capacity requirement may be met by the same institution as the research capacity requirement, to the extent both are associated with an educational institution in the proposed zone;

(ii) The support of a local jurisdiction, a research institution, an educational institution, an industry or cluster association, a workforce development council, and an associate development organization, port, or chamber of commerce;

(iii) Identifiable boundaries for the zone within which the applicant will concentrate efforts to connect innovative researchers,

entrepreneurs, investors, industry associations or clusters, and training providers. The geographic area defined should lend itself to a distinct identity and have the capacity to accommodate firm growth;

(iv) The innovation partnership zone shall designate a zone administrator, which must be an economic development council, port, workforce development council, city, or county.

(b) By October 1, 2007, and October 1, 2008, the director shall designate innovation partnership zones on the basis of applications that meet the criteria in this subsection, estimated economic impact of the zone, and evidence of forward planning for the zone.

(c) If the innovation partnership zone meets the other requirements of the fund sources, then the innovation partnership zone is encouraged to use the local infrastructure financing tool program, the sales and use tax for public facilities in rural counties, the job skills program and other state and local resources to promote zone development.

(d) The department shall convene at least one information sharing event for innovation partnership zone administrators and other interested parties.

(e) An innovation partnership zone shall provide performance measures as required by the director, including but not limited to private investment measures, job creation measures, and measures of innovation such as licensing of ideas in research institutions, patents, or other recognized measures of innovation.

(9) $430,000 of the general fund--state appropriation for fiscal year 2008 and $1,935,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the economic development commission to work with the higher education coordinating board and research institutions to: (a) Develop a plan for recruitment of ten significant entrepreneurial researchers over the next ten years to lead innovation research teams, which plan shall be implemented by the higher education coordinating board; and (b) develop comprehensive entrepreneurial programs at research institutions to accelerate the commercialization process.

(10) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the cascade land conservancy to develop and demonstrate one or more transfer of development rights programs. These programs shall involve the purchase

or lease of development rights or conservation easements from family forest landowners facing pressure to convert their lands and who desire to keep their land in active forest management. The grant shall require the conservancy to work in collaboration with family forest landowners and affected local governments, and to submit an interim written progress report to the department by September 15, 2008, and a final report by June 30, 2009. The department shall transmit the reports to the governor and the appropriate committees of the legislature.

(11) $155,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Engrossed Second Substitute House Bill No. 1422 (addressing children and families of incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) $180,000 of the general fund--state appropriation for fiscal year 2008 and $180,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for KCTS public television to support programming in the Spanish language. These funds are intended to support the addition of a bilingual outreach coordinator to serve Latino adults, families and children in western and central Washington; multimedia promotion on Spanish-language media and website integration; the production of targeted public affairs programs that seek to improve education and the quality of life for Latinos; and to establish partnerships with city and county library systems to provide alternative access to the v-me Spanish language channel via the internet.

(13) $1,000,000 of the tourism and promotion account--state appropriation is provided for Substitute House Bill No. 1276 (creating a public/private tourism partnership). Of this amount, $280,000 is for the department of fish and wildlife's nature tourism infrastructure program; $450,000 is for marketing the 2010 Olympic games; and $50,000 is for the Washington state games.

(14) The department shall distribute 125,000 copies per year of the Washington state visitors' guide for the 2007-09 fiscal biennium.

(15) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the African chamber of

commerce of the Pacific Northwest to support the formation of trade alliances between Washington businesses and African businesses and governments.

(16) $750,000 of the general fund--state appropriation for fiscal year 2008 and $750,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the emergency food assistance program.

(17) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department's individual development account program.

(18) $80,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the energy facility site evaluation council to contract for a review of the status of pipeline utility corridor capacity and distribution for natural gas, petroleum and biofuels in southwest Washington. The council shall submit its findings and recommendations to the legislature by December 1, 2007.

(19) $1,813,000 of the general fund--state appropriation for fiscal year 2008 and $1,813,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a pilot program to provide transitional housing assistance to offenders who are reentering the community and are in need of housing as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). The department shall operate the program through grants to eligible organizations as described in RCW 43.185.060. A minimum of two programs shall be established in two counties in which community justice centers are located. The pilot programs shall be selected through a request for proposal process in consultation with the department of corrections. The department shall select the pilot sites by January 1, 2008.

(a) The pilot program shall:

(i) Be operated in collaboration with the community justice center existing in the location of the pilot site;

(ii) Offer transitional supportive housing that includes individual support and mentoring available on an ongoing basis, life skills training, and close working relationships with community justice centers and community corrections officers. Supportive housing

services can be provided directly by the housing operator, or in partnership with community-based organizations;

(iii) In providing assistance, give priority to offenders who are designated as high risk or high needs as well as those determined not to have a viable release plan by the department of corrections; and

(iv) Provide housing assistance for a period of up to twelve months for a participating offender.

(b) The department may also use up to twenty percent of the funds in this subsection to support the development of additional supportive housing resources for offenders who are reentering the community.

(c) The department shall collaborate with the department of corrections in the design of the program and development of criteria to determine who will qualify for housing assistance, and shall report to the legislature by November 1, 2008, on the number of offenders seeking housing, the number of offenders eligible for housing, the number of offenders who receive the housing, and the number of offenders who commit new crimes while residing in the housing.

(20) $288,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for community transition coordination networks and county service inventories as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). Funds are provided for: (a) Grants to counties to inventory services and resources available to assist offenders reentering the community; (b) a grant to the Washington institute for public policy to develop criteria for conducting the inventory; and (c) the department of community, trade, and economic development to assist with the inventory and implement a community transition coordination network pilot program.

(21) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the center for advanced manufacturing to assist domestic businesses to compete globally.

(22) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the developmental disabilities council to contract for legal services for individuals

with developmental disabilities entering or currently residing in the department of social and health services division of developmental disabilities community protection program.

(23) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to Safe Havens to provide supervised visitation for families affected by domestic violence and abuse.

(24) $408,000 of the general fund--state appropriation for fiscal year 2008 and $623,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to county juvenile courts to expand the number of participants in juvenile drug courts consistent with the conclusions of the Washington state institute for public policy evaluation of effective programs to reduce future prison populations.

(25) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5652 (microenterprise development), including grants to microenterprise organizations for organizational capacity building and provision of training and technical assistance. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(26) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to establish the state economic development commission as an independent state agency consistent with Second Substitute Senate Bill No. 5995 (economic development commission). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(27) $150,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support international trade fairs.

(28) $50,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a study to survey best practices for smart meters/smart grid/smart appliance technology and the range of applications for smart meters around the country. The survey shall

include, but is not limited to, utilities using smart meters to: (a) Meter responses to time-of-use pricing, (b) meter savings from direct load control programs, (c) manage operations costs, (d) identify power outages, (e) meter voluntary interruptible power programs, (f) facilitate pay-as-you-go programs, and (g) enhance billing operations. The study will compare the survey results with Washington's electric utility power system including considerations of electricity price variations between peak and off-peak prices, seasonal price variations, forecast demand, conservation goals, seasonal or daily distribution or transmission constraints, etc., to identify the applications where smart meters may provide particular value to either individual consumers, individual Washington electric utility power systems, or the overall electric power grid in Washington, and to meeting state conservation and energy goals. The department shall complete the study and provide a report to the governor and the legislature by December 1, 2007.

(29) $12,000 of the general fund--state appropriation for fiscal year 2008 and $13,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the Synergy Group to coordinate the resources of Lake Stevens area nonprofit organizations to prevent redundancy in charitable efforts.

(30)(a) $500,000 of the general fund--state appropriation for fiscal year 2008 is provided for a pilot program to provide assistance for three jurisdictions to enforce financial fraud and identity theft laws. Three pilot enforcement areas shall be established on January 1, 2008, two in the two largest counties by population west of the crest of the Cascade mountains and one in the largest county by population east of the crest of the Cascade mountains. Funding received for the purpose of this subsection through appropriations, gifts, and grants shall be divided equally between the three pilot enforcement areas. This funding is intended to provide for additional deputy prosecutors, law enforcement, clerical staff, and other support for the prosecution of financial fraud and identity theft crimes. The funding shall not be used to supplant existing funding and cannot be used for any purpose other than enforcement of financial fraud and identity theft laws. Appropriated state funds must be used to match gifts and grants of private-sector funds for the purposes of this subsection, and

expenditure of appropriated state funds may not exceed expenditure of private funds.

(b) The department shall appoint a task force in each county with a pilot enforcement area. Each task force shall include the following members:

(i) Two members from financial institutions;

(ii) One member of the Washington association of county prosecutors;

(iii) One member of the Washington association of sheriffs and police chiefs;

(iv) One member of the Washington state association of municipal attorneys; and

(v) One law enforcement officer.

(c) The task force in each county shall provide advice and expertise in order to facilitate the prosecutor's efforts to prosecute and reduce the incidence of financial fraud and identity theft crimes, including check fraud, chronic unlawful issuance of bank checks, embezzlement, credit/debit card fraud, identity theft, forgery, counterfeit instruments, organized counterfeit check rings, and organized identity theft rings.

(31) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to Grays Harbor county for activities associated with southwest Washington coastal erosion investigations and demonstrations.

(32) $112,000 of the general fund--state appropriation for fiscal year 2008 and $113,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the retired senior volunteer program.

(33) $200,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the Benton and Franklin county juvenile and drug courts. The grant is contingent upon the counties providing equivalent matching funds.

(34) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the Seattle

aquarium for a scholarship program for transportation and admission costs for classrooms with lower incomes, English as second language or special needs.

(35) $256,000 of the general fund--state appropriation for fiscal year 2008 and $256,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the long-term care ombudsman program.

(36) $425,000 of the general fund--state appropriation for fiscal year 2008 and $425,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the Washington state association of counties for the county training program.

(37) $495,000 of the general fund--state appropriation for fiscal year 2008 and $495,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the northwest agriculture business center.

(38) $200,000 of the general fund appropriation for fiscal year 2008 is provided solely for a program to build capacity and promote the development of nonprofit community land trust organizations in the state. Funds shall be granted through a competitive process to community land trusts with assets under one million dollars, and these funds shall be used for operating costs, technical assistance, and other eligible capacity building expenses to be determined by the department.

(39) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to centro latino to provide adult basic education that includes but is not limited to: English as a second language, Spanish literacy training, work-readiness training, citizenship classes, programs to promote school readiness, community education, and entrepreneurial services.

(40) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to resolution Washington to build statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that all citizens have access to a low-cost resolution process as an alternative to litigation.

(41) $2,000,000 of the general fund--state appropriation for fiscal year 2008 and $2,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute House Bill No. 1303 (cleaner energy). The department shall retain $1,500,000 for expenditures related to the operations of the energy freedom authority, and the support of the vehicle workgroup and the carbon market stakeholder workgroup. The department shall enter into interagency agreements with other agencies to implement the bill in the following amounts: (a) $1,500,000 shall be provided to the climate impacts group at the University of Washington for climate assessments; (b) $200,000 shall be provided to the University of Washington college of forest resources for identification of barriers to using the state's forest resources for fuel production; and (c) $800,000 shall be provided to the Washington State University for analyzing options for market incentives to encourage biofuels production. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(42) $347,000 of the general fund--state appropriation for fiscal year 2008 and $348,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to Western Washington University to support small business development centers and underserved economic development councils with secondary research services. Of the amounts in this subsection, $500,000 is intended for research services and shall be divided evenly between 25-50 small business development centers and underserved economic development councils and $195,000 shall be used to develop infrastructure, training programs, and marketing materials.

(43) $100,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a study on improving the effectiveness of the growth management act. Topics may include but are not limited to: How best to meet and finance infrastructure and service needs of growing communities; how to provide incentives to accommodate projected growth and protect resource lands and critical areas; and how local governments are prepared to address land use changes associated with climate change.

(44) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely to the Poulsbo marine science center.

(45) $1,625,000 of the general fund--state appropriation for fiscal year 2008 and $1,625,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating and capital equipment and facility grants to the following public television and radio stations: KPBX/KSFC, $863,525; KPLU, $733,525; KVTI, $108,550; KDNA, $29,205; KSER, $338,325; KNHC, $146,620; KSPS, $568,750; and KBTC, $461,500.

(46) $200,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the safe and drug free schools and communities program.

(47) $102,000 of the general fund--state appropriation for fiscal year 2008 and $103,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the University of Washington's college of forest resources center for international trade in forest products.

(48) $471,000 of the general fund--state appropriation for fiscal year 2008 and $471,000 of the general fund--state appropriation for fiscal year 2009 are provided solely as pass-through funding to Walla Walla community college for its water and environmental center.

(49) $65,000 of the general fund--state appropriation for fiscal year 2008 and $65,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a contract with a food distribution program for communities in the southwestern portion of the state and for workers impacted by timber and salmon fishing closures and reductions. The department may not charge administrative overhead or expenses to the funds provided in this subsection.

(50)(a) $200,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a study to examine the fiscal health of counties. The study shall address spending and revenues, as well as the demographic, geographic, social, economic, and other factors contributing to or causing financial distress. The study shall also examine the financial efficiencies, cost savings, and improved levels of service that may be gained by authorizing noncharter counties greater flexibility in altering their forms of governance, including

consolidating or merging constitutional or statutory functions or structures.

(b) The department of community, trade, and economic development may contract or consult with any agency, organization, or other public or private entity as it deems necessary in order to complete the study required under this section. The study may contain options and actions for consideration by the governor and the legislature, but at minimum shall recommend the changes to constitutional and statutory law necessary to provide counties with the legal authority required to implement the changes in governmental structures and functions needed to promote optimum financial efficiency and improved services. The study shall be transmitted to the appropriate committees of the legislature and the governor by December 1, 2007.

(51) $2,136,000 of the general fund--state appropriation for fiscal year 2008 and $2,136,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation and expense of the "closing the achievement gap-flight program" of the Seattle public schools during the 2007-09 biennium. The funds will be used in support of a collaboration model between the Seattle public schools and the community. The primary intent for this program is to close the academic achievement gap for students of color and students in poverty by promoting parent and family involvement and enhancing the social-emotional and the academic support for students. By June 30, 2009, the Seattle public schools will provide and evaluation of the impact of the activities funded on class size, graduation rates, student attendance, student achievement, and closing the achievement gap.

(52) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for crime victim service centers.

(53) $41,000 of the general fund--state appropriation for fiscal year 2008 and $36,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for House Bill No. 1038 (electric transmission lines). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(54) $1,000,000 of the independent youth housing account is provided for Second Substitute House Bill No. 1922 (youth housing program). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(55) $227,000 of the general fund--state appropriation for fiscal year 2008 and $127,000 of the general fund--state appropriation for fiscal year 2008 are provided solely for Second Substitute House Bill No. 1636 (development rights). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(56) $35,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for Substitute House Bill No. 1037 (electrical transmission). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(57) $131,000 of the general fund--state appropriation for fiscal year 2008 and $62,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Engrossed Second Substitute House Bill No. 1705 (health sciences and services). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(58) $881,000 of the general fund--state appropriation for fiscal year 2008 and $882,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to: (a) Work with a statewide asset building coalition to design, implement, and fund a public education and outreach campaign; and (b) initiate, expand, and strengthen community-based asset building coalitions by providing them with technical assistance and grants. The department shall conduct an application process and select at least twelve sites by October 31, 2007. Of the amounts provided in this subsection, no more than 10 percent may be used by the department to administer the technical assistance and grant program. The department shall report to the appropriate committees of the legislature on the status of the grant and technical assistance program by December 1, 2008.

(59) $15,200,000 of the affordable housing account--state appropriation and $16,200,000 of the home security fund account--state appropriation are provided solely for Engrossed Second Substitute House Bill No. 1359 (affordable housing). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(60) $350,000 of the community preservation and development account--state appropriation is provided solely for Substitute Senate Bill No. 6156 (development authorities). If this bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

General Fund--State Appropriation (FY 2008) $608,000
General Fund--State Appropriation (FY 2009) $631,000
TOTAL APPROPRIATION $1,239,000

NEW SECTION. **Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund--State Appropriation (FY 2008) $24,175,000
General Fund--State Appropriation (FY 2009) $23,323,000
General Fund--Federal Appropriation $23,588,000
General Fund--Private/Local Appropriation $1,270,000
State Auditing Services Revolving Account--State
Appropriation $25,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2008) $123,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2009) $123,000
TOTAL APPROPRIATION $72,627,000

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

(1) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to continue the agricultural pilot programs that identify projects to enhance farm income and improve natural resource protection. Specific work will include project outreach and refinement, stakeholder support, staffing the oversight committee, seeking federal and private match funding, and further refining the list of projects to be recommended for funding.

(2) $175,000 of the general fund--state appropriation for fiscal year 2008 and $175,000 of the general fund--state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to fund "proof-of-concept" model and projects recommended by the oversight committee, as provided in subsection (1) of this section.

(3) $580,000 of the general fund--state appropriation for fiscal year 2008 and $580,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the association of Washington

cities and the Washington state association of counties for improving project permitting and mitigation processes.

(4) $320,000 of the general fund--state appropriation for fiscal year 2008 and $320,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the office of regulatory assistance to develop statewide multiagency permits for transportation infrastructure and other projects that integrate local, state, and federal permit requirements and mitigation standards.

(5) $1,050,000 of the general fund--state appropriation for fiscal year 2008 and $1,050,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5122 (regulatory assistance programs). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(6) $165,000 of the general fund--state appropriation for fiscal year 2008 and $115,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a study to develop options for a new K-12 pupil transportation funding formula. The office of financial management shall contract with consultants with expertise in both pupil transportation and K-12 finance formulas. The office of financial management and the contractors shall consult with the legislative fiscal committees and the office of the superintendent of public instruction. The office of financial management shall submit a final report to the governor, the house of representatives appropriations committee, and senate ways and means committee by November 15, 2008.

(7) $175,000 of the general fund--state appropriation for fiscal year 2008 and $175,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for financial assistance to local government agencies in counties representing populations of fewer than 350,000 residents for the acquisition and development of streamlined permitting technology infrastructure through an integrated business portal approach. Grant awards may not exceed $100,000 per local government agency per fiscal year. The funding must be used to acquire and implement permit tracking systems that can support and are compatible with a multijurisdictional, integrated approach. Prior to granting funds, the office of regulatory assistance shall ensure that

the proposed systems and technology are based on open-industry standards, allow for future integration of processes and sharing of data, and are extendable.

(8) $810,000 of the general fund--state appropriation for fiscal year 2008 and $495,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of sections 50 through 57 (health resources strategy) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(9) $300,000 of the general fund--state appropriation for fiscal year 2008 and $54,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement section 3 of Substitute Senate Bill No. 5248 (preserving the viability of agricultural lands). Funds are provided for a contract with the Ruckelshaus center to examine conflicts between agriculture activities and critical areas ordinances. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) The education data center within the office of financial management may convene a work group to assess the feasibility, costs, and benefits of a higher education data system that uses privacy-protected student-level data.

(11) Within amounts appropriated in this section, the office of financial management shall enter into an interagency agreement with the department of social and health services to establish a program of technical assistance to pharmacies providing services under chapter 74.09 RCW that offers information to pharmacies regarding compliance with payment requirements and that offers technical assistance to pharmacies that request such assistance or who, as identified in a prepayment or other preaudit review, would benefit from such assistance. Additionally, the office of financial management shall oversee the technical assistance program and review the department of social and health services' pharmacy audit practices and determine whether it is desirable, in instances when fraud is not suspected, to extend the time from when a pharmacy is notified of an upcoming audit, to when an audit begins. The office of financial management shall report its findings and recommendations to the governor and to the

appropriate legislative fiscal and policy committees by December 1, 2007.

NEW SECTION. **Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account--State
Appropriation $33,037,000

NEW SECTION. **Sec. 131. FOR THE DEPARTMENT OF PERSONNEL**

Department of Personnel Service Account--State
Appropriation $30,106,000
Higher Education Personnel Services Account--State
Appropriation $1,794,000
TOTAL APPROPRIATION $31,900,000

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

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

Lottery Administrative Account--State Appropriation . . . $26,382,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section may not be expended by the Washington state lottery for any purpose associated with a lottery game offered through any interactive electronic device, including the internet.

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

General Fund--State Appropriation (FY 2008) $261,000
General Fund--State Appropriation (FY 2009) $276,000
TOTAL APPROPRIATION $537,000

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

General Fund--State Appropriation (FY 2008) $257,000
General Fund--State Appropriation (FY 2009) $266,000
TOTAL APPROPRIATION $523,000

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

General Fund--State Appropriation (FY 2008) $200,000
General Fund--State Appropriation (FY 2009) $250,000
Dependent Care Administrative Account--State
Appropriation $448,000
Department of Retirement Systems Expense Account--
State Appropriation $48,885,000
TOTAL APPROPRIATION $49,783,000

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

(1) $15,000 of the department of retirement systems expense account appropriation is provided solely to implement Substitute House Bill No. 1261 (duty disability service credit). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) $43,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1680 (emergency medical technician service credit). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) $72,000 of the department of retirement systems expense account appropriation is provided solely to implement Engrossed Substitute House Bill No. 1649 (judges' past service credit purchases). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(4) $33,000 of the department of retirement systems expense account appropriation is provided solely to implement Substitute House Bill No. 1262 (plan 1 post retirement employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) $315,000 of the department of retirement systems expense account appropriation is provided solely to implement Engrossed House

Bill No. 2391 (gainsharing revisions). If neither bill is enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(6) $12,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Senate Bill No. 5014 (contribution rates). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(7) $17,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Senate Bill No. 5175 (retirement annual increases). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) $200,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to design a plan for the operation of a universal voluntary retirement accounts program, and then seek approval from the federal internal revenue service to offer the plan to workers and employers in Washington on a tax qualified basis. Features of Washington voluntary retirement accounts plan include a defined contribution plan with a limited pre-selected menu of investment options, administration by the department of retirement systems, investment oversight by the state investment board, tax-deferred payroll deductions, retirement account portability between jobs, and a two-tier system with workplace based individual retirement accounts open to all workers, and a deferred compensation 401(k)-type program or SIMPLE IRA-type program open to all employers who choose to participate for their employees. As part of this process, the director shall consult with the department of financial institutions, the state investment board, private sector retirement plan administrators and providers and other relevant sectors of the financial services industry, organizations promoting increased economic opportunities for individuals, employers, workers, and any other individuals or entities that the director determines relevant to the development of an effective and efficient method for implementing and operating the program. As part of this process, the director shall evaluate the most efficient methods for providing this service and ways to avoid competition with existing private sector vehicles. The director shall undertake the legal and development work to determine how to implement a universal voluntary retirement accounts program, managed through the

department of retirement systems directly or by contract. By December 1, 2008, the director shall report to the legislature on the program's design and any required changes to state law that are necessary to implement the program.

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

General Fund--State Appropriation (FY 2008) $97,793,000
General Fund--State Appropriation (FY 2009) $101,158,000
Timber Tax Distribution Account--State Appropriation . . . $5,846,000
Waste Reduction/Recycling/Litter Control--State
Appropriation $130,000
Waste Tire Removal Account--State Appropriation $2,000
Real Estate Excise Tax Grant Account--State
Appropriation $3,900,000
State Toxics Control Account--State Appropriation $88,000
Oil Spill Prevention Account--State Appropriation $16,000
Pension Funding Stabilization Account
Appropriation $2,370,000
TOTAL APPROPRIATION $211,303,000

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

(1) $95,000 of the general fund--state appropriation for fiscal year 2008 and $71,000 of the general fund--state appropriation for fiscal year 2009 are for the implementation of Substitute House Bill No. 1002 (taxation of vessels). If the bill is not enacted by June 30, 2007, the amounts in this subsection shall lapse.

(2) $31,000 of the general fund--state appropriation for fiscal year 2008 is for the implementation of Substitute House Bill No. 1891 (prescription drugs). If the bill is not enacted by June 30, 2007, the amount in this subsection shall lapse.

(3)(a) $50,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to conduct a study of the taxation of electronically delivered products. The legislature recognizes that chapter . . . (Engrossed Substitute House Bill No. 1981), Laws of 2007, relates to specific types of electronically delivered products and does not address the taxation of numerous other types of electronically

delivered products. Therefore, a policy question remains concerning the sales and use taxation of other electronically delivered products.

(b)(i) To perform the study, the department of revenue shall be assisted by a committee. The committee shall include four legislative members appointed as follows:

(A) The president of the senate shall appoint one member from each of the two largest caucuses of the senate; and

(B) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(ii) The department of revenue shall appoint additional members with balanced representation from different segments of government and industry, and shall consider representation from the following areas: Small and large businesses that generate, deliver, or use electronically delivered products; financial institutions; insurers; persons with expertise in tax law in an academic or private sector setting; and persons experienced in working with computers and electronically delivered products. The department of revenue shall appoint additional members from the department with expertise in the excise taxation of electronically delivered products.

(iii) The committee shall choose its chair from among its membership.

(iv) The department and committee shall review the following issues: The provision of explicit statutory definitions for electronically delivered products; the current excise tax treatment of electronically delivered products in the state of Washington and other states as well as the tax treatment of these products under the streamlined sales and use tax agreement; the administration, costs, and potential recipients of the tax exemptions provided in chapter . . . (Engrossed Substitute House Bill No. 1981), Laws of 2007; and alternatives to the excise taxation of electronically delivered products.

(v) Legislative members of the committee are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members of the committee, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(c) The department shall report its preliminary findings and recommendations to the appropriate fiscal committees of the legislature by November 30, 2007. The department shall provide the final report of its findings and recommendations to the appropriate fiscal committees of the legislature by September 1, 2008.

NEW SECTION. **Sec. 137. FOR THE STATE INVESTMENT BOARD**

State Investment Board Expense Account--State
Appropriation $19,266,000

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

General Fund--State Appropriation (FY 2008) $1,502,000
General Fund--State Appropriation (FY 2009) $1,380,000
TOTAL APPROPRIATION $2,882,000

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

County Research Services Account--State Appropriation $847,000
City and Town Research Services--State Appropriation . . . $4,458,000
General Fund--State Appropriation (FY 2008) $200,000
General Fund--State Appropriation (FY 2009) $200,000
TOTAL APPROPRIATION $5,705,000

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

OMWBE Enterprises Account--State Appropriation $3,650,000

The appropriations in this section are subject to the following conditions and limitations: $19,000 of the OMWBE enterprise account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1512 (linked deposit program). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $577,000
General Fund--State Appropriation (FY 2009) $580,000
General Fund--Federal Appropriation $3,655,000
General Administration Service Account--State

Appropriation $34,951,000
TOTAL APPROPRIATION $39,763,000

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

(1) Funding within the amounts provided in this section is sufficient to fully pay for the costs associated with relocating the office of minority and women's business enterprises. This includes the cost of cancelling the office's current lease, securing a new suitable location, and physically moving the office into the new location. The office shall not be charged for any of the costs associated with the relocation.

(2) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the temporary emergency food assistance program.

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

General Fund--State Appropriation (FY 2008) $5,102,000
General Fund--State Appropriation (FY 2009) $2,088,000
General Fund--Federal Appropriation $700,000
Health Services Account--State Appropriation (FY 2008) . . $1,000,000
Health Services Account--State Appropriation (FY 2009) . . $1,000,000
Public Safety and Education Account--State
Appropriation (FY 2008) $695,000
Public Safety and Education Account--State
Appropriation (FY 2009) $705,000
Data Processing Revolving Account--State
Appropriation $6,400,000
TOTAL APPROPRIATION $17,690,000

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

(1) $2,340,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to connect eastern state hospital to the integrated hospital information system, which is intended to improve operations and allow greater interactions between the hospital and community clinics, including electronic transmission of inpatient data to outpatient clinics that will provide care following discharge.

Connection to this network will allow consultation with specialists and provide access to training for staff. Prior to any purchase of goods or services, a feasibility plan must be approved by the information services board.

(2) $1,250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to support the operations of the digital learning commons.

(3) $1,000,000 of the health services account appropriation for fiscal year 2008 and $1,000,000 of the health services account appropriation for fiscal year 2009 are provided solely to conduct a pilot project to develop an emergency medical response health management record system. The department shall contract to provide health management record services, such as those developed with patients in Whatcom county, to provide integrated care management that are web-services enabled. The record system developed by the pilot project will begin to provide services to emergency medical personnel within two years in at least King, Snohomish, Thurston, and Whatcom counties. The requirements of the pilot project contract shall require the initial development of specific evaluation criteria and a report on the performance of the system according to those criteria no later than June 30, 2009.

(4) $1,012,000 of the general fund--state appropriation for fiscal year 2008 and $338,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for an evaluation of the information technology infrastructure capacity for institutions operated by the department of social and health services, department of veterans affairs, and department of corrections. The evaluation will detail the status of the participating institutions' infrastructure and recommend an improvement strategy that includes the use of electronic medical records. The department shall report back to the appropriate committees of the legislature on its findings by January 1, 2009.

(5) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for deposit into the data processing revolving account.

NEW SECTION. **Sec. 143. FOR THE INSURANCE COMMISSIONER**

General Fund--Federal Appropriation $1,574,000

Insurance Commissioners Regulatory Account--State
Appropriation $45,340,000
TOTAL APPROPRIATION $46,914,000

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

(1) $464,000 of the insurance commissioners regulatory account--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5717 (market conduct oversight). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) $71,000 of the insurance commissioners regulatory account--state appropriation is provided solely for the implementation of section 17 (reduce health care administrative costs) in accordance with Senate Bill No. 5930 (blue ribbon commission on health care). If the section is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

Certified Public Accountants' Account--State
Appropriation $2,596,000

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

Death Investigations Account--State Appropriation $276,000

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

NEW SECTION. **Sec. 146. FOR THE HORSE RACING COMMISSION**

Horse Racing Commission Operating Account--State
Appropriation $5,499,000

The appropriation in this section is subject to the following

conditions and limitations: During the 2007-2009 fiscal biennium, the commission may increase license fees in excess of the fiscal growth factor as provided in RCW 43.135.055.

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

General Fund--State Appropriation (FY 2008) $1,910,000
General Fund--State Appropriation (FY 2009) $1,953,000
Liquor Control Board Construction and Maintenance
Account--State Appropriation $8,517,000
Liquor Revolving Account--State Appropriation $195,858,000
TOTAL APPROPRIATION $208,238,000

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

(1) $91,000 of the liquor revolving account--state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5859 (retail liquor licenses). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) $2,070,000 of the liquor revolving account--state appropriation is provided solely for the liquor control board to operate an additional 29 state stores on Sundays by September 1, 2007. The board shall determine the impacts on sales as a result of operating the additional stores on Sunday. In doing so, the liquor control board shall also examine the sales of state and contract liquor stores in proximity to those stores opened on Sundays to determine whether Sunday openings have reduced the sales of other state and contract liquor stores that are not open on Sundays. The board shall present this information to the appropriate policy and fiscal committees of the legislature by January 31, 2009.

NEW SECTION. **Sec. 148. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

Volunteer Firefighters' and Reserve Officers'
Administrative Account--State Appropriation $1,051,000

The appropriation in this section is subject to the following conditions and limitations: $9,000 of the volunteer firefighters' and reserve officers' administrative account appropriation is provided solely to implement House Bill No. 1475 (additional board members). If

the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. **Sec. 149. FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

General Fund--State Appropriation (FY 2008) $160,000
Public Service Revolving Account--State
Appropriation $31,403,000
Pipeline Safety Account--State Appropriation $3,195,000
Pipeline Safety Account--Federal Appropriation $1,535,000
TOTAL APPROPRIATION $36,293,000

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

(1) In accordance with RCW 81.66.030, it is the policy of the state of Washington that the costs of regulating the companies transporting persons with special needs shall be borne by those companies. For each company or class of companies covered by RCW 81.66.030, the commission shall set fees at levels sufficient to fully cover the cost of supervising and regulating the companies or classes of companies. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the commission may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the cost of supervision and regulation.

(2) In accordance with RCW 81.70.350, it is the policy of the state of Washington that the cost of regulating charter party carrier and excursion service carriers shall be borne by those entities. For each charter party carrier and excursion service carrier covered by RCW 81.70.350, the commission shall set fees at levels sufficient to fully cover the cost of supervising and regulating such carriers. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the commission may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the cost of the program's supervision and regulation.

(3) The general fund--state appropriation for fiscal year 2008 is provided solely to conduct a survey to identify factors preventing the widespread availability and use of broadband technologies. The survey must collect and interpret reliable geographic, demographic, cultural, and telecommunications technology information to identify broadband

disparities in the state. The commission shall consult appropriate stakeholders in designing the survey. The names and identification data of any person, household, or business participating in the survey are exempt from public disclosure under chapter 42.56 RCW. The commission shall report its finding to the appropriate legislative committees by December 31, 2007.

NEW SECTION. **Sec. 150. FOR THE MILITARY DEPARTMENT**

General Fund--State Appropriation (FY 2008) $11,439,000
General Fund--State Appropriation (FY 2009) $11,812,000
General Fund--Federal Appropriation $107,611,000
General Fund--Private/Local Appropriation $2,000
Enhanced 911 Account--State Appropriation $42,114,000
Disaster Response Account--State Appropriation $12,852,000
Disaster Response Account--Federal Appropriation $55,553,000
Military Department Rent and Lease Account--State
Appropriation $374,000
Worker and Community Right-to-Know Account--State
Appropriation $341,000
Nisqually Earthquake Account--State Appropriation $556,000
Nisqually Earthquake Account--Federal Appropriation $1,269,000
TOTAL APPROPRIATION $243,923,000

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

(1) $12,924,000 of the disaster response account--state appropriation and $55,769,000 of the disaster response account--federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

(2) $556,000 of the Nisqually earthquake account--state appropriation and $1,269,000 of the Nisqually earthquake account--federal appropriation are provided solely for response and recovery

costs associated with the February 28, 2001, earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

(3) $61,000,000 of the general fund--federal appropriation is provided solely for homeland security, subject to the following conditions:

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

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

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

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

(4) Within the funds appropriated in this section, the department shall implement Substitute House Bill No. 1507 (uniformed service shared leave).

(5) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the military department to contract with the Washington information network 2-1-1 to operate a statewide 2-1-1 system. The department shall provide the entire amount for 2-1-1 and shall not take any of the funds for administrative purposes.

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

General Fund--State Appropriation (FY 2008) $3,246,000
General Fund--State Appropriation (FY 2009) $3,353,000
Department of Personnel Service Account--State
Appropriation $3,315,000
TOTAL APPROPRIATION $9,914,000

The appropriations in this section are subject to the following conditions and limitations: $112,000 of the general fund--state appropriation for fiscal year 2008 and $107,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Substitute House Bill No. 2361 (higher education exempt employees). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

NEW SECTION. **Sec. 152. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

General Fund--State Appropriation (FY 2008) $1,087,000
General Fund--State Appropriation (FY 2009) $1,033,000
General Fund--Federal Appropriation $1,651,000
General Fund--Private/Local Appropriation $14,000
TOTAL APPROPRIATION $3,785,000

The appropriations in this section are subject to the following conditions and limitations: $30,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to

implement Substitute House Bill No. 2115 (heritage barn preservation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

NEW SECTION. **Sec. 153. FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

General Fund--State Appropriation (FY 2008) $1,890,000
General Fund--State Appropriation (FY 2009) $1,942,000
TOTAL APPROPRIATION $3,832,000

NEW SECTION. **Sec. 154. FOR THE STATE CONVENTION AND TRADE CENTER**

State Convention and Trade Center Account--State
Appropriation $36,910,000
State Convention and Trade Center Operating
Account--State Appropriation $53,750,000
TOTAL APPROPRIATION $90,660,000

(End of part)

PART II
HUMAN SERVICES

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

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

(3) The 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.

(4) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may

be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 13,000 persons during the 2007-2009 biennium. The amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot project, times the number of clients enrolled in the pilot project. In implementing the WMIP pilot projects, the department may: (a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

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

General Fund--State Appropriation (FY 2008) $313,898,000
General Fund--State Appropriation (FY 2009) $327,462,000
General Fund--Federal Appropriation $468,668,000
General Fund--Private/Local Appropriation $500,000
Domestic Violence Prevention Account--State
Appropriation $1,000,000
Public Safety and Education Account--State
Appropriation (FY 2008) $3,251,000
Public Safety and Education Account--State
Appropriation (FY 2009) $3,254,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2008) $2,934,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2009) $2,934,000
Pension Funding Stabilization Account--State
Appropriation $2,298,000

TOTAL APPROPRIATION $1,126,199,000

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

(1) $3,063,000 of the general fund--state appropriation for fiscal year 2008 and $3,063,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the category of services titled "intensive family preservation services."

(2) $945,000 of the general fund--state appropriation for fiscal year 2008 and $993,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to seventeen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) $375,000 of the general fund--state appropriation for fiscal year 2008, $375,000 of the general fund--state appropriation for fiscal year 2009, and $322,000 of the general fund--federal appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually.

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

(6) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(7) Within amounts appropriated in this section, priority shall be given to proven intervention models, including evidence-based prevention and early intervention programs identified by the Washington state institute for public policy and the department. The department shall include information on the number, type, and outcomes of the evidence-based programs being implemented in its reports on child welfare reform efforts.

(8) $500,000 of the general fund--state appropriation for fiscal year 2008, $500,000 of the general fund--state appropriation for fiscal year 2009, and $429,000 of the general fund--federal appropriation are provided solely to increase services provided through children's advocacy centers.

(9) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a street youth program in Spokane.

(10) $41,000 of the general fund--state appropriation for fiscal year 2008, $49,000 of the general fund--state appropriation for fiscal year 2009, and $41,000 of the general fund--federal appropriation are provided solely for the implementation of Substitute House Bill No. 1472 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $858,000 of the general fund--state appropriation for fiscal year 2008, $809,000 of the general fund--state appropriation for fiscal year 2009, and $715,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5774 (background checks), including sections 6 and 7. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) $4,962,000 of the general fund--state appropriation for fiscal year 2008, $4,586,000 of the general fund--state appropriation for fiscal year 2009, and $9,548,000 of the general fund--federal appropriation are provided solely for development and implementation of a statewide automated child welfare information system.

(13) $126,000 of the general fund--state appropriation for fiscal year 2009 and $55,000 of the general fund--federal appropriation are provided solely to implement Substitute Senate Bill No. 5321 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) $707,000 of the general fund--state appropriation for fiscal year 2008, $680,000 of the general fund--state appropriation for fiscal year 2009, and $594,000 of the general fund--federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1334 (child welfare proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) $2,237,000 of the general fund--state appropriation for fiscal year 2008, $2,238,000 of the general fund--state appropriation for fiscal year 2009, and $1,918,000 of the general fund--federal appropriation are provided solely for the implementation of Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) $137,000 of the general fund--state appropriation for fiscal year 2008, $137,000 of the general fund--state appropriation for fiscal year 2009, and $118,000 of the general fund--federal appropriation are provided solely for implementation of Substitute House Bill No. 1287 (foster children). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) $50,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the department to contract with the Washington state institute for public policy to study evidence-based, cost-effective programs and policies to reduce the likelihood of children entering and remaining in the child welfare system, including both prevention and intervention programs. If the department does not receive $100,000 in matching funds from a private organization for the purpose of conducting this study, the amount provided in this subsection shall lapse. The study shall be completed by April 30, 2008. The department shall cooperate with the institute in

facilitating access to data in their administrative systems. The board of the Washington state institute for public policy may adjust the due date for this project as necessary to efficiently manage workload.

(18) $103,000 of the general fund--state appropriation for fiscal year 2008, $98,000 of the general fund--state appropriation for fiscal year 2009, and $201,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). This includes funding to develop, implement, and administer a program of educational transition planning for youth in foster care as specified in the bill. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(19) The department shall continue spending levels for continuum of care in region one at the same level allotted during the 2005-2007 biennium.

(20) Within the amounts provided, the department shall develop and implement a two-tiered reimbursement rate schedule for children from birth through twenty-four months of age and children twenty-five months of age through age five served by the medicaid treatment child care program. The department shall work in collaboration with contracted providers of the program to develop the rate schedule, taking into consideration such factors as higher staff level and small group size requirements for each age group. The department shall implement the rate schedule no later than January 1, 2008, and neither reimbursement rate in the two-tiered schedule shall be lower than the reimbursement rate level from the 2007 fiscal year.

(21) $60,000 of the general fund--state appropriation for fiscal year 2008, $20,000 of the general fund--state appropriation for fiscal year 2009, and $35,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1624 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $87,795,000
General Fund--State Appropriation (FY 2009) $91,182,000
General Fund--Federal Appropriation $5,799,000

General Fund--Private/Local Appropriation $1,098,000
Reinvesting in Youth--State Appropriation $1,414,000
Washington Auto Theft Prevention Authority Account--
State Appropriation $171,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2008) $21,458,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2009) $21,568,000
Juvenile Accountability Incentive Account--Federal
Appropriation $2,510,000
Pension Funding Stabilization Account--State
Appropriation $2,200,000
TOTAL APPROPRIATION $235,195,000

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

(1) $353,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and $353,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) $3,078,000 of the violence reduction and drug enforcement account appropriation and $500,000 of the general fund--state appropriation for fiscal year 2008 and $3,078,000 of the violence reduction and drug enforcement account appropriation and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) $1,030,000 of the general fund--state appropriation and $2,686,000 of the violence reduction and drug enforcement account

appropriation for fiscal year 2008 and $1,030,000 of the general fund--state appropriation and $2,686,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) $1,506,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and $1,506,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) $2,669,000 of the general fund--state appropriation for fiscal year 2008 and $3,066,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to county juvenile courts for the following programs identified by the Washington state institute for public policy (institute) in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs or other programs with a positive benefit-cost finding in the institute's report. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(6) $1,287,000 of the general fund--state appropriation for fiscal year 2008 and $1,287,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy

in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions and aggression replacement training. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7) The juvenile rehabilitation administration shall provide a block grant, rather than categorical funding, of consolidated juvenile services funds, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition to county juvenile courts, or groups of courts, including the Pierce county juvenile court. The juvenile rehabilitation administration and the family policy council shall jointly write criteria for awarding and administering block grants to county juvenile courts. In developing the criteria, the juvenile rehabilitation administration and the family policy council shall seek the advice of the Washington state institute for public policy. The criteria shall address, but not be limited to:

(a) The selection of courts for participation in the block grant;

(b) The types of evidence-based programs and practices to which the funds will be applied. The evidence-based programs and practices shall either be consistent with those cost-beneficial options identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates," or be new approaches that have the potential to demonstrate positive returns for the taxpayer; and

(c) The protocols for participating courts to collect information on the effectiveness of programs funded under the block grant, including: (i) Developing intermediate client outcomes based on the risk assessment tool currently used by juvenile courts and in coordination with the juvenile rehabilitation administration; (ii) reporting treatment outcomes including a process evaluation to the juvenile rehabilitation administration and the family policy council by June 20, 2008, and an outcome evaluation of recidivism and benefit-cost results submitted within eighteen months of the initiation of the treatment, when follow-up data are available. The courts shall develop

these evaluations in consultation with the juvenile rehabilitation administration, the family policy council, and the Washington state institute for public policy; and (iii) documenting the process for managing block grant funds on a quarterly basis and provide this report to the juvenile rehabilitation administration and the family policy council.

(8) $73,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2008 and $98,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 2008) $302,674,000
General Fund--State Appropriation (FY 2009) $312,997,000
General Fund--Federal Appropriation $380,003,000
General Fund--Private/Local Appropriation $11,948,000
TOTAL APPROPRIATION $1,007,622,000

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

(a) $103,989,000 of the general fund--state appropriation for fiscal year 2008 and $104,080,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for persons and services not covered by the medicaid program. These funds shall be distributed proportionally to each regional support network's percentage of the total state population.

(b) $16,900,000 of the general fund--state appropriation for fiscal year 2008 and $16,900,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department and regional support networks to contract for development and initial implementation of high-intensity program for active community treatment (PACT) teams, and other proven program approaches that the department concurs will enable the regional support network to achieve significant reductions

during fiscal year 2008 and thereafter in the number of beds the regional support network would otherwise need to use at the state hospitals.

(c) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 222 per day throughout fiscal year 2008. Beginning January 1, 2009, the number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 777 per day during the first and second quarters of fiscal year 2008, and 677 per day from January 2008 through August 2008. Beginning September 2008, the number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 647 per day until May 2009, at which time the bed allocation shall be 617 beds per day. Beginning January 2008, beds in the program for adaptive living skills (PALS) are not included in the preceding bed allocations. Beginning that month, the department shall separately charge regional support networks for persons served in the PALS program and for use of state hospital beds for short-term commitments.

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

(e) Within amounts appropriated in this subsection, the department shall contract with the Clark county regional support network for development and operation of a project demonstrating collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are medicaid eligible. Project services shall be delivered by teachers and teaching assistants who qualify as, or who are under the supervision of, mental health professionals meeting the requirements of chapter 275-57 WAC. The department shall increase medicaid payments to the regional support network by the amount necessary to cover the necessary and allowable costs of the demonstration, not to exceed the upper payment limit specified for the regional support network in the department's medicaid

waiver agreement with the federal government after meeting all other medicaid spending requirements assumed in this subsection. The regional support network shall provide the required nonfederal share of the increased medicaid payment provided for operation of this project.

(f) At least $902,000 of the federal block grant funding appropriated in this subsection shall be used for the continued operation of the mentally ill offender pilot program.

(g) $5,000,000 of the general fund--state appropriation for fiscal year 2008 and $5,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement. The department is authorized to transfer up to $418,000 of these amounts each fiscal year to the economic services program for purposes of facilitating prompt access after their release from confinement to medical and income assistance services for which defendants and offenders may be eligible.

(h) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants for innovative mental health service delivery projects. Such projects may include, but are not limited to, clubhouse programs and projects for integrated health care and behavioral health services for general assistance recipients. These amounts shall supplement, and not supplant, local or other funding currently being used for activities funded under the projects authorized in this subsection.

(i) The department is authorized to continue to expend federal block grant funds and special purpose federal grants through direct contracts, rather than through contracts with regional support networks, and to allocate such funds through such formulas as it shall adopt.

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

(k) $2,250,000 of the general fund--state appropriation for fiscal year 2008, $2,250,000 of the general fund--state appropriation for fiscal year 2009, and $4,500,000 of the general fund--federal appropriation are provided solely for the continued operation of

community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration.

(l) $750,000 of the general fund--state appropriation for fiscal year 2008 and $750,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(m) $2,979,000 of the general fund--state appropriation for fiscal year 2008, $3,249,000 of the general fund--state appropriation for fiscal year 2009, and $2,040,000 of the general fund--federal appropriation are provided solely to modify the department's proposed new payment rates for medicaid inpatient psychiatric services. Under the department's proposed rate system, effective August 1, 2007, each hospital's inpatient psychiatric payment rate would have been set at a percentage of that hospital's estimated per diem cost for psychiatric inpatient care during the most recent rebasing year. Within the amount provided in this subsection (1)(m), beginning August 1, 2007, each hospital's inpatient psychiatric payment rate shall instead be set at the greater of a percentage of: (i) The hospital's estimated per diem cost for psychiatric inpatient care during the most recent rebasing year; or (ii) the statewide average per diem cost for psychiatric inpatient care during the most recent rebasing year, adjusted for regional wage differences and for differences in medical education costs. At least thirty days prior to implementing adjustments to regional support network medicaid capitation rates and nonmedicaid allocations to account for changes in psychiatric inpatient payment

rates, the department shall report on the proposed adjustments to the appropriations committee of the house of representatives and the ways and means committee of the senate.

(n) $6,267,000 of the general fund--state appropriation for fiscal year 2008 and $6,462,000 of the general fund--federal appropriation for fiscal year 2009 are provided solely to increase nonmedicaid psychiatric inpatient payment rates over fiscal year 2005 levels. It is expected that nonmedicaid rates will be set at approximately 85 percent of each hospital's medicaid psychiatric inpatient rate. At least thirty days prior to implementing adjustments to regional support network medicaid capitation rates and nonmedicaid allocations to account for changes in psychiatric inpatient payment rates, the department shall report on the proposed adjustments to the appropriations committee of the house of representatives and the ways and means committee of the senate.

(o) $7,363,000 of the general fund--state appropriation for fiscal year 2008, $15,028,000 of the general fund--state appropriation for fiscal year 2009, and $13,927,000 of the general fund--federal appropriation are provided solely to increase regional support network medicaid capitation rates and nonmedicaid allocations by 3.0 percent effective July 1, 2007, and by an additional 3.0 percent effective July 1, 2008. The federal portion of these rate increases is contingent upon federal approval. (i) The legislature intends and expects that regional support networks and community mental health agencies will use at least 67 percent of the amounts provided in this subsection(1)(o) to increase compensation for direct care personnel above and beyond usual and customary wage increases. To this end, regional support networks shall report to the department by October 15, 2007, on planned uses of the rate increases within their network area. The report shall describe the direct care job classifications to which increases are to be provided; the number of full-time equivalent personnel employed in each classification; the annualized dollar and percentage increases to be provided each classification; the annualized dollar value of the direct care compensation increases provided, in total and as a percentage of the total rate increase; and the number of personnel in each job classification covered by a collective bargaining agreement. The department shall summarize and analyze the regional plans, and report findings, options, and recommendations to the legislature by

December 1, 2007. (ii) Regional support networks shall maintain documentation of how the rate increases have been applied. Such documentation shall be subject to audit by the department. (iii) For purposes of this subsection (1)(o), "direct care staff" means persons employed by community mental health agencies whose primary responsibility is providing direct treatment and support to people with mental illness, or whose primary responsibility is providing direct support to such staff in areas such as client scheduling, client intake, client reception, client records-keeping, and facilities maintenance.

(p) $2,021,000 of the general fund--state appropriation for fiscal year 2008 and $1,683,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1456 (mental health professionals). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. For purposes of organizing and delivering training as required by the bill, the department may retain up to fifteen percent of the amount appropriated for fiscal year 2008, and up to ten percent of the amount appropriated for fiscal year 2009. The remainders shall be distributed to regional support networks proportional to each network's percentage of the total state population.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2008) $142,545,000
General Fund--State Appropriation (FY 2009) $139,286,000
General Fund--Federal Appropriation $146,401,000
General Fund--Private/Local Appropriation $57,064,000
Pension Funding Stabilization Account--State
Appropriation $7,058,000
TOTAL APPROPRIATION $492,354,000

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

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

(b) $45,000 of the general fund--state appropriation for fiscal year 2008 and $45,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(c) $18,575,000 of the general fund--state appropriation for fiscal year 2008 and $9,675,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to operate on a temporary basis five additional adult civil commitment wards at the state psychiatric hospitals. The legislature intends for these wards to close, on a phased basis, during the 2007-09 biennium as a result of targeted investments in community services for persons who would otherwise need care in the hospitals.

(d) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for safety training and for protective equipment for staff at eastern and western state hospitals. Protective equipment shall include shields, helmets, gloves, and body protection.

(e) $304,000 of the general fund--state appropriation for fiscal year 2008 and $231,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (2)(e) are for the salaries, benefits, supplies, and equipment for one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.

(3) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2008) $1,892,000
General Fund--State Appropriation (FY 2009) $2,192,000
General Fund--Federal Appropriation $3,195,000
TOTAL APPROPRIATION $7,279,000

The appropriations in this subsection are subject to the following conditions and limitations: $877,000 of the general fund--state appropriation for fiscal year 2008, $1,189,000 of the general fund--state appropriation for fiscal year 2009, and $140,000 of the general fund--federal appropriation are provided solely for implementation of sections 4, 7, 10, and other provisions of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by

June 30, 2007, the amounts provided in this subsection shall lapse. Funds are also appropriated in sections 207 and 209 of this act for implementation of 5, 8, and 11 of Second Substitute House Bill No. 1088.

(4) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2008) $4,966,000
General Fund--State Appropriation (FY 2009) $5,060,000
General Fund--Federal Appropriation $7,604,000
TOTAL APPROPRIATION $17,630,000

The appropriations in this subsection are subject to the following conditions and limitations: $125,000 of the general fund--state appropriation for fiscal year 2008, $125,000 of the general fund--state appropriation for fiscal year 2009, and $164,000 of the general fund--federal appropriation are provided solely for the institute for public policy to continue the longitudinal analysis directed in chapter 334, Laws of 2001 (mental health performance audit), to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders), and to assess program outcomes and cost effectiveness of the children's mental health pilot projects as required by chapter 372, Laws of 2006.

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

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2008) $346,600,000
General Fund--State Appropriation (FY 2009) $373,776,000
General Fund--Federal Appropriation $633,258,000
Health Services Account--State Appropriation (FY 2008) . . . $452,000
Health Services Account--State Appropriation (FY 2009) . . . $452,000
TOTAL APPROPRIATION $1,354,538,000

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

(a) The entire health services account appropriation, $615,000 of the general fund--state appropriation for fiscal year 2008, $892,000 of the general fund--state appropriation for fiscal year 2009, and $2,546,011 of the general fund--federal appropriation are provided solely for health care benefits for agency home care workers who are

employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per participating worker per month shall be no greater than $532.00 in fiscal year 2008 and $585.00 in fiscal year 2009.

(b) Individuals receiving family support or high school transition payments as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(c) $4,903,000 of the general fund--state appropriation for fiscal year 2008, $9,295,000 of the general fund--state appropriation for fiscal year 2009, and $15,016,000 of the general fund--federal appropriation are provided solely for community residential and support services. Funding in this subsection shall be prioritized for (i) residents of residential habilitation centers who are able to be adequately cared for in community settings and who choose to live in those community settings; (ii) clients without residential services who are at immediate risk of institutionalization or in crisis; (iii) children who are at risk of institutionalization or who are aging out of other state services; and (iv) current home and community-based waiver program clients who have been assessed as having an immediate need for increased services. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed $300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds, provided the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) $2,799,000 of the general fund--state appropriation for fiscal year 2008, $5,961,000 of the general fund--state appropriation for fiscal year 2009, and $9,268,000 of the general fund--federal appropriation are provided solely for expanded community services for

persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed $349 in fiscal year 2008 and $356 in fiscal year 2009. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(e) $13,598,000 of the general fund--state appropriation for fiscal year 2008, $16,354,000 of the general fund--state appropriation for fiscal year 2009, and $8,579,000 of the general fund--federal appropriation are provided solely for family support programs for individuals with developmental disabilities. Of the amounts provided in this subsection (e), $1,096,000 of the general fund--state appropriation for fiscal year 2008 and $3,852,000 of the general fund--state appropriation for fiscal year 2009 are for state-only services for individuals with developmental disabilities, as described in Second Substitute Senate Bill No. 5467 (developmental disabilities). By January 1, 2008, and by November 1, 2008, the department shall provide a status report to the appropriate policy and fiscal committees of the legislature on the individual and family services program for people with developmental disabilities, which shall include the following

information: The number of applicants for funding; the total number of awards; the number and amount of both annual and one-time awards, broken down by household income levels; and the purpose of the awards.

(f) $1,577,000 of the general fund--state appropriation for fiscal year 2008, $3,480,000 of the general fund--state appropriation for fiscal year 2009, and $2,105,000 of the general fund--federal appropriation are provided solely for employment and day services. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided for both waiver and nonwaiver clients. In order to maximize the number of clients served, the department may serve additional nonwaiver clients with unspent funds for waiver clients, provided the total projected carry-forward expenditures do not exceed the amounts estimated.

(g) $160,000 of the general fund--state appropriation for fiscal year 2008 and $140,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5467 (developmental disabilities). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(h) The department shall collect data from the counties related to employment services. This data shall include, but not necessarily be limited to, information pertaining to: (i) The average length of time clients utilize job coaching services, (ii) the percentage of clients utilizing job coaching services from zero to three months, four to six months, seven to nine months, ten to twelve months, and twelve months or more, (iii) within the monthly grouping, the percentage of clients utilizing job coaching services from zero to five hours per week, five to ten hours per week, ten to twenty hours per week, and twenty or more hours per week. This data shall be provided to the appropriate policy committees of the legislature by December 1, 2007.

(i) Amounts appropriated in this subsection are sufficient to increase provider payment rates by 6.0 percent, effective July 1, 2007, and by an additional 2.0 percent, effective July 1, 2008, for boarding homes, including those currently receiving exceptional care rates; and by 3.2 percent, effective July 1, 2007, and by an additional 2.0

percent, effective July 1, 2008, for adult family homes, including those currently receiving exceptional care rates.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2008) $78,765,000
General Fund--State Appropriation (FY 2009) $80,873,000
General Fund--Federal Appropriation $171,836,000
General Fund--Private/Local Appropriation $21,613,000
Pension Funding Stabilization Account--State
Appropriation $5,614,000
TOTAL APPROPRIATION $358,701,000

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

(a) The developmental disabilities program is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the program determines it is cost-effective to do so.

(b) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for services provided to community clients provided by licensed professionals at the state rehabilitation centers. The division shall submit claims for reimbursement for services provided to clients living in the community to medical assistance or third-party health care coverage, as appropriate, and shall implement a system for billing clients without coverage.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2008) $2,273,000
General Fund--State Appropriation (FY 2009) $2,377,000
General Fund--Federal Appropriation $2,821,000
TOTAL APPROPRIATION $7,471,000

The appropriations in this subsection are subject to the following conditions and limitations: As part of the needs assessment instrument, the department shall collect data on family income for minor children with developmental disabilities and all individuals who are receiving state-only funded services. The department shall ensure that this information is collected as part of the client assessment process.

(4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2008) $17,000
General Fund--State Appropriation (FY 2009) $15,000
General Fund--Federal Appropriation $16,843,000
TOTAL APPROPRIATION $16,875,000

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

General Fund--State Appropriation (FY 2008) $699,089,000
General Fund--State Appropriation (FY 2009) $741,478,000
General Fund--Federal Appropriation $1,539,010,000
General Fund--Private/Local Appropriation $19,563,000
Pension Funding Stabilization Account--State
Appropriation $1,448,000
Health Services Account--State Appropriation (FY 2008) . . $2,444,000
Health Services Account--State Appropriation (FY 2009) . . $2,444,000
Traumatic Brain Injury Account--State Appropriation $440,000
TOTAL APPROPRIATION $3,005,916,000

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

(1) The entire health services account appropriation, $10,456,000 of the general fund--state appropriation for fiscal year 2008, $11,370,000 of the general fund--state appropriation for fiscal year 2009, and $26,778,000 of the general fund--federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per eligible participating worker per month shall be no greater than $532.00 in fiscal year 2008 and $585.00 per month in fiscal year 2009.

(2) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed $158.11 for fiscal year 2008 and shall not exceed $164.18 for fiscal year 2009. For all nursing facilities, the direct care, therapy care, support services, and operations component rates established in accordance with chapter 74.46 RCW shall be adjusted for economic trends and conditions by 3.2 percent effective July 1, 2007.

(3) In accordance with chapter 74.46 RCW, the department shall issue certificates of capital authorization that result in up to $16,000,000 of increased asset value completed and ready for occupancy

in fiscal year 2008; up to $16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2009; and up to $16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2010.

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

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

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

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

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

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

(6) $1,840,000 of the general fund--state appropriation for fiscal year 2008 and $1,877,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operation of the volunteer chore services program.

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

(8) $125,000 of the general fund--state appropriation for fiscal year 2008, $125,000 of the general fund--state appropriation for fiscal year 2009, and $250,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute

Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(9)(a) $8,755,000 of the general fund--state appropriation for fiscal year 2009 and $9,348,000 of the general fund--federal appropriation are provided solely to increase nursing facility payment rates.

(b) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--federal appropriation are provided solely for the department to contract with an outside entity to review the current medicaid payment methodology for nursing facilities and make recommendations for revisions to, restructuring of, or replacement of the existing payment methodology no later than October 1, 2007, to the governor and the appropriate fiscal and policy committees of the legislature.

(c) A joint legislative task force on long-term care residential facility payment systems shall review and develop recommendations related to payment methodologies for the care of medicaid-eligible residents of nursing homes, boarding homes, and adult family homes in Washington state.

(i) Membership of the task force shall consist of eight legislators. The president of the senate shall appoint two members from each of the two largest caucuses of the senate. The speaker of the house of representatives shall appoint two members of each of the two largest caucuses of the house of representatives. Each body shall select representatives from committees with jurisdiction over health and long-term care and fiscal matters.

(ii) The task force shall give strong consideration to the following principles in the course of its deliberations:

(A) A continuum of residential care settings should be available to medicaid-eligible vulnerable adults so as to honor consumer choice;

(B) Payment methodologies for care provided in adult family homes, boarding homes, and nursing homes should be based upon resident acuity, with payment rates that recognize the impact of differing state and federal regulatory requirements upon facility costs, but also address current disparities in payments to facilities serving residents with similar nursing or personal care needs;

(C) Payment methodologies should be designed to support retention of qualified direct care staff through training, wages, and benefits offered to direct care staff, with special consideration given to nursing homes, boarding homes, and adult family homes that care for a disproportionate number of medicaid-eligible residents relative to their peer facilities;

(D) Performance measures related to critical issues such as staff retention and resident outcomes should be developed, with payment linked to facility performance on the measures; and

(E) Payment methodologies should be simplified, with greater predictability and stability in payments.

(iii) The task force shall:

(A) Review and consider the recommendations submitted in accordance with (b) of this subsection;

(B) Consider input from long-term care stakeholders with respect to the principles in (c)(ii) of this subsection;

(C) Review the current payment methodologies for nursing homes, boarding homes, and adult family homes, giving strong consideration to the principles in (c)(ii) of this subsection, and make recommendations for revisions to, restructuring of, or replacement of existing payment methodologies. The recommendations related to payments made in fiscal year 2009 shall be consistent with the amounts appropriated in this subsection.

(iv) The task force shall complete its review and submit its recommendations to the appropriate policy and fiscal committees of the legislature by December 31, 2007.

(v) Staff support for the task force shall be provided by senate committee services and the house of representatives office of program research.

(vi) Legislative members of the task force shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(vii) The expenses of the task force shall be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committees, or their successor committees.

(viii) The task force expires December 31, 2007.

(10) Within amounts appropriated in this section, the department is authorized to expand the number of boarding homes and adult family homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 100 beds. Effective July 1, 2008, the department shall be authorized to provide adult family homes that specialize in caring for such conditions with exceptional care rates for up to 50 beds. The department will develop standards for adult family homes to qualify for such exceptional care rates in order to enhance consumer choice.

(11) $500,000 of the general fund--state appropriation for fiscal year 2008, $500,000 of the general fund--state appropriation for fiscal year 2009, and $816,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Substitute House Bill No. 2111 (adult family homes). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) $440,000 of the traumatic brain injury account--state appropriation is provided solely for the implementation of Second Substitute House Bill No. 2055 (traumatic brain injury). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(13) Within amounts appropriated in this section and in section 205 of this act, the department of social and health services shall:

(a) Determine how geographic differences in community residential provider payments affect provider and workforce turnover;

(b) Examine alternative community residential provider payment systems that account for differences in direct care labor costs in various areas of the state, including alternative peer groupings in its payment systems that take such factors into account; and

(c) Submit a report of its findings and recommendations to the office of financial management and to the appropriate fiscal committees of the legislature by June 30, 2008.

(14) Amounts appropriated in this section are sufficient to increase provider payment rates by 6.0 percent, effective July 1, 2007, and by an additional 2.0 percent, effective July 1, 2008, for boarding homes, including those currently receiving exceptional care rates; and

by 3.2 percent, effective July 1, 2007, and by an additional 2.0 percent, effective July 1, 2008, for adult family homes, including those currently receiving exceptional care rates.

(15) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--federal appropriation are provided solely for the department contract for an evaluation of training requirements for long-term care workers as generally described in Second Substitute House Bill No. 2284 (training of care providers).

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

General Fund--State Appropriation (FY 2008) $592,774,000
General Fund--State Appropriation (FY 2009) $627,148,000
General Fund--Federal Appropriation $1,053,264,000
General Fund--Private/Local Appropriation $27,920,000
Pension Funding Stabilization Account--State
Appropriation $4,592,000
TOTAL APPROPRIATION $2,305,698,000

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

(1) $334,377,000 of the general fund--state appropriation for fiscal year 2008, $347,597,000 of the general fund--state appropriation for fiscal year 2009, and $827,774,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. Within the amounts provided for the WorkFirst program, the department shall:

(a) Establish a post-TANF work transition program;

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

(c) Submit a report by October 1, 2007, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2007-2009 biennium will be adjusted to stay within available federal grant levels and the appropriated state-fund levels;

(d) Provide quarterly fiscal reports to the office of financial management and the legislative fiscal committees detailing information on the amount expended from general fund--state and general fund--federal by activity;

(2) Up to $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 of the amounts in subsection (1) of this section are for the WorkFirst pathway to engagement program. The department shall collaborate with community partners and represented staff to identify additional services needed for WorkFirst clients in sanction status. The department shall contract with qualified community-based organizations to deliver such services, provided that such services are complimentary to the work of the department and are not intended to supplant existing staff or services. The department shall also contract with community-based organizations for the provision of services for WorkFirst clients who have been terminated after six months of sanction. Contracts established pursuant to this subsection shall have a performance-based component and shall include both presanction termination and postsanction termination services. Clients shall be able to choose whether or not to accept the services. The department shall develop outcome measures for the program related to outreach and reengagement, reduction of barriers to employment, and client feedback and satisfaction. Nothing in this subsection is intended to modify a collective bargaining agreement under chapter 41.80 RCW or to change the state's responsibility under chapter 41.80 RCW. The department shall report to the appropriate policy and fiscal committees of the legislature by December 1, 2007, on program implementation and outcomes. The department also shall report on implementation of specialized caseloads for clients in sanction status, including average caseload size, referral process and criteria, and expected outcomes for specialized caseloads.

(3) $210,000 of the general fund--state appropriation for fiscal year 2008, $187,000 of the general fund--state appropriation for fiscal

year 2009, and $396,000 of the general fund--federal appropriation are provided solely for implementation of section 8 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(4) $152,000 of the general fund--state appropriation for fiscal year 2008, $96,000 of the general fund--state appropriation for fiscal year 2009, and $482,000 of the general fund--federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1009 (child support schedule). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) $750,000 of the general fund--state appropriation for fiscal year 2008 and $750,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to increase naturalization services. These amounts shall supplement and not supplant state and federal resources currently provided by the department for this purpose.

(6) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to increase limited English proficiency pathway services. These amounts shall supplement and not supplant state and federal resources currently provided by the department for this purpose.

(7) $250,000 of the general fund--state appropriation for fiscal year 2008, $5,782,000 of the general fund--state appropriation for fiscal year 2009, and $6,431,000 of the general fund--federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5244 (deficit reduction act). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(8) Within amounts appropriated in this section, the department shall: (a) Increase the state supplemental payment by $1.77 per month beginning July 1, 2007, and by an additional $1.83 per month beginning July 1, 2008, for SSI clients who reside in nursing facilities, residential habilitation centers, or state hospitals and who receive a personal needs allowance; and (b) decrease other state supplemental payments.

(9) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department for the data tracking provisions specified in sections 701 and 702 of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) $1,552,000 of the general fund--state appropriation for fiscal year 2008 and $1,552,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute Senate Bill No. 6016 (workfirst program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department to award grants to small mutual assistance associations or small community-based organizations that contract with the department for immigrant and refugee assistance services. The funds shall be awarded to demonstrate the impact of providing funding for a case worker in the community organization on the refugees' economic self-sufficiency through the effective use of social services, and financial and medical assistance.

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

General Fund--State Appropriation (FY 2008) $69,445,000
General Fund--State Appropriation (FY 2009) $69,663,000
General Fund--Federal Appropriation $138,942,000
General Fund--Private/Local Appropriation $632,000
Criminal Justice Treatment Account--State Appropriation . $17,752,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2008) $24,538,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2009) $24,538,000
Problem Gambling Account--State
Appropriation $1,567,000
Public Safety and Education Account--State
Appropriation (FY 2008) $1,044,000

Public Safety and Education Account--State
Appropriation (FY 2009) $1,043,000
Pension Funding Stabilization Account--State
Appropriation $146,000
TOTAL APPROPRIATION $349,310,000

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

(1) $2,786,000 of the general fund--state appropriation for fiscal year 2008 and $2,785,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the parent child assistance program. The department shall contract with the University of Washington and community-based providers for the provision of this program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) $11,113,000 of the general fund--state appropriation for fiscal year 2008, $14,490,000 of the general fund--state appropriation for fiscal year 2009, and $14,269,000 of the general fund--federal appropriation are provided solely for the expansion of chemical dependency treatment services for adult medicaid eligible and general assistance-unemployable patients authorized under the 2005-07 biennial appropriations act. By September 30, 2007, the department shall submit an expenditure and program report relating to the patients receiving treatment and other services pursuant to the funding provided in this subsection (2), as well as to other patients receiving treatment funded by the department. The report shall be submitted to the office of financial management and the appropriate policy and fiscal committees of the legislature. Subsequent updates to this report shall be provided by January 31 and July 31 of each fiscal year of the 2007-09 biennium. The reports shall include, but not necessarily be limited to, the following information: (a) The number and demographics (including categories) of patients served; (b) geographic distribution; (c) modality of treatment services provided (i.e. residential or out-patient); (d) treatment completion rates; (e) funds spent; and (f) where applicable, the estimated cost offsets in medical assistance on a total and per patient basis.

(3) $698,000 of the general fund--state appropriation for fiscal year 2008, $698,000 of the general fund--state appropriation for fiscal year 2009, and $154,000 of the general fund--federal appropriation are

provided solely for the expansion authorized under the 2005-07 biennial appropriations act of chemical dependency treatment services for minors who are under 200 percent of the federal poverty level. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

(4) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to contract for the following: (a) A pilot program in Pierce county for family therapeutic court services that include chemical dependency treatment with use of the prometa protocol; and (b) an independent evaluator to evaluate the efficacy of the treatment with the prometa protocol under the pilot program as compared to other drug treatment and to no treatment.

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

General Fund--State Appropriation (FY 2008) $1,589,266,000
General Fund--State Appropriation (FY 2009) $1,665,304,000
General Fund--Federal Appropriation $4,305,197,000
General Fund--Private/Local Appropriation $2,000,000
Emergency Medical Services and Trauma Care Systems
Trust Account--State Appropriation $15,076,000
Health Services Account--State Appropriation (FY 2008) . $350,259,000
Health Services Account--State Appropriation (FY 2009) . $385,215,000
Pension Funding Stabilization Account--State
Appropriation $646,000
TOTAL APPROPRIATION $8,312,963,000

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

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

(2) In determining financial eligibility for medicaid-funded

services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(3) Sufficient amounts are appropriated in this section for the department to continue podiatry services for medicaid-eligible adults.

(4) Sufficient amounts are appropriated in this section for the department to provide an adult dental benefit that is at least equivalent to the benefit provided in the 2003-05 biennium.

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

(6) $1,111,000 of the health services account appropriation for fiscal year 2008, $1,110,000 of the health services account appropriation for fiscal year 2009, $5,402,000 of the general fund--federal appropriation, $1,590,000 of the general fund--state appropriation for fiscal year 2008, and $1,591,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to rural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(7) $10,546,000 of the health services account appropriation for fiscal year 2008, $10,546,000 of the health services account--state appropriation for fiscal year 2009, and $19,725,000 of the general fund--federal appropriation are provided solely for grants to nonrural hospitals. The department shall distribute the funds under a formula

that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(8) The department shall continue the inpatient hospital certified public expenditures program for the 2007-2009 biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The department shall submit a report to the governor and legislature by November 1, 2007, that evaluates whether savings continue to exceed costs for this program. If the certified public expenditures program in its current form is no longer cost-effective to maintain, the department shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2008 and fiscal year 2009, hospitals in the program shall be paid and shall retain (a) one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance; and (b) one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount that is the total of (a) the total payment for claims for services rendered during the fiscal year calculated according to the methodology employed by the legislature in the omnibus appropriations act for implementation in fiscal year 2008 and (b) disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 that pertain to fiscal year 2005. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the

applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and is subject to an interim cost settlement within eleven months after the end of the fiscal year. A final cost settlement shall be performed within two years after the end of the related fiscal year. To the extent that a final cost settlement determines that a hospital has received funds in excess of what it would have received under the methodology in place in fiscal year 2008 as described in this subsection, the hospital must repay these amounts to the state when requested. $74,066,000 of the general fund--state appropriation for fiscal year 2008, of which $6,570,000 is appropriated in section 204(1) of this act and the balance in this section, and $59,776,000 of the general fund--state appropriation for fiscal year 2009, of which $6,570,000 is appropriated in section 204(1) of this act and the balance in this section, are provided solely for state grants for the participating hospitals.

(9) $7,314,000 of the general fund--state appropriation for fiscal year 2008, $7,800,000 of the general fund--state appropriation for fiscal year 2009, and $48,995,000 of the general fund--federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system. The amounts are conditioned on the department satisfying the requirements of section 902 of this act.

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

(11) The department is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the department determines it is cost-effective to do so.

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

(13) The department shall, within available resources, continue operation of the medical care services care management pilot project for clients receiving general assistance benefits in King and Pierce counties. The project may use a full or partial capitation model that includes a mechanism for shared savings.

(14) $1,688,000 of the general fund--state appropriation for fiscal year 2008 and $1,689,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to incorporate a mental health service component to the pilot project established pursuant to subsection (13) of this section. Addition of the mental health service component authorized in this subsection is contingent upon the managed care contractor or the participating counties providing, alone or in combination, matching funds in cash or in kind, in an amount equal to one-ninth of the amounts appropriated in this subsection. The mental health service component may include care coordination, mental health services, and integrated medical and mental health service delivery for general assistance clients with mental health disorders, as well as primary care provider training and education. The department shall provide a report to the appropriate committees of the legislature by January 1, 2009, on costs, savings, and any outcomes or quality measures associated with the pilot projects during calendar year 2007 and 2008. To the extent possible, the report shall address any impact that the mental health services component has had upon clients' use of medical services, including but not limited to primary care physician's visits, emergency room utilization, and prescription drug utilization.

(15) $341,000 of the health services account appropriation for fiscal year 2008, $1,054,000 of the health services account appropriation for fiscal year 2009, and $1,461,000 of the general fund--federal appropriation are provided solely to implement Second Substitute House Bill No. 1201 (foster care youth medical). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) $6,529,000 of the general fund--state appropriation for fiscal year 2008 and $6,651,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to provide full benefit dual eligible beneficiaries with medicare part D prescription drug copayment coverage in accordance with chapter 3, Laws of 2007 (part D copayment drug program).

(17) The department shall conduct a study to determine the financial impact associated with continuing to cover brand name medications versus the same medication in its generic form. The study shall account for all rebates paid to the state on each product studied

up until the point where the generic form is less expensive, net of federally required rebates. The department shall submit its report to the legislative fiscal committees by December 1, 2007.

(18) $198,000 of the general fund--state appropriation for fiscal year 2008 and $268,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the first two years of a four-year project by the Seattle-King county health department to improve management of symptoms and reduce complications related to asthma among medicaid eligible children. The department shall contract with the Seattle-King county health department to have trained community health workers visit medicaid eligible children in their homes to identify and reduce exposure to asthma triggers, improve clients' self-management skills, and coordinate clients' care with their primary care and specialty providers. The contract shall include an evaluation of the impact of the services provided under the contract on urgent physician's visits, emergency room utilization, and inpatient hospitalization.

(19) $2,450,000 of the general fund--state appropriation for fiscal year 2008 and $1,950,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for development and implementation of an outreach program as provided in chapter 5, Laws of 2007 (Second Substitute Senate Bill No. 5093, health services for children). By December 15, 2007, the department shall provide a report to the appropriate committees of the legislature on the progress of implementing the following activities:

(a) Feasibility study and implementation plan to develop online application capability that is integrated with the department's automated client eligibility system;

(b) Development of data linkages with the office of superintendent of public instruction for free and reduced-price lunch enrollment information and the department of early learning for child care subsidy program enrollment information;

(c) Informing insurers and providers when their enrollees' eligibility is going to expire so insurers and providers can help families reenroll;

(d) Outreach contracts with local governmental entities, community based organizations, and tribes;

(e) Results of data sharing with outreach contractors, and other contracted entities such as local governments, community-based organizations, tribes, health care providers, and insurers to engage, enroll, and reenroll identified children;

(f) Results of efforts to maximize federal matching funds, wherever possible; and

(g) Plans for sustaining outreach programs proven to be successful.

(20) $640,000 of the general fund--state appropriation for fiscal year 2008 and $616,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to:

(a) Pay the premiums associated with enrollment in a medicare advantage plan for those full benefit dual eligible beneficiaries, as defined in RCW 74.09.010, who were enrolled on or before November 14, 2006 in a medicare advantage plan sponsored by an entity accredited by the national committee for quality assurance and for whom the department had been paying Part C premium as of November 2006; and

(b) Undertake, directly or by contract, a study to determine the cost-effectiveness of paying premiums for enrollment of full benefit dual eligible beneficiaries in medicare advantage plans in lieu of paying full benefit dual eligible beneficiaries' medicare cost-sharing. The study shall compare the cost and health outcomes experience, including rates of nursing home placement and costs for groups of full benefit dual eligible beneficiaries who are enrolled in medicare advantage plans, in medicare special needs plan or in medicare fee-for-service. The study shall compare the health status and utilization of health and long-term care services for the three groups, and the impact of access to a medical home and specialty care, over a period of two years to determine any differences in health status, health outcomes, and state expenditures that result. The department shall submit the results of the study to the governor and the legislature by June 30, 2009. The department is authorized to accept private cash and in-kind donations and grants to support the study and evaluation.

(c) Track enrollment and expenditures for this population on department monthly management reports.

(21) $756,000 of the general fund--state appropriation for fiscal year 2008, $1,193,000 of the general fund--state appropriation for fiscal year 2009, $1,261,000 of the health services account--state appropriation for fiscal year 2009, and $2,448,000 of the general

fund--federal appropriation are provided solely to implement sections 5, 7, 8, and 11 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(22) $288,000 of the general fund--state appropriation for fiscal year 2008, $277,000 of the general fund--state appropriation for fiscal year 2009, and $566,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon comm/health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(23) $150,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the department of social and health services, in consultation with the health care authority and the employment security department, to prepare and submit a report and recommendations to the governor and the legislature related to coverage of low-wage workers enrolled on state plans who are employed by employers with more than fifty employees. The report shall address multiple approaches, including but not limited to the proposal included in House Bill No. 2094 (taxpayer health care fairness act). The discussion of each approach included in the report should identify how the approach would further the goal of shared responsibility for coverage of low-wage workers, obstacles to implementation and options to address them, and estimated implementation costs. The report shall be submitted on or before November 15, 2007. The agencies shall establish a workgroup, which shall be closely involved and consulted in the development of the report and recommendations under this subsection. The workgroup shall include the following participants: Persons or organizations representing large employers in the retail, agricultural and grocery trades, other large employers, organizations representing employees of large employers, organizations representing low-wage employees of large employers, state and local governmental entities as employers, and organizations representing employees of state and local governmental entities. In addition, the workgroup shall include three members from each of the two largest caucuses of the house of representatives, appointed by the speaker, and three members from each of the two largest caucuses of the senate, appointed by the president of the senate.

NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION PROGRAM**

General Fund--State Appropriation (FY 2008) $12,986,000
General Fund--State Appropriation (FY 2009) $14,336,000
General Fund--Federal Appropriation $90,886,000
Telecommunications Devices for the Hearing and
Speech Impaired--State Appropriation $1,793,000
Pension Funding Stabilization Account--State
Appropriation $116,000
TOTAL APPROPRIATION $120,117,000

NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT PROGRAM**

General Fund--State Appropriation (FY 2008) $51,103,000
General Fund--State Appropriation (FY 2009) $54,219,000
TOTAL APPROPRIATION $105,322,000

NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

General Fund--State Appropriation (FY 2008) $35,438,000
General Fund--State Appropriation (FY 2009) $36,504,000
General Fund--Federal Appropriation $64,730,000
General Fund--Private/Local Appropriation $810,000
Public Safety and Education Account--State
Appropriation (FY 2008) $1,226,000
Public Safety and Education Account--State
Appropriation (FY 2009) $1,226,000
Pension Funding Stabilization Account--State
Appropriation $1,408,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2008) $913,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2009) $926,000
TOTAL APPROPRIATION $143,181,000

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

(1) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for the expansion of the Washington state mentors program, which provides technical assistance and training to mentoring programs that serve at-risk youth.

(2) $1,750,000 of the general fund--state appropriation for fiscal year 2008 and $1,750,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington council for prevention of child abuse and neglect to expand its home visitation program.

(3) $150,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the family policy council for distribution as grants to community networks in counties with county juvenile courts participating in decategorization of funding through the juvenile rehabilitation administration. The council shall provide grants of up to $50,000 per fiscal year to the Pierce County-Tacoma urban community network and additional community networks supporting counties or groups of counties in evaluating programs funded through a block grant by the juvenile rehabilitation administration. Funds not used for grants to community networks supporting counties or groups of counties participating in the decategorization block grants shall lapse.

(4) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for funding of the teamchild project through the governor's juvenile justice advisory committee.

(5) $85,000 of the general fund--state appropriation for fiscal year 2008 and $85,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the continuation of the postpartum depression campaign, including the design and production of brochures in various languages, a radio public service announcement, and other outreach and training efforts.

(6) $200,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to expand and enhance the juvenile detention alternatives initiative. This funding is intended to add three new program sites, support the addition of a data analyst, and to provide resources for the state to participate in annual national conferences.

(7) $144,000 of the general fund--state appropriation for fiscal year 2008, $111,000 of the general fund--state appropriation for fiscal year 2009, and $136,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422 (incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

NEW SECTION. **Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund--State Appropriation (FY 2008) $59,460,000
General Fund--State Appropriation (FY 2009) $59,497,000
General Fund--Federal Appropriation $57,255,000
TOTAL APPROPRIATION $176,212,000

NEW SECTION. **Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY**

General Fund--State Appropriation (FY 2008) $500,000
General Fund--State Appropriation (FY 2009) $500,000
General Fund--Federal Appropriation $4,885,000
State Health Care Authority Administrative Account--
State Appropriation $56,074,000
Medical Aid Account--State Appropriation $529,000
Health Services Account--State Appropriation (FY 2008) . $274,666,000
Health Services Account--State Appropriation (FY 2009) . $300,580,000
TOTAL APPROPRIATION $637,734,000

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

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

(2) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and

that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

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

(4) $1,984,000 of the health services account--state appropriation for fiscal year 2008 and $6,315,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for additional enrollment in the basic health plan. If available basic health plan slots are exceeded, the authority shall maintain a waiting list and provide for notification when slots become available.

(5) Appropriations in this act include specific funding for health records banking under section 10 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission).

(6) $11,934,000 of the health services account--state appropriation for fiscal year 2008 and $11,834,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for funding for health care services provided through local community clinics.

(7) $784,000 of the health services account--state appropriation for fiscal year 2008, $1,676,000 of the health service account--state appropriation for fiscal year 2009, $540,000 of the general fund--

federal appropriation, and $22,480,000 of the state health care authority administrative account--state appropriation are provided for the development of a new benefits administration and insurance accounting system.

(8) $2,137,000 of the health services account--state appropriation for fiscal year 2008 and $1,000,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for section 5 of Engrossed Second Substitute House Bill No. 1569 (health insurance partnership board) and related provisions of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care).

(9) $664,000 of the health services account--state appropriation for fiscal year 2008 and $664,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for the implementation of the Washington quality forum, pursuant to section 9 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(10) $600,000 of the state health care authority administrative account--state appropriation is provided solely for the implementation of the state employee health pilot, pursuant to section 41 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(11) $250,000 of the health services account--state appropriation for fiscal year 2008 and $250,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for continuation of the community health collaborative grant program in accordance with chapter 67, Laws of 2006 (E2SSB 6459). The applicant organizations must assure measurable improvements in health access within their service region, demonstrate active collaboration with key community partners, and provide two dollars in matching funds for each grant dollar awarded.

(12) $731,000 of the health services account--state appropriation for fiscal year 2008 and $977,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for the dental residency program, including maintenance of the existing residency

positions and the establishment of six additional resident positions in fiscal year 2008 (four in eastern Washington and two in the Seattle area), and five additional positions in fiscal year 2009.

(13) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the establishment of a family practice residency in southeastern Washington. The program will provide residency experience in rural communities and support at least five family practice medicine residents per year.

(14) Appropriations in this act include funding for sections 14 (reducing unnecessary emergency room use) and 40 (state employee health program) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission).

NEW SECTION. **Sec. 215. FOR THE HUMAN RIGHTS COMMISSION**

General Fund--State Appropriation (FY 2008) $3,444,000
General Fund--State Appropriation (FY 2009) $3,350,000
General Fund--Federal Appropriation $1,345,000
TOTAL APPROPRIATION $8,139,000

NEW SECTION. **Sec. 216. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

Worker and Community Right-to-Know Account--State
Appropriation $20,000
Accident Account--State Appropriation $18,123,000
Medical Aid Account--State Appropriation $18,124,000
TOTAL APPROPRIATION $36,267,000

NEW SECTION. **Sec. 217. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Public Safety and Education Account--State
Appropriation (FY 2008) $15,537,000
Public Safety and Education Account--State
Appropriation (FY 2009) $14,340,000
Death Investigations Account--State Appropriation $148,000
Municipal Criminal Justice Assistance Account--
State Appropriation $460,000
Washington Auto Theft Prevention Authority Account--

State Appropriation $12,322,000
TOTAL APPROPRIATION $42,807,000

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

(1) During the 2007-2009 biennium, the criminal justice training commission is authorized to raise existing fees charged for firearms certification for security guards in excess of the fiscal growth factor established pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting the certification programs and the appropriation levels in this section.

(2) $2,390,000 of the public safety and education account--state appropriation for fiscal year 2008 and $956,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely for ten additional basic law enforcement academies in fiscal year 2008 and four additional basic law enforcement academies in fiscal year 2009. Continued funding for these additional academies is contingent upon the result of an office of financial management forecast for future student demand for basic law enforcement academies at the criminal justice training centers in Burien and Spokane.

(3) $1,044,000 of the public safety and education account--state appropriation for fiscal year 2008 and $1,191,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely for the Washington association of sheriffs and police chiefs to continue to develop, maintain, and operate the jail booking and reporting system (JBRS) and the statewide automated victim information and notification system (SAVIN).

(4) $28,000 of the public safety and education account--state appropriation for fiscal year 2008 is provided solely for the implementation of chapter 10, Laws of 2007 (SSB 5191, missing persons).

(5) $5,400,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2008 and $6,922,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(6) $150,000 of the public safety and education account--state appropriation for fiscal year 2008 and $150,000 of the public safety

and education account--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) $25,000 of the public safety and education account--state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5987 (gang-related offenses). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) $50,000 of the public safety and education account--state appropriation for fiscal year 2008 and $50,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely for support of the coalition of small police agencies major crimes task force. The purpose of this task force is to pool its resources and to establish an efficient and cooperative approach in addressing major violent crimes.

(9) $20,000 of the public safety and education account--state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5315 (forest fires/property access). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund--State Appropriation (FY 2008) $8,711,000
General Fund--State Appropriation (FY 2009) $8,879,000
General Fund--Federal Appropriation $100,000
Public Safety and Education Account--State
Appropriation (FY 2008) $15,386,000
Public Safety and Education Account--State
Appropriation (FY 2009) $16,607,000
Public Safety and Education Account--Federal
Appropriation $10,000,000
Asbestos Account--State Appropriation $923,000
Electrical License Account--State Appropriation $40,718,000
Farm Labor Revolving Account--Private/Local
Appropriation $28,000
Worker and Community Right-to-Know Account--State

Appropriation $1,961,000
Public Works Administration Account--State
Appropriation $3,996,000
Manufactured Home Installation Training Account--
State Appropriation $192,000
Accident Account--State Appropriation $228,998,000
Accident Account--Federal Appropriation $13,622,000
Medical Aid Account--State Appropriation $239,248,000
Medical Aid Account--Federal Appropriation $3,186,000
Plumbing Certificate Account--State Appropriation $1,653,000
Pressure Systems Safety Account--State Appropriation . . . $3,667,000
TOTAL APPROPRIATION $597,875,000

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

(1) $2,413,000 of the medical aid account--state appropriation is provided solely for conducting utilization reviews of physical and occupational therapy cases at the 24th visit and the associated administrative costs, including those of entering data into the claimant's file. The department shall develop and report performance measures and targets for these reviews to the office of financial management. The reports are due September 30th for the prior fiscal year and must include the amount spent and the estimated savings per fiscal year.

(2) $2,247,000 of the medical aid account--state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5920 (vocational rehabilitation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) $822,000 of the medical aid account--state appropriation is provided solely for vocational services professional staff salary adjustments necessary to recruit and retain positions required for anticipated changes in work duties as a result of Engrossed Substitute Senate Bill No. 5920 (vocational rehabilitation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. Compensation for anticipated changes to work duties is subject to review and approval by the director of the department of personnel and is subject to collective bargaining.

(4) $8,000,000 of the medical aid account--state appropriation is provided solely to establish a program of safety and health as

authorized by RCW 49.17.210 to be administered under rules adopted pursuant to chapter 34.05 RCW, provided that projects funded involve workplaces insured by the medical aid fund, and that priority is given to projects fostering accident prevention through cooperation between employers and employees or their representatives.

(5) $600,000 of the medical aid account--state appropriation is provided solely for the department to contract with one or more independent experts to evaluate and recommend improvements to the rating plan under chapter 51.18 RCW, including analyzing how risks are pooled, the effect of including worker premium contributions in adjustment calculations, incentives for accident and illness prevention, return-to-work practices, and other sound risk-management strategies that are consistent with recognized insurance principles.

(6) $181,000 of the accident account--state appropriation and $181,000 of the medical aid account--state appropriation are provided solely to implement Substitute Senate Bill No. 5443 (workers' compensation claims). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) $558,000 of the medical aid account--state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5290 (workers' compensation advisory committees). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) $104,000 of the public safety and education account--state appropriation for fiscal year 2008, $104,000 of the public safety and education account--state appropriation for fiscal year 2009, $361,000 of the accident account--state appropriation, and $361,000 of the medical aid account--state appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5675 (workers' compensation benefits). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(9) $730,000 of the medical aid account--state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) $437,000 of the accident account--state appropriation and $437,000 of the medical aid account--state appropriation are provided

solely for implementation of Substitute Senate Bill No. 5053 (industrial insurance ombudsman). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $74,000 of the accident account--state appropriation and $74,000 of the medical aid--state appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5915 (notices to employers). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) $605,000 of the accident account--state appropriation for fiscal year 2008 is provided solely for a study of the incidence of permanent total disability pensions in the state's workers' compensation system. To conduct the study, the department shall contract with an independent researcher that has demonstrated expertise in workers' compensation systems. When selecting the independent researcher, the department shall consult the labor and business members of the workers' compensation advisory committee and, if the labor and business members of the workers' compensation advisory committee agree on a particular independent researcher, the department shall select that independent researcher. The study must consider causes of the recent increase in permanent total disability cases, future anticipated permanent total disability trends, a comparison of Washington's permanent total disability claims experience and injured workers with other states and jurisdictions, the impact of the standard for finding workers employable on the incidence of permanent total disability pensions, and the impact of vocational rehabilitation under RCW 51.32.095 on the incidence of permanent total disability pensions. The department shall report to the workers' compensation advisory committee, the house of representatives commerce and labor committee, and the senate labor, commerce, research and development committee on the results of the study on or before July 1, 2008.

(13) $1,089,000 of the accident account--state appropriation and $192,000 of the medical aid account--state appropriation are provided solely for implementation of chapter 27, Laws of 2007 (ESHB 2171, crane safety).

(14) $100,000 of the general fund--federal appropriation and $192,000 of the manufactured home installation training account--state appropriation are provided solely for Substitute House Bill No. 2118

(mobile/manufactured homes). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

NEW SECTION. **Sec. 219. FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

General Fund--State Appropriation (FY 2008) $1,876,000
General Fund--State Appropriation (FY 2009) $1,907,000
TOTAL APPROPRIATION $3,783,000

The appropriations in this subsection are subject to the following conditions and limitations: $224,000 of the general fund--state appropriation for fiscal year 2008 and $210,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of House Bill No. 1220 (sentence review board). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2008) $2,124,000
General Fund--State Appropriation (FY 2009) $2,183,000
Charitable, Educational, Penal, and Reformatory
Institutions Account--State Appropriation $10,000
Veterans Innovations Program Account
Appropriation $1,437,000
TOTAL APPROPRIATION $5,754,000

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2008) $5,126,000
General Fund--State Appropriation (FY 2009) $5,249,000
General Fund--Federal Appropriation $972,000
General Fund--Private/Local Appropriation $2,987,000
Veteran Estate Management Account--Private/Local
Appropriation $1,062,000
TOTAL APPROPRIATION $15,396,000

The appropriations in this subsection are subject to the following conditions and limitations: $440,000 of the general fund--state appropriation for fiscal year 2008 and $560,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to

implement Second Substitute Senate Bill No. 5164 (veterans' conservation corps). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2008) $8,340,000
General Fund--State Appropriation (FY 2009) $8,894,000
General Fund--Federal Appropriation $41,333,000
General Fund--Private/Local Appropriation $30,197,000
TOTAL APPROPRIATION $88,764,000

NEW SECTION. **Sec. 221. FOR THE HOME CARE QUALITY AUTHORITY**

General Fund--State Appropriation (FY 2008) $1,721,000
General Fund--State Appropriation (FY 2009) $1,740,000
TOTAL APPROPRIATION $3,461,000

NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF HEALTH**

General Fund--State Appropriation (FY 2008) $81,288,000
General Fund--State Appropriation (FY 2009) $78,032,000
General Fund--Federal Appropriation $480,735,000
General Fund--Private/Local Appropriation $111,257,000
Hospital Commission Account--State Appropriation $1,247,000
Health Professions Account--State Appropriation $62,419,000
Aquatic Lands Enhancement Account--State
Appropriation $600,000
Emergency Medical Services and Trauma Care Systems
Trust Account--State Appropriation $12,610,000
Safe Drinking Water Account--State Appropriation $3,064,000
Drinking Water Assistance Account--Federal
Appropriation $16,991,000
Waterworks Operator Certification--State
Appropriation $1,518,000
Drinking Water Assistance Administrative Account--
State Appropriation $326,000
Water Quality Account--State Appropriation (FY 2008) . . . $1,975,000
Water Quality Account--State Appropriation (FY 2009) . . . $2,013,000
State Toxics Control Account--State Appropriation $3,415,000
Medical Test Site Licensure Account--State
Appropriation $2,068,000

Youth Tobacco Prevention Account--State Appropriation . . . $1,512,000
Public Health Supplemental Account--Private/Local
Appropriation $2,482,000
Accident Account--State Appropriation $294,000
Medical Aid Account--State Appropriation $48,000
Health Services Account--State
Appropriation (FY 2008) $42,122,000
Health Services Account--State
Appropriation (FY 2009) $46,663,000
Tobacco Prevention and Control Account--State
Appropriation $52,870,000
Oyster Reserve Land Account--State Appropriation $224,000
TOTAL APPROPRIATION $1,005,773,000

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

(1) The department is authorized to raise existing fees charged for its fee-supported programs in excess of the fiscal growth factor pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section.

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

(3) $877,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1099

(dental professions). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(4) $198,000 of the general fund--state appropriation for fiscal year 2008 and $24,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 2304 (cardiac care services). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) $138,000 of the general fund--state appropriation for fiscal year 2008 and $220,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for an evaluation of chronic care provider training.

(6) $51,000 of the general fund--state appropriation for fiscal year 2008 and $24,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5297 (sex education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) $103,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute House Bill No. 1837 (nonambulatory persons). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) $201,000 of the general fund--private/local appropriation is provided solely for the implementation of Substitute House Bill No. 2087 (health care facilities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(9) $293,000 of the general fund--state appropriation for fiscal year 2008 and $287,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for public service announcements regarding childhood lead poisoning, information pamphlets, rule development, and for early identification of persons at risk of having elevated blood-lead levels, which includes systematically screening children under six years of age and other target populations identified by the department.

(10) $101,000 of the general fund--state appropriation for fiscal year 2008, $81,000 of the general fund--state appropriation for fiscal year 2009, and $6,000 of the general fund--private/local appropriation are provided solely for the implementation of Engrossed Second

Substitute House Bill No. 1414 (ambulatory surgical facilities). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $55,000 of the health professions account appropriation is provided solely for the implementation of Substitute House Bill No. 1397 (massage therapy). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(12) $58,000 of the general fund--private/local appropriation is provided solely for the implementation of Senate Bill No. 5398 (specialty hospitals). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(13) $34,000 of the general fund--state appropriation for fiscal year 2008, $44,000 of the general fund--state appropriation for fiscal year 2009, and $224,000 of the oyster reserve land account--state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) $571,000 of the general fund--state appropriation for fiscal year 2008 and $458,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute House Bill No. 1106 (hospital acquired infections). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) $4,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for department of health-funded family planning clinics to increase the capacity of the clinics to provide family planning and reproductive health services to low-income men and women who are not otherwise eligible for services through the department of social and health services medical assistance program and for clinical or other health services associated with sexually transmitted disease testing through the infertility prevention project. Of these amounts, the department is authorized to expend up to $1,000,000 of its general fund--state appropriation for fiscal year 2009 for services provided in fiscal year 2008, if necessary, to offset reductions in federal funding.

(16) $1,000,000 of the general fund--state appropriation for fiscal year 2008 is for one-time funding to purchase and store antiviral medications to be used in accordance with the state pandemic influenza response plan. These drugs are to be purchased through the United States department of health and human services to take advantage of federal subsidies.

(17) $147,000 of the general fund--state appropriation for fiscal year 2008 and $32,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department of health to provide relevant information on measures taken to facilitate expanded use of reclaimed water pursuant to Engrossed Second Substitute Senate Bill No. 6117 (reclaimed water). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) $550,000 of the general fund--state appropriation for fiscal year 2008 and $550,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the lifelong AIDS alliance to restore lost federal funding.

(19) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for medical nutritional therapy for people with HIV/AIDS and other low-income residents in King county with chronic illnesses.

(20) $645,000 of the general fund--state appropriation for fiscal year 2008 and $645,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the neurodevelopmental center system, which provides therapy and medical services for young, low-income children with developmental disabilities.

(21) $100,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to continue the autism task force established by chapter 259, Laws of 2005, through June 30, 2008. The task force shall:

(a) Review and continue to refine criteria for regional autism centers throughout Washington state based on community needs in each area, and address the role of autism centers within the larger context of developmental disabilities;

(b) Prioritize its December 2006 recommendations and develop an implementation plan for the highest priorities. The plan should detail how systems will coordinate to improve service and avoid duplication

between state agencies including the department of social and health services, department of health, office of superintendent of public instruction, as well as school districts, autism centers, and local partners and providers. The plan shall also estimate the costs of the highest priority recommendations and report to the legislature and governor by December 1, 2007;

(c) Compile information for and draft the "Washington Service Guidelines for Individuals with Autism - Birth Through Lifespan" book described in the task force's recommendations. Funding to print and distribute the book is expected to come from federal or private sources; and

(d) Monitor the federal combating autism act and its funding availability and make recommendations on applying for grants to assist in implementation of the 2006 task force recommendations. The department of health shall be the lead agency in providing staff for the task force. The department may seek additional staff assistance from the office of the superintendent of public instruction and the committee staff of the legislature. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses.

(22) $200,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of the Washington state hepatitis C strategic plan.

(23) $142,000 of the health professions account appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5403 (animal massage practitioners). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) $174,000 of the health professions account appropriation is provided solely for the implementation of Substitute Senate Bill No. 5503 (athletic trainers). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(25) $75,000 of the health professions account appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5292 (physical therapist assistants). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(26) $94,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Engrossed Second Substitute Senate Bill No. 6032 (medical use of marijuana). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(27) $386,000 of the general fund--state appropriation for fiscal year 2008 and $384,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5894 (large on-site sewage systems). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(28) $1,721,000 of the health professions account appropriation is provided solely for the implementation of sections 11 and 12 (medical information) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the sections are not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(29) $10,000,000 of the health services account--state appropriation for fiscal year 2008 and $10,000,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for distribution to local health jurisdictions and for the costs of administering the public health related sections of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care), subject to the following conditions and limitations:

(a) During the month of January 2008, and January 2009, the department of health shall distribute funds appropriated in this section to local health jurisdictions, less an amount not to exceed five percent for the costs of administering the public health related sections of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). The amount of funding for distribution to a jurisdiction before the administrative deduction shall be the greater of: (i) One hundred thousand dollars; or (ii) (A) a base level of funding of seventy-five thousand dollars plus the per capita amount, for a jurisdiction with a population of four hundred thousand persons or fewer; or (B) a base level of funding of twenty-five thousand dollars plus the per capita amount, for a jurisdiction with a population greater than four hundred thousand persons. Amounts distributed under this subsection must be used to fund core public

health functions of statewide significance as defined in Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care).

(b) For the purposes of this subsection:

(i) "Per capita amount" means an amount equal to seven million five hundred thousand dollars multiplied by the proportion of the population of the jurisdiction in the previous calendar year to the population of the state in the previous calendar year.

(ii) "Population" means the number of persons as last determined by the office of financial management. If the jurisdiction comprises a single county, "population" means the number of persons in the county. For a jurisdiction comprising two or more counties, "population" means the number of persons in all counties comprising the jurisdiction.

(iii) "Local health jurisdiction" or "jurisdiction" means a county board of health organized under chapter 70.05 RCW, a health district organized under chapter 70.46 RCW, or a combined city and county health department organized under chapter 70.08 RCW.

(c) The department may adopt rules necessary to administer this subsection.

(30) $15,000 of the general fund--state appropriation for fiscal year 2008 and $35,000 of the health professions account--state appropriation are provided solely for an evaluation of the economic benefits to the state's health care system of the midwifery licensure and regulatory program under chapter 18.50 RCW. In particular, the department shall contract with a consultant to conduct a review of existing research literature on whether these economic benefits exceed the state expenditures to subsidize the cost of the midwifery licensing and regulatory program under RCW 43.70.250. The evaluation shall include an assessment of the economic benefits to consumers who elect to have out-of-hospital births with midwives, including any reduced use of procedures that increase the costs of childbirth. The department shall submit the report to the appropriate policy and fiscal committees of the legislature by January 1, 2008. If Engrossed House Bill No. 1667 (health professions licensing fees) is enacted by June 30, 2007, the amounts provided in this subsection are provided solely for the purposes of that bill.

(31) $147,000 of the health professions account--state appropriation is provided solely for the department of health to

convene a work group to develop recommendations regarding the need to regulate those individuals currently registered with the department of health as counselors. The department of health shall submit recommendations of the work group to the legislature and governor by November 15, 2007. Based on the recommendations of the work group, the department of health shall draft credentialing guidelines for all registered counselors by January 1, 2008. Guidelines shall include education in risk assessment, ethics, professional standards, and deadlines for compliance.

NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF CORRECTIONS**

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund--State Appropriation (FY 2008) $57,968,000
General Fund--State Appropriation (FY 2009) $52,911,000
Washington Auto Theft Prevention Authority Account--
State Appropriation $169,000
Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2008) $13,000
Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2009) $13,000
Public Safety and Education Account--State
Appropriation (FY 2008) $1,467,000
Public Safety and Education Account--State
Appropriation (FY 2009) $1,504,000
Pension Funding Stabilization Account--State
Appropriation $1,280,000
TOTAL APPROPRIATION $115,325,000

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

(a) $9,389,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the completion of phase three of the department's offender-based tracking system replacement project. This amount is conditioned on the department satisfying the requirements of section 902 of this act.

(b) $35,000 of the general fund--state appropriation for fiscal year 2008 and $35,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the establishment and support of a statewide council on mentally ill offenders that includes as its

members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will begin to investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(c) $169,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2008 is provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(d) $102,000 of the general fund--state appropriation for fiscal year 2008 and $95,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422 (incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(e) Within funds appropriated in this section, the department shall seek contracts for chemical dependency vendors to provide chemical dependency treatment of offenders in corrections facilities, including corrections centers and community supervision facilities, which have demonstrated effectiveness in treatment of offenders and are able to provide data to show a successful treatment rate.

(f) $314,000 of the general fund--state appropriation for fiscal year 2008 and $294,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for four additional staff to collect and analyze data for programs funded through the offender reentry initiative and collect, analyze, and disseminate information required by the GMAP process, performance audits, data requests, and quality assessments and assurances.

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2008) $617,042,000
General Fund--State Appropriation (FY 2009) $664,710,000
General Fund--Federal Appropriation $3,490,000
Washington Auto Theft Prevention Authority Account--
State Appropriation $1,338,000

Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2008) $1,492,000
Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2009) $1,492,000
Pension Funding Stabilization Account--State
Appropriation $11,800,000
TOTAL APPROPRIATION $1,301,364,000

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

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

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

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

(d) During the 2007-09 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(e) The Harborview medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(f) $358,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2008 and $980,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(g) $22,000 of the general fund--state appropriation for fiscal year 2008 and $22,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1097 (vulnerable adults). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(h) $22,000 of the general fund--state appropriation for fiscal year 2008 and $22,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1319 (correctional agency employee). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(i) $87,000 of the general fund--state appropriation for fiscal year 2008 and $87,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of House Bill No. 1592 (sentence review board). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(j) $544,000 of the general fund--state appropriation for fiscal year 2008 and $496,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for development of individual reentry plans to prepare offenders for release into the community as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). Individual reentry plans shall be based on an assessment of the offender using a standardized and comprehensive tool. The individual reentry plan may be one document, or may be a series of individual plans that combine to meet the requirements. The individual reentry plan shall, at a minimum, include:

(i) A plan to maintain contact with the inmate's children and family, if appropriate. The plan should determine whether parenting classes, or other services, are appropriate;

(ii) A description of the offender's education, certifications, work experience, skills, and training; and

(iii) A plan for the offender during the period of incarceration through reentry into the community that addresses the needs of the offender including education, employment, substance abuse treatment, mental health treatment, and family reunification. The individual reentry plan shall be updated as appropriate during the period of incarceration, and prior to the inmate's release to address public safety concerns, consistency with the offender risk management level assigned by the department, housing, and connecting with a community justice center in the area in which the offender will be residing, if a community justice center is located in that area.

(iv) If the appropriation in this subsection is not sufficient for this program, the department shall prioritize the use of available funds.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2008) $129,063,000
General Fund--State Appropriation (FY 2009) $140,462,000
Public Safety and Education Account--State
Appropriation (FY 2008) $9,317,000
Public Safety and Education Account--State
Appropriation (FY 2009) $9,680,000
Pension Funding Stabilization Account--State
Appropriation $2,800,000
TOTAL APPROPRIATION $291,322,000

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

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

(b) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW.

This authority applies to the following: Lease-develop with the option to purchase or lease-purchase work release beds in facilities throughout the state for $8,561,000.

(c) $1,167,000 of the general fund--state appropriation for fiscal year 2008 and $2,295,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the establishment and operation of community justice centers by the department as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). At a minimum, a community justice center shall include:

(i) A violator program to allow the department to utilize a range of available sanctions for offenders who violate conditions of their supervision;

(ii) An employment opportunity program to assist an offender in finding employment;

(iii) On-site services or resources for connecting offenders with services such as mental health and substance abuse treatment, transportation, training, family reunification, and community services; and

(iv) The services of a transition coordinator to facilitate connections between the former offender and the community. The transition coordinator shall provide information to former offenders regarding services available to them in the community including, but not limited to housing assistance, employment assistance, education, vocational training, parent education, financial literacy, treatment for substance abuse, mental health, anger management, and shall assist offenders in their efforts to access needed services.

(v) If the appropriation in this subsection is not sufficient for this program, the department shall prioritize the use of available funds.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2008) $987,000
General Fund--State Appropriation (FY 2009) $2,347,000
TOTAL APPROPRIATION $3,334,000

The appropriations in this subsection are subject to the following conditions and limitations: $110,000 of the general fund--state appropriation for fiscal year 2008 and $110,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for transfer to the jail industries board. The board shall use the amounts

provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2008) $35,026,000
General Fund--State Appropriation (FY 2009) $35,175,000
TOTAL APPROPRIATION $70,201,000

The appropriations in this subsection are subject to the following conditions and limitations: $35,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

NEW SECTION. **Sec. 224. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

General Fund--State Appropriation (FY 2008) $2,566,000
General Fund--State Appropriation (FY 2009) $2,636,000
General Fund--Federal Appropriation $17,702,000
General Fund--Private/Local Appropriation $20,000
TOTAL APPROPRIATION $22,924,000

The appropriations in this subsection are subject to the following conditions and limitations: $4,000 of the general fund--state appropriation for fiscal year 2008 and $4,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for an adjustment to the agency lease rate for space occupied and parking in the Tacoma Rhodes center. The department of general administration shall increase lease rates to meet the cash gain/loss break-even point for the Tacoma Rhodes center effective July 1, 2007.

NEW SECTION. **Sec. 225. FOR THE SENTENCING GUIDELINES COMMISSION**

General Fund--State Appropriation (FY 2008) $937,000
General Fund--State Appropriation (FY 2009) $959,000
TOTAL APPROPRIATION $1,896,000

NEW SECTION. **Sec. 226. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund--State Appropriation (FY 2008) $60,000
General Fund--State Appropriation (FY 2009) $60,000

General Fund--Federal Appropriation $265,906,000
General Fund--Private/Local Appropriation $33,877,000
Unemployment Compensation Administration Account--
Federal Appropriation $253,644,000
Administrative Contingency Account--State
Appropriation $31,273,000
Employment Service Administrative Account--State
Appropriation $32,055,000
TOTAL APPROPRIATION $616,875,000

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

(1) $4,578,000 of the unemployment compensation administration account--federal appropriation is provided from funds made available to the state by section 903(d) of the social security act (Reed Act). These funds are authorized to provide direct services to unemployment insurance claimants and providing job search review.

(2) $2,300,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to continue implementation of chapter 4, Laws of 2003 2nd sp. sess. and for implementation costs relating to chapter 133, Laws of 2005 (unemployment insurance).

(3) $12,348,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to continue current unemployment insurance functions.

(4) $372,000 of the administrative contingency account--state appropriation is provided solely to implement Substitute Senate Bill No. 5653 (self-employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) $12,054,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to fund the unemployment insurance tax information system (TAXIS) technology initiative for the employment security department.

(6) $430,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to replace high-risk servers used by the unemployment security department.

(7) $503,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to provide a system to track computer upgrades and changes for the unemployment security department.

(8) $183,000 of the unemployment compensation administration account--federal appropriation is provided from the amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to conduct a feasibility study to integrate job search data systems.

(End of part)

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2008) $524,000
General Fund--State Appropriation (FY 2009) $548,000
General Fund--Federal Appropriation $9,000
General Fund--Private/Local Appropriation $1,056,000
TOTAL APPROPRIATION $2,137,000

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

General Fund--State Appropriation (FY 2008) $50,030,000
General Fund--State Appropriation (FY 2009) $49,941,000
General Fund--Federal Appropriation $83,365,000
General Fund--Private/Local Appropriation $13,648,000
Special Grass Seed Burning Research
Account--State Appropriation $14,000
Reclamation Account--State Appropriation $4,073,000
Flood Control Assistance Account--State Appropriation . . . $3,961,000
State Emergency Water Projects Revolving
Account--State Appropriation $390,000
Waste Reduction/Recycling/Litter
Control--State Appropriation $19,701,000
State Drought Preparedness--State Appropriation $117,000
State and Local Improvements Revolving Account
(Water Supply Facilities)--State Appropriation $425,000
Vessel Response Account--State Appropriation $1,438,000
Freshwater Aquatic Algae Control Account--State
Appropriation $509,000
Site Closure Account--State Appropriation $702,000
Water Quality Account--State Appropriation
(FY 2008) $16,490,000
Water Quality Account--State Appropriation
(FY 2009) $15,894,000
Wood Stove Education and Enforcement Account--State
Appropriation $373,000

Worker and Community Right-to-Know Account--State Appropriation $2,269,000
State Toxics Control Account--State Appropriation $98,184,000
State Toxics Control Account--Private/Local Appropriation $381,000
Local Toxics Control Account--State Appropriation $19,154,000
Water Quality Permit Account--State Appropriation $38,900,000
Underground Storage Tank Account--State Appropriation . . . $3,777,000
Environmental Excellence Account--State Appropriation $504,000
Biosolids Permit Account--State Appropriation $1,410,000
Hazardous Waste Assistance Account--State Appropriation $5,902,000
Air Pollution Control Account--State Appropriation $6,328,000
Oil Spill Prevention Account--State Appropriation $12,614,000
Air Operating Permit Account--State Appropriation $3,266,000
Freshwater Aquatic Weeds Account--State Appropriation . . . $1,697,000
Oil Spill Response Account--State Appropriation $7,078,000
Metals Mining Account--State Appropriation $14,000
Water Pollution Control Revolving Account--State Appropriation $469,000
Water Pollution Control Revolving Account--Federal Appropriation $2,297,000
TOTAL APPROPRIATION $465,315,000

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

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

(2) $256,000 of the general fund--state appropriation for fiscal year 2008, $209,000 of the general fund--state appropriation for fiscal year 2009, and $200,000 of the general fund--private local appropriation are provided solely to implement activities associated with a regional haze program. Funds shall be collected and expended in accordance with the terms of the contract entered into with affected businesses and the department of ecology.

(3) $2,000,000 of the local toxics control account--state appropriation is provided solely to local governments outside of Puget Sound for municipal storm water programs, including but not limited to, implementation of phase II municipal storm water permits, source control for toxics in association with cleanup of contaminated sediment sites, and source control programs for shellfish protection districts where storm water is a significant contributor.

(4) Fees approved by the department of ecology in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(5) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $927,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to improve the performance of wetland mitigation. Of this amount, $55,000 of the general fund--state appropriation for fiscal year 2008 and $55,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support a wetland in Whatcom county. The program will engage local, state, and federal agencies, private investors, property owners, and others in the creation of one or more wetland banks and other measures to protect habitat functions and values while accommodating urban growth in the region. Priority shall be given to state and local government partnerships for wetland characterization. The department shall issue a report of its findings and recommendations on how wetland mitigation success can be improved to the office of financial management and the appropriate policy committees of the legislature.

(6) $260,000 of the state toxics control account--state appropriation is provided solely to support pesticide container recycling activities in Washington.

(7) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a pilot project to provide grants to two local government jurisdictions located in the Puget Sound area to improve compliance with existing environmental laws. Grant funds shall be used for providing information on existing requirements, providing technical assistance necessary to comply on a voluntary basis, and taking enforcement action.

(8) $1,257,000 of the reclamation account--state appropriation is

provided solely to implement Substitute Senate Bill No. 5881 (water power license fees). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(9) $694,000 of the underground storage tank account--state appropriation is provided solely to implement Substitute Senate Bill No. 5475 (underground storage tanks). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(10) $2,026,000 of the local toxics control account--state appropriation is provided solely for local governments located near hazardous waste clean-up sites, including Duwamish Waterway, Commencement Bay, and Bellingham Bay, to work with small businesses and citizens to safely manage hazardous and solid wastes to prevent the contamination.

(11) $876,000 of the state toxics control account and $876,000 of the local toxics control account are provided solely for public participation grants related to toxic cleanup sites within and around Puget Sound.

(12) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement watershed plans. Of this amount, $110,000 of the general fund--state appropriation for fiscal year 2008 and $160,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to study the feasibility of a public utility district pipeline in the Bertrand watershed and $250,000 of the general fund--state appropriation for fiscal year 2008 and $350,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to study water storage and augmentation in the Bertrand watershed and $90,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for plan preparation and development in the Fishtrap watershed.

(13) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop, by rule, guidelines for the appropriate siting and operation of geoduck aquaculture operations to be included in any master program under the shorelines management act. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) $15,000 of the general fund--state appropriation for fiscal year 2008 and $15,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for convening a stakeholder group to recommend establishing a sustainable statewide regional CBRNE/Hazmat response capability.

(15) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement key recommendations and actions identified in the "Washington's Ocean Action Plan: Enhancing Management of Washington State's Ocean and Outer Coast". The department shall provide a progress report on implementing this plan to the appropriate policy committees of the legislature by December 31, 2008.

(16) $300,000 of the general fund--state appropriation for fiscal year 2008 and $300,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 6001 (climate change). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to oversee beach seaweed removal in the west Seattle Fauntleroy community. The department may spend up to $25,000 of this amount for its cost of administration.

(18) $405,000 of the state toxics control account is provided solely for implementation of Senate Bill No. 5421 (environmental covenants). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(19) $99,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a marshland study of key areas of salmon habitat along the Snohomish river estuary.

(20) $196,000 of the general fund--state appropriation for fiscal year 2008, $132,000 of the general fund--state appropriation for fiscal year 2009, and $19,000 of the oil spill prevention account appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not

enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(21) $150,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the department to contract with the U.S. institute for environmental conflict resolution, a federal agency, to develop a pilot water management process with three federally recognized treaty Indian tribes. $50,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the northwest Indian fisheries commission to help establish the pathway for the process in federal agencies.

(22) $319,000 of the general fund--state appropriation for fiscal year 2008 and $241,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6117 (reclaimed water). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(23) $53,000 of the oil spill prevention account--state appropriation is provided solely for the implementation of Senate Bill No. 5552 (penalties for oil spills). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department to convene a shellfish aquaculture regulatory committee, composed of a balanced representation from interested state regulatory agencies, Native American tribes, local governments and the environmental and shellfish farming communities. The group will be facilitated by the office of regulatory assistance and will address federal, state, and local regulatory issues related to shellfish farming.

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

General Fund--State Appropriation (FY 2008) $48,365,000
General Fund--State Appropriation (FY 2009) $50,166,000
General Fund--Federal Appropriation $4,545,000
General Fund--Private/Local Appropriation $73,000
Winter Recreation Program Account--State

Appropriation $1,116,000
Off-Road Vehicle Account--State Appropriation $238,000
Snowmobile Account--State Appropriation $4,839,000
Aquatic Lands Enhancement Account--State Appropriation . . . $365,000
Public Safety and Education Account--State
Appropriation (FY 2008) $23,000
Public Safety and Education Account--State
Appropriation (FY 2009) $24,000
Parks Renewal and Stewardship Account--State
Appropriation $36,606,000
Parks Renewal and Stewardship Account--Private/Local
Appropriation $300,000
TOTAL APPROPRIATION $146,660,000

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

(1) Fees approved by the state parks and recreation commission in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) $79,000 of the general fund--state appropriation for fiscal year 2008 and $79,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant for the operation of the Northwest avalanche center.

(3) $300,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for project scoping and cost estimating for the agency's 2009-11 capital budget submittal.

(4) $2,255,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for costs associated with relocating the commission's Tumwater headquarters office.

(5) $272,000 of the general fund--state appropriation for fiscal year 2008 and $271,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for costs associated with relocating the commission's eastern Washington regional headquarters office.

(6) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for replacing vehicles and equipment.

(7) $1,611,000 of the general fund--state appropriation for fiscal year 2008 and $1,428,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for planned and emergency maintenance of park facilities.

(8) $1,700,000 of the general fund--federal appropriation for fiscal year 2009 is provided solely for the recreational boating safety program.

(9) $954,000 of the general fund--state appropriation for fiscal year 2008 and $1,007,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operations of Cama Beach state park.

(10) $25,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5219 (weather and avalanche center). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $9,000 of the general fund--state appropriation for fiscal year 2008 and $9,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) $42,000 of the general fund--state appropriation for fiscal year 2008 and $42,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(13) $264,000 of the general fund--state appropriation for fiscal year 2008 and $217,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to establish a pilot lifeguard program at Lake Sammamish and Nolte state parks. The department shall complete a comprehensive risk analysis to determine if expansion of the lifeguard program or other drowning risk reduction measures should be implemented. The department shall report its findings to the office of financial management and the appropriate committees of the legislature by July 1, 2009.

(14) $232,000 of the general fund--state appropriation for fiscal year 2008 and $233,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the development of a long-range plan for Fort Worden state park, including architectural and site design guidelines, business and operations implementation, site and facilities use plan, and for the department to convene a task force to recommend alternative governance structures for the park.

(15) $1,600,000 of the parks renewal stewardship account--state appropriation is provided solely for operating state parks, developing and renovating park facilities, undertaking deferred maintenance, enhancing park stewardship and other state park purposes, pursuant to Substitute House Bill No. 2275 (raising funds for state parks). Expenditures from the amount provided in this subsection shall not exceed actual revenues received under Substitute House Bill No. 2275. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $1,557,000
General Fund--State Appropriation (FY 2009) $1,600,000
General Fund--Federal Appropriation $18,409,000
General Fund--Private/Local Appropriation $250,000
Aquatic Lands Enhancement Account--State Appropriation . . . $277,000
Water Quality Account--State Appropriation (FY 2008) $100,000
Water Quality Account--State Appropriation (FY 2009) $100,000
Firearms Range Account--State Appropriation $37,000
Recreation Resources Account--State Appropriation $2,819,000
Nonhighway and Off-Road Vehicles Activities Program
Account--State Appropriation $1,004,000
Boating Activities Account--State Appropriation $2,000,000
TOTAL APPROPRIATION $28,153,000

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

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

(2) $22,000 of the general fund--state appropriation for fiscal year 2008 and $22,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(3) $2,000,000 of the boating activities account--state appropriation is provided solely to implement Substitute House Bill No. 1651 (boating activities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $1,134,000
General Fund--State Appropriation (FY 2009) $1,161,000
TOTAL APPROPRIATION $2,295,000

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

General Fund--State Appropriation (FY 2008) $2,889,000
General Fund--State Appropriation (FY 2009) $2,913,000
General Fund--Federal Appropriation $1,178,000
Water Quality Account--State Appropriation (FY 2008) . . . $7,301,000
Water Quality Account--State Appropriation (FY 2009) . . . $7,326,000
TOTAL APPROPRIATION $21,607,000

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

(1) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for supplementary basic funding grants to the state's lowest-income conservation districts. The supplementary grant process shall be structured to aid recipients in becoming financially self-sufficient in the future.

(2) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Substitute Senate Bill No. 5108 (office of farmland preservation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the pioneers in conservation program to provide grants through a competitive process to agricultural landowners for projects that benefit fish and wildlife restoration and farm operations. Grants must be matched by an equal amount or more from nonstate sources with priority for projects identified in the Puget Sound Chinook salmon recovery plan and the Puget Sound partnership strategy.

(4) $78,000 of the general fund--state appropriation for fiscal year 2008 and $72,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

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

General Fund--State Appropriation (FY 2008) $55,453,000
General Fund--State Appropriation (FY 2009) $52,743,000
General Fund--Federal Appropriation $52,666,000
General Fund--Private/Local Appropriation $37,447,000
Off-Road Vehicle Account--State Appropriation $416,000
Aquatic Lands Enhancement Account--State
Appropriation $6,070,000
Public Safety and Education Account--State
Appropriation (FY 2008) $268,000
Public Safety and Education Account--State
Appropriation (FY 2009) $325,000
Recreational Fisheries Enhancement--State
Appropriation $3,628,000
Warm Water Game Fish Account--State Appropriation $3,024,000
Eastern Washington Pheasant Enhancement
Account--State Appropriation $754,000
Aquatic Invasive Species Enforcement Account--State
Appropriation $204,000
Aquatic Invasive Species Prevention Account--State
Appropriation $842,000

Wildlife Account--State Appropriation $66,508,000
Wildlife Account--Federal Appropriation $34,552,000
Wildlife Account--Private/Local Appropriation $13,288,000
Game Special Wildlife Account--State Appropriation $1,991,000
Game Special Wildlife Account--Federal Appropriation . . . $8,923,000
Game Special Wildlife Account--Private/Local
Appropriation $486,000
Water Quality Account--State Appropriation (FY 2008) $160,000
Water Quality Account--State Appropriation (FY 2009) $160,000
Environmental Excellence Account--State Appropriation $15,000
Regional Fisheries Salmonid Recovery Account--Federal
Appropriation $2,751,000
Oil Spill Prevention Account--State Appropriation $1,104,000
Oyster Reserve Land Account--State Appropriation $417,000
Wildlife Rehabilitation Account--State Appropriation $352,000
TOTAL APPROPRIATION $344,547,000

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

(1) The department shall use the department of printing for printing needs. Funds provided in this section may not be used to staff or fund a stand-alone printing operation.

(2) $175,000 of the general fund--state appropriation for fiscal year 2008 and $175,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

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

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

(5) $400,000 of the general fund--state appropriation for fiscal year 2008 and $400,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(6) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(7) $634,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for operations and fish production costs at department-operated Mitchell act hatchery facilities.

(8) Within the amount provided for the agency, the department shall implement a joint management and collaborative enforcement agreement with the confederated tribes of the Colville and the Spokane tribe.

(9) $182,000 of the general fund--state appropriation for fiscal year 2008 and $182,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to continue the ballast water management program in Puget Sound and expand the program to include the Columbia river and coastal ports.

(10) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for hatchery facility maintenance improvements.

(11) $440,000 of the general fund--state appropriation for fiscal year 2008 and $409,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for estimates of juvenile abundance of federally listed salmon and steelhead populations. The department shall report to the office of financial management and the appropriate fiscal committees of the legislature with a letter stating the use and measurable results of activities that are supported by these funds.

(12) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the strategic budget and accountability program.

(13) $113,000 of the general fund--state appropriation for fiscal year 2008 and $113,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(14) Prior to submitting its 2009-11 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management and the appropriate legislative committees by October 1, 2008.

(15) $43,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5447 (coastal Dungeness crab). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(16) $4,000 of the general fund--state appropriation for fiscal year 2008 and $4,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) $89,000 of the general fund--state appropriation for fiscal year 2008 and $89,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) $204,000 of the aquatic invasive species enforcement account--state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5923 (aquatic invasive species). If the

bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(19) $42,000 of the general fund--state appropriation for fiscal year 2008 and $42,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(20) $352,000 of the wildlife rehabilitation account is provided solely for the implementation of Senate Bill No. 5188 (wildlife rehabilitation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(21) $77,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department of fish and wildlife to participate in the upper Columbia salmon recovery plan implementation, habitat conservation plan hatchery committees, and the priest rapids salmon and steelhead agreement hatchery technical committee.

(22) Within existing funds, the department of fish and wildlife shall sell the upper 20-acre parcel of the Beebe springs property. Proceeds from the sale are to be used to develop the Beebe springs natural interpretive site.

(23) Within existing funds, the department of fish and wildlife in coordination with department of ecology shall evaluate environmental impacts of proposed sinking vessels in Puget Sound for dive attractions.

(24) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute House Bill No. 1147 (damage to livestock). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(25) $50,000 of the general fund--state appropriation for fiscal year 2008 and $49,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2049 (marine resource committees). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(26) $35,000 of the general fund--state appropriation for fiscal year 2008 and $35,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a study of introducing oxygen to the waters of Hood Canal. The study shall propose a location in a small marine area where a large number of bottom-dwelling fish species exist, and analyze the impact of injected dissolved oxygen on aquatic life. The department shall report to the appropriate committees of the legislature on the results of the study and recommend whether to proceed with a project to inject oxygen into Hood Canal.

(27) $1,310,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to replace state wildlife account funds for the engineering program and $1,190,000 of the general fund--state appropriation for fiscal year 2008 are provided solely to replace state wildlife account funds for the hydraulic project permitting program, including the development of a permit fee schedule for the hydraulic project approval program to make the program self supporting. Fees may be based on factors relating to the complexity of the permit issuance. The fees received by the department must be deposited into the state wildlife account and shall be expended exclusively for the purposes of the hydraulic project permitting program. By December 1, 2008, the department shall provide a permit fee schedule for the hydraulic project approval program to the office of financial management and the appropriate committees of the legislature.

(28) $245,000 of the general fund--state appropriation for fiscal year 2008 and $245,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department to work in cooperation with the department of natural resources to assist with the implementation of the wild horse coordinated resource management plan. Implementation may include providing grant funding to other state and nonstate entities as needed.

(29) $270,000 of the general fund--state appropriation for fiscal year 2008 and $270,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to develop siting guidelines for power generation facilities, provide technical assistance for permitting, support voluntary compliance with the guidelines, and to conduct bird and wildlife assessments on state lands most eligible for wind power leases.

(30) The department may not expend amounts appropriated in this section to enforce RCW 77.15.194 regarding (a) trapping by mole exterminators; or (b) removal of mountain beaver from forest lands.

(31) $50,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop and maintain an electronic database for aquatic farmer registration. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $48,497,000
General Fund--State Appropriation (FY 2009) $50,818,000
General Fund--Federal Appropriation $25,235,000
General Fund--Private/Local Appropriation $1,413,000
Forest Development Account--State Appropriation $58,165,000
Off-Road Vehicle Account--State Appropriation $4,318,000
Surveys and Maps Account--State Appropriation $2,536,000
Aquatic Lands Enhancement Account--State
Appropriation $7,773,000
Resources Management Cost Account--State
Appropriation $96,177,000
Surface Mining Reclamation Account--State
Appropriation $3,295,000
Disaster Response Account--State Appropriation $5,000,000
Forest and Fish Support Account--State Appropriation . . . $4,000,000
Water Quality Account--State Appropriation (FY 2008) . . . $1,348,000
Water Quality Account--State Appropriation (FY 2009) . . . $1,360,000
Aquatic Land Dredged Material Disposal Site
Account--State Appropriation $1,337,000
Natural Resources Conservation Areas Stewardship
Account--State Appropriation $34,000
State Toxics Control Account--State Appropriation $80,000
Air Pollution Control Account--State Appropriation $570,000
Nonhighway and Off-Road Vehicle Activities Program
Account--State Appropriation $982,000
Derelict Vessel Removal Account--State Appropriation . . . $3,652,000
Agricultural College Trust Management Account--State

Appropriation $2,064,000

TOTAL APPROPRIATION $318,654,000

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

(1) $122,000 of the general fund--state appropriation for fiscal year 2008 and $162,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) $11,463,000 of the general fund--state appropriation for fiscal year 2008, $13,792,000 of the general fund--state appropriation for fiscal year 2009, and $5,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations.

(3) Fees approved by the department of natural resources and the board of natural resources in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(4) $198,000 of the general fund--state appropriation for fiscal year 2008 and $199,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to work with appropriate stakeholders and state agencies in determining how privately owned lands, in combination with other land ownership such as public and tribal lands, contribute to wildlife habitat. The assessment will also determine how commercial forests, forest lands on the urban fringe, and small privately-owned forest lands that are managed according to Washington's forest and fish prescriptions, in combination with other forest management activities, function as wildlife habitat now and in the future.

(5) $2,500,000 of the forest and fish support account--state appropriation is provided solely for adaptive management, monitoring, and participation grants to tribes. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(6) $400,000 of the forest and fish support account--state appropriation is provided solely for adaptive management, monitoring, and participation grants to the departments of ecology and fish and wildlife. If federal funding for this purpose is reinstated, this subsection shall lapse.

(7) The department shall prepare a feasibility study that analyzes applicable business processes and develops the scope, requirements, and alternatives for replacement of the department's current suite of payroll-support systems. The department shall use an independent consultant to assist with the study, and shall submit the completed analysis to the office of financial management, the department of personnel, and the department of information services by August 1, 2008.

(8) $600,000 of the general fund--state appropriation for fiscal year 2008 and $600,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to continue interagency agreements with the department of fish and wildlife and the department of ecology for forest and fish report field implementation tasks.

(9) All department staff serving as recreation-management trail stewards shall be noncommissioned.

(10) $112,000 of the aquatic lands enhancement account--state appropriation is provided solely for spartina eradication efforts. The department may enter into agreements with federal agencies to eradicate spartina from private lands that may provide a source of reinfestation to public lands.

(11) $40,000 of the general fund--state appropriation for fiscal year 2008 and $40,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to convene and staff a work group to study issues related to wildfire prevention and protection. The work group shall be composed of members representing rural counties in eastern and western Washington, fire districts, environmental protection organizations, industrial forest landowners, the agricultural community, the beef industry, small forest landowners, the building industry, realtors, the governor or a designee, the insurance commissioner or a designee, the office of financial management, the state fire marshal or a designee, the state building code council, and the commissioner or public lands or a designee. The

work group shall issue a report of findings and recommendations to the appropriate committees of the legislature by August 1, 2008.

(12) $249,000 of the aquatic lands enhancement account--state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(13) $2,000,000 of the derelict vessel removal account--state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6044 (derelict vessels). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(14) $42,000 of the general fund--state appropriation for fiscal year 2008 and $42,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) $14,000 of the forest development account--state appropriation and $52,000 of the resources management cost account--state appropriation are provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) $1,000,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the removal of one or two large floating dry docks off Lake Washington near the Port Quendall site in north Renton.

(17) $547,000 of the general fund--state appropriation for fiscal year 2008 and $726,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) $22,000 of the surface mining reclamation account--state appropriation and $22,000 of the resources management cost account--state appropriation are provided solely for the implementation of

Substitute Senate Bill No. 5972 (surface mining reclamation). If the bill is not enacted by June 30, 2007, the amounts in this subsection shall lapse.

(19) $125,000 of the general fund--state appropriation for fiscal year 2008, $125,000 of the general fund--state appropriation for fiscal year 2009, and $250,000 of the resource management cost account--state appropriation are provided solely to extend the 2005-2007 contract with the University of Washington college of forestry resources for additional research and technical assistance on the future of Washington forests. Reports shall be submitted by June 30, 2009, to the appropriate committees of the legislature on the following topics:

(a) An exploration of the potential markets for renewable energy from biomass from Washington forests, especially from material removed from eastern Washington forests as part of forest health improvement efforts. This exploration shall assess the feasibility of converting large amounts of underutilized forest biomass into useful products and green energy by providing required analyses needed to efficiently collect and deliver forest biomass to green energy end users. The role of transportation and processing infrastructure in developing markets for such material for both clean energy and value-added products shall be included in the exploration. The college shall coordinate with Washington State University efforts to identify what new biological, chemical, and engineering technologies are emerging for converting forest biomass to clean and efficient energy.

(b) Recommendations for the college's northwest environmental forum for retaining the highest valued working forest lands at risk of conversion to nonforest uses. These recommendations should include an examination of means to enhance biodiversity through strategic retention of certain lands, as well as economic incentives for landowners to retain lands as working forests and provide ecosystem services. The recommendations shall consider the health and value of the forest lands, the rate of loss of working forest lands in the area, the risk to timber processing infrastructure from continued loss of working forest lands, and the multiple benefits derived from retaining working forest lands. The recommendations shall prioritize forest lands in the Cascade foothills, which include the area generally encompassing the nonurbanized lands within the Cascade mountain range

and drainages lying between three hundred and three thousand feet above mean sea level, and located within Whatcom, Skagit, Snohomish, King, Pierce, Thurston, and Lewis counties.

(20) $25,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Chelan county, as the chair of the Stemilt partnership, to perform the following:

(a) Work with private and public land management entities to identify and evaluate land ownership possibilities;

(b) Allocate up to $10,000 to the department of fish and wildlife to perform technical studies, baseline assessments, environmental review, due diligence, and similar real estate evaluations; and

(c) Implement real estate transactions based on the results of the studies.

(21) $15,000 of the general fund--state appropriation for fiscal year 2008 and $15,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for health benefits to Washington conservation corps employees.

(22) $300,000 of the general fund--state appropriation for fiscal year 2008 and $300,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for staff support for the natural heritage program to integrate, analyze, and provide bird area information, and for state designations and mapping support, among other activities.

(23) $48,000 of the resource management cost account--state appropriation is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall participate in a shellfish aquaculture regulatory committee, convened by the department of ecology. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) $150,000 of the general fund--private/local appropriation is provided solely for the implementation of Substitute Senate Bill No. 5445 (cost-reimbursement agreements). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $14,071,000

General Fund--State Appropriation (FY 2009) $14,152,000

General Fund--Federal Appropriation $11,441,000
General Fund--Private/Local Appropriation $422,000
Aquatic Lands Enhancement Account--State
Appropriation $2,062,000
Energy Freedom Account--State Appropriation $500,000
Water Quality Account--State Appropriation (FY 2008) $604,000
Water Quality Account--State Appropriation (FY 2009) $618,000
State Toxics Control Account--State Appropriation $4,120,000
Water Quality Permit Account--State Appropriation $61,000
TOTAL APPROPRIATION $48,051,000

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

(1) Fees and assessments approved by the department in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

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

(3) $78,000 of the general fund--state appropriation for fiscal year 2008 and $72,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(4) $62,000 of the general fund--state appropriation for fiscal year 2008 and $63,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a study to evaluate the use of sugar beets for the production of biofuels.

(5) $275,000 of the general fund--state appropriation for fiscal year 2008 and $275,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for direct allocation, without deduction, to the Washington tree fruit research commission, established under chapter 15.26 RCW, for development and implementation of a pest management transition program to reduce the use by the tree fruit industry of certain organophosphate insecticides.

(6) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for distribution to counties with weed boards to control invasive weeds. Of this amount, $150,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to control Japanese knotweed in counties with weed boards.

(7) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for pass through funding to the nonprofit opportunities industrialization center to provide training to agricultural workers related to farm skills, English as a second language, and other skills.

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

Pollution Liability Insurance Program Trust
Account--State Appropriation $799,000

NEW SECTION. **Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

General Fund--State Appropriation (FY 2008) $500,000
General Fund--State Appropriation (FY 2009) $500,000
General Fund--Federal Appropriation $1,155,000
General Fund--Private/Local Appropriation $2,500,000
Aquatic Lands Enhancement Account--State Appropriation . . . $500,000
Water Quality Account--State Appropriation (FY 2008) . . . $3,458,000
Water Quality Account--State Appropriation (FY 2009) . . . $3,459,000
TOTAL APPROPRIATION $12,072,000

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

(1) $1,000,000 of the water quality account--state appropriation for fiscal year 2008, $1,000,000 of the water quality account--state appropriation for fiscal year 2009, and $2,500,000 of the general fund--private/local appropriation are provided solely for the education of citizens through attracting and utilizing volunteers to engage in activities that result in environmental benefits.

(2) $2,208,000 of the water quality account--state appropriation for fiscal year 2008, $2,209,000 of the water quality account--state

appropriation for fiscal year 2009, $500,000 of the general fund--state appropriation for fiscal year 2008, $500,000 of the general fund--state appropriation for fiscal year 2009, and $1,155,000 of the general fund--federal appropriation are provided solely to implement Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, then $2,208,000 of the water quality account--state appropriation for fiscal year 2008, $2,209,000 of the water quality account--state appropriation for fiscal year 2009, $1,155,000 of the general fund--federal appropriation, $500,000 of the general fund--state appropriation for fiscal year 2008, and $500,000 of the general fund--state appropriation for fiscal year 2009 are appropriated to the office of the governor for operation of the Puget Sound action team.

(3) To implement the 2007-09 Puget Sound biennial plan required by Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership), funding is provided solely for Puget Sound recovery activities in the budgets of selected agencies and institutions of higher education, including the department of agriculture, department of community, trade and economic development, conservation commission, department of ecology, department of fish and wildlife, department of health, interagency committee for outdoor recreation, department of natural resources, state parks and recreation commission, the Puget Sound partnership, University of Washington, and Washington State University. During the 2007-09 biennium, moneys are provided solely for these agencies and institutions of higher education as provided for in LEAP document PSAT-2007.

(End of part)

PART IV
TRANSPORTATION

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

General Fund--State Appropriation (FY 2008) $1,727,000
General Fund--State Appropriation (FY 2009) $2,000,000
Architects' License Account--State Appropriation $762,000
Cemetery Account--State Appropriation $240,000
Professional Engineers' Account--State Appropriation . . . $3,484,000
Real Estate Commission Account--State Appropriation $8,883,000
Master License Account--State Appropriation $14,072,000
Uniform Commercial Code Account--State Appropriation . . . $3,086,000
Real Estate Education Account--State Appropriation $276,000
Real Estate Appraiser Commission Account--State
Appropriation $1,684,000
Business Professions Account--State Appropriation $10,190,000
Real Estate Research Account--State Appropriation $320,000
Funeral Directors And Embalmers Account--State
Appropriation $597,000
Geologists' Account--State Appropriation $57,000
Data Processing Revolving Account--State Appropriation $29,000
Derelict Vessel Removal Account--State Appropriation $31,000
TOTAL APPROPRIATION $47,438,000

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

(1) In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2007-09 fiscal biennium. Pursuant to RCW 43.135.055, during the 2007-09 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

(2) $230,000 of the master license account--state appropriation is provided solely for Engrossed Second Substitute House Bill No. 1461 (manufactured/mobile home dispute resolution). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $38,903,000
General Fund--State Appropriation (FY 2009) $37,102,000
General Fund--Federal Appropriation $5,629,000
General Fund--Private/Local Appropriation $1,223,000
Death Investigations Account--State Appropriation $5,510,000
Public Safety and Education Account--State
Appropriation (FY 2008) $1,476,000
Public Safety and Education Account--State
Appropriation (FY 2009) $1,532,000
Enhanced 911 Account--State Appropriation $572,000
County Criminal Justice Assistance Account--State
Appropriation $3,155,000
Municipal Criminal Justice Assistance
Account--State Appropriation $1,244,000
Fire Service Trust Account--State Appropriation $131,000
Disaster Response Account--State Appropriation $2,000
Fire Service Training Account--State Appropriation $7,936,000
Aquatic Invasive Species Enforcement
Account--State Appropriation $54,000
State Toxics Control Account--State Appropriation $502,000
Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2008) $3,007,000
Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2009) $4,429,000
Fingerprint Identification Account--State
Appropriation $6,928,000
DNA Data Base Account--State Appropriation $170,000
TOTAL APPROPRIATION $119,505,000

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

(1) $233,000 of the general fund--state appropriation for fiscal year 2008, $282,000 of the general fund--state appropriation for fiscal year 2009, and $357,000 of the fingerprint identification account--state appropriation are provided solely for workload associated with implementation of the federal Adam Walsh Act -- the Children's Safety and Violent Crime Reduction Act of 2006.

(2) In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform and charge fees for criminal history and background checks for state and local agencies, and nonprofit and other private entities and disseminate the records. It is the policy of the state of Washington that the fees cover, as nearly as practicable, the direct and indirect costs of performing criminal history and background checks activities. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the direct and indirect cost of the criminal history and background check activities.

(3) $200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(4) $250,000 of the fire service training account--state appropriation is provided solely to implement the provisions of Senate Bill No. 6119 (firefighter apprenticeship training program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(End of part)

PART V
EDUCATION

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

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2008)	$21,815,000
General Fund--State Appropriation (FY 2009)	$22,147,000
General Fund--Federal Appropriation	$21,551,000
TOTAL APPROPRIATION	$65,513,000

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

(a) $11,920,000 of the general fund--state appropriation for fiscal year 2008 and $12,362,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) $1,080,000 of the general fund--state appropriation for fiscal year 2008 and $815,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Within the amounts provided, the board shall implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) for which it is responsible, including: (i) Develop a comprehensive set of recommendations for an accountability system; (ii) adopt high school graduation requirements

aligned with international performance standards in mathematics and science and, in conjunction with the office of the superintendent of public instruction, identify no more than three curricula that are aligned with these standards; and (iii) review all requirements related to the high school diploma as directed by section 405, chapter 263, Laws of 2006.

(c) $4,779,000 of the general fund--state appropriation for fiscal year 2008 and $6,033,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the professional educator standards board for the following:

(i) $930,000 in fiscal year 2008 and $1,070,000 in fiscal year 2009 are for the operation and expenses of the Washington professional educator standards board, including administering the alternative routes to certification program, pipeline for paraeducators conditional scholarship loan program, and the retooling to teach math conditional loan program. Within the amounts provided in this subsection (1)(d)(i), the professional educator standards board shall: (A) Revise the teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies; (B) review teacher preparation requirements in cultural understanding and make recommendations for strengthening these standards; (C) create a new professional level teacher assessment; (D) expand the alternative routes to teacher certification program for business professionals and instructional assistants who will teach math and science; and (E) revise requirements for college and university teacher preparation programs to match a new knowledge- and skill-based performance system; and

(ii) $3,269,000 of the general fund--state appropriation for fiscal year 2008 and $4,289,000 of the general fund--state appropriation for fiscal year 2009 are for conditional scholarship loans and mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board. Of the amounts provided in this subsection (1)(d)(ii):

(A) $500,000 each year is provided solely for conditional scholarships to candidates seeking an endorsement in special education, math, science, or bilingual education;

(B) $2,210,000 for fiscal year 2008 and $3,230,000 for fiscal year 2009 are for the expansion of conditional scholarship loans and mentor

stipends for individuals enrolled in alternative route state partnership programs and seeking endorsements in math, science, special education or bilingual education as follows: (I) For route one interns (those currently holding associates of arts degrees), in fiscal year 2008, 120 interns seeking endorsements in the specified subject areas and for fiscal year 2009, an additional 120 interns in the specified subject areas; and (II) for all other routes, funding is provided each year for 140 interns seeking endorsements in the specified subject areas;

(C) Remaining amounts in this subsection (1)(d)(ii) shall be used to continue existing alternative routes to certification programs; and

(D) Candidates seeking math and science endorsements under (A) and (B) of this subsection shall receive priority for funding;

(iii) $236,000 of the general fund--state appropriation for fiscal year 2008 and $231,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the recruiting Washington teachers program established in Second Substitute Senate Bill No. 5955 (educator preparation, professional development, and compensation).

(iv) $100,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation for fiscal year 2009 provided in this subsection (1)(d) are for $4,000 conditional loan stipends for paraeducators participating in the pipeline for paraeducators established in Second Substitute House Bill No. 1906 (improving mathematics and science education); and

(v) $244,000 of the general fund--state appropriation for fiscal year 2008 and $244,000 of the general fund--state appropriation for fiscal year 2009 are for conditional stipends for certificated teachers pursuing a mathematics or science endorsement under the retooling to teach mathematics or science program established in Second Substitute House Bill No. 1906 (improving mathematics and science education). The conditional stipends shall be for endorsement exam fees as well as stipends for teachers who must also complete coursework.

(d) $555,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for increased attorney general fees related to education litigation.

(e) $300,000 of the general fund--state appropriation for fiscal year 2008 and $300,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for replacement of the

apportionment system, which includes the processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

(f) $78,000 of the general fund--state appropriation for fiscal year 2008 and $78,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to provide direct services and support to schools around an integrated, interdisciplinary approach to instruction in conservation, natural resources, sustainability, and human adaptation to the environment. Specific integration efforts will focus on science, math, and the social sciences. Integration between basic education and career and technical education, particularly agricultural and natural sciences education, is to be a major element.

(g) $1,336,000 of the general fund--state appropriation for fiscal year 2008 and $1,227,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902 of this act.

(h) $325,000 of the general fund--state appropriation for fiscal year 2008 and $325,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for comprehensive cultural competence and anti-bias education programs for educators and students. The office of superintendent of public instruction shall administer grants to school districts with the assistance and input of groups such as the anti-defamation league and the Jewish federation of Seattle.

(i) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(j) $204,000 of the general fund--state appropriation for fiscal year 2008 and $66,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5843 (regarding educational data and data systems). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(k) $114,000 of the general fund--state appropriation for fiscal year 2008 and $114,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1052 (legislative youth advisory council). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(l) $162,000 of the general fund--state appropriation for fiscal year 2008 and $31,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422 (children and families of incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(m) $28,000 of the general fund--state appropriation for fiscal year 2008 and $27,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5098 (Washington college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(n) $46,000 of the general fund--state appropriation for fiscal year 2008 and $3,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5297 (regarding providing medically and scientifically accurate sexual health education in schools). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(o) $45,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the office of superintendent of public instruction to convene a workgroup to develop school food allergy guidelines and policies for school district implementation. The workgroup shall complete the development of the food allergy guidelines and policies by March 31, 2008, in order to allow for school district implementation in the 2008-2009 school year. The guidelines developed shall incorporate state and federal laws that impact management of food allergies in school settings.

(p) $42,000 of the general fund--state appropriation for fiscal year 2008 and $42,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support a program to recognize the work of outstanding classified staff in school districts throughout the state.

(q) $96,000 of the general fund--state appropriation for fiscal year 2008 and $98,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support a full-time director of skills centers within the office of the superintendent of public instruction.

(r) $555,000 of the general fund--state appropriation for fiscal year 2008 and $475,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction to contract with the northwest educational research laboratory (NWREL) to conduct two educational studies. Specifically, NWREL shall:

(i) Conduct a study regarding teacher preparation, training, and coordinated instructional support strategies for English language learners, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the appropriate early learning, education, and fiscal committees of the legislature; and

(ii) Conduct a study of the effectiveness of the K-3 demonstration projects as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the appropriate early learning, education, and fiscal committees of the legislature.

(s) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction to contract with Washington State University social and economic sciences research center (WSU-SESRC) to conduct to educational research studies. The WSU-SESRC shall:

(i) Conduct a study which reviews chapter 207, Laws of 2002 (bullying in schools), evaluate the outcomes resulting from the legislation, and to make recommendations for continued improvement. The study shall, at a minimum, determine: (A) Whether the policies have been developed and implemented in all elementary, middle, and high

schools; (B) whether there has been any measurable improvement in the safety and civility of schools' climate and environment as a result of the legislation; (C) whether there are still issues that need to be addressed in light of the original intent of the legislation; and (D) recommended actions to be taken at the school, district, and state level to address the identified issues. Additionally, WSU-SESRC shall research and identify effective programs and the components of effective programs. A report shall be submitted to the education committees of the legislature and the office of the superintendent of public instruction by September 1, 2008.

(ii) Conduct an evaluation of the mathematics and science instructional coach program as described in Second Substitute House Bill No. 1906 (improving mathematics and science education). Findings shall include an evaluation of the coach development institute, coaching support seminars, and other coach support activities; recommendations with regard to the characteristics required of the coaches; identification of changes in teacher instruction related to coaching activities; and identification of the satisfaction level with coaching activities as experienced by classroom teachers and administrators. An interim report is due November 1, 2008. The final report is due December 1, 2009. Both the interim and final report shall be presented to the governor, the office of the superintendent of public instruction, and the education and fiscal committees of the legislature.

(2) STATEWIDE PROGRAMS

General Fund--State Appropriation (FY 2008)	$14,783,000
General Fund--State Appropriation (FY 2009)	$16,459,000
General Fund--Federal Appropriation	$55,890,000
TOTAL APPROPRIATION	$87,132,000

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

(a) HEALTH AND SAFETY

(i) $2,541,000 of the general fund--state appropriation for fiscal year 2008 and $2,541,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of

public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) $96,000 of the general fund--state appropriation for fiscal year 2008 and $96,000 of the general fund-- state appropriation for fiscal year 2009 are provided solely for the school safety center in the office of the superintendent of public instruction subject to the following conditions and limitations:

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

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

(iii) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a school safety training program provided by the criminal justice training commission. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(iv) $40,000 of the general fund--state appropriation for fiscal year 2008 and $40,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

(v) $10,344,000 of the general fund--federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies.

(vi) $271,000 of the general fund--state appropriation for fiscal year 2008 and $271,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide a request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(vii) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a pilot youth suicide prevention and information program. The office of superintendent of public instruction will work with selected school districts and community agencies in identifying effective strategies for preventing youth suicide.

(viii) $800,000 of the general fund--state appropriation for fiscal year 2008 and $800,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for programs to improve safety and emergency preparedness and planning in public schools, as generally described in Substitute Senate Bill No. 5097. The superintendent of public instruction shall design and implement the grant program in consultation with the educational service districts, the school safety advisory committee, and the Washington association of sheriffs and police chiefs. The funding shall support grants to school districts for the development and updating of comprehensive safe school plans, school safety training, and the conducting of safety-related drills. As a condition of receiving these funds, school districts must ensure that schools (A) conduct at least one lockdown and one shelter in place safety drill each school year, and (B) send updated school mapping database information on an annual basis to the Washington association of sheriffs and police chiefs.

(b) TECHNOLOGY

$1,939,000 of the general fund--state appropriation for fiscal year 2008 and $1,939,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for K-20 telecommunications network

technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) $652,000 of the general fund--state appropriation for fiscal year 2008 and $1,329,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to expand the special services pilot project to include up to seven participating districts. The office of the superintendent of public instruction shall allocate these funds to the district or districts participating in the pilot program according to the provisions of RCW 28A.630.015. Of the amounts provided, $11,000 of the general fund--state appropriation for fiscal year 2008 and $11,000 of the general fund--state appropriation for fiscal year 2009 are provided for the office of the superintendent of public instruction to conduct a study of the expanded special services pilot.

(ii) $31,000 of the general fund--state appropriation for fiscal year 2008 and $31,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operation of the Cispus environmental learning center.

(iii) $97,000 of the general fund--state appropriation for fiscal year 2008 and $97,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support vocational student leadership organizations.

(iv) $146,000 of the general fund--state appropriation for fiscal year 2008 and $146,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington civil liberties education program.

(v) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(vi) $294,000 of the general fund--state appropriation for fiscal

year 2008 and $294,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Lorraine Wojahn dyslexia pilot reading program in up to five school districts.

(vii) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for developing and disseminating curriculum and other materials documenting women's role in World War II.

(viii) $175,000 of the general fund--state appropriation for fiscal year 2008 and $175,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for incentive grants for districts to develop preapprenticeship programs. Grant awards up to $10,000 each shall be used to support the program's design, school/business/labor agreement negotiations, and recruiting high school students for preapprenticeship programs in the building trades and crafts.

(ix) $3,220,000 of the general fund--state appropriation for fiscal year 2008 and $3,220,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the dissemination of the Navigation 101 curriculum to all districts, including disseminating electronic student planning tools and software for analyzing the impact of the implementation of Navigation 101 on student performance, and grants to at least one hundred school districts each year for the implementation of the Navigation 101 program. The implementation grants will be limited to a maximum of two years and the school districts selected shall represent various regions of the state and reflect differences in school district size and enrollment characteristics.

(x) $36,000 of the general fund--state appropriation for fiscal year 2008 and $36,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the enhancement of civics education. Of this amount, $25,000 each year is provided solely for competitive grants to school districts for curriculum alignment, development of innovative civics projects, and other activities that support the civics assessment established in chapter 113, Laws of 2006.

(xi) $2,500,000 of the general fund--state appropriation for fiscal year 2008 and $2,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute House Bill No. 1573 (authorizing a statewide program for

comprehensive dropout prevention, intervention, and retrieval). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(xii) $25,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the communities in school program in Pierce county.

(xiii) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the office of superintendent of public instruction to contract with a company to develop and implement a pilot program for providing indigenous learning curriculum and standards specific online learning programs based on the recommended standards in chapter 205, Laws of 2005 (Washington's tribal history). The specific content areas covered by the pilot program will include social studies and science. The contractor selected will have experience in developing and implementing indigenous learning curricula and if possible will be affiliated with a recognized Washington state tribe. The pilot program will be implemented in a minimum of three school districts in collaboration with Washington tribes and school districts. To the extent possible and appropriate, the pilot program will involve organizations including, the University of Washington's mathematics science and engineering achievement, the digital learning commons, the virtual possibilities network, the museum of arts and culture in Spokane, Eastern Washington University, and Washington State University.

(xiv) $70,000 of the general fund--state appropriation for fiscal year 2008 and $70,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support and expand the mentoring advanced placement program in current operation in southwest Washington.

(xv) $1,000,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement House Bill No. 1051 (expanding high school completion programs). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(xvi) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for program initiatives to address the educational needs of Latino students and families. Using the full amounts of the appropriations under this subsection, the office of the superintendent of public instruction shall contract with the Seattle community coalition of compana quetzal to provide for three initiatives: (A) Early childhood education; (B) parent leadership training; and (C) high school success and college preparation programs. Campana quetzal shall report to the office of the superintendent of public instruction by June 30, 2009, regarding impact of the programs on addressing the academic achievement gap, including high school drop-out rates and college readiness rates, for Latino students.

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

General Fund--State Appropriation (FY 2008) $4,448,333,000
General Fund--State Appropriation (FY 2009) $4,474,199,000
Education Legacy Trust Account--State
Appropriation $9,387,000
Pension Funding Stabilization Account Appropriation . . . $341,624,000
TOTAL APPROPRIATION $9,273,543,000

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

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

(2) Allocations for certificated staff salaries for the 2007-08 and 2008-09 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (e) through (g) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

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

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

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

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

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

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

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

(C) Any district maintaining a ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students may use allocations generated under this subsection (2)(a)(iv) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or

classified instructional assistants in grades 5-6. Funds allocated under this subsection (2)(a)(iv) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants;

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

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

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

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2008-09 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) Allocations for classified salaries for the 2007-08 and 2008-09 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(e) through (i) of this section, one classified staff unit for each 2.95 certificated staff units allocated under such subsections;

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

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

(4) Fringe benefit allocations shall be calculated at a rate of 14.13 percent in the 2007-08 school year and 16.69 percent in the 2008-09 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 17.06 percent in the 2007-08 school year and 18.74 percent in the 2008-09 school year for classified salary allocations provided under subsection (3) of this section.

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

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

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

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of $9,703 per certificated staff unit in the 2007-08 school year and a maximum of $9,907 per certificated staff unit in the 2008-09 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of $23,831 per certificated staff unit in the 2007-08 school year and a maximum of $24,331 per certificated staff unit in the 2008-09 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of $18,489 per certificated staff unit in the 2007-08 school year and a maximum of $18,877 per certificated staff unit in the 2008-09 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of $555.20 for the 2007-08 and 2008-09 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public

instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(9) $1,870,000 of the general fund--state appropriation for fiscal year 2008 and $2,421,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Second Substitute House Bill No. 1432 (granting service credit to educational staff associates for nonschool employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) The superintendent may distribute a maximum of $16,622,000 outside the basic education formula during fiscal years 2008 and 2009 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of $547,000 may be expended in fiscal year 2008 and a maximum of $558,000 may be expended in fiscal year 2009;

(b) For summer vocational programs at skills centers, a maximum of $2,385,000 may be expended for the 2008 fiscal year and a maximum of $2,385,000 for the 2009 fiscal year. 20 percent of each fiscal year amount may carry over from one year to the next;

(c) A maximum of $390,000 may be expended for school district emergencies;

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

(e) $9,387,000 of the education legacy trust account appropriation is provided solely for allocations for equipment replacement in vocational programs and skills centers. Each year of the biennium, the funding shall be allocated based on $75 per full-time equivalent vocational student and $125 per full-time equivalent skills center student.

(f) $2,991,000 of the general fund--state appropriation for fiscal year 2008 and $4,403,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5790 (regarding skills centers). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.7 percent from the 2006-07 school year to the 2007-08 school year and 5.1 percent from the 2007-08 school year to the 2008-09 school year.

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

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

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

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

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP Document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the

district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 24, 2007, at 07:29 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on April 19, 2007, at 06:03 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 14.13 percent for school year 2007-08 and 16.69 percent for school year 2008-09 for certificated staff and for classified staff 17.06 percent for school year 2007-08 and 18.74 percent for the 2008-09 school year.

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

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2007-08 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	32,746	33,630	34,547	35,465	38,412	40,310	39,260	42,207	44,107
1	33,187	34,083	35,011	35,970	38,948	40,836	39,696	42,674	44,560
2	33,607	34,512	35,450	36,483	39,452	41,359	40,135	43,104	45,012
3	34,039	34,953	35,901	36,967	39,930	41,884	40,552	43,513	45,468
4	34,464	35,418	36,372	37,474	40,455	42,423	40,988	43,969	45,938
5	34,902	35,861	36,824	37,988	40,958	42,965	41,432	44,403	46,410
6	35,353	36,291	37,287	38,508	41,464	43,482	41,887	44,843	46,860
7	36,145	37,097	38,106	39,394	42,393	44,467	42,739	45,737	47,812
8	37,304	38,308	39,340	40,735	43,775	45,925	44,079	47,120	49,269
9		39,562	40,646	42,091	45,202	47,425	45,434	48,547	50,770
10			41,967	43,516	46,669	48,966	46,861	50,014	52,310

11			44,984	48,204	50,547	48,328	51,550	53,891
12			46,404	49,781	52,194	49,853	53,126	55,540
13				51,397	53,882	51,431	54,741	57,226
14				53,020	55,632	53,056	56,471	58,977
15				54,400	57,080	54,435	57,939	60,511
16 or more				55,487	58,220	55,523	59,097	61,720

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2008-09 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	33,898	34,814	35,762	36,713	39,763	41,728	40,641	43,691	45,658
1	34,354	35,282	36,243	37,236	40,318	42,272	41,093	44,175	46,128
2	34,789	35,726	36,697	37,766	40,840	42,814	41,547	44,621	46,596
3	35,237	36,183	37,164	38,267	41,335	43,357	41,979	45,044	47,067
4	35,676	36,664	37,651	38,793	41,878	43,915	42,430	45,516	47,554
5	36,130	37,123	38,120	39,324	42,399	44,476	42,890	45,965	48,043
6	36,597	37,567	38,598	39,863	42,923	45,011	43,361	46,421	48,508
7	37,416	38,402	39,446	40,780	43,885	46,031	44,243	47,346	49,494
8	38,616	39,655	40,724	42,168	45,315	47,541	45,630	48,778	51,002
9		40,954	42,076	43,572	46,792	49,093	47,032	50,255	52,556
10			43,443	45,047	48,310	50,688	48,509	51,773	54,150
11				46,566	49,900	52,326	50,028	53,363	55,787
12				48,036	51,533	54,030	51,606	54,995	57,493
13					53,205	55,777	53,240	56,667	59,239
14					54,885	57,589	54,922	58,457	61,052
15					56,313	59,088	56,350	59,977	62,639
16 or more					57,439	60,269	57,476	61,176	63,892

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

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

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

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

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

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

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

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

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The certificated instructional staff base salary specified for each district in LEAP Document 2 and the salary schedules in subsection (4)(a) of this section include two learning improvement days. A school district is eligible for the learning improvement day funds only if the learning improvement days have been added to the 180- day contract year. If fewer days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional days shall be limited to specific activities identified in the state required school improvement plan related to improving student learning that are consistent with education reform implementation, and shall not be considered part of basic education. The principal in each school shall assure that the days are used to provide the necessary school- wide, all staff professional development that is tied directly to the school improvement plan. The school principal and the district superintendent shall maintain documentation as to their approval of these activities. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of

public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

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

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

General Fund--State Appropriation (FY 2008) $161,665,000
General Fund--State Appropriation (FY 2009) $348,871,000
General Fund--Federal Appropriation $243,000
TOTAL APPROPRIATION $510,779,000

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

(1) $444,366,000 is provided solely for the following:

(a) A cost of living adjustment of 3.7 percent effective September 1, 2007, and another 2.8 percent effective September 1, 2008, pursuant to Initiative Measure No. 732.

(b) Additional salary increases as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. Allocations for these salary increases shall be provided to all 262 districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule. These additional salary increases will result in a decrease in the number of grandfathered districts from the current thirty-four to twenty-four in the 2007-08 school year and to thirteen in the 2008-09 school year.

(c) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases shall ensure a minimum salary allocation for certificated administrative staff of $54,405 in the 2007-08 school year and $57,097 in the 2008-09 school year.

(d) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases ensure a minimum salary allocation for classified staff of $30,111 in the 2007-08 school year and $31,376 in the 2008-09 school year.

(e) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at rates 13.49 percent for the 2007-08 school year and 16.05 percent for the 2008-09 school year for certificated staff and 13.56 percent for the 2007-08 school year and 15.24 percent for the 2008-09 school year for classified staff.

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

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

	School Year	
	2007-08	2008-09
Pupil Transportation (per weighted pupil mile)	$1.08	$2.04
Highly Capable (per formula student)	$11.13	$20.98
Transitional Bilingual Education (per eligible bilingual student)	$29.81	$56.19
Learning Assistance (per formula student)	$7.00	$13.20

(h) The appropriations in this section include $925,000 for fiscal year 2008 and $1,940,000 for fiscal year 2009 for salary increase adjustments for substitute teachers.

(2) $66,415,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is $682.54 per month for the 2007-08 and 2008-09 school years. The appropriations in this section provide for a rate increase to $707.00 per month for the 2007-08 school year and $732.00 per month for the 2008-09 school year. The adjustments to health insurance benefit allocations are at the following rates:

	School Year	
	2007-08	2008-09
Pupil Transportation (per weighted pupil mile)	$0.22	$0.45
Highly Capable (per formula student)	$1.49	$3.05
Transitional Bilingual Education (per eligible bilingual student)	$3.97	$8.01
Learning Assistance (per formula student)	$0.86	$1.75

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

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

General Fund--State Appropriation (FY 2008) $262,728,000
General Fund--State Appropriation (FY 2009) $264,700,000
Education Legacy Trust Account--State
Appropriation $25,000,000
TOTAL APPROPRIATION $552,428,000

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

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

(2) A maximum of $848,000 of this fiscal year 2008 appropriation and a maximum of $866,000 of the fiscal year 2009 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) $5,000 of the fiscal year 2008 appropriation and $5,000 of the fiscal year 2009 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(4) Allocations for transportation of students shall be based on reimbursement rates of $44.84 per weighted mile in the 2007-08 school year and $45.48 per weighted mile in the 2008-09 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

(5) $25,000,000 of the education legacy trust account--state appropriation is provided solely for temporary assistance to school districts for pupil transportation programs. The office of the superintendent of public instruction, in consultation with the joint legislative audit and review committee, will develop a method of allocating these funds to school districts. The allocation method shall be based primarily on the findings and analysis from the joint legislative and audit review committee's K-12 pupil transportation study completed in December 2006.

(6) The office of the superintendent of public instruction shall provide reimbursement funding to a school district only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(7) The superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the

final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

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

General Fund--State Appropriation (FY 2008) $3,159,000
General Fund--State Appropriation (FY 2009) $3,159,000
General Fund--Federal Appropriation $280,398,000
TOTAL APPROPRIATION $286,716,000

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

(1) $3,000,000 of the general fund--state appropriation for fiscal year 2008 and $3,000,000 of the general fund--state appropriation for fiscal year 2009 are provided for state matching money for federal child nutrition programs.

(2) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the 2009 fiscal year appropriation are provided for summer food programs for children in low-income areas.

(3) $59,000 of the general fund--state appropriation for fiscal year 2008 and $59,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to reimburse school districts for school breakfasts served to students enrolled in the free or reduced price meal program pursuant to chapter 287, Laws of 2005 (requiring school breakfast programs in certain schools).

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

General Fund--State Appropriation (FY 2008) $532,192,000
General Fund--State Appropriation (FY 2009) $566,174,000
General Fund--Federal Appropriation $435,735,000
Education Legacy Trust Account--State
Appropriation $14,561,000
TOTAL APPROPRIATION $1,548,662,000

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

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure

that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

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

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

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

(b) The superintendent of public instruction shall adopt the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006, and ensure that all school districts adopt the method beginning in the 2007-08 school year.

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

(4) The superintendent of public instruction shall distribute state funds to school districts based on two categories: (a) The first category includes (i) children birth through age two who are eligible for the optional program for special education eligible developmentally delayed infants and toddlers, and (ii) students eligible for the mandatory special education program and who are age three or four, or five and not yet enrolled in kindergarten; and (b) the second category includes students who are eligible for the mandatory special education program and who are age five and enrolled in kindergarten and students age six through 21.

(5)(a) For the 2007-08 and 2008-09 school years, the superintendent shall make allocations to each district based on the sum of:

(i) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten, as defined in subsection (4) of this section, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

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

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

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

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

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age four enrollment and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

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

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

(8) To the extent necessary, $30,690,000 of the general fund--state appropriation and $29,574,000 of the general fund--federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts

provided in subsection (5) of this section. If safety net awards exceed the amount appropriated in this subsection (8), the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

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

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

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services.

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

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

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

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

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

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

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

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

(11) The office of the superintendent of public instruction shall review and streamline the application process to access safety net funds, provide technical assistance to school districts, and annually survey school districts regarding improvement to the process.

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

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

(14) $50,000 of the general fund--state appropriation for fiscal year 2008, $50,000 of the general fund--state appropriation for fiscal 2009, and $100,000 of the general fund--federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction. The purpose of the program is to provide support to parents, guardians, educators, and students with disabilities. The program will provide information to help families and educators understand state laws, rules, and regulations, and access training and support, technical information services, and mediation services. The ombudsman program will provide data, information, and appropriate recommendations to the office of superintendent of public instruction, school districts, educational service districts, state need projects, and the parent and teacher information center.

(15) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other

purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

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

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

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

(19) $262,000 of the general fund--state appropriation for fiscal year 2008 and $251,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

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

General Fund--State Appropriation (FY 2008) $7,520,000
General Fund--State Appropriation (FY 2009) $8,527,000
TOTAL APPROPRIATION $16,047,000

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

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

(2) $1,662,000 of the general fund--state appropriation in fiscal year 2008 and $3,355,000 of the general fund--state appropriation in fiscal year 2009 are provided solely for regional professional development related to mathematics and science curriculum and instructional strategies. For each educational service district,

$184,933 is provided in fiscal year 2008 for professional development activities related to mathematics curriculum and instruction and $372,357 is provided in fiscal year 2009 for professional development activities related to mathematics and science curriculum and instruction. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support. The office of superintendent of public instruction shall also allocate to each educational service district additional amounts provided in section 504 of this act for compensation increases associated with the salary amounts and staffing provided in this subsection (2).

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

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

General Fund--State Appropriation (FY 2008) $202,394,000
General Fund--State Appropriation (FY 2009) $212,310,000
TOTAL APPROPRIATION $414,704,000

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

General Fund--State Appropriation (FY 2008) $18,301,000
General Fund--State Appropriation (FY 2009) $18,513,000
TOTAL APPROPRIATION $36,814,000

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

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

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

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

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

(5) $196,000 of the general fund--state appropriation for fiscal year 2008 and $196,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

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

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

General Fund--State Appropriation (FY 2008) $8,396,000
General Fund--State Appropriation (FY 2009) $8,779,000
TOTAL APPROPRIATION $17,175,000

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

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

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of $372.19 per funded

student for the 2007-08 school year and $378.17 per funded student for the 2008-09 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of 2.314 percent of each district's full-time equivalent basic education enrollment.

(3) $170,000 of the fiscal year 2008 appropriation and $170,000 of the fiscal year 2009 appropriation are provided for the centrum program at Fort Worden state park.

(4) $90,000 of the fiscal year 2008 appropriation and $90,000 of the fiscal year 2009 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

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

General Fund--Federal Appropriation $43,450,000

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

General Fund--State Appropriation (FY 2008) $66,278,000
General Fund--State Appropriation (FY 2009) $73,567,000
Education Legacy Trust Account--State
Appropriation $125,325,000
General Fund--Federal Appropriation $152,616,000
TOTAL APPROPRIATION $417,786,000

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

(1) $19,966,000 of the general fund--state appropriation for fiscal year 2008, $19,946,000 of the general fund--state appropriation for fiscal year 2009, and $15,870,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL and development 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 WASL results, on or around June 10th of each year.

(2) $250,000 of the general fund--state appropriation for fiscal year 2008, $250,000 of the general fund--state appropriation for fiscal year 2009, and $10,750,000 of the education legacy trust account--state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments), including section 2 and section 5 of that act. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Additionally, the funding provided in this subsection is subject to the following conditions and limitations:

(a) The funding may be spent on reviewing, developing, and implementing approved alternative assessments authorized in Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).

(b) The funding may also be used for reviewing, developing, and implementing end-of-course examinations pursuant to Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).

(c) The funding may be used for increased costs associated with additional full-time equivalent students directly resulting from additional course-taking requirements specified in Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).

(d) $4,900,000 of the funds provided in this subsection are provided solely for allocations for school districts to purchase diagnostic assessments as specified in Engrossed Substitute Senate Bill No. 6023. By September 1, 2007, the office of the superintendent of public instruction shall: (i) Negotiate an agreement with an assessment vendor or vendors to secure competitive pricing for school districts for high quality diagnostic assessment tools, and (ii) provide quality comparison information to school districts regarding various diagnostic assessment tools available. Of the funding provided, a maximum of $100,000 may be spent by the office of the superintendent of public instruction for administrative support.

(e) Beginning on September 1, 2007, the office of the superintendent of public instruction shall submit quarterly reports to the office of financial management and the appropriate policy and fiscal committees of the legislature detailing the actions taken

pursuant to Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments) and amounts spent of each aspect of the legislation.

(3) $70,000 of the general fund--state appropriation for fiscal year 2008 and $70,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the second grade assessments.

(4) $1,414,000 of the general fund--state appropriation for fiscal year 2008 and $1,414,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for (a) the tenth grade mathematics assessment tool that: (i) Presents the mathematics essential learnings in segments for assessment; (ii) is comparable in content and rigor to the tenth grade mathematics WASL when all segments are considered together; (iii) is reliable and valid; and (iv) can be used to determine a student's academic performance level; (b) tenth grade mathematics knowledge and skill learning modules to teach middle and high school students specific skills that have been identified as areas of difficulty for tenth grade students; and (c) making the modules available on-line.

(5) $2,267,000 of the general fund--state appropriation for fiscal year 2009 and $2,367,000 of the education legacy trust account appropriation are provided solely to develop a system of mathematics and science standards and instructional materials that are internationally competitive and consistent with emerging best practices research. Funding in this subsection shall fund all of the following specific projects:

(a) The office of the superintendent of public instruction shall adopt revised state standards in mathematics as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education). Activities include conducting research at the request of the state board of education, engaging one or more national experts in mathematics selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in mathematics.

(b) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic mathematics curricula as well as diagnostic and supplemental instructional materials for elementary,

middle, and high school grade spans that align with the revised mathematics standards.

(c) The office of the superintendent of public instruction shall adopt revised state standards in science as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education. Activities include conducting research at the request of the state board of education, engaging one or more national experts in science selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in science.

(d) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic science curricula as well as diagnostic and supplemental instructional materials for elementary, middle, and high school grade spans that align with the revised science standards.

(e) The office of the superintendent of public instruction shall evaluate science textbooks, instructional materials, and diagnostic tools to determine the extent to which they are aligned with the revised science standards. Once the evaluations have been conducted, results will be shared with science teachers, other educators, and community members.

(f) Funding is provided for the office of the superintendent of public instruction to develop WASL knowledge and skill learning modules to assist students performing at tenth grade level 1 and level 2 in science.

(g) Of the amounts provided in this subsection, $300,000 is provided solely to the state board of education to increase capacity to implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) and Engrossed Second Substitute Senate Bill No. 6023 (regarding alternative assessments).

(6) $8,950,000 of the education legacy trust account appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of two additional professional development days each school year for fourth and fifth grade teachers. The allocations shall be made based on the calculations of certificated instructional staff units for fourth and fifth grade provided in section 502 of this act and on the calculations of compensation

provided in sections 503 and 504 of this act. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. In the 2007-08 school year, the professional development activities funded by this subsection shall be focused on development of mathematics knowledge and instructional skills and on improving instruction in science. In the 2008-09 school year, the additional professional development shall focus on skills related to implementing the new international mathematics and science standards and curriculum. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development.

(7) $13,058,000 of the education legacy trust fund appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of three additional professional development days for middle and high school math teachers and the equivalent of three additional professional development days for middle and high school science teachers. The office of the superintendent of public instruction shall develop rules to determine the number of math and science teachers in middle and high schools within each district. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development, consistent with the following:

(a) For middle school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on development of basic mathematics knowledge and instructional skills and the additional science professional development shall focus on examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For middle school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international

mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

(b) For high school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on skills related to implementing state math learning modules, the segmented math class/assessment program, the collection of evidence alternative assessment, and basic mathematics knowledge and instructional skills, and the additional science professional development shall focus on skills related to examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For high school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

(8) $17,491,000 of the education legacy trust fund appropriation is provided solely for allocations to districts for specialized professional development in math for one math teacher and one science teacher in each middle school and one math teacher and one science teacher in each high school. The allocations shall be based on five additional professional development days per teacher and an additional allocation per teacher of $1,500 for training costs. In order to generate an allocation under this subsection, a teacher must participate in specialized professional development that leads to the implementation of mathematics and science courses that add new rigor to the math and science course offerings in the school. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008.

(9) $5,376,000 of the education legacy trust account--state appropriation is provided solely for a math and science instructional coaches program pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). Funding shall be used to provide grants to schools and districts to provide salaries, benefits, and professional development activities to twenty-five

instructional coaches in middle and high school math in the 2007-08 and 2008-09 school years and twenty-five instructional coaches in middle and high school science in the 2008-09 school years; and up to $300,000 may be used by the office of the superintendent of public instruction to administer and coordinate the program. Each instructional coach will receive five days of training at a coaching institute prior to being assigned to serve two schools each. These coaches will attend meetings during the year to further their training and assist with coordinating statewide trainings on math and science.

(10) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to allow approved middle and junior high school career and technical education programs to receive enhanced vocational funding pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. The office of the superintendent of public instruction shall provide allocations to districts for middle and junior high school students in accordance with the funding formulas provided in section 502 of this act. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall adjust funding to stay within the amounts provided in this subsection.

(11) $143,000 of the general fund--state appropriation for fiscal year 2008 and $139,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of $2,500 to provide twenty middle and high school teachers each year professional development training for implementing integrated math, science, technology, and engineering program in their schools.

(12) $5,303,000 of the general fund--state appropriation for fiscal year 2008 and $5,303,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for in-service training and educational programs conducted by the Pacific science center and for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific science center.

(13) $675,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to support state college readiness assessment fees for eleventh grade students. The office of the superintendent of public instruction shall allocate funds for this purpose to school districts based on the number of eleventh grade students who complete the college readiness exam. School districts shall use these funds to reimburse institutions of higher education for the assessments students take and report to the office of the superintendent of public instruction on the number of assessments provided.

(14) $51,236,000 of the education legacy trust account--state appropriation is provided solely for grants for voluntary full-day kindergarten at the highest poverty schools, as provided in Engrossed Second Substitute Senate Bill 5841 (enhancing student learning opportunities and achievement). The office of the superintendent of public instruction shall provide allocations to districts for recipient schools in accordance with the funding formulas provided in section 502 of this act. Each kindergarten student who enrolls for the voluntary full-day program in a recipient school shall count as one-half of one full-time equivalent student for the purpose of making allocations under this subsection. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall limit the number of recipient schools so as to stay within the amounts appropriated each fiscal year in this subsection. The funding provided in this subsection is estimated to provide full-day kindergarten programs for 10 percent of kindergarten enrollment in the 2007-08 school year and 20 percent of kindergarten enrollment in the 2008-09 school year. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced priced lunch eligibility rates in each school. Additionally, as a condition of funding, school districts must agree to provide the full-day program to the children of parents who request it in each eligible school. For the purposes of calculating a school district levy base, funding provided in this subsection shall be considered a state block grant program under RCW 84.52.0531.

(a) Of the amounts provided in this subsection, a maximum of

$272,000 may be used for administrative support of the full-day kindergarten program within the office of the superintendent of public instruction.

(15) $65,000 of the general fund--state appropriation for fiscal year 2008 and $65,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support a full-day kindergarten "lighthouse" resource program at the Bremerton school district, as provided in Engrossed Second Senate Bill No. 5841 (enhancing student learning opportunities and achievement). The purpose of the program is to provide technical assistance to districts in the initial stages of implementing a high quality full-day kindergarten program.

(16) $3,047,000 of the education legacy trust account--state appropriation is provided solely for grants for three demonstration projects for kindergarten through grade three. The purpose of the grants is to implement best practices in developmental learning in kindergarten through third grade pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement).

(17) $300,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to design, field test, and implement a state-of-the-art education leadership academy that will be accessible throughout the state. Initial development of the content of the academy activities shall be supported by private funds. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners, with varying roles, shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(18) $661,000 of the general fund--state appropriation for fiscal year 2008 and $684,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to school districts to implement emerging best practices activities in support of classroom

teachers' instruction of students, with a first language other than English, who struggle with acquiring academic English skills, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). Best practices shall focus on professional development for classroom teachers and support of instruction for English language learners in regular classrooms. School districts qualifying for these grants shall serve a student population that reflects many different first languages among their students. The Northwest educational research laboratory (NWREL) shall evaluate the effectiveness of the practices supported by the grants as provided in section 501 of this act. Recipients of these grants shall cooperate with NWREL in the collection of program data.

(19) $548,000 of the fiscal year 2008 general fund--state appropriation and $548,000 of the fiscal year 2009 general fund--state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(20) $2,348,000 of the general fund--state appropriation for fiscal year 2008 and $2,348,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to $200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(21) $705,000 of the general fund--state appropriation for fiscal year 2008 and $705,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(22) $98,761,000 of the general fund--federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

(23)(a) $488,000 of the general fund--state appropriation for fiscal year 2008 and $488,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program.

The program shall include: (i) Development of an individualized professional growth plan for a new principal or principal candidate; and (ii) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, $25,000 per year shall be used to support additional participation of secondary principals.

(b) $3,046,000 of the general fund--state appropriation for fiscal year 2008 and $3,046,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit and the community. Each educational audit shall include recommendations for best practices and ways to address identified needs and shall be presented to the community in a public meeting to seek input on ways to implement the audit and its recommendations.

(24) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a high school and school district improvement program modeled after the office of the superintendent of public instruction's existing focused assistance program in subsection (25)(b) of this section. The state funding for this improvement program will match an equal amount committed by a nonprofit foundation in furtherance of a jointly funded program.

(25) A maximum of $375,000 of the general fund--state appropriation for fiscal year 2008 and a maximum of $500,000 of the general fund--state appropriation for fiscal year 2009 are provided for summer accountability institutes offered by the superintendent of public instruction. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, social studies, including civics, and guidance and counseling. The superintendent of

public instruction shall offer at least one institute specifically for improving instruction in mathematics in fiscal years 2008 and 2009 and at least one institute specifically for improving instruction in science in fiscal year 2009.

(26) $515,000 of the general fund--state appropriation for fiscal year 2008 and $515,000 of the general fund--state appropriation for fiscal year 2009 are provided for the evaluation of mathematics textbooks, other instructional materials, and diagnostic tools to determine the extent to which they are aligned with the state standards. Once the evaluations have been conducted, results will be shared with math teachers, other educators, and community members for the purposes of validating the conclusions and then selecting up to three curricula, supporting materials, and diagnostic instruments as those best able to assist students to learn and teachers to teach the content of international standards. In addition, the office of the superintendent shall continue to provide support and information on essential components of comprehensive, school-based reading programs.

(27) $1,764,000 of the general fund--state appropriation for fiscal year 2008 and $1,764,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the mathematics helping corps subject to the following conditions and limitations:

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

(b) The school improvement specialists shall provide the following:

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

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

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

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

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

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

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

(28) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the improvement of reading achievement and implementation of research-based reading models. The superintendent shall evaluate reading curriculum programs and other instructional materials to determine the extent to which they are aligned with state standards. A report of the analyses shall be made available to school districts. The superintendent shall report to districts the assessments that are available to screen and diagnose reading difficulties, and shall provide training on how to implement a reading assessment system. Resources may also be used to disseminate grade level expectations and develop professional development modules and web-based materials.

(29) $30,401,000 of the general fund--federal appropriation is provided for the reading first program under Title I of the no child left behind act.

(a) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the office of the superintendent of public instruction to award five grants to parent, community, and school district partnership programs that will meet the unique needs of different groups of students in closing the achievement gap. The legislature intends that the pilot programs will help students meet state learning standards, achieve the skills and knowledge necessary for college or the workplace, reduce the achievement gap, prevent dropouts, and improve graduation rates.

(b) The pilot programs shall be designed in such a way as to be supplemental to educational services provided in the district and shall utilize a community partnership based approach to helping students and their parents.

(c) The grant recipients shall work in collaboration with the office of the superintendent of public instruction to develop measurable goals and evaluation methodologies for the pilot programs. $25,000 of this appropriation may be used by the office of the superintendent of public instruction to hold a statewide meeting to disseminate successful strategies developed by the grantees.

(d) The office of the superintendent of public instruction shall issue a report to the legislature in the 2009 session on the progress of each of the pilot programs.

(30) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the office of the superintendent of public instruction to support and award Washington community learning center program grants pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(31) $1,629,000 of the general fund--state appropriation for fiscal year 2008 and $1,638,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to eliminate the lunch co-pay for students in grades kindergarten through third grade that are eligible for reduced price lunch.

(32) $400,000 of the education legacy trust account--state appropriation is provided solely for the development of mathematics support activities provided by community organizations in after school programs. Pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education), the office of the superintendent of public instruction shall administer grants to community organizations that partner with school districts to provide these activities and develop a mechanism to report program and student success.

(33) $5,222,000 of the general fund--state appropriation for fiscal year 2008 and $5,222,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for: (a) The meals for kids program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-pay for students eligible for reduced price lunch; and (c) for additional assistance for school districts initiating a summer food service program.

(34) $1,056,000 of the general fund--state appropriation for fiscal year 2008 and $1,056,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs. Grants provided under this section may be used by school districts for expenditures from September 2007 through August 31, 2009.

(35) $3,594,000 of the general fund--state appropriation for fiscal year 2008 and $3,594,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(36) $1,959,000 of the general fund--state appropriation for fiscal year 2008 and $1,959,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(37) $126,000 of the general fund--state appropriation for fiscal year 2008 and $126,000 of the general fund--state appropriation for fiscal year 2009 are provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

(38) $333,000 of the general fund--state appropriation for fiscal year 2008 and $333,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation of the center for the improvement of student learning pursuant to RCW 28A.300.130.

(39) $12,400,000 of the education legacy trust account--state appropriation is provided solely for one-time allocations for technology upgrades and improvements. The funding shall be allocated based on $3,000 for each elementary school, $6,000 for each middle or junior high school, and $11,000 for each high school. In cases where a particular school's grade span or configuration does not fall into these categories, the office of superintendent of public instruction will develop an allocation to that school that recognizes the unique characteristics but maintains the proportionate allocation identified in this subsection.

(40) $250,000 of the education legacy trust account--state appropriation is provided solely for costs associated with office of the superintendent of public instruction establishing a statewide director of technology position pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(41)(a) $9,150,000 of the general fund--state appropriation for fiscal year 2008 and $12,447,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of $5,000 per teacher in fiscal year 2008 and adjusted for inflation in fiscal year 2009;

(ii) For national board certified teachers who teach in schools

where at least 70 percent of student headcount enrollment is eligible for the federal free or reduced price lunch program, an additional $5,000 annual bonus to be paid in one lump sum; and

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a pro-rated manner.

(b) Included in the amounts provided in this subsection are amounts for mandatory fringe benefits. The annual bonus shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(c) For purposes of this subsection, "schools where at least 70 percent of the student headcount enrollment is eligible for the federal free or reduced price lunch program" shall be defined as: (i) For the 2007-08 and the 2008-09 school years, schools in which the prior year percentage of students eligible for the federal free and reduced price lunch program was at least 70 percent; and (ii) in the 2008-09 school year, any school that met the criterion in (c)(i) of this subsection in the 2007-08 school year.

(d) Within the amounts appropriated in this subsection, the office of superintendent of public instruction shall revise rules to allow teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching at the Washington school for the deaf or Washington school for the blind, to receive the annual bonus amounts specified in this subsection if they are otherwise eligible.

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

General Fund--State Appropriation (FY 2008) $65,320,000
General Fund--State Appropriation (FY 2009) $69,217,000
General Fund--Federal Appropriation $45,243,000
TOTAL APPROPRIATION $179,780,000

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

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

(2) The superintendent shall distribute a maximum of $824.24 per eligible bilingual student in the 2007-08 school year and $840.25 in the 2008-09 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

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

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

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

(6) Pursuant to RCW 28A.150.260, during the 2007-09 biennium, the office of the superintendent of public instruction shall not make exit of the transitional bilingual program contingent on passing both the Washington language proficiency test and the Washington assessment of student learning without prior legislative approval.

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

General Fund--State Appropriation (FY 2008) $70,792,000
General Fund--State Appropriation (FY 2009) $73,156,000
General Fund--Federal Appropriation $360,660,000
Education Legacy Trust Account--State
Appropriation 45,953,000
TOTAL APPROPRIATION $550,561,000

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) Funding for school district learning assistance programs shall be allocated at maximum rates of $220.37 per funded student for the 2007-08 school year and $224.73 per funded student for the 2008-09 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:

(i) 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; and

(ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.

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

(2) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(3) Small school districts are encouraged to make the most efficient use of the funding provided by using regional educational service district cooperatives to hire staff, provide professional development activities, and implement reading and mathematics programs consistent with research-based guidelines provided by the office of the superintendent of public instruction.

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

(5) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--PROMOTING ACADEMIC SUCCESS**

General Fund--State Appropriation (FY 2008) $23,820,000
General Fund--State Appropriation (FY 2009) $25,177,000
TOTAL APPROPRIATION $48,997,000

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

(1) The amounts appropriated in this section are provided solely for remediation for students who have not met standard in one or more content areas of the Washington assessment of student learning in the spring of their tenth grade year or on a subsequent retake. The funds may be used for extended learning activities, including summer school, before and after school, Saturday classes, skill seminars, assessment preparation, and in-school or out- of-school tutoring. Extended learning activities may occur on the school campus, via the internet, or at other locations and times that meet student needs. Funds allocated under this section shall not be considered basic education funding. Amounts allocated under this section shall fund new extended learning opportunities, and shall not supplant funding for existing programs and services.

(2) School district allocations for promoting academic success programs shall be calculated as follows:

(a) Allocations shall be made to districts only for students actually served in a promoting academic success program.

(b) A portion of the district's annual student units shall be the number of content area assessments (reading, writing, and mathematics) on which eleventh and twelfth grade students were more than one standard error of measurement from meeting standard on the WASL in their most recent attempt to pass the WASL.

(c) The other portion of the district's annual student units shall be the number of content area assessments (reading, writing, and mathematics) on which eleventh and twelfth grade students were less

than one standard error of measurement from meeting standard but did not meet standard on the WASL in their most recent attempt to pass the WASL.

(d) Districts with at least one but less than 20 student units combining the student units generated from (b) and (c) of this subsection shall be counted as having 20 student units for the purposes of the allocations in (e) and (f)(i) of this subsection.

(e) Allocations for certificated instructional staff salaries and benefits shall be determined using formula-generated staff units calculated pursuant to this subsection. Ninety-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (a) of this subsection and thirty-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (b) of this subsection. Allocations for salaries and benefits for the staff units calculated under this subsection shall be calculated in the same manner as provided under section 503 of this act. Salary and benefit increase funding for staff units generated under this section is included in section 504 of this act.

(f) The following additional allocations are provided per student unit, as calculated in (a) and (b) of this subsection:

(i) $12.80 in school year 2007-08 and $13.07 in school year 2008-09 for maintenance, operations, and transportation;

(ii) $12.29 in school year 2007-08 and $12.55 in school year 2008-09 for pre- and post-remediation assessments;

(iii) $17.41 in school year 2007-08 and $17.77 in school year 2008-09 per reading remediation student unit;

(iv) $8.19 in school year 2007-08 and $8.36 in school year 2008-09 per mathematics remediation student unit; and

(v) $8.19 in school year 2007-08 and $8.36 in school year 2008-09 per writing remediation student unit.

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

(3) By November 15th of each year, the office of the superintendent of public instruction shall report to the appropriate committees of the legislature and to the office of financial management on the use of

these funds in the prior school year, including the types of assistance selected by students, the number of students receiving each type of assistance, and the impact on WASL test scores.

(4) School districts may carry over from one year to the next up to 20 percent of funds allocated under this program; however, carryover funds shall be expended for promoting academic success programs.

NEW SECTION. **Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

Student Achievement Account--State Appropriation
(FY 2008) $423,414,000
Student Achievement Account--State Appropriation
(FY 2009) $446,357,000
TOTAL APPROPRIATION $869,771,000

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

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of $450.00 per FTE student for the 2007-08 school year and $459.45 per FTE student for the 2008-09 school year. For the purposes of this section, FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and

alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

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

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

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

NEW SECTION. **Sec. 518. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS.** State general fund and state student achievement fund appropriations provided to the superintendent of public instruction for state entitlement programs in the public schools in this part V of this act may be expended as needed by the superintendent for adjustments to apportionment for prior fiscal periods. Recoveries of state general fund moneys from school districts and educational service districts for a prior fiscal period shall be made as reductions in apportionment payments for the current fiscal period and shall be shown as prior year adjustments on apportionment reports for the current period. Such recoveries shall not be treated as revenues to the state, but as a reduction in the amount expended against the appropriation for the current fiscal period.

NEW SECTION. **Sec. 519. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION.** Appropriations made in this act to the office of superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act.

(End of part)

PART VI
HIGHER EDUCATION

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

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

(2)(a) The salary increases provided or referenced in this subsection and described in section 603 and part IX of this act shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW.

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

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

(d) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the

department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the department of personnel for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(e) By January 1, 2008, the office of financial management shall work with the institutions of higher education, and with staff from the legislative fiscal committees and the legislative evaluation and accountability program, to identify ways in which the office's "compensation impact model" should be revised or replaced to make the system less costly for institutions to maintain, and more transparent, informative, and useful to the legislature and institutions, while providing information needed to accurately and efficiently negotiate and budget employee compensation changes.

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

(4) The tuition fees, as defined in chapter 28B.15 RCW, charged to full-time students at the state's institutions of higher education for the 2007-08 and 2008-09 academic years, other than the summer term, shall be adjusted by the governing boards of the state universities, regional universities, The Evergreen State College, and the state board for community and technical colleges. Tuition fees may be increased in excess of the fiscal growth factor under RCW 43.135.055.

For the 2007-08 academic year, the governing boards of the research universities may implement an increase no greater than seven percent over tuition fees charged to full-time resident undergraduate students for the 2006-07 academic year. The regional universities and The Evergreen State College may implement an increase no greater than five percent over tuition fees charged to full-time resident undergraduate students for the 2006-07 academic year. The state board for community and technical colleges may implement an increase no greater than two percent over tuition and fees charged to full-time resident students for the 2006-07 academic year.

For the 2008-09 academic year, the governing boards of the research universities may implement an increase no greater than seven percent

over tuition fees charged to full-time resident undergraduate students for the 2007-08 academic year. The regional universities and The Evergreen State College may implement an increase no greater than five percent over tuition fees charged to full-time resident undergraduate students for the 2007-08 academic year. The state board for community and technical colleges may implement an increase no greater than two percent over tuition and fees charged to full-time resident students for the 2007-08 academic year.

In addition to the tuition authorization provided under this subsection, amounts appropriated in this budget provide an amount approximately equal to a one percent tuition increase per academic year for the state board for community and technical colleges.

(5) For the 2007-09 biennium, the governing boards and the state board may adjust full-time operating fees for factors that may include time of day and day of week, as well as delivery method and campus, to encourage full use of the state's educational facilities and resources.

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

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

(8) Pursuant to RCW 43.135.055, institutions of higher education receiving appropriations under sections 603 through 609 of this act are authorized to increase summer term tuition in excess of the fiscal growth factor during the 2007-09 biennium. Tuition levels increased pursuant to this subsection shall not exceed the per credit hour rate calculated from the academic year tuition levels adopted under this act.

(9) Pursuant to RCW 43.135.055, community and technical colleges are authorized to increase services and activities fee charges in excess of the fiscal growth factor during the 2007-09 biennium. The services and activities fee charges increased pursuant to this subsection shall not exceed the maximum level authorized by the state board for community and technical colleges.

(10) From within the appropriations in sections 603 through 609 of this act, institutions of higher education shall increase compensation for nonrepresented employees in accordance with the following:

(a) Across the Board Adjustments.

(i) Appropriations are provided for a 3.2 percent salary increase effective July 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(ii) Appropriations are provided for a 2.0 percent salary increase effective July 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(b) Salary Survey.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's 2006 salary survey, for job classes more than 25 percent below market rates and affected classes.

(c) Classification Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's phase 4 job class consolidation and revisions under chapter 41.80 RCW.

(d) Agency Request Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's agency request job

class consolidation and reclassification plan. This implementation fully satisfies the conditions specified in the settlement agreement of *WPEA v State/Shroll v State*.

(e) Additional Pay Step.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for a new pay step L for those who have been in step K for at least one year.

(f) Retain Fiscal Year 2007 Pay Increase.

For all classified state employees, except those represented by a bargaining unit under chapter 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, funding is provided for continuation of the 1.6 percent salary increase that was provided during fiscal year 2007. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(g) The appropriations are also sufficient for the research and the regional higher education institutions to (i) continue the 1.6 percent salary increase that was provided during fiscal year 2007; and (ii) provide average salary increases of 3.2 percent effective July 1, 2007, and of 2.0 percent effective July 1, 2008, for faculty, exempt administrative and professional staff, graduate assistants, and for all other nonclassified employees.

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

	2007-08 Annual Average	2008-09 Annual Average
University of Washington		
Main campus	33,782	34,197
Bothell campus	1,760	1,980

Tacoma campus	2,109	2,349
Washington State University		
Main campus	19,112	19,272
Tri-Cities campus	800	865
Vancouver campus	1,888	2,113
Central Washington University	8,952	9,322
Eastern Washington University	8,996	9,184
The Evergreen State College	4,165	4,213
Western Washington University	12,022	12,175
State Board for Community and Technical Colleges	136,022	138,977

(2) For the state universities, the number of full-time equivalent student enrollments enumerated in this section for the Bothell, Tacoma, Tri-Cities, and Vancouver campuses are the minimum levels at which the universities should seek to enroll students for those campuses. At the start of an academic year, the governing board of a state university may transfer full-time equivalent student enrollments among campuses. Intent notice shall be provided to the office of financial management and reassignment of funded enrollment is contingent upon satisfying data needed by the forecast division for tracking and monitoring state-supported college enrollment.

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

General Fund--State Appropriation (FY 2008) $638,521,000
General Fund--State Appropriation (FY 2009) $654,446,000
Education Legacy Trust Account--State
Appropriation $105,432,000
Pension Funding Stabilization Account
Appropriation $49,800,000
TOTAL APPROPRIATION $1,448,199,000

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

(1) $5,040,000 of the education legacy trust account--state appropriation and $10,920,000 of the general fund--state appropriation

for fiscal year 2009 are to expand general enrollments by 900 student FTEs in academic year 2008 and by an additional 1,050 student FTEs in academic year 2009.

(2) $5,720,000 of the education legacy trust account--state appropriation and $11,440,000 of the general fund--state appropriation for fiscal year 2009 are to expand high-demand enrollments by 650 student FTEs in fiscal year 2008 and by an additional 650 student FTEs in fiscal year 2009. The programs expanded shall include, but are not limited to, mathematics and health sciences. The state board shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $1,960,000 of the education legacy trust account--state appropriation is to expand early childhood education programs with a focus on early math and science awareness by 100 student FTEs in fiscal year 2008 and by an additional 150 student FTEs in 2009. The board shall provide data to the office of financial management regarding math and science enrollments, graduations, and employment of college graduates related to state investments in math and science programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) $28,761,000 of the general fund--state appropriation for fiscal year 2008 and $28,761,000 of the general fund--state appropriation for fiscal year 2009 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 up to 6,200 full-time equivalent students in each fiscal year.

(5) $3,813,000 of the education legacy trust account--state appropriation and $7,625,000 of the general fund--state appropriation for fiscal year 2009 are for basic skills education enrollments at community and technical colleges. Budgeted enrollment levels shall increase by 625 student FTEs each year.

(6) $3,750,000 of the general fund--state appropriation for fiscal year 2008 and $7,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to increase salaries and related benefits for part-time faculty. It is intended that part-time faculty salaries will increase relative to full-time faculty salaries after all salary increases are collectively bargained.

(7) $7,350,000 of the education legacy trust account appropriation is to increase enrollment levels in the integrated basic education, skills, and language program (I-BEST) by 250 student FTEs per year. Each student participating on a full-time basis is budgeted and shall be reported as a single FTE for purposes of this expansion.

(8) $375,000 of the general fund--state appropriation for fiscal year 2008 and $375,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the transitions math project. This phase of work shall include the establishment of a single math placement test to be used at colleges and universities statewide.

(9) $2,835,000 of the education legacy trust account appropriation is to increase enrollment in apprenticeship training programs by 150 student FTEs in each fiscal year.

(10) $4,000,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the community and technical college system by 1,700 students each year. TRIO eligible students include low-income, first-generation, and college students with disabilities. The state board for community and technical colleges shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 65 percent for TRIO students and other low-income and first-generation students served through this appropriation.

(11)(a) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures and targets in 2006. By July 31, 2007, the state board for community and technical colleges and the higher education coordinating board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer

institutions in the eight global challenge states identified in the Washington Learns study.

(b) The targets previously agreed by the state board and the higher education coordinating board are enumerated as follows:

(i) Increase the percentage and number of academic students who are eligible to transfer to baccalaureate institutions to 18,700;

(ii) Increase the percentage and number of students prepared for work to 23,490; and

(iii) Increase the percentage and number of basic skills students who demonstrate substantive skill gain by 22,850.

The state board for community and technical colleges shall report their progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(12) $452,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for start-up and planning funds for two applied baccalaureate degree programs at community and technical colleges, of which one degree program must be at a technical college. The applied baccalaureate degrees shall be specifically designed for individuals who hold associate of applied science degrees, or equivalent, in order to maximize application of their technical course credits toward the applied baccalaureate degree.

(13) $2,502,000 of the general fund--state appropriation for fiscal year 2008 and $5,024,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for faculty salary increments and associated benefits and may be used in combination with salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount. The state board shall determine the method of allocating to the community and technical colleges the appropriations granted for academic employee increments, provided that the amount of the appropriation attributable to the proportionate share of the part-time faculty salary base shall only be accessible for part-time faculty.

(14) $50,000 of the general fund--state appropriation for fiscal

year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(15) $2,725,000 of the general fund--state appropriation for fiscal year 2008 and $2,725,000 of the general fund--state appropriation for fiscal year 2009 are 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 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.

(16) $504,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for 80 student FTEs in the existing four applied baccalaureate degree programs at community and technical colleges as authorized in chapter 28B.50 RCW.

(17) $4,000,000 of the general fund--state appropriation for fiscal year 2008, $4,000,000 of the general fund--state appropriation for fiscal year 2009, and $15,000,000 of the education legacy trust account--state appropriation are provided solely for implementation of Second Substitute House Bill No. 1096 (postsecondary opportunities). The state board shall seek additional private sector involvement and support for the opportunity grants program. If the bill is not enacted by June 30, 2007, the education legacy trust account--state appropriation shall lapse. Remaining amounts in this subsection shall be used for an opportunity grant program to provide grants covering community and technical college tuition and fees for up to 45 credits and books or other materials to be awarded to eligible students. Program participants will earn credentials or certificates in industry-defined occupations with a need for skilled employees.

(18) From within the funds appropriated in this section, community and technical colleges shall increase salaries for employees subject to the provisions of Initiative Measure No. 732 by an average of 3.7 percent effective July 1, 2007, and by an average of 2.8 percent effective July 1, 2008.

(19) From within the funds appropriated in this section, community

and technical colleges shall increase salaries for exempt professional staff by an average of 3.2 percent effective July 1, 2007, and by an average of 2.0 percent effective July 1, 2008.

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

General Fund--State Appropriation (FY 2008) $373,680,000
General Fund--State Appropriation (FY 2009) $390,058,000
General Fund--Private/Local Appropriation $300,000
Education Legacy Trust Account--State
Appropriation $43,181,000
Accident Account--State Appropriation $6,621,000
Medical Aid Account--State Appropriation $6,448,000
TOTAL APPROPRIATION $820,288,000

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

(1) $15,744,000 of the education legacy trust account--state appropriation is to expand general enrollments by 625 student FTEs in fiscal year 2008 and by an additional 625 student FTEs in fiscal year 2009. Of these, 165 FTEs in 2008 and 165 FTEs in 2009 are expected to be graduate student FTEs.

(2) $6,975,000 of the education legacy trust account--state appropriation is to expand math and science undergraduate enrollments by 250 student FTEs in each fiscal year. The programs expanded shall include mathematics, engineering, and the physical sciences. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in math and science programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $85,000 of the general fund--state appropriation for fiscal year 2008 and $85,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support of the Washington state academy of sciences, authorized by chapter 70.220 RCW.

(4) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for operating support of the William D. Ruckelshaus center.

(5) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at the University of Washington by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(6) $84,000 of the general fund--state appropriation for fiscal year 2008 and $84,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to establish the state climatologist position.

(7) $25,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by October 31, 2007.

(8) $3,830,000 of the education legacy trust account--state appropriation is provided solely to expand health sciences capacity at the University of Washington. Consistent with the medical and dental school extension program appropriations at Washington State University and Eastern Washington University, funding is provided to expand classes at the University of Washington. Medical and dental students shall take the first year of courses for this program at the Riverpoint campus in Spokane and the second year of courses at the University of Washington in Seattle.

(9) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise

these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the University of Washington are enumerated as follows:

(a) Increase the combined number of baccalaureate degrees conferred per year at all campuses to 8,850;

(b) Increase the combined number of high-demand baccalaureate degrees conferred at all campuses per year to 1,380;

(c) Increase the combined number of advanced degrees conferred per year at all campuses to 3,610;

(d) Improve the six-year graduation rate for baccalaureate students to 74.7 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 76.0 percent;

(f) Improve the freshman retention rate to 93.0 percent;

(g) Improve time to degree for baccalaureate students to 92 percent at the Seattle campus and 92.5 percent at the Bothell and Tacoma campuses, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this subsection.

The University of Washington shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(10) $750,000 of the education legacy trust account appropriation is provided solely to increase participation in international learning opportunities, particularly for students with lower incomes who would otherwise not have the chance to study, work, or volunteer outside the United States.

(11) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for forestry research by the Olympic natural resources center.

(12) $25,000 of the general fund--state appropriation for fiscal

year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for coastal marine research by the Olympic natural resources center.

(13) $95,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for increased education, training, and support services for the families of children with autism, and for the production and distribution of digital video discs in both English and Spanish about strategies for working with people with autism.

(14) $2,900,000 of the general fund--state appropriation for fiscal year 2008 and $3,400,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support for the department of global health.

(15) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(16) $150,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the rural technology initiative (initiative) at the University of Washington and the transportation research group (group) at the Washington State University to conduct an economic analysis of the costs to safely provide log hauling services. The initiative will be the lead investigator and administer the project. Neither the University of Washington nor the Washington State University may make a deduction for administrative costs. The project shall rely upon the Washington state patrol for determination of basic safe characteristics, consistent with applicable state and federal law. The analysis shall include:

(a) An estimate of log haulers' cost to operate and maintain a basic and safe log truck without operator including:

(i) Variable costs such as fuel, etc;

(ii) Quasi-variable costs such as:

(A) Tires, brakes, wrappers, and other safety related equipment;

(B) Vehicle insurance, taxes, fees, etc;

(C) Maintenance costs such as oil, lubrication, and minor repairs; and

(D) Depreciation and replacement costs;

(b) The source of these cost estimates where possible should be independent vendors of equipment and services or already existing studies;

(c) A calculation of costs for safe operation expressed as per mile, hour or load volume including consideration for regional differences as well as off-road vs. on-road;

(d) An evaluation of comparable trucking services; and

(e) A review of log truck safety statistics in Washington state.

In conducting the analysis, the initiative shall consult with the northwest log truckers cooperative, the Washington trucking association, the Washington contract loggers association, the Washington farm forestry association, and the Washington forest protection association. By June 30, 2008, the initiative shall provide a report of its findings to the legislature and governor and distribute the findings to interested industry groups.

(17) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the Burke museum to support science and social science educational programs including public outreach programs, new educational programs and resources, web-based interactive learning experiences, teacher training, and traveling educational opportunities.

(18) $150,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the institute for learning and brain sciences.

(19) $30,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the University of Washington to gather data and conduct research associated with preparing the basin-wide assessment and to solicit nominations for review and submittal to the Washington academy of sciences for the creation of the Puget Sound science panel pursuant to Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership).

(20)(a) $500,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the University of Washington school of law loan repayment assistance program endowment fund. The

University of Washington shall conduct fund-raising activities to increase private sector support of the endowment program and $250,000 of the appropriation in this subsection is contingent on a private sector match. Funds in the law school repayment assistance program endowment fund shall be used to provide graduates who pursue careers in public interest legal positions with payment assistance toward their student loan debt.

(b) The University of Washington law school shall report to the legislature by December 1, 2010, information about the loan repayment assistance program. The report shall contain at least the following information:

(i) A financial summary of the endowment program;

(ii) The number of individuals receiving assistance from the program and information related to the positions in which these individuals are working;

(iii) Any available information regarding the effect of the loan repayment assistance program on student recruitment and enrollment; and

(iv) Other information the school of law deems relevant to the evaluation of the program.

(c) In its rules for administering the program, the school of law must make provision for cases of hardship or exceptional circumstances, as defined by the school of law. Examples of such circumstances include, but are not limited to, family leave, medical leave, illness or disability, and loss of employment.

(d) The loan repayment assistance program must be available to otherwise eligible graduates of the law school who work in positions with nonprofit organizations or government agencies. Such positions must be located within Washington state. Government agencies shall include the various branches of the military.

(21) $54,000 of the general fund--state appropriation for fiscal year 2008 and $54,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the University of Washington geriatric education center to develop a voluntary adult family home certification program. In addition to the minimum qualifications required under RCW 70.128.120, individuals participating in the voluntary adult family home certification program shall complete fifty-two hours of class requirements as established by the University of Washington geriatric education center. Individuals completing the

requirements of RCW 70.128.120 and the voluntary adult family home certification program shall be issued a certified adult family home license by the department of social and health services. The department of social and health services shall adopt rules implementing the provisions of this subsection.

NEW SECTION. **Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

General Fund--State Appropriation (FY 2008) $231,382,000
General Fund--State Appropriation (FY 2009) $240,898,000
Education Legacy Trust Account--State
Appropriation $33,884,000
Pension Funding Stabilization Account
Appropriation $2,450,000
TOTAL APPROPRIATION $508,614,000

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

(1) $5,315,000 of the education legacy trust account--state appropriation is to expand general enrollments by 290 student FTEs in fiscal year 2008 and by an additional 300 student FTEs in fiscal year 2009.

(2) $3,525,000 of the education legacy trust account--state appropriation is to expand math and science enrollments by 65 student FTEs in fiscal year 2008, and by an additional 90 FTE students in fiscal year 2009, of which 15 FTEs in each fiscal year are expected to be graduate enrollments. The programs expanded shall include mathematics, engineering, and the physical sciences. Fifty student FTEs in each year will be shifted from general enrollments to high-demand, high-cost fields, and thus do not affect the enrollment levels listed in section 602 of this act. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and the employment of college graduates related to state investments in math and science programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $2,356,000 of the education legacy trust account appropriation is to expand bachelors-level, masters-level, and PhD enrollment at the

Tri-Cities and Spokane campuses by 45 FTE students in fiscal year 2008, and by an additional 40 FTEs in fiscal year 2009.

(4) $2,000,000 of the general fund--state appropriation for fiscal year 2008 and $2,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for research and commercialization in bio-products and bio-fuels. Of this amount, $2,000,000 shall be targeted at the development of new crops to be used in the bio-products facility at WSU-Tri-Cities. The remainder shall be used for research into new bio-products created from agricultural waste to be conducted in the Tri-Cities in a joint program between Washington State University and Pacific Northwest national laboratories.

(5) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Washington State University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(6) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to promote the development of the Spokane-based applied sciences laboratory into a strong, self-sustaining research organization. The state funds shall be used to recruit and retain at least three senior research scientists; to employ business development and administrative personnel; and to establish and equip facilities for computational modeling and for materials and optical characterization.

(7) $85,000 of the general fund--state appropriation for fiscal year 2008 and $85,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support of the Washington state academy of sciences, under chapter 70.220 RCW.

(8) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support of the William D. Ruckelshaus center.

(9) $25,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by October 31, 2007.

(10) $6,360,000 of the education legacy trust account--state appropriation is provided solely to expand health sciences offerings in Spokane. The university shall enroll 20 student FTEs in fiscal year 2009 in a University of Washington medical school extension program at the Riverpoint campus of WSU in Spokane. Students shall take the first year of courses for this program at the Riverpoint campus in Spokane, and shall do their clinical rotations and other upper level training in the inland northwest.

(11) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for start-up and ongoing operation of the Vancouver campus-based electrical engineering program.

(12) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Washington State University are enumerated as follows:

(a) Increase the combined number of baccalaureate degrees conferred per year at all campuses to 4,170;

(b) Increase the combined number of high-demand baccalaureate degrees conferred at all campuses per year to 630;

(c) Increase the combined number of advanced degrees conferred per year at all campuses to 1,090;

(d) Improve the six-year graduation rate for baccalaureate students to 63.2 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 65.4 percent;

(f) Improve the freshman retention rate to 84.8 percent;

(g) Improve time to degree for baccalaureate students to 92 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

The Washington State University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(13) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(14) $3,000,000 of the general fund--state appropriation for fiscal year 2008 and $3,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support the unified agriculture initiative at Washington State University. Funds are provided for competitive agriculture grant funds, of which $400,000 is provided for biological intensive and organic agriculture grants; for operating and program support for the university's research and extension centers, of which $735,000 is for maintenance and operations support for the Mount Vernon research facility; and for positions to fill research gaps in the development of value-added agricultural products and economically and environmentally sustainable food production.

(15) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for support of basic operations and research at the university's grizzly bear study center.

(16) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the energy development center to establish certification standards and to process applications for

renewable energy cost recovery incentives, as provided in chapters 300 and 301, Laws of 2005.

(17) $30,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Washington State University to gather data and conduct research associated with preparing the basin-wide assessment and to solicit nominations for review and submittal to the Washington academy of sciences for the creation of the Puget Sound science panel pursuant to Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership).

NEW SECTION. **Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2008) $48,907,000
General Fund--State Appropriation (FY 2009) $50,736,000
Education Legacy Trust Account--State
Appropriation $14,753,000
Pension Funding Stabilization Account
Appropriation $4,758,000
TOTAL APPROPRIATION $119,154,000

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

(1) $930,000 of the education legacy trust account--state appropriation is to expand general enrollments by 130 student FTEs in fiscal year 2009. Of these, 30 FTEs in 2009 are expected to be graduate student FTEs.

(2) $1,170,000 of the education legacy trust account--state appropriation is to expand high-demand undergraduate enrollments by 50 student FTEs in each fiscal year. The programs expanded shall include, but are not limited to, mathematics, engineering, and health sciences. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible

students served in the student support services program at Eastern Washington University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(4) $1,021,000 of the education legacy trust account--state appropriation is provided solely for the RIDE program. The program shall enroll eight student FTEs in the University of Washington school of dentistry in fiscal year 2009. Students shall take the first year of courses for this program at the Riverpoint campus in Spokane, and their second and third years at the University of Washington school of dentistry.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Eastern Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2035;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 405;

(c) Increase the number of advanced degrees conferred per year at all campuses to 550;

(d) Improve the six-year graduation rate for baccalaureate students to 50.0 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 61.0 percent;

(f) Improve the freshman retention rate to 76.0 percent;

(g) Improve time to degree for baccalaureate students to 81.0

percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Eastern Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

NEW SECTION. **Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2008) $47,326,000
General Fund--State Appropriation (FY 2009) $49,539,000
Education Legacy Trust Account--State
Appropriation $16,219,000
Pension Funding Stabilization Account
Appropriation $4,330,000
TOTAL APPROPRIATION $117,414,000

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

(1) $2,474,000 of the education legacy trust account--state appropriation is to increase general enrollments by 70 FTE students in fiscal year 2008 and by an additional 211 FTE enrollments in fiscal year 2009. At least 30 of the additional fiscal year 2009 enrollments are expected to be graduate students.

(2) $1,816,000 of the education legacy trust account--state appropriation for fiscal year 2008 is to increase math and science enrollments by 105 FTE students in fiscal year 2008 and by an additional 89 FTE students in fiscal year 2009. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and employment of college graduates related to state investments in math and science enrollment programs.

Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $1,801,000 of the education legacy trust account--state appropriation is to increase high-demand undergraduate enrollments by 85 student FTEs in fiscal year 2008 and by an additional 70 FTE students in fiscal year 2009. The programs expanded shall include, but are not limited to, bilingual education and information technology. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Central Washington University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Central Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2,050;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 49;

(c) Increase the number of advanced degrees conferred per year at all campuses to 196;

(d) Improve the six-year graduation rate for baccalaureate students to 51.1 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 72.3 percent;

(f) Improve the freshman retention rate to 78.2 percent;

(g) Improve time to degree for baccalaureate students to 86.6 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Central Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) $500,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Substitute House Bill No. 1497 (Central Washington University operating fee waivers). If the bill is not enacted by June 30, 2007, this appropriation shall lapse.

(7) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

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

General Fund--State Appropriation (FY 2008) $29,744,000
General Fund--State Appropriation (FY 2009) $30,057,000
Education Legacy Trust Account--State
Appropriation $4,758,000
TOTAL APPROPRIATION $64,559,000

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

(1) $562,000 of the education legacy trust account--state appropriation is to expand upper division math and science enrollments by 22 student FTEs in fiscal year 2008 and by an additional 28 student FTEs in fiscal year 2009.

(2) $260,000 of the education legacy trust account--state appropriation for fiscal year 2009 is for 20 student FTE graduate enrollments in the masters in education program.

(3) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at The Evergreen State College by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 80 percent for students served in this program, with a goal of reaching a retention rate in excess of 85 percent.

(4) $614,000 of the education legacy trust account appropriation is provided solely to increase the number and value of tuition waivers awarded to state-supported students.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the college and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and The Evergreen State College are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 1182;

(b) Increase the number of advanced degrees conferred per year at all campuses to 92;

(c) Improve the six-year graduation rate for baccalaureate students to 57.0 percent;

(d) Improve the three-year graduation rate for students who transfer with an associates degree to 72.8 percent;

(e) Improve the freshman retention rate to 73.9 percent;

(f) Improve time to degree for baccalaureate students to 97.0 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(g) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

The Evergreen State College shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(7) $435,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the Washington state institute for public policy (WSIPP) to assist the joint task force on basic education finance created pursuant to Engrossed Second Substitute Senate Bill No. 5627 (requiring a review and development of basic education funding). The institute shall assist the joint task force in a review of the definition of basic education and the development of options for a new funding structure for K-12 public schools. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) $180,000 of the general fund--state appropriation for fiscal year 2008 and $180,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington state institute for public policy to study the program effectiveness and cost-benefit of state-funded programs that meet the criteria of evidence-based programs and practices, and emerging best practice/promising practice, as defined in RCW 71.24.025 (12) and (13) for adult offenders in the department of corrections, and juvenile offenders under state and local juvenile authority.

(9) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for the Washington state institute for public policy to evaluate the effectiveness of current methods for screening and treating depression in women who receive temporary assistance for needy families (TANF), and to make recommendations for their improvement.

(10) $133,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Substitute House Bill No. 1472 (child welfare). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(11) Notwithstanding other provisions in this section, the Washington state institute for public policy may adjust due dates for projects included on the institute's 2007-09 workplan as necessary to efficiently manage workload.

NEW SECTION. **Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2008) $66,716,000
General Fund--State Appropriation (FY 2009) $69,917,000
Education Legacy Trust Account--State
Appropriation $11,845,000
TOTAL APPROPRIATION $148,478,000

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

(1) $281,000 of the education legacy trust account--state appropriation is to expand math and science enrollments by 8 student FTEs in fiscal year 2008 and by an additional 8 student FTEs in fiscal year 2009. Programs expanded include cell and molecular biology. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and the employment of college graduates related to state investments in math and science enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(2) $4,013,000 of the education legacy trust account--state appropriation is to expand general enrollments by 235 student FTEs in fiscal year 2008 and by an additional 130 student FTEs in fiscal year 2009. Of these, 24 FTEs in each fiscal year are expected to be graduate student FTEs.

(3) $920,000 of the education legacy trust account--state appropriation is to expand high demand enrollments by 50 FTE students in fiscal year 2008 and by an additional 15 FTE students in fiscal year 2009. Programs expanded include early childhood education and teaching English as a second language. The university shall provide data to the office of financial management regarding high-demand enrollments, graduations, and employment of college graduates related to state investments in high demand enrollment programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of low-income and first-generation students served in the student outreach services program at Western Washington University by 500 students over the biennium. The student outreach services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 80 percent for students served in this program, with a goal of reaching a retention rate in excess of 85 percent.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Western Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2,968;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 371;

(c) Increase the number of advanced degrees conferred per year at all campuses to 375;

(d) Improve the six-year graduation rate for baccalaureate students to 62.8 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 61.4 percent;

(f) Improve the freshman retention rate to 85.0 percent;

(g) Improve time to degree for baccalaureate students to 95.6 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Western Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, the university shall report progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations to the higher education coordinating board by October 1st of each year.

(7) $1,169,000 of the education legacy trust account appropriation is for the advanced materials science and engineering program. The program shall develop the advanced materials science and engineering center for research, teaching, and development which will offer a minor degree in materials science and engineering beginning in the fall 2009.

(8) $444,000 of the general fund--state appropriation for fiscal year 2008 and $611,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for development of the biomedical research activities in neuroscience (BRAIN) program. The program shall link biology and chemistry curriculum to prepare students for biomedical research positions in academia and industry.

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

General Fund--State Appropriation (FY 2008) $6,922,000
General Fund--State Appropriation (FY 2009) $6,954,000
General Fund--Federal Appropriation $4,342,000
TOTAL APPROPRIATION $18,218,000

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

(1) $87,000 of the general fund--state appropriation for fiscal year 2008 and $169,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to maintain and update a scholarship clearinghouse that lists every public and private scholarship available to Washington students. The higher education coordinating board shall develop a web-based interface for students and families as well as a common application for these scholarships.

(2) $339,000 of the general fund--state appropriation for fiscal year 2008 and $330,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) $200,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute House Bill No. 1131 (the passport to college promise). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(4) $152,000 of the general fund--state appropriation for fiscal year 2008 and $191,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for administration of conditional scholarships.

(5) Except for moneys provided in this section for specific purposes, and to the extent that the executive director finds that the agency will not require the full amount appropriated for a fiscal year in this section, the unexpended appropriation shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes of fulfilling unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.

(6) $200,000 of the general fund--state appropriation is provided solely to implement a capital facility and technology capacity study which will compare the 10-year enrollment projections with the capital facility requirements and technology application and hardware capacity needed to deliver higher education programs for the period 2009-2019. The joint legislative audit and review committee shall:

(a) Develop the study in collaboration with the state board for community and technical colleges, the higher education coordinating board, four-year universities and the Washington independent colleges;

(b) Determine the 10-year capital facilities and technology application and hardware investment needed by location to deliver higher education programs to additional student FTE;

(c) Estimate operational and capital costs of the additional capacity; and

(d) Report findings to the legislature on October 1, 2008.

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

General Fund--State Appropriation (FY 2008) $163,286,000
General Fund--State Appropriation (FY 2009) $187,252,000
General Fund--Federal Appropriation $13,122,000
Education Legacy Trust Account--State
Appropriation $108,188,000
TOTAL APPROPRIATION $471,848,000

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

(1) $154,837,000 of the general fund--state appropriation for fiscal year 2008, $177,863,000 of the general fund--state appropriation for fiscal year 2009, $49,902,000 of the education legacy trust account appropriation for fiscal year 2008, $40,050,000 of the education legacy trust account appropriation for fiscal year 2009, and $2,886,000 of the general fund--federal appropriation are provided solely for student financial aid payments under the state need grant; the state work study program; the Washington scholars program; and the Washington award for vocational excellence. All four programs shall increase grant awards sufficiently to offset the full cost of the resident undergraduate tuition increases authorized under this act.

(2) Within the funds appropriated in this section, eligibility for the state need grant shall be expanded to include students with family incomes at or below 70 percent of the state median family income, adjusted for family size. Awards for students with incomes between 66 percent and 70 percent of the state median shall be 50 percent of the award amount granted to those with incomes below 51 percent of the median.

(3) To the extent that the executive director determines that the agency will not award the full amount appropriated in subsection (1) of this section for a fiscal year, unexpended funds shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes first of fulfilling the unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.

(4) $7,400,000 of the education legacy trust account appropriation is provided solely for investment to fulfill the scholarship commitments that the state incurs in accordance with Second Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) $2,500,000 of the education legacy trust account--state appropriation is provided solely to expand the gaining early awareness and readiness for undergraduate programs project to at least 25 additional school districts.

(6) $1,000,000 of the education legacy trust account--state appropriation is provided solely to encourage more students to teach secondary mathematics and science. $500,000 of this amount is provided to increase the future teacher scholarship and conditional loan program by at least 35 students per year. $500,000 of this amount is provided to support state work study positions for students to intern in secondary math and science classrooms.

(7) $2,336,000 of the education legacy trust account--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). Funds are provided for student scholarships, and for incentive payments to the colleges they attend for individualized student support services which may include, but are not limited to, college and career advising, counseling, tutoring, costs incurred for students while school is not in session, personal expenses, health insurance, and emergency services. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) $246,000 of the general fund--state appropriation for fiscal year 2008 and $246,000 of the general fund--state appropriation for fiscal year 2009 are for community scholarship matching grants and its administration. To be eligible for the matching grant, nonprofit groups organized under section 501(c)(3) of the federal internal

revenue code must demonstrate they have raised at least $2,000 in new moneys for college scholarships after the effective date of this section. Groups may receive no more than one $2,000 matching grant per year and preference shall be given to groups affiliated with scholarship America. Up to a total of $46,000 per year of the amount appropriated in this section may be awarded to a nonprofit community organization to administer scholarship matching grants, with preference given to an organization affiliated with scholarship America.

(9) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(10) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute House Bill No. 1179 (state need grant). State need grants provided to students enrolled in just three to five credit-bearing quarter credits, or the equivalent semester credits, shall not exceed the amounts appropriated in this subsection. By November 1 of each year, the board shall report to the office of financial management and to the operating budget committees of the house of representatives and senate on the number of eligible but unserved students enrolled in just three to five quarterly credits, or the semester equivalent, and the estimated cost of serving them. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $5,000,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1779 (GET ready for math and science). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

General Fund--State Appropriation (FY 2008) $1,757,000
General Fund--State Appropriation (FY 2009) $1,772,000
General Fund--Federal Appropriation $54,011,000
TOTAL APPROPRIATION $57,540,000

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

(1) $340,000 of the general fund--state appropriation for fiscal year 2008 and $340,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the board to:

(a) Allocate grants on a competitive basis to establish and support industry skill panels. Grant recipients shall provide an employer match of at least twenty-five percent, and identify work force strategies to benefit employers and workers across the industry; and

(b) Establish industry skill panel standards that identify the expectations for industry skill panel products and services.

(2) $53,000 of the general fund--state appropriation for fiscal year 2008 and $53,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to improve the oversight of private vocational and career schools.

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

General Fund--State Appropriation (FY 2008) $1,718,000
General Fund--State Appropriation (FY 2009) $1,789,000
TOTAL APPROPRIATION $3,507,000

NEW SECTION. **Sec. 614. FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2008) $61,780,000
General Fund--State Appropriation (FY 2009) $72,707,000
General Fund--Federal Appropriation $192,360,000
General Fund--Private/Local Appropriation $6,000
TOTAL APPROPRIATION $326,853,000

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

(1) $47,919,000 of the general fund--state appropriation for fiscal year 2008 and $56,437,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for early childhood education and assistance program services.

(a) Of these amounts, $10,284,000 is a portion of the biennial amount of state matching dollars required to receive federal child care and development fund grant dollars.

(b) Within the amounts provided in this subsection (1), the department shall increase the number of children receiving early childhood education and assistance program services by 2,250 slots.

(c) Within the amounts provided in this subsection (1), the department shall increase the minimum provider per slot payment to $6,500 in fiscal year 2008. Any provider receiving slot payments higher than $6,500 shall receive a 2.0 percent vendor rate increase in fiscal year 2008. All providers shall receive a 2.0 percent vendor rate increase in fiscal year 2009.

(2) $775,000 of the general fund--state appropriation for fiscal year 2008 and $4,225,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to: (a) Develop a quality rating and improvement system; and (b) pilot the quality rating and improvement system in multiple locations. Four of the pilot sites are to be located within the following counties: Spokane, Kitsap, King, and Yakima. The department shall analyze and evaluate the pilot sites and report initial findings to the legislature by December 1, 2008.

(3) $850,000 of the general fund--state appropriation for fiscal year 2008 and $850,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to contract for child care referral services.

(4) $1,200,000 of the general fund--state appropriation for fiscal year 2008 and $800,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers. This includes funding for the department to conduct a random sample survey of parents to determine the types of early learning services and materials parents are interested in receiving from the state. The department shall report the findings to the appropriate policy and fiscal committees of the legislature by October 1, 2008.

(5) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a child care consultation pilot program linking child care providers with evidence-based and best practice resources regarding caring for infants and young children who present behavior concerns.

(6) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to expand the child care career and wage ladder program created by chapter 507, Laws of 2005.

(7) $172,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the department to purchase licensing capability from the department of social and health services through the statewide automated child welfare information system.

(8) $1,100,000 of the general fund--state appropriation for fiscal year 2008 and $1,100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a childcare grant program for public community colleges and public universities. A community college or university that employs collectively bargained staff to operate childcare programs may apply for up to $25,000 per year from the department per each type of the following programs: Head start, childcare, early childhood assistance and education. The funding shall only be provided for salaries for collectively bargained employees.

(9) Beginning October 1, 2007, the department shall be the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to partially fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(10) Prior to the development of an early learning information system, the department shall submit to the education and fiscal committees of the legislature a completed feasibility study and a proposal approved by the department of information systems and the information services board. The department shall ensure that any proposal for the early learning information system includes the cost for modifying the system as a result of licensing rule changes and implementation of the quality rating and improvement system.

NEW SECTION. **Sec. 615. FOR THE STATE SCHOOL FOR THE BLIND**

General Fund--State Appropriation (FY 2008) $5,958,000
General Fund--State Appropriation (FY 2009) $6,186,000
General Fund--Private/Local Appropriation $1,600,000
TOTAL APPROPRIATION $13,744,000

NEW SECTION. **Sec. 616. FOR THE STATE SCHOOL FOR THE DEAF**

General Fund--State Appropriation (FY 2008) $8,731,000
General Fund--State Appropriation (FY 2009) $9,015,000
General Fund--Private/Local Appropriation $232,000
TOTAL APPROPRIATION $17,978,000

NEW SECTION. **Sec. 617. FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund--State Appropriation (FY 2008) $2,548,000
General Fund--State Appropriation (FY 2009) $2,578,000
General Fund--Federal Appropriation $1,382,000
General Fund--Private/Local Appropriation $154,000
TOTAL APPROPRIATION $6,662,000

NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2008) $3,558,000
General Fund--State Appropriation (FY 2009) $3,609,000
TOTAL APPROPRIATION $7,167,000

NEW SECTION. **Sec. 619. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2008) $1,918,000
General Fund--State Appropriation (FY 2009) $2,046,000
TOTAL APPROPRIATION $3,964,000

(End of part)

PART VII
SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2008) $724,362,000
General Fund--State Appropriation (FY 2009) $764,561,000
State Building Construction Account--State
Appropriation $8,970,000
Columbia River Basin Water Supply Development
Account--State Appropriation $148,000
Hood Canal Aquatic Rehabilitation Bond
Account--State Appropriation $23,000
State Taxable Building Construction
Account--State Appropriation $168,000
Gardner-Evans Higher Education Construction
Account--State Appropriation $1,790,000
Debt-Limit Reimbursable Bond Retire
Account--State Appropriation $2,624,000
TOTAL APPROPRIATION $1,502,646,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account--State
Appropriation $22,553,000
Accident Account--State Appropriation $5,204,000
Medical Aid Account--State Appropriation $5,204,000
TOTAL APPROPRIATION $32,961,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2008) $27,068,000
General Fund--State Appropriation (FY 2009) $27,825,000
Nondebt-Limit Reimbursable Bond Retirement
Account--State Appropriation $136,332,000
TOTAL APPROPRIATION $191,225,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund--State Appropriation (FY 2008) $1,357,000
General Fund--State Appropriation (FY 2009) $1,357,000
State Building Construction Account--State
Appropriation $1,546,000
Columbia River Basin Water Supply Development
Account--State Appropriation $17,000
Hood Canal Aquatic Rehabilitation Bond
Account--State Appropriation $3,000
State Taxable Building Construction
Account--State Appropriation $122,000
Gardner-Evans Higher Education Construction
Account--State Appropriation $452,000
TOTAL APPROPRIATION $4,854,000

NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL**

Disaster Response Account--State Appropriation $4,000,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is for the purpose of making allocations to the Washington state patrol for fire mobilizations costs or to the department of natural resources for fire suppression costs.

NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY**

General Fund--State Appropriation (FY 2008) $2,000,000
General Fund--State Appropriation (FY 2009) $2,000,000
TOTAL APPROPRIATION $4,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account for the purposes specified in section 705 of this act.

NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--DISASTER RESPONSE ACCOUNT**

General Fund--State Appropriation (FY 2008) $6,729,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the disaster response account.

NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMERGENCY FUND**

General Fund--State Appropriation (FY 2008) $850,000
General Fund--State Appropriation (FY 2009) $850,000
TOTAL APPROPRIATION $1,700,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--SEX OFFENDER SENTENCING IMPACT**

General Fund--State Appropriation (FY 2008) $1,188,000
General Fund--State Appropriation (FY 2009) $1,509,000
TOTAL APPROPRIATION $2,697,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for distribution to counties to pay for the costs of implementing chapter 176, Laws of 2004, which makes amendments to the special sex offender sentencing alternative.

NEW SECTION. **Sec. 710. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE**

Health Services Account--State Appropriation (FY 2008) . . $24,000,000
Health Services Account--State Appropriation (FY 2009) . . $24,000,000
TOTAL APPROPRIATION $48,000,000

The appropriations in this section are subject to the following conditions and limitations: The director of the department of community, trade, and economic development shall distribute the appropriations to the following counties and health districts in the amounts designated:

Health District	**FY 2008**	**FY 2009**	**FY 2007-09 Biennium**
Adams County Health District	$30,951	$30,951	$61,902
Asotin County Health District	$67,714	$67,714	$135,428
Benton-Franklin Health District	$1,165,612	$1,165,612	$2,331,224
Chelan-Douglas Health District	$184,761	$184,761	$369,522
Clallam County Health and Human Services Department	$141,752	$141,752	$283,504
Southwest Washington Health District	$1,084,473	$1,084,473	$2,168,946
Columbia County Health District	$40,529	$40,529	$81,058
Cowlitz County Health Department	$278,560	$278,560	$557,120
Garfield County Health District	$15,028	$15,028	$30,056
Grant County Health District	$118,595	$118,595	$237,191
Grays Harbor Health Department	$183,870	183,870	$367,740
Island County Health Department	$91,892	$91,892	$183,784
Jefferson County Health and Human Services	$85,782	$85,782	$171,564
Seattle-King County Department of Public Health	$9,531,747	$9,531,747	$19,063,494
Bremerton-Kitsap County Health District	$554,669	$554,669	$1,109,338
Kittitas County Health Department	$92,499	$92,499	$184,998
Klickitat County Health Department	$62,402	$62,402	$124,804
Lewis County Health Department	$105,801	$105,801	$211,602
Lincoln County Health Department	$29,705	$29,705	$59,410
Mason County Department of Health Services	$95,988	$95,988	$191,976
Okanogan County Health District	$63,458	$63,458	$126,916
Pacific County Health Department	$77,427	$77,427	$154,854

Tacoma-Pierce County Health Department	$2,820,590	$2,820,590	$5,641,180
San Juan County Health and Community Services	$37,531	$37,531	$75,062
Skagit County Health Department	$223,927	$223,927	$447,854
Snohomish Health District	$2,258,207	$2,258,207	$4,516,414
Spokane County Health District	$2,101,429	$2,101,429	$4,202,858
Northeast Tri-County Health District	$110,454	$110,454	$220,908
Thurston County Health Department	$600,419	$600,419	$1,200,838
Wahkiakum County Health Department	$13,773	$13,772	$27,545
Walla Walla County-City Health Department	$172,062	$172,062	$344,124
Whatcom County Health Department	$855,863	$855,863	$1,711,726
Whitman County Health Department	$78,733	$78,733	$157,466
Yakima Health District	$623,797	$623,797	$1,247,594
TOTAL APPROPRIATIONS	$24,000,000	$24,000,000	$48,000,000

NEW SECTION. **Sec. 711. BELATED CLAIMS.** The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2007, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund--State Appropriation (FY 2008) $46,200,000
General Fund--State Appropriation (FY 2009) $50,400,000
TOTAL APPROPRIATION $96,600,000

(2) There is appropriated for contributions to the judicial retirement system:

General Fund--State Appropriation (FY 2008) $9,600,000
General Fund--State Appropriation (FY 2009) $10,200,000

TOTAL APPROPRIATION $19,800,000

NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

General Fund--State Appropriation (FY 2008) $405,000
General Fund--State Appropriation (FY 2009) $405,000
Health Services Account--State Appropriation (FY 2008) $3,000
Health Services Account--State Appropriation (FY 2009) $3,000
Public Safety and Education Account--State
Appropriation (FY 2008) $6,000
Public Safety and Education Account--State
Appropriation (FY 2009) $6,000
Water Quality Account--State Appropriation (FY 2008) $1,000
Water Quality Account--State Appropriation (FY 2009) $1,000
General Fund--Federal Appropriation $198,000
General Fund--Private/Local Appropriation $18,000
Special Account Retirement Contribution Increase
Revolving Appropriation $484,000
TOTAL APPROPRIATION $1,530,000

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

(1) The appropriations in this section are provided solely to increase agency and institution appropriations to reflect increased employer contributions to the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the public safety employees' retirement system as a result of modifications to benefit eligibility pursuant to Senate Bill No. 5175 (annual increases in certain retirement allowances).

(2) To facilitate the transfer of moneys to dedicated funds and accounts, the state treasurer shall transfer sufficient moneys to each dedicated fund or account from the special account retirement contribution increase revolving account in accordance with LEAP document S01-2007 dated April 19, 2007.

NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

General Fund--State Appropriation (FY 2008) $10,097,000
General Fund--State Appropriation (FY 2009) $10,098,000

TOTAL APPROPRIATION $20,195,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the education technology revolving account for the purpose of covering ongoing operational and equipment replacement costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--READING ACHIEVEMENT ACCOUNT**

General Fund--State Appropriation (FY 2008) $525,000
General Fund--State Appropriation (FY 2009) $525,000
TOTAL APPROPRIATION $1,050,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the reading achievement account.

NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--WATER QUALITY CAPITAL ACCOUNT**

Water Quality Account--State Appropriation (FY 2008) . . . $25,135,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the water quality capital account. If House Bill No. 1137 (water quality capital account) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--WATER POLLUTION CONTROL REVOLVING ACCOUNT**

Water Quality Account--State Appropriation (FY 2008) . . . $7,027,000
Water Quality Account--State Appropriation (FY 2009) . . . $7,027,000
TOTAL APPROPRIATION $14,054,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the water pollution control revolving account.

NEW SECTION. **Sec. 718. INCENTIVE SAVINGS--FY 2008.** The sum of one hundred million dollars or so much thereof as may be available on

June 30, 2008, from the total amount of unspent fiscal year 2008 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

NEW SECTION. **Sec. 719. INCENTIVE SAVINGS--FY 2009.** The sum of one hundred million dollars or so much thereof as may be available on June 30, 2009, from the total amount of unspent fiscal year 2009 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE COSTS**

General Fund--State Appropriation (FY 2008) $908,000

The appropriation in this section is subject to the following conditions and limitations: Of the amount in this section the director of financial management shall distribute $746,000 to Yakima county and $162,000 to Grant county for extraordinary criminal justice costs.

NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT--FERRY COUNTY PUBLIC UTILITY DISTRICT**

General Fund--State Appropriation (FY 2008) $25,000

General Fund--State Appropriation (FY 2009) $25,000

TOTAL APPROPRIATION $50,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for allocation to the Ferry county public utility district to provide a demand-responsive special needs transportation program that is compliant with the federal Americans with disabilities act.

NEW SECTION. **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--COUNTY SUBSTANCE ABUSE PROGRAMS**

General Fund--State Appropriation (FY 2008) $600,000
General Fund--State Appropriation (FY 2009) $600,000
TOTAL APPROPRIATION $1,200,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for allocation to counties that are eligible for funding for chemical dependency or substance abuse treatment programs pursuant to RCW 70.96A.325.

NEW SECTION. **Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT--REINVESTING IN YOUTH ACCOUNT**

General Fund--State Appropriation (FY 2008) $707,000
General Fund--State Appropriation (FY 2009) $707,000
TOTAL APPROPRIATION $1,414,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the reinvesting in youth account.

NEW SECTION. **Sec. 724. FOR THE LEGISLATIVE GIFT CENTER ACCOUNT**

General Fund--State Appropriation (FY 2008) $150,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the legislative gift center account. If Second Substitute House Bill No. 1896 (legislative gift center) is not enacted by June 30, 2007, the appropriations in this section shall lapse.

NEW SECTION. **Sec. 725. FOR THE OFFICE OF FINANCIAL MANAGEMENT--REGIONAL FISHERIES ENHANCEMENT GROUP ACCOUNT**

General Fund--State Appropriation (FY 2008) $500,000

The appropriation in this section is subject to the following condition and limitation: The appropriations are provided solely for expenditure into the regional fisheries enhancement group account.

NEW SECTION. **Sec. 726. FOR THE OFFICE OF FINANCIAL MANAGEMENT--OUTDOOR EDUCATION AND RECREATION ACCOUNT**

General Fund--State Appropriation (FY 2008) $1,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the outdoor education and recreation account. If Second Substitute House Bill No. 1677 (outdoor education and recreation program) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. **Sec. 727. FOR THE OFFICE OF FINANCIAL MANAGEMENT--INDEPENDENT YOUTH HOUSING ACCOUNT**

General Fund--State Appropriation (FY 2008) $1,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the independent youth housing account. If Second Substitute House Bill No. 1922 (youth housing program) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. **Sec. 728. FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMMUNITY PRESERVATION ACCOUNT**

General Fund--State Appropriation (FY 2008) $350,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the community preservation account. If Substitute Senate Bill No. 6156 (community preservation authorities) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. **Sec. 729. FOR THE OFFICE OF FINANCIAL MANAGEMENT--GEODUCK AQUACULTURE RESEARCH ACCOUNT**

General Fund--State Appropriation (FY 2008) $750,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the geoduck aquaculture research account. If Second Substitute House Bill No. 2220 (shellfish) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. **Sec. 730. FOR THE OFFICE OF FINANCIAL MANAGEMENT--JOINT FIREFIGHTER APPRENTICE PROGRAM**

General Fund--State Appropriation (FY 2008) $250,000

The appropriation in this section is subject to the following conditions and limitations. The general fund appropriation is for expenditure into the fire service training account for the purposes of the joint firefighter apprenticeship program.

NEW SECTION. **Sec. 731. FOR THE DEPARTMENT OF NATURAL RESOURCES--DERELICT VESSEL REMOVAL ACCOUNT**

General Fund--State Appropriation (FY 2008) $2,000,000

The appropriation provided in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the derelict vessel removal account. If Engrossed Second Substitute Senate Bill No. 6044 (derelict vessels) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. **Sec. 732. FOR THE OFFICE OF FINANCIAL MANAGEMENT--STATE AGENCY GREEN ENERGY**

General Fund--State Appropriation (FY 2008) $1,000,000
General Fund--State Appropriation (FY 2009) $1,000,000
TOTAL APPROPRIATION $2,000,000

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

provided solely for the office of financial management to provide grants to state agencies to purchase green power.

(End of part)

PART VIII
OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. **Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance premium distributions $7,325,000

General Fund Appropriation for public utility district excise tax distributions $49,656,000

General Fund Appropriation for prosecuting attorney distributions $3,999,000

General Fund Appropriation for boating safety and education distributions $4,833,000

General Fund Appropriation for other tax distributions $42,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies $2,192,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution $148,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties $89,346,000

County Criminal Justice Assistance Appropriation $58,906,000

Municipal Criminal Justice Assistance Appropriation $23,359,000

Liquor Excise Tax Account Appropriation for liquor excise tax distribution $45,472,000

Liquor Revolving Account Appropriation for liquor profits distribution $93,399,000

City-County Assistance Account Appropriation for local government financial assistance distribution $31,272,000

Streamline Sales and Use Tax Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes $31,600,000

TOTAL APPROPRIATION $441,549,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation $2,174,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2007-09 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation $1,449,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2007-09 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations);

chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**

General Fund Appropriation for federal grazing fees distribution $2,950,000

General Fund Appropriation for federal flood control funds distribution $74,000

Forest Reserve Fund Appropriation for federal forest reserve fund distribution $84,500,000

TOTAL APPROPRIATION $87,524,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS.**

State Treasurer's Service Account: For transfer to the state general fund, $10,000,000 for fiscal year 2008 and $10,000,000 for fiscal year 2009 . . . . . $20,000,000

General Fund: For transfer to the water quality account, $12,200,000 for fiscal year 2008 and $12,201,000 for fiscal year 2009 . . . . . $24,401,000

Education Legacy Trust Account: For transfer to the student achievement account for fiscal year 2009 . . . . . $90,800,000

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account, an amount not to exceed $25,000,000

Public Works Assistance Account: For transfer to the drinking water assistance account, $3,600,000 for fiscal year 2008 and $3,600,000 for fiscal year 2009 . . . . . $7,200,000

Public Works Assistance Account: For transfer

to the job development account, $25,000,000 for fiscal year 2008 and $25,000,000 for fiscal year 2009 . . . . . $50,000,000

Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account $165,915,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual amount of the strategic contribution supplemental payment to the tobacco settlement account $70,000,000

Health Services Account: For transfer to the water quality account, $3,942,500 for fiscal year 2008 and $3,942,500 for fiscal year 2009 . . . . . $7,885,000

Health Services Account: For transfer to the violence reduction and drug enforcement account, $3,466,000 for fiscal year 2008 and $3,466,000 for fiscal year 2009 . . . . . $6,932,000

Health Services Account: For transfer to the tobacco prevention and control account, $10,226,552 for fiscal year 2008 and $10,109,109 for fiscal year 2009 . . . . . $20,336,000

General Fund: For transfer to the streamline sales and use tax account for fiscal year 2009 . . . . $31,600,000

If Substitute Senate Bill No. 5089 (streamlined sales tax) is not enacted by June 30, 2009, this transfer shall lapse.

(End of part)

PART IX
MISCELLANEOUS

NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS.** The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2005-07 biennium.

NEW SECTION. **Sec. 902. INFORMATION SYSTEMS PROJECTS.** Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

(a) System refurbishment, acquisitions, and development efforts;

(b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;

(c) Assessment of overall information processing performance, resources, and capabilities;

(d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and

(e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance

plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance responsibilities, and a statement of reporting requirements. The quality assurance plans shall set out the functionality requirements for each phase of a project.

(7) A copy of each feasibility study, project management plan, and quality assurance plan shall be provided to the department of information services, the office of financial management, and legislative fiscal committees. The plans and studies shall demonstrate a sound business case that justifies the investment of taxpayer funds on any new project, an assessment of the impact of the proposed system on the existing information technology infrastructure, the disciplined use of preventative measures to mitigate risk, and the leveraging of private-sector expertise as needed. Authority to expend any funds for individual information systems projects is conditioned on the approval of the relevant feasibility study, project management plan, and quality assurance plan by the department of information services and the office of financial management.

(8) Quality assurance status reports shall be submitted to the department of information services, the office of financial management, and legislative fiscal committees at intervals specified in the project's quality assurance plan.

NEW SECTION. **Sec. 903. INFORMATION TECHNOLOGY ENTERPRISE SERVICES.** Agencies may make use of the department of information services when acquiring information technology services, products, and assets.

"Information technology services" means the acquisition, provisioning, or approval of hardware, software, and purchased or personal services provided by the department of information services.

If an information technology enterprise service is provided by the department, or an agency has a specific requirement to acquire hardware, software, or purchased or personal services directly, the agency shall consult with the department of information services.

NEW SECTION. **Sec. 904. VIDEO TELECOMMUNICATIONS.** The department of information services shall act as lead agency in coordinating video telecommunications services for state agencies. As lead agency, the

department shall develop standards and common specifications for leased and purchased telecommunications equipment and assist state agencies in developing a video telecommunications expenditure plan. No agency may spend any portion of any appropriation in this act for new video telecommunication equipment, new video telecommunication transmission, or new video telecommunication programming, or for expanding current video telecommunication systems without first complying with chapter 43.105 RCW, including but not limited to, RCW 43.105.041(2), and without first submitting a video telecommunications expenditure plan, in accordance with the policies of the department of information services, for review and assessment by the department of information services under RCW 43.105.052. Prior to any such expenditure by a public school, a video telecommunications expenditure plan shall be approved by the superintendent of public instruction. The office of the superintendent of public instruction shall submit the plans to the department of information services in a form prescribed by the department. The office of the superintendent of public instruction shall coordinate the use of video telecommunications in public schools by providing educational information to local school districts and shall assist local school districts and educational service districts in telecommunications planning and curriculum development. Prior to any such expenditure by a public institution of postsecondary education, a telecommunications expenditure plan shall be approved by the higher education coordinating board. The higher education coordinating board shall coordinate the use of video telecommunications for instruction and instructional support in postsecondary education, including the review and approval of instructional telecommunications course offerings.

NEW SECTION. **Sec. 905. EMERGENCY FUND ALLOCATIONS.** Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. No appropriation shall be necessary to effect such repayment.

NEW SECTION. **Sec. 906. STATUTORY APPROPRIATIONS.** In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system plan 2, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

NEW SECTION. **Sec. 907. BOND EXPENSES.** In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. **Sec. 908. VOLUNTARY SEPARATION INCENTIVES.** As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may offer voluntary separation and/or downshifting incentives and options according to procedures and guidelines established by the department of personnel and the department of retirement systems in consultation with the office of financial management. The options may include, but are not limited to, financial incentives for: Voluntary resignation, voluntary leave-without-pay, voluntary workweek or work hour reduction, voluntary downward movement, or temporary separation for development purposes. No employee shall have a contractual right to a financial incentive offered pursuant to this section. Agencies shall report on the outcomes of their plans, and offers shall be reviewed and monitored jointly by the department of personnel and the department of retirement systems, for reporting to the office of financial management by June 30, 2009.

NEW SECTION. **Sec. 909. VOLUNTARY RETIREMENT INCENTIVES.** Agencies may implement a voluntary retirement incentive program that is cost neutral or results in cost savings provided that such a program is approved by the director of retirement systems and the office of

financial management. Agencies participating in this authorization are required to submit a report by June 30, 2009, to the legislature and the office of financial management on the outcome of their approved retirement incentive program. The report should include information on the details of the program including resulting service delivery changes, agency efficiencies, the cost of the retirement incentive per participant, the total cost to the state, and the projected or actual net dollar savings over the 2007-09 biennium.

NEW SECTION. **Sec. 910. COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS.** Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed $732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065, but in no case to increase the actuarial value of the plans offered as compared to the comparable plans offered to enrollees in calendar year 2007.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to

RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be $164.08. Starting January 1, 2009, the subsidy shall be $182.89 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, $57.71 per month beginning September 1, 2007, and $65.97 beginning September 1, 2008;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, $57.71 each month beginning September 1, 2007, and $65.97 beginning September 1, 2008, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

NEW SECTION. **Sec. 911. COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS.** The appropriations for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, for represented employees outside the super coalition under chapter 41.80 RCW, shall not exceed $707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed $732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065, but in no case to increase the actuarial value of the plans offered as compared to the comparable plans offered to enrollees in calendar year 2007.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be $164.08. Starting January 1, 2009, the subsidy shall be $182.89 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, $57.71 per month beginning September 1, 2007, and $65.97 beginning September 1, 2008;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, $57.71 each month beginning September 1, 2007, and $65.97 beginning September 1, 2008, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

NEW SECTION. **Sec. 912. COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION.** Collective bargaining agreements negotiated as part of the super coalition under chapter 41.80 RCW include employer contributions to health insurance premiums at 88% of the cost. Funding rates at this level are currently $707 per month for fiscal year 2008 and $732 per month for fiscal year 2009. The agreements also include a one-time payment of $756 for each employee who is eligible for

insurance for the month of June 2007 and is covered by a 2007-2009 collective bargaining agreement negotiated pursuant to chapter 41.80 RCW, and the continuation of the salary increases that were negotiated for the twelve-month period beginning July 1, 2006, and scheduled to terminate June 30, 2007.

NEW SECTION. **Sec. 913. ACROSS THE BOARD SALARY ADJUSTMENTS.** Appropriations for state agency nonrepresented employee compensation adjustments in this act are sufficient for across the board adjustments.

(1) Appropriations are for a 3.2 percent salary increase effective September 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

The appropriations are also sufficient to fund a 3.2 percent salary increase effective September 1, 2007, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(2) Appropriations are for a 2.0 percent salary increase effective September 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to fund a 2.0 percent salary increase effective September 1, 2008, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

NEW SECTION. **Sec. 914. SALARY SURVEY--NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are sufficient for implementation of the department of personnel's 2006 salary survey, for job classes more than 25 percent below market rates and affected classes.

NEW SECTION. **Sec. 915. AGENCY REQUEST CONSOLIDATION--NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are provided solely for implementation of the department of personnel's agency request job class consolidation and reclassification plan. This implementation fully satisfies the conditions specified in the settlement agreement of *WPEA v State/Shroll v. State*.

NEW SECTION. **Sec. 916. CLASSIFICATION CONSOLIDATION--NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are sufficient for implementation of the department of personnel's phase 4 job class consolidation and revisions under chapter 41.80 RCW.

NEW SECTION. **Sec. 917. ADDITIONAL PAY STEP--NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are sufficient for a new pay step L for those who have been in step K for at least one year.

NEW SECTION. **Sec. 918. SHIFT DIFFERENTIAL--NONREPRESENTED EMPLOYEES.** For all classified state agency employees, except those represented by a bargaining unit under chapter 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, the appropriations in this act are sufficient for shift differential pay.

NEW SECTION. **Sec. 919. RETAIN FISCAL YEAR 2007 PAY INCREASE--NONREPRESENTED EMPLOYEES.** For all classified state agency employees, except those represented by a bargaining unit under chapter 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, the appropriations in this act are sufficient for continuation of the 1.6 percent salary increase that was provided during fiscal year 2007. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to continue a 1.6 percent salary increase for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENTS.** (1) Provisions of collective bargaining agreements contained in this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in Part IX of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

(2) Some contracts contain implementation of the department of personnel's phase 4 classification consolidation. This implementation fully satisfies the conditions specified in the settlement agreement of *WPEA v. State/Shroll v. State*.

NEW SECTION. **Sec. 921. COLLECTIVE BARGAINING AGREEMENT--WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select

classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007.

NEW SECTION. **Sec. 922. COLLECTIVE BARGAINING AGREEMENT--WPEA.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington public employees association under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007.

NEW SECTION. **Sec. 923. COLLECTIVE BARGAINING AGREEMENT--TEAMSTERS.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the brotherhood of teamsters under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 2.9 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates, and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007.

Also effective July 1, 2007, corrections and custody officers 1s, 2s, and 3s in Franklin, Snohomish, and Walla Walla counties will receive 5 percent geographic pay. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENT--UFCW.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the united food and commercial workers under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

NEW SECTION. **Sec. 925. COLLECTIVE BARGAINING AGREEMENT--IFPTE LOCAL 17.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international federation of professional and technical engineers under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

NEW SECTION. **Sec. 926. COLLECTIVE BARGAINING AGREEMENT--SEIU 1199.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employee's

international union, local 1199 NW under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project and the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. The office of financial management shall allocate the moneys appropriated in this section in the amounts specified to the state agencies specified in LEAP document number H15 - 2007, and adjust appropriations schedules accordingly.

NEW SECTION. **Sec. 927. COLLECTIVE BARGAINING AGREEMENT--COALITION.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the coalition under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates, and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007. These increases will be effective July 1, 2007.

NEW SECTION. **Sec. 928. COLLECTIVE BARGAINING AGREEMENT--WFSE HIGHER EDUCATION.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington

federation of state employees in higher education under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project and the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

NEW SECTION. **Sec. 929. COLLECTIVE BARGAINING AGREEMENT--WPEA HIGHER EDUCATION.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington public employees association in higher education under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project and the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

NEW SECTION. **Sec. 930. COLLECTIVE BARGAINING AGREEMENT--WESTERN WASHINGTON UNIVERSITY--WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the Western Washington University and the Washington federation of state employees bargaining units A, B, and E. For employees covered under this agreement,

provisions include a 3.2 percent pay increase effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the department of personnel's salary survey for classes more than 25 percent below market rate; a new 2.5 percent step L on the salary grid; and movement of all classified staff at or below pay range 30 to step G of their range, effective July 1, 2007.

NEW SECTION. **Sec. 931. COLLECTIVE BARGAINING AGREEMENT--WESTERN WASHINGTON UNIVERSITY--PSE BARGAINING UNIT PTE.** Appropriations in this act reflect the collective bargaining agreement reached between the Western Washington University and the public school employees bargaining unit PTE. For employees covered under this agreement, the provisions include a 3.2 percent increase effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the department of personnel's salary survey for classes more than 25 percent below market rate; a new 2.5 percent step L on the salary grid; and implementation of phase four of the department of personnel's class consolidation project.

NEW SECTION. **Sec. 932. COLLECTIVE BARGAINING AGREEMENT--WESTERN WASHINGTON UNIVERSITY--PSE BARGAINING UNIT D.** Appropriations in this act reflect the collective bargaining agreement reached between the Western Washington University and the public school employees bargaining unit D. For employees covered under this agreement, the provisions include a 3.2 percent increase effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the department of personnel's salary survey for classes more than 25 percent below market rate; a new 2.5 percent step L on the salary grid; and implementation of phase four of the department of personnel's class consolidation project.

NEW SECTION. **Sec. 933. COLLECTIVE BARGAINING AGREEMENT--CENTRAL WASHINGTON UNIVERSITY--WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the Central Washington University and the Washington federation of state employees. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; phase four of the department of

personnel's class consolidation project; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; and a new 2.5 percent step L on the salary grid.

NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENT--EASTERN WASHINGTON UNIVERSITY--WFSE BU 1.** Appropriations in this act reflect the collective bargaining agreement reached between the Eastern Washington University and the Washington federation of state employees bargaining unit 1. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; phase four of the department of personnel's class consolidation project; a new 2.5 percent step L on the salary grid; and the potential for two $200 one-time payments.

NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT--EASTERN WASHINGTON UNIVERSITY--WFSE BU 2.** Appropriations in this act reflect the collective bargaining agreement reached between the Eastern Washington University and the Washington federation of state employees bargaining unit 2. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; phase four of the department of personnel's class consolidation project; a new 2.5 percent step L on the salary grid; and the potential for two $200 one-time payments.

NEW SECTION. **Sec. 936. COLLECTIVE BARGAINING AGREEMENT--WASHINGTON STATE UNIVERSITY–WSU POLICE GUILD.** Appropriations in this act reflect the collective bargaining agreement reached between the Washington State University and the Washington State University police guild. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; and a new 2.5 percent step L on the salary grid.

NEW SECTION. **Sec. 937. COLLECTIVE BARGAINING AGREEMENT--WASHINGTON STATE UNIVERSITY--WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the Washington State University and the Washington federation of state employees. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; and a new 2.5 percent step L on the salary grid.

NEW SECTION. **Sec. 938. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON--WFSE CAMPUS--WIDE BARGAINING UNIT.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the Washington federation of state employees campus-wide bargaining unit. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; recruitment and retention adjustments for specific classes; increases for classes more than 80 percent below market according to a survey by the University of Washington; and an additional pay step in fiscal year 2009.

NEW SECTION. **Sec. 939. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON--WFSE POLICE MANAGEMENT BARGAINING UNIT.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the Washington federation of state employees police management bargaining unit. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; longevity pay for those with service of 5 years (1%), 10 years (2%), 15 years (3%), 20 years (4%), and 25 years (5%); and a new top step effective fiscal year 2009.

NEW SECTION. **Sec. 940. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON--UWPOA.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the University of Washington police officers

association. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second pay increase of 2.0 percent effective July 1, 2008; an additional top step on the pay grid effective fiscal year 2009; and increases in midcareer pay increments.

NEW SECTION. **Sec. 941. COLLECTIVE BARGAINING AGREEMENT--UNIVERSITY OF WASHINGTON--SEIU 925.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the service employees' international union 925. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second pay increase of 3.0 percent effective July 1, 2008; and market rate adjustments for specific job classes.

NEW SECTION. **Sec. 942. COLLECTIVE BARGAINING AGREEMENT--YAKIMA VALLEY COMMUNITY COLLEGE--WPEA/UFCW.** Appropriations in this act reflect the collective bargaining agreement reached between the Yakima Valley community college and the Washington public employees' association/united food and commercial workers union local 365. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; an increase of 2.0 percent effective July 1, 2008; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; phase four of the department of personnel's class consolidation project; agency requests for reclassification that meet the criteria outlined in RCW 41.06.152; and a new 2.5 percent step L on the salary grid.

NEW SECTION. **Sec. 943. COLLECTIVE BARGAINING AGREEMENT--WSP TROOPERS ASSOCIATION.** Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol trooper's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0 percent salary increase effective July 1, 2007, and a 4.0 percent salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

NEW SECTION. **Sec. 944. COLLECTIVE BARGAINING AGREEMENT--WSP LIEUTENANTS ASSOCIATION.** Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol lieutenant's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0 percent salary increase effective July 1, 2007, and a 4.0 percent salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

NEW SECTION. **Sec. 945. COLLECTIVE BARGAINING AGREEMENT--SEIU LOCAL 775 HOMECARE WORKERS.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employee's international union local 775 under the provisions of chapter 74.39 RCW. For those covered under this agreement, provisions include a base wage increase of $.30 per hour effective July 1, 2007, a base wage increase of $.30 per hour effective July 1, 2008, an additional step to the wage grid for providers with over 14,000 hours, an additional $1.00 per hour for mentor and trainer pay, implementation of mileage reimbursement by July 1, 2008, and state payment of the provider's share of workers compensation. In addition, the state will increase the contribution to health care by 10 percent on July 1, 2008, to $550 per month, and implement an agreed upon approach to shared living.

NEW SECTION. **Sec. 946. COLLECTIVE BARGAINING AGREEMENT--SEIU LOCAL 925 CHILDCARE WORKERS.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employee's international union local 925 under the provisions of chapter 74.15 RCW. For those covered under this agreement, provisions include a subsidy rate increase of 7 percent for licensed homes and 4 percent for exempt providers effective July 1, 2007, a subsidy rate increase of 3 percent for both licensed and exempt providers on July 1, 2008, elimination of a reduced rate for additional children per family on July 1, 2007, for exempt providers, additional incentive pay for nonstandard hours and infant care, training for providers on licensing requirements, and health care for eligible licensed home providers.

Sec. 947. RCW 15.64.050 and 2001 2nd sp.s. c 3 s 2 are each amended to read as follows:

(1) The small farm direct marketing assistance program is created.

(2) The director shall employ a small farm direct marketing assistant.

(3) The small farm direct marketing assistance program shall assist small farms in their direct marketing efforts. In carrying out this duty the program shall:

(a) Assist small farms in complying with federal, state, and local rules and regulations as they apply to direct marketing of agricultural products;

(b) Assist in developing infrastructure to increase direct marketing opportunities for small farms;

(c) Provide information on direct marketing opportunities for small farms;

(d) Promote localized food production systems;

(e) Increase access to information for farmers wishing to sell farm products directly to consumers;

(f) Identify and help reduce market barriers facing small farms in direct marketing;

(g) Assist in developing and submitting proposals to grant programs to assist small farm direct marketing efforts; and

(h) Perform other functions that will assist small farms in directly marketing their products.

((~~(4) This section expires July 1, 2007.~~))

Sec. 948. RCW 28B.15.910 and 2007 c . . . s 1 (ESHB 1497) are each amended to read as follows:

(1) For the purpose of providing state general fund support to public institutions of higher education, except for revenue waived under programs listed in subsections (3) and (4) of this section, and unless otherwise expressly provided in the omnibus state appropriations act, the total amount of operating fees revenue waived, exempted, or reduced by a state university, a regional university, The Evergreen State College, or the community colleges as a whole, shall not exceed the percentage of total gross authorized operating fees revenue in this subsection. As used in this section, "gross authorized operating fees revenue" means the estimated gross operating fees revenue as estimated

under RCW 82.33.020 or as revised by the office of financial management, before granting any waivers. This limitation applies to all tuition waiver programs established before or after July 1, 1992.

(a) University of Washington 21 percent

(b) Washington State University 20 percent

(c) Eastern Washington University 11 percent

(d) Central Washington University 10 percent

(e) Western Washington University 10 percent

(f) The Evergreen State College ((~~6~~)) 10 percent

(g) Community colleges as a whole 35 percent

(2) The limitations in subsection (1) of this section apply to waivers, exemptions, or reductions in operating fees contained in the following:

(a) RCW 28B.15.014;

(b) RCW 28B.15.100;

(c) RCW 28B.15.225;

(d) RCW 28B.15.380;

(e) RCW 28B.15.520;

(f) RCW 28B.15.526;

(g) RCW 28B.15.527;

(h) RCW 28B.15.543;

(i) RCW 28B.15.545;

(j) RCW 28B.15.555;

(k) RCW 28B.15.556;

(l) RCW 28B.15.615;

(m) RCW 28B.15.621(2);

(n) RCW 28B.15.730;

(o) RCW 28B.15.740;

(p) RCW 28B.15.750;

(q) RCW 28B.15.756;

(r) RCW 28B.50.259; and

(s) RCW 28B.70.050.

(3) The limitations in subsection (1) of this section do not apply to waivers, exemptions, or reductions in services and activities fees contained in the following:

(a) RCW 28B.15.522;

(b) RCW 28B.15.540; and

(c) RCW 28B.15.558.

(4) The total amount of operating fees revenue waived, exempted, or reduced by institutions of higher education participating in the western interstate commission for higher education western undergraduate exchange program under RCW 28B.15.544 shall not exceed the percentage of total gross authorized operating fees revenue in this subsection.

(a) Washington State University	1 percent
(b) Eastern Washington University	3 percent
(c) Central Washington University	3 percent

(5) The institutions of higher education will participate in outreach activities to increase the number of veterans who receive tuition waivers. Colleges and universities shall revise the application for admissions so that all applicants shall have the opportunity to advise the institution that they are veterans who need assistance. If a person indicates on the application for admissions that the person is a veteran who is in need of assistance, then the institution of higher education shall ask the person whether they have any funds disbursed in accordance with the Montgomery GI Bill available to them. Each institution shall encourage veterans to utilize funds available to them in accordance with the Montgomery GI Bill prior to providing the veteran a tuition waiver.

Sec. 949. RCW 41.05.065 and 2006 c 299 s 2 are each amended to read as follows:

(1) The board shall study all matters connected with the provision of health care coverage, life insurance, liability insurance, accidental death and dismemberment insurance, and disability income insurance or any of, or a combination of, the enumerated types of insurance for employees and their dependents on the best basis possible with relation both to the welfare of the employees and to the state. However, liability insurance shall not be made available to dependents.

(2) The board shall develop employee benefit plans that include comprehensive health care benefits for all employees. In developing these plans, the board shall consider the following elements:

(a) Methods of maximizing cost containment while ensuring access to quality health care;

(b) Development of provider arrangements that encourage cost

containment and ensure access to quality care, including but not limited to prepaid delivery systems and prospective payment methods;

(c) Wellness incentives that focus on proven strategies, such as smoking cessation, injury and accident prevention, reduction of alcohol misuse, appropriate weight reduction, exercise, automobile and motorcycle safety, blood cholesterol reduction, and nutrition education;

(d) Utilization review procedures including, but not limited to a cost-efficient method for prior authorization of services, hospital inpatient length of stay review, requirements for use of outpatient surgeries and second opinions for surgeries, review of invoices or claims submitted by service providers, and performance audit of providers;

(e) Effective coordination of benefits;

(f) Minimum standards for insuring entities; and

(g) Minimum scope and content of public employee benefit plans to be offered to enrollees participating in the employee health benefit plans. To maintain the comprehensive nature of employee health care benefits, employee eligibility criteria related to the number of hours worked and the benefits provided to employees shall be substantially equivalent to the state employees' health benefits plan and eligibility criteria in effect on January 1, 1993. Nothing in this subsection (2)(g) shall prohibit changes or increases in employee point-of-service payments or employee premium payments for benefits or the administration of a high deductible health plan in conjunction with a health savings account.

<u>(h) During the 2007-2009 fiscal biennium, the board may not make changes to the benefit plans offered to enrollees that increase the net actuarial cost of the plans as compared to the same, or most similar plans, offered for calendar year 2007.</u>

(3) The board shall design benefits and determine the terms and conditions of employee and retired employee participation and coverage, including establishment of eligibility criteria. The same terms and conditions of participation and coverage, including eligibility criteria, shall apply to state employees and to school district employees and educational service district employees.

(4) The board may authorize premium contributions for an employee and the employee's dependents in a manner that encourages the use of

cost-efficient managed health care systems. During the 2005-2007 fiscal biennium, the board may only authorize premium contributions for an employee and the employee's dependents that are the same, regardless of an employee's status as represented or nonrepresented by a collective bargaining unit under the personnel system reform act of 2002. The board shall require participating school district and educational service district employees to pay at least the same employee premiums by plan and family size as state employees pay.

(5) The board shall develop a health savings account option for employees that conform to section 223, Part VII of subchapter B of chapter 1 of the internal revenue code of 1986. The board shall comply with all applicable federal standards related to the establishment of health savings accounts.

(6) Notwithstanding any other provision of this chapter, the board shall develop a high deductible health plan to be offered in conjunction with a health savings account developed under subsection (5) of this section.

(7) Employees shall choose participation in one of the health care benefit plans developed by the board and may be permitted to waive coverage under terms and conditions established by the board.

(8) The board shall review plans proposed by insuring entities that desire to offer property insurance and/or accident and casualty insurance to state employees through payroll deduction. The board may approve any such plan for payroll deduction by insuring entities holding a valid certificate of authority in the state of Washington and which the board determines to be in the best interests of employees and the state. The board shall promulgate rules setting forth criteria by which it shall evaluate the plans.

(9) Before January 1, 1998, the public employees' benefits board shall make available one or more fully insured long-term care insurance plans that comply with the requirements of chapter 48.84 RCW. Such programs shall be made available to eligible employees, retired employees, and retired school employees as well as eligible dependents which, for the purpose of this section, includes the parents of the employee or retiree and the parents of the spouse of the employee or retiree. Employees of local governments and employees of political subdivisions not otherwise enrolled in the public employees' benefits board sponsored medical programs may enroll under terms and conditions

established by the administrator, if it does not jeopardize the financial viability of the public employees' benefits board's long-term care offering.

(a) Participation of eligible employees or retired employees and retired school employees in any long-term care insurance plan made available by the public employees' benefits board is voluntary and shall not be subject to binding arbitration under chapter 41.56 RCW. Participation is subject to reasonable underwriting guidelines and eligibility rules established by the public employees' benefits board and the health care authority.

(b) The employee, retired employee, and retired school employee are solely responsible for the payment of the premium rates developed by the health care authority. The health care authority is authorized to charge a reasonable administrative fee in addition to the premium charged by the long-term care insurer, which shall include the health care authority's cost of administration, marketing, and consumer education materials prepared by the health care authority and the office of the insurance commissioner.

(c) To the extent administratively possible, the state shall establish an automatic payroll or pension deduction system for the payment of the long-term care insurance premiums.

(d) The public employees' benefits board and the health care authority shall establish a technical advisory committee to provide advice in the development of the benefit design and establishment of underwriting guidelines and eligibility rules. The committee shall also advise the board and authority on effective and cost-effective ways to market and distribute the long-term care product. The technical advisory committee shall be comprised, at a minimum, of representatives of the office of the insurance commissioner, providers of long-term care services, licensed insurance agents with expertise in long-term care insurance, employees, retired employees, retired school employees, and other interested parties determined to be appropriate by the board.

(e) The health care authority shall offer employees, retired employees, and retired school employees the option of purchasing long-term care insurance through licensed agents or brokers appointed by the long-term care insurer. The authority, in consultation with the public

employees' benefits board, shall establish marketing procedures and may consider all premium components as a part of the contract negotiations with the long-term care insurer.

(f) In developing the long-term care insurance benefit designs, the public employees' benefits board shall include an alternative plan of care benefit, including adult day services, as approved by the office of the insurance commissioner.

(g) The health care authority, with the cooperation of the office of the insurance commissioner, shall develop a consumer education program for the eligible employees, retired employees, and retired school employees designed to provide education on the potential need for long-term care, methods of financing long-term care, and the availability of long-term care insurance products including the products offered by the board.

(h) By December 1998, the health care authority, in consultation with the public employees' benefits board, shall submit a report to the appropriate committees of the legislature, including an analysis of the marketing and distribution of the long-term care insurance provided under this section.

Sec. 950. RCW 43.08.250 and 2005 c 518 s 926, 2005 c 457 s 8, and 2005 c 282 s 44 are each reenacted and amended to read as follows:

(1) The money received by the state treasurer from fees, fines, forfeitures, penalties, reimbursements or assessments by any court organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be deposited in the public safety and education account which is hereby created in the state treasury. The legislature shall appropriate the funds in the account to promote traffic safety education, highway safety, criminal justice training, crime victims' compensation, judicial education, the judicial information system, civil representation of indigent persons under RCW 2.53.030, winter recreation parking, drug court operations, and state game programs. ((~~During~~)) Through the fiscal biennium ending June 30, ((~~2007~~)) 2009, the legislature may appropriate moneys from the public safety and education account for purposes of appellate indigent defense and other operations of the office of public defense, the criminal litigation unit of the attorney general's office, the treatment alternatives to street crimes program, crime victims advocacy programs, justice

information network telecommunication planning, treatment for supplemental security income clients, sexual assault treatment, operations of the administrative office of the courts, security in the common schools, alternative school start-up grants, programs for disruptive students, criminal justice data collection, Washington state patrol criminal justice activities, drug court operations, unified family courts, local court backlog assistance, financial assistance to local jurisdictions for extraordinary costs incurred in the adjudication of criminal cases, domestic violence treatment and related services, the department of corrections' costs in implementing chapter 196, Laws of 1999, reimbursement of local governments for costs associated with implementing criminal and civil justice legislation, the replacement of the department of corrections' offender-based tracking system, secure and semi-secure crisis residential centers, HOPE beds, the family policy council and community public health and safety networks, the street youth program, public notification about registered sex offenders, and narcotics or methamphetamine-related enforcement, education, training, and drug and alcohol treatment services.

(2)(a) The equal justice subaccount is created as a subaccount of the public safety and education account. The money received by the state treasurer from the increase in fees imposed by sections 9, 10, 12, 13, 14, 17, and 19, chapter 457, Laws of 2005 shall be deposited in the equal justice subaccount and shall be appropriated only for:

(i) Criminal indigent defense assistance and enhancement at the trial court level, including a criminal indigent defense pilot program;

(ii) Representation of parents in dependency and termination proceedings;

(iii) Civil legal representation of indigent persons; and

(iv) Contribution to district court judges' salaries and to eligible elected municipal court judges' salaries.

(b) For the 2005-07 fiscal biennium, an amount equal to twenty-five percent of revenues to the equal justice subaccount, less one million dollars, shall be appropriated from the equal justice subaccount to the administrator for the courts for purposes of (a)(iv) of this subsection. For the 2007-09 fiscal biennium and subsequent fiscal biennia, an amount equal to fifty percent of revenues to the equal

justice subaccount shall be appropriated from the equal justice subaccount to the administrator for the courts for the purposes of (a)(iv) of this subsection.

Sec. 951. RCW 43.10.180 and 2005 c 518 s 927 are each amended to read as follows:

(1) The attorney general shall keep such records as are necessary to facilitate proper allocation of costs to funds and agencies served and the director of financial management shall prescribe appropriate accounting procedures to accurately allocate costs to funds and agencies served. Billings shall be adjusted in line with actual costs incurred at intervals not to exceed six months.

(2) During the ((~~2005~~)) 2007-2009 fiscal biennium, all expenses for administration of the office of the attorney general shall be allocated to and paid from the legal services revolving fund in accordance with accounting procedures prescribed by the director of financial management.

Sec. 952. RCW 43.60A.165 and 2006 c 343 s 4 are each amended to read as follows:

The defenders' fund is created to provide assistance to members of the Washington national guard and reservists who served in Operation Enduring Freedom, Operation Iraqi Freedom, or Operation Noble Eagle, and who are experiencing financial hardships in employment, education, housing, and health care due to the significant period of time away from home serving our country. The program shall be administered by the department. Eligibility determinations shall be made by the department. Eligible veterans may receive a one-time grant of no more than five hundred dollars, except that for the 2007-2009 biennium, the one-time grant may not exceed one thousand dollars.

Sec. 953. RCW 46.09.170 and 2004 c 105 s 6 are each amended to read as follows:

(1) From time to time, but at least once each year, the state treasurer shall refund from the motor vehicle fund one percent of the motor vehicle fuel tax revenues collected under chapter 82.36 RCW, based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per

gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (c) twenty-one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty-three cents per gallon of motor vehicle fuel beginning July 1, 2011, and thereafter, less proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

(2) The treasurer shall place these funds in the general fund as follows:

(a) Thirty-six percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of natural resources solely for acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities, and information programs and maintenance of nonhighway roads;

(b) Three and one-half percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of fish and wildlife solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and the maintenance of nonhighway roads;

(c) Two percent shall be credited to the ORV and nonhighway vehicle account and administered by the parks and recreation commission solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities; and

(d) Fifty-eight and one-half percent shall be credited to the nonhighway and off-road vehicle activities program account to be administered by the committee for planning, acquisition, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and for education, information, and law enforcement programs. The funds under this subsection shall be expended in accordance with the following limitations:

(i) Not more than thirty percent may be expended for education, information, and law enforcement programs under this chapter;

(ii) Not less than seventy percent may be expended for ORV, nonmotorized, and nonhighway road recreation facilities. Except as provided in (d)(iii) of this subsection, of this amount:

(A) Not less than thirty percent, together with the funds the

committee receives under RCW 46.09.110, may be expended for ORV recreation facilities;

(B) Not less than thirty percent may be expended for nonmotorized recreation facilities. Funds expended under this subsection (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation facilities funds; and

(C) Not less than thirty percent may be expended for nonhighway road recreation facilities;

(iii) The committee may waive the minimum percentage cited in (d)(ii) of this subsection due to insufficient requests for funds or projects that score low in the committee's project evaluation. Funds remaining after such a waiver must be allocated in accordance with committee policy.

(3) On a yearly basis an agency may not, except as provided in RCW 46.09.110, expend more than ten percent of the funds it receives under this chapter for general administration expenses incurred in carrying out this chapter.

(4) During the ((~~2003-05~~)) 2007-09 fiscal biennium, the legislature may appropriate such amounts as reflect the excess fund balance in the NOVA account to ((~~the interagency committee for outdoor recreation,~~)) the department of natural resources((~~, the department of fish and wildlife, and the state parks and recreation commission~~)) for planning and designing consistent off-road vehicle signage at department-managed recreation sites, and for planning recreation opportunities on department-managed lands in the Reiter block and Ahtanum state forest. This appropriation is not required to follow the specific distribution specified in subsection (2) of this section.

Sec. 954. RCW 70.105D.070 and 2005 c 488 s 926 are each amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter;

and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;

(vii) Hazardous materials emergency response training;

(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; and

(xii) Development and demonstration of alternative management technologies designed to carry out the top two hazardous waste management priorities of RCW 70.105.150.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed

under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from abandoned or derelict vessels that pose a threat to human health or the environment. For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel. Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During the 1999-2001 fiscal biennium, moneys in the account may also be used for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2005-2007 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as specified in the omnibus capital budget bill. During the ((~~2005-2007~~)) 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(b) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) One percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in lobbying activities, and applicants may not be awarded grants if their cumulative grant awards under this section exceed two hundred thousand dollars. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation.

(7) The department shall adopt rules for grant or loan issuance and performance.

((~~(8) During the 2005-2007 fiscal biennium, the legislature may transfer from the state toxics control account to the water quality account such amounts as reflect the excess fund balance of the fund.~~))

Sec. 955. RCW 70.146.030 and 2005 c 518 s 940 and 2005 c 514 s 1108 are each reenacted and amended to read as follows:

(1) The water quality account is hereby created in the state treasury. Moneys in the account may be used only in a manner consistent with this chapter. Moneys deposited in the account shall be administered by the department of ecology and shall be subject to legislative appropriation. Moneys placed in the account shall include tax receipts as provided in RCW 82.24.027, 82.24.026(2)(d), ((~~82.26.025,~~)) and 82.32.390, principal and interest from the repayment of any loans granted pursuant to this chapter, and any other moneys appropriated to the account by the legislature.

(2) The department may use or permit the use of any moneys in the account to make grants or loans to public bodies, including grants to

public bodies as cost-sharing moneys in any case where federal, local, or other funds are made available on a cost-sharing basis, for water pollution control facilities and activities, or for purposes of assisting a public body to obtain an ownership interest in water pollution control facilities and/or to defray a part of the payments made by a public body to a service provider under a service agreement entered into pursuant to RCW 70.150.060, within the purposes of this chapter and for related administrative expenses. For the period July 1, ((~~2005~~)) 2007, to June 30, ((~~2007~~)) 2009, moneys in the account may be used to process applications received by the department that seek to make changes to or transfer existing water rights and for other water resources and water quality activities, for water conveyance projects, shoreline technical assistance. Puget Sound education and outreach and for grants and technical assistance to public bodies for watershed planning under chapter 90.82 RCW. No more than three percent of the moneys deposited in the account may be used by the department to pay for the administration of the grant and loan program authorized by this chapter.

(3) Beginning with the biennium ending June 30, 1997, the department shall present a biennial progress report on the use of moneys from the account to the chairs of the senate committee on ways and means and the house of representatives committee on appropriations. The first report is due June 30, 1996, and the report for each succeeding biennium is due December 31st of the odd-numbered year. The report shall consist of a list of each recipient, project description, and amount of the grant, loan, or both.

Sec. 956. RCW 70.146.080 and 2005 c 518 s 941 are each amended to read as follows:

Within thirty days after June 30, 1987, and within thirty days after each succeeding fiscal year thereafter, the state treasurer shall determine the tax receipts deposited into the water quality account for the preceding fiscal year. If the tax receipts deposited into the account in each of the fiscal years 1988 and 1989 are less than forty million dollars, the state treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total receipts in each fiscal year up to forty million dollars.

For the biennium ending June 30, 1991, if the tax receipts deposited into the water quality account and the earnings on investment of balances credited to the account are less than ninety million dollars, the treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total revenue up to ninety million dollars. The determination and transfer shall be made by July 31, 1991.

For fiscal year 1992 and for fiscal years 1995 and 1996 and thereafter, if the tax receipts deposited into the water quality account for each fiscal year are less than forty-five million dollars, the treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total revenue up to forty-five million dollars. However, during the ((~~2005-2007~~)) 2007-2009 fiscal biennium, the legislature may specify the transfer of a different amount in the operating budget bill. Determinations and transfers shall be made by July 31 for the preceding fiscal year.

Sec. 957. RCW 74.08A.340 and 2006 c 265 s 209 are each amended to read as follows:

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.200 through 74.08A.330, 43.330.145, 74.13.0903 and 74.25.040, and chapter 74.12 RCW within the following constraints:

(1) The full amount of the temporary assistance for needy families block grant, plus qualifying state expenditures as appropriated in the biennial operating budget, shall be appropriated to the department each year in the biennial appropriations act to carry out the provisions of the program authorized in RCW 74.08A.200 through 74.08A.330, 43.330.145, 74.13.0903 and 74.25.040, and chapter 74.12 RCW.

(2)(a) The department may expend funds defined in subsection (1) of this section in any manner that will effectively accomplish the outcome measures defined in RCW 74.08A.410 with the following exception: Beginning with the 2007-2009 biennium, funds that constitute the working connections child care program, child care quality programs, and child care licensing functions.

(b) Beginning in the 2007-2009 fiscal biennium, the legislature shall appropriate and the departments of early learning and social and health services shall expend funds defined in subsection (1) of this

section that constitute the working connections child care program, child care quality programs, and child care licensing functions in a manner that is consistent with the outcome measures defined in RCW 74.08A.410.

(c) No more than fifteen percent of the amount provided in subsection (1) of this section may be spent for administrative purposes. For the purpose of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193. The department shall not increase grant levels to recipients of the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW.

(3) The department shall implement strategies that accomplish the outcome measures identified in RCW 74.08A.410 that are within the funding constraints in this section. Specifically, the department shall implement strategies that will cause the number of cases in the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW to decrease by at least fifteen percent during the 1997-99 biennium and by at least five percent in the subsequent biennium. The department may transfer appropriation authority between funding categories within the economic services program in order to carry out the requirements of this subsection.

(4) The department shall monitor expenditures against the appropriation levels provided for in subsection (1) of this section. The department shall quarterly make a determination as to whether expenditure levels will exceed available funding and communicate its finding to the legislature. If the determination indicates that expenditures will exceed funding at the end of the fiscal year, the department shall take all necessary actions to ensure that all services provided under this chapter shall be made available only to the extent of the availability and level of appropriation made by the legislature.

Sec. 958. RCW 79.64.040 and 2005 c 518 s 945 are each amended to read as follows:

(1) The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the moneys received from all leases, sales, contracts, licenses, permits, easements, and rights of way

issued by the department and affecting state lands and aquatic lands, provided that no deduction shall be made from the proceeds from agricultural college lands.

(2) Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been subjected to deduction under this section are not subject to deduction under this section.

(3) Except as otherwise provided in subsection (5) of this section, the deductions authorized under this section shall not exceed twenty-five percent of the moneys received by the department in connection with any one transaction pertaining to state lands and aquatic lands other than second class tide and shore lands and the beds of navigable waters, and fifty percent of the moneys received by the department pertaining to second class tide and shore lands and the beds of navigable waters.

(4) In the event that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys received subject to this section are the net proceeds from the contract harvesting sale.

(5) During the ((~~2005-2007~~)) 2007-2009 fiscal biennium, the twenty-five percent limitation on deductions set in subsection (3) of this section may be increased up to thirty percent by the board((~~. If so increased, the department must provide a report by January 9, 2006, to the appropriate committees of the legislature on the use of the increased amount~~)), provided the total amount deducted does not exceed the total appropriations in the operating and capital budgets for the fiscal period. At the end of the fiscal period, any amounts deducted in excess of the appropriations shall be transferred to the appropriate beneficiary distribution accounts.

NEW SECTION. **Sec. 959.** A new section is added to chapter 28A.630 RCW to read as follows:

(1)(a) Research has shown that early, intensive interventions can significantly improve reading, written language, and mathematics skills for children who are struggling academically. This early research-based assistance has been successful in reducing the number of children who require specialized programs. Research further suggests that the disabilities of many students with mild and moderate disabilities are

correctable through strategic early intervention and the students do not necessitate special education eligibility. However, by being effective in reducing the number of students eligible for these programs, school district funding is reduced.

(b) The purpose of the program in this section is to continue support to the existing pilot districts and to encourage other school districts to participate as pilot districts to improve the implementation of high quality general education research-based core instructional programs to meet the needs of students struggling academically, while reducing the number of students inappropriately referred and placed in special education under the specific learning disability eligibility category because of ineffective instructional practices. This will allow special education programs to concentrate specially designed instruction on students who truly require special education services. The goal of this assistance is to effectively address reading, written language, and mathematics difficulties resulting in a substantially greater proportion of students meeting the progressively increasing performance standards for both the aggregate and disaggregated subgroups under federal law.

(c) The participating pilot districts implementing the special services pilot program have met the goals of the pilot program resulting in (i) a substantial number of underachieving students meeting the progressively increasing reading performance standards and (ii) a reduction in the number of children who require special education.

(2) Seven school districts may participate in the special services pilot program, including two school districts already participating and five additional school districts. The special services pilot program shall begin in the 2007-08 school year and conclude in the 2010-11 school year.

(3) School districts participating in the pilot program shall receive state special education funding in accordance with state special education funding formulas and a separate pilot program appropriation from sources other than special education funds. The separate appropriation shall be: (a) The school district's estimated state special education funding for the current year based on the school district's average percentage of students age three through twenty-one who were eligible for special education services for the

school year before participation as a pilot program as reported to the office of the superintendent of public instruction; minus (b) the school district's actual state special education funding based on the district's current percentage of students age three through twenty-one eligible for special education services as reported to the superintendent of public instruction.

The superintendent shall adjust the factors in (a) of this subsection for one or more participating school districts, where legislative changes to the special education funding formula impact the funding mechanism of this program.

(4) Participation in the pilot program shall not increase or decrease a district's ability to access the safety net for high-cost students by virtue of the district's participation in the program. Districts participating in the pilot program shall have access to the special education safety net using a modified application approach for the office of the superintendent of public instruction demonstration of financial need. The superintendent shall create a modified application to include all special education revenues received by the district, all pilot program funding, expenditures for students with individual education programs, and expenditures for students generating pilot program revenue. Districts participating in the pilot program that seek safety net funding shall convincingly demonstrate to the safety net committee that any change in demonstrated need is not attributable to their participation in this pilot program.

(5) School districts participating in the program must agree to:

(a) Implement the program as part of the school district's general education curriculum for all students;

(b) Use a multitiered service delivery system to provide scientific research-based instructional interventions addressing individual student needs in the areas of reading, written language, or mathematics;

(c) Develop and implement an assessment system to conduct universal screening, progress monitoring, targeted assessments, and outcome assessments to identify the reading, written language, or mathematics needs of each student and to monitor student progress;

(d) Incorporate student-specific data obtained through the pilot program when conducting an evaluation to determine if the student has a disability;

(e) Assure that parents are informed of: The amount and nature of student performance data that is collected and the general education services that are provided; the strategies for increasing the student's rate of learning; the parents' right to make a referral for special education evaluation if they suspect the student has a disability; and the parents' right to have input into designed interventions;

(f) Assure that parents are provided assessments of achievement at reasonable intervals addressing student progress during instruction;

(g) Actively engage parents as partners in the learning process;

(h) Comply with state special education requirements; and

(i) Participate and provide staff expertise in the design and implementation of an evaluation of the program as determined by the superintendent of public instruction. Districts shall annually review and report progress, including objective measures or indicators that show the progress towards achieving the purpose and goal of the program, to the office of the superintendent of public instruction.

(6) By December 15, 2010, the superintendent of public instruction shall submit a report to the governor and appropriate committees of the legislature that summarizes the effectiveness of the pilot program in this section. The report shall also include a recommendation as to whether or not the pilot program should be continued, expanded, or otherwise modified.

(7) This section expires June 30, 2011.

NEW SECTION. **Sec. 960.** The governor's committee on disability issues and employment is supported through resources provided by state agencies. Within appropriations contained in this act, the office of financial management shall direct agencies that report directly to the governor to enter into contracts with the governor's committee on disability issues and employment for a total level not to exceed $377,000 for fiscal year 2008 and $398,000 for fiscal year 2009.

NEW SECTION. **Sec. 961.** A legislative task force on laws related to community custody and community supervision is created as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism).

(1) The task force shall be composed of fifteen members appointed in the following manner:

(a) The president of the senate shall appoint one member from each of the two largest caucuses of the senate;

(b) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives;

(c) The governor shall appoint the chair of the task force and the following members:

(i) A superior court judge;

(ii) A representative of a prosecutor's association;

(iii) A defense attorney or representative of an organization of defense attorneys;

(iv) A representative of local elected officials;

(v) A sheriff or representative of an organization of sheriffs;

(vi) A police chief or representative of an organization of police chiefs;

(vii) A community corrections officer;

(viii) A crime victim or advocate; and

(d) The following agencies shall also be represented on the committee:

(i) The attorney general, or the attorney general's designee; and

(ii) The secretary of the department of corrections, or the secretary's designee.

(2) The task force shall, with input from the public and other interested organizations, review and analyze statutes related to community custody and community supervision of offenders and make specific recommendations, if any, for modifications to those statutes that would reduce ambiguity in the law and enable the department of corrections and its community corrections officers to more easily identify statutory requirements associated with an offender's sentence and an offender's term of community custody or supervision; and more effectively respond to an offender's behavior by imposing appropriate and timely sanctions when necessary. Whenever possible, recommendations in the report shall site to specific evidence-based or promising programs to support the recommendation, or to sources such as the Washington institute for public policy, the national institute for justice, or the bureau of justice assistance.

(3) The task force shall submit its report and recommendations to the governor and the legislature by November 1, 2007.

(4) Staff support shall be provided by the office of financial management, senate committee services, and the house of representatives office of program research. The Washington state institute for public policy, the department of corrections, and the sentencing guidelines commission shall cooperate with the task force and provide information and support reasonably requested by the task force. Nonlegislative members of the task force shall serve without compensation, but shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060. Legislative members of the task force shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

NEW SECTION. **Sec. 962.** (1) The legislature intends to improve the administration and coordination of state information technology. The legislature finds that opportunities are being missed to use the expertise in the department of information services and to leverage the purchasing power of the department to drive down the cost of securing information services.

(2) The office of financial management, the department of information services, and the legislature shall form a 2007 interim workgroup on improving state strategies, administration, and coordination of information technology. The workgroup shall consist of:

(a) The director or designee of the department of information services, and the director or designee of the office of financial management;

(b) A member of the information services board;

(c) Two members of the senate, appointed by the president of the senate, one member from each of the two largest caucuses of the senate;

(d) Two members of the house of representatives, appointed by the speaker of the house, one member from each of the two largest caucuses of the house of representatives;

(e) The workgroup shall invite representatives of the following to participate:

(i) One large state agency;

(ii) One small agency;

(iii) The state board for community and technical colleges;

(iv) The state library;

(v) A research university;

(vi) A regional university; and

(vii) Two members of the public.

(f) The workgroup shall choose its cochairs from among its legislative membership.

(3) The workgroup shall review the following issues:

(a) A statewide information services strategy;

(b) The approval and oversight process of information technology projects;

(c) Leveraging the expertise and purchasing power of the department of information services;

(d) Strengthening the role of the information services board in enhancing the utilization of services offered by the department of information services; and

(e) Opportunities to provide cost efficient and equitable access to digital resources, including online databases, for faculty and students at public institutions of higher education, state employees, and the public.

(4) As part of its review, the workgroup shall consider approaches used in other states to achieve its goals.

(5) Staff support for the workgroup shall be provided by the senate committee services, the house of representatives office of program research, the office of financial management, and the department of information services.

(6) Legislative members of the workgroup shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(7) The task force shall report its findings and recommendations to the governor and the appropriate committees of the legislature by December 1, 2007.

(8) This section expires December 31, 2007.

(End of part)

PART X
GENERAL GOVERNMENT

Sec. 1001. 2006 c 372 s 108 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund--State Appropriation (FY 2006) $6,095,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$6,397,000~~))
$6,401,000
Pension Funding Stabilization Account Appropriation $37,000
TOTAL APPROPRIATION . . . . . ((~~$12,529,000~~))
$12,533,000

Sec. 1002. 2006 c 372 s 111 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund--State Appropriation (FY 2006) $13,916,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$14,393,000~~))
$14,447,000
Pension Funding Stabilization Account Appropriation $80,000
TOTAL APPROPRIATION . . . . . ((~~$28,389,000~~))
$28,443,000

Sec. 1003. 2006 c 372 s 112 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund--State Appropriation (FY 2006) $19,834,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$21,298,000~~))
$21,340,000
Public Safety and Education Account--State
Appropriation . . . . . ((~~$50,277,000~~))
$50,300,000
Judicial Information Systems Account--State
Appropriation $26,051,000
Pension Funding Stabilization Account Appropriation $96,000
TOTAL APPROPRIATION . . . . . ((~~$117,556,000~~))

$117,621,000

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

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

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

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

(4) The distributions made under subsection (3) of this section and distributions from the county criminal justice assistance account made

pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

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

(6) $82,000 of the general fund--state appropriation for fiscal year 2006 and $82,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1112 (creating an additional superior court position). If the bill is not enacted by June 30, 2005, the amounts in this subsection shall lapse.

(7) $75,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the implementation of Substitute House Bill No. 1854 (driving privilege) and Engrossed Second Substitute Senate Bill No. 5454 (court operations). If neither bill is enacted by June 30, 2005, the amount in this subsection shall lapse.

(8) $569,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the juror pay pilot and research project.

<u>(9) Any contract committing judicial information systems account moneys in the 2007-2009 biennium for replacement of the core case management system shall be agreed to only to meet the conditions specified in section 113 of this act. If the conditions have been met, additional contracts may be signed.</u>

Sec. 1004. 2006 c 372 s 114 (uncodified) is amended to read as follows:

FOR THE OFFICE OF CIVIL LEGAL AID

General Fund--State Appropriation (FY 2006) $3,083,000

General Fund--State Appropriation (FY 2007) $3,232,000
Public Safety and Education Account--State
Appropriation $4,705,000
Violence Reduction and Drug Enforcement Account--
State Appropriation $2,987,000
TOTAL APPROPRIATION $14,007,000

The appropriations in this section are subject to the following conditions and limitations: An amount not to exceed $40,000 of the general fund--state appropriation for fiscal year 2007 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years or older on matters authorized by RCW 2.53.030(2)(a) through (k) regardless of household income or asset level.

Sec. 1005. 2006 c 372 s 118 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund--State Appropriation (FY 2006) $21,593,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$18,473,000~~))
$19,028,000
General Fund--Federal Appropriation $7,099,000
General Fund--Private/Local Appropriation $207,000
Archives and Records Management Account--State
Appropriation $8,210,000
Department of Personnel Services Account--State
Appropriation $721,000
Local Government Archives Account--State
Appropriation $12,398,000
Election Account--Federal Appropriation $53,010,000
Pension Funding Stabilization Account Appropriation $66,000
TOTAL APPROPRIATION . . . . . ((~~$121,777,000~~))
$122,332,000

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

(1) $3,472,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting

mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) $2,441,000 of the general fund--state appropriation for fiscal year 2006 and $2,403,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

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

(4)(a) $2,028,004 of the general fund--state appropriation for fiscal year 2006 and $2,382,772 of the general fund--state appropriation for fiscal year 2007 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2005-07 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in (a) and (b) of this subsection have been satisfactorily documented.

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

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

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

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

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

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

(5) $196,000 of the general fund--state appropriation for fiscal year 2006 and $173,000 of the general fund--state appropriation for fiscal year 2007 are provided for the implementation of House Bill No. 1749 (county election procedures). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) $110,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the purposes of settling all claims in *Washington State Democratic Party, et al. v. Sam S. Reed, et al.,* United States District Court Western District of Washington at Tacoma Cause No. C00-5419FDB and related appeal. The expenditure of this appropriation is contingent on the release of all claims in the case and related appeal, and total settlement costs shall not exceed the appropriation in this subsection.

(7) $131,000 of the general fund--state appropriation for fiscal year 2006 and $196,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

Sec. 1006. 2006 c 372 s 122 (uncodified) is amended to read as follows:

FOR THE STATE AUDITOR

General Fund--State Appropriation (FY 2006) $1,258,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$351,000~~))
<u>$748,000</u>

State Auditing Services Revolving Account--State
Appropriation $14,011,000

Pension Funding Stabilization Account Appropriation $4,000

TOTAL APPROPRIATION . . . . . ((~~$15,624,000~~))
<u>$16,021,000</u>

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

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

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

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

(4) $100,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the implementation of Engrossed Substitute House Bill No. 1064 (government performance).

(5) $16,000 of the general fund--state appropriation for fiscal year 2006 is provided for a review of special education excess cost accounting and reporting requirements. The state auditor's office shall coordinate this work with the joint legislative audit and review committee's review of the special education excess cost accounting methodology and expenditure reporting requirements. The state auditor's review shall include an examination of whether school districts are (a) appropriately implementing the excess cost accounting

methodology; (b) consistently charging special education expenses to the special education and basic education programs; (c) appropriately determining the percentage of expenditures that should be charged to the special education and basic education programs; and (d) appropriately and consistently reporting special education expenditures. The results of this review will be included in the joint legislative audit and review committee's report issued in January 2006.

Sec. 1007. 2006 c 372 s 124 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund--State Appropriation (FY 2006) $5,724,000
General Fund--State Appropriation (FY 2007) $5,844,000
General Fund--Federal Appropriation $3,428,000
Public Safety and Education Account--State
Appropriation $2,307,000
New Motor Vehicle Arbitration Account--State
Appropriation $1,315,000
Legal Services Revolving Account--State
Appropriation . . . . . ((~~$191,627,000~~))
$195,307,000
Tobacco Prevention and Control Account--State
Appropriation $270,000
Pension Funding Stabilization Account Appropriation $21,000
TOTAL APPROPRIATION . . . . . ((~~$210,536,000~~))
$214,216,000

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

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

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the

chairs of the senate committee on ways and means and the house of representatives committee on appropriations.

Sec. 1008. 2006 c 372 s 126 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

General Fund--State Appropriation (FY 2006) $67,758,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$60,229,000~~))
$60,992,000
General Fund--Federal Appropriation . . . . . ((~~$258,085,000~~))
$257,888,000
General Fund--Private/Local Appropriation $12,422,000
Public Safety and Education Account--State
Appropriation $5,443,000
Public Works Assistance Account--State
Appropriation $3,430,000
Tourism Development and Promotion Account
Appropriation $300,000
Drinking Water Assistance Administrative Account--
State Appropriation $345,000
Lead Paint Account--State Appropriation $6,000
Building Code Council Account--State Appropriation $1,133,000
Administrative Contingency Account--State
Appropriation $1,809,000
Low-Income Weatherization Assistance Account--State
Appropriation $8,362,000
Violence Reduction and Drug Enforcement Account--State
Appropriation $7,234,000
Manufactured Home Installation Training Account--State
Appropriation $240,000
Community and Economic Development Fee Account--State
Appropriation $1,570,000
Washington Housing Trust Account--State
Appropriation $33,536,000
Homeless Families Services Account--State
Appropriation $300,000
Public Facility Construction Loan Revolving
Account--State Appropriation $616,000

Pension Funding Stabilization Account Appropriation $87,000

TOTAL APPROPRIATION . . . . . ((~~$462,905,000~~)) $463,471,000

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

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

(2) $5,902,000 of the general fund--federal appropriation is provided solely for the justice assistance grant program, to be distributed in state fiscal year 2006 as follows:

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

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

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

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

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

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

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

(h) $626,000 to the department of social and health services to continue youth violence prevention and intervention projects;

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

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

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

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

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

(3) $3,600,000 of the general fund--federal appropriation is provided solely for the justice assistance grant program, to be distributed in state fiscal year 2007 as follows:

(a) $2,013,000 to local units of government to continue multijurisdictional narcotics task forces;

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

(c) $675,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces;

(d) $110,000 to the department to support the governor's council on substance abuse;

(e) $97,000 to the department to continue evaluation of the justice assistance grant program;

(f) $360,000 to the department for required grant administration, monitoring, and reporting on justice assistance grant programs; and

(g) $15,000 to the department for a tribal and local law enforcement statewide summit.

(4) $1,658,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for multijurisdictional drug task forces. The funding for this amount, and the amounts provided in subsection (3)(a) and (b) of this section, will be distributed in a manner so that all drug task forces funded in fiscal year 2004 will receive funding in fiscal year 2007 at amounts similar to the amounts received in fiscal year 2004.

(5) $170,000 of the general fund--state appropriation for fiscal year 2006 and $700,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to fund domestic violence legal advocacy, in recognition of reduced federal grant funding.

(6) $28,848,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for providing early childhood education assistance. Of this amount, $1,497,000 is provided solely to increase the number of children receiving education, and $1,052,000 is provided solely for a targeted vendor rate increase.

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

(8) $1,288,000 of the Washington housing trust account--state appropriation is provided solely to implement Engrossed House Bill No. 1074. If the bill is not enacted by June 30, 2005, the amounts in this subsection shall lapse.

(9) $725,000 of the general fund--state appropriation for fiscal year 2006 and $725,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for food banks to obtain and distribute additional nutritious food; and purchase equipment to transport and store perishable products.

(10) $1,000,000 of the general fund--state appropriation for fiscal year 2006 and $1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the community services block grant program to help meet current service demands that exceed available community action resources.

(11) $215,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for matching funds for a federal economic development administration grant awarded to the city of Kent to conduct a feasibility study and economic analysis for the establishment of a center for advanced manufacturing.

(12) $20,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the department to compile a report on housing stock in Washington state to identify areas of potentially high risk for child lead exposure. This report shall include an analysis of existing data regarding the ages of housing stock in specific regions and an analysis of data regarding actual lead poisoning cases, which shall be provided by the department of health's childhood lead poisoning surveillance program.

(13) $150,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the Cascade land conservancy to develop and implement a plan for regional conservation within King, Kittitas, Pierce, and Snohomish counties.

(14) $50,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the support, including safety and security costs, of the America's freedom salute to be held in the Vancouver, Washington area.

(15) $250,000 of the general fund--state appropriation for fiscal year 2006 and $250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to Snohomish county for a law enforcement and treatment methamphetamine pilot program. $250,000 of the general fund--state appropriation for fiscal year 2006 and $250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to the Pierce county alliance's methamphetamine family services treatment program and safe streets of Tacoma's methamphetamine prevention service.

(16) $50,000 of the general fund--state appropriation is provided solely for one pilot project to promote the study and implementation of safe neighborhoods through community planning.

(17) $287,000 of the general fund--state appropriation for fiscal year 2006 and $288,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for Walla Walla community college to establish the water and environmental studies center to provide workforce education and training, encourage innovative approaches and practices that address environmental and cultural issues, and facilitate the Walla Walla watershed alliance role in promoting communication leading to cooperative conservation efforts that effectively address urban and rural water and environmental issues.

(18) $50,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for work with the northwest food processors association on the food processing cluster development project.

(19) $140,000 of the general fund--state appropriation for fiscal year 2006 and $210,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the northwest agriculture incubator project, which will support small farms in economic development.

(20) $75,000 of the general fund--state appropriation for fiscal year 2006 and $75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to the department of community, trade, and economic development as the final appropriation for the youth assessment center in Pierce county for activities dedicated to reducing the rate of incarceration of juvenile offenders.

(21) $235,000 of the general fund--state appropriation for fiscal year 2006 and $235,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of the small business incubator program. $250,000 must be distributed as grants and must be matched by an equal amount of private funds.

(22) The department shall coordinate any efforts geared towards the 2010 Olympics with the regional effort being conducted by the Pacific northwest economic region, a statutory committee.

(23) $75,000 of the general fund--state appropriation for fiscal year 2006 and $75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for HistoryLink to expand its free, noncommercial online encyclopedia service on state and local history.

(24) $25,000 of the general fund--state appropriation for fiscal year 2006 and $25,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for Women's Hearth, a nonprofit program serving the Spokane area's homeless and low-income women.

(25) $250,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to the Pacific Science Center to host the dead sea scrolls exhibition in September 2006.

(26) $2,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for providing statewide sexual assault services.

(27) $96,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Olympic loop of the great Washington state birding trail.

(28) $529,000 of the general fund--federal appropriation is provided solely for the department to provide to the department of archeology and historic preservation through an interagency agreement. The full amount of federal funding shall be transferred. The department of community, trade, and economic development shall not retain any portion for administrative purposes.

(29) $150,000 of the general fund--state appropriation in fiscal year 2007 is provided solely to assist the suburban cities association, King county, and the cities of Seattle and Bellevue to comply with the most acute buildable lands needs countywide. Of this amount, $50,000 is provided solely to the suburban cities association to fully fund a buildable lands program manager position.

(30) $116,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for an increase to the statewide coordination of the volunteer programs for court-appointed special advocates.

(31) $25,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the energy facilities siting and evaluation council to make rules related to RCW 80.70.070, the carbon dioxide mitigation statute.

(32) $712,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to provide each county with an additional 0.5 FTE for prosecutors' victim/witness units.

(33) $250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to implement two

demonstration pilot projects related to transfer of development rights in cooperation with Snohomish and Pierce county legislative authorities. Projects may receive no more than $100,000.

(34) $250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Seattle police department, and is to be divided evenly between the weed and seed programs in southeast Seattle and South Delridge/White Center to mitigate a one-year funding lapse from the federal department of justice. This appropriation is for the continuation of community police work and community building in these areas.

(35) $125,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the Thurston county prosecutor's office, for the Rochester weed and seed program to mitigate a one-year funding lapse from the federal department of justice. This appropriation is for the continuation of community police work and community building in Rochester.

(36) $250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the city of Poulsbo for the reopening of the Poulsbo marine science center as an educational facility on the Puget Sound marine environment.

(37) $544,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for an upgrade to discovery park's daybreak star cultural center electrical system.

(38) $670,000 of the housing trust account appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2418 (affordable housing program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(39) $400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Second Substitute House Bill No. 2498 (cluster-based economic development). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(40) $186,000 of the general fund--local appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2402 (energy facilities). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(41) $118,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 3156 (low income persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(43)~~)) (42) $200,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for one-time backfill of the federal reductions to the safe and drug free schools and communities grant program.

((~~(44)~~)) (43) $300,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the developmental disabilities council to contract for legal services for individuals with developmental disabilities who are served or are entering the community protection program in the department of social and health services division of developmental disabilities. Funding shall be prioritized for those individuals who do not have paid legal guardians, but is available to all community protection clients, subject to available funds.

((~~(45)~~)) (44) $100,000 of the fiscal year 2006 general fund--state appropriation is provided solely for tourism branding and marketing associated with the January 2007 United States figure skating championships in Spokane. It is the intent of the legislature to provide an additional $500,000 during the 2007-09 fiscal biennium for the payment of one-half of the hosting fee if Spokane is designated as the host city of the 2009 world figure skating championships. The funds provided under this section are contingent on an equal amount of matching funds from nonstate sources.

((~~(46)~~)) (45) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the Pacific northwest economic region as matching funds for use in the development and operation of a regional tourism initiative in coordination with the department and consistent with the governor's initiatives on marketing, tourism, and trade. The department and the Pacific northwest economic region will jointly establish appropriate deliverables. The first $25,000 of this amount will be released when the Pacific northwest economic region has secured at least $75,000 in funding from other public and private sources. The final $25,000 of this amount will be released when the Pacific northwest economic region has secured an additional $75,000 in

funding from other public and private sources. A minimum of 25 percent of the matching funds raised by the Pacific northwest economic region for the initiative shall be from private sources.

((~~(47)~~)) (46) $50,000 of the general fund--state appropriation for fiscal year 2006 and $50,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to the international trade alliance of Spokane to partnership with other regional governments to strengthen and diversify the regional economy.

((~~(48)~~)) (47) $75,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to contract for a study that will provide recommendations on a small harbor dredging cooperative among the port districts of Pacific County and Wahkiakum County. The recommendations shall include options for an organizational framework, as well as the long-term financing of the cooperative.

((~~(49)~~)) (48) $20,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to the Pacific-Algona senior center, a nonprofit food program serving low-income seniors.

((~~(50)~~)) (49) $25,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to the northwest Korean sports and cultural festival.

((~~(51)~~)) (50) $2,500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to allow Washington state tribes to continue participation in the *Forest and Fish Report* currently out for public comment as a habitat conservation plan under the endangered species act. In the event federal funding is reinstated, the amount provided in this subsection shall lapse.

((~~(52)~~)) (51) $5,000 of the general fund--state appropriation for fiscal year 2006 is provided for Tacoma's international music festival.

((~~(53)~~)) (52) $200,000 of the general fund--state appropriation for fiscal year 2006 ((~~is~~)) and $113,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Mimms Academy in Tacoma to facilitate a pilot project concerning expelled and suspended students.

((~~(54)~~)) (53) $150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the King county sexual assault resource center to provide for a Spanish-speaking therapist position, parent/child victim education, and prevention education.

((~~(55)~~)) (54) $67,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a study of methamphetamine action teams and drug task forces as provided by Engrossed Substitute Senate Bill No. 6239, sections 110 and 204 (controlled substances). The department shall report findings and recommendations to the legislature by November 1, 2006. If the bill is not enacted by June 30, 2006, the amount provided in this section shall lapse.

((~~(56)~~)) (55) $84,000 of the general fund--state appropriation for fiscal year 2006 and $84,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for distribution to Benton and Franklin counties to continue the Benton-Franklin juvenile drug court program. The counties shall provide an equivalent amount of matching funds.

((~~(57)~~)) (56) $7,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the owners of the following minor league baseball facilities for major and minor restoration and repair of facilities projects: Tacoma Rainiers ($2,500,000); Spokane Indians ($2,000,000); Tri-Cities Dust Devils ($1,000,000); Yakima Bears ($750,000); and Everett AquaSox ($750,000). The department shall not retain any portion for administrative purposes.

((~~(58)~~)) (57) $40,000 of the fiscal year 2006 general fund--state appropriation and $1,510,000 of the fiscal year 2007 general fund--state appropriation are provided solely for the department to enter into funding agreements with the mountains to sound greenway trust to accomplish the following projects: Squak mountain trail upgrades; Tiger mountain trailhead and trails upgrades; Rattlesnake mountain trail and trailhead construction; greenway legacy planning; Snoqualmie point view park construction; and state route 18/interstate 90 interchange protection.

((~~(59)~~)) (58) $149,000 of the general fund--state appropriation in fiscal year 2007 is provided solely to implement a human trafficking task force as described in section 1 of Substitute Senate Bill No. 6652 (human trafficking), authorizing a task force through June 30, 2011, to provide guidance in responding to the crime of human trafficking, and in providing services to human trafficking victims.

((~~(60)~~)) (59) $140,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Senate Bill

No. 5330 (economic development grants). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(61)~~)) (60) $200,000 of the general fund--state appropriation for fiscal year 2007 ((~~and $197,000 of the general fund--federal appropriation for fiscal year 2007 are~~)) is provided solely for the long-term care ombudsman program within the department of community, trade, and economic development to recruit and train volunteers to serve in the adult family home setting.

((~~(62)~~)) (61) $150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Enumclaw loggers monument.

(62) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a grant to Grays Harbor county to conclude activities related to the investigation and demonstration of projects related to coastal erosion.

(63) $1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a grant to Peninsula community health services to satisfy the debt associated with improvements at the Bremerton clinic.

Sec. 1009. 2006 c 372 s 127 (uncodified) is amended to read as follows:

FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund--State Appropriation (FY 2006) $579,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$523,000~~))
$546,000
Pension Funding Stabilization Account Appropriation $3,000
TOTAL APPROPRIATION . . . . . ((~~$1,105,000~~))
$1,128,000

Sec. 1010. 2006 c 372 s 128 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund--State Appropriation (FY 2006) $17,775,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$20,080,000~~))
$20,140,000
General Fund--Federal Appropriation $23,555,000
General Fund--Private/Local Appropriation $1,216,000
Public Works Assistance Account--State Appropriation $200,000

Violence Reduction and Drug Enforcement Account--State
Appropriation $246,000
State Auditing Services Revolving Account--State
Appropriation $25,000
Pension Funding Stabilization Account Appropriation $100,000
TOTAL APPROPRIATION . . . . . ((~~$63,197,000~~))
$63,257,000

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

(1) $200,000 of the public works assistance account appropriation is provided solely for an inventory and evaluation of the most effective way to organize the state public infrastructure programs and funds. The inventory and evaluation shall be delivered to the governor and the appropriate committees of the legislature by September 1, 2005.

(2)(a) $62,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for an advisory council to study residential services for persons with developmental disabilities. The study shall identify a preferred system of services and a plan to implement the system within four years. Recommendations shall be provided on the services that best address client needs in different regions of the state and on the preferred system by January 1, 2006. The office of financial management may contract for specialized services to complete the study.

(b) The advisory council shall consist of thirteen members. Members appointed by the governor, include one representative from each of the governor's office or the office of financial management, the department of social and health services, the Washington state disabilities council, two labor organizations, the community residential care providers, residents of residential habilitation centers, individuals served by community residential programs, and individuals with developmental disabilities who reside or resided in residential habilitation centers. The advisory council shall also include two members of the house of representatives appointed by the speaker of the house of representatives representing the majority and minority caucuses and two members of the senate appointed by the president of the senate representing the majority and minority caucuses. Legislative members of the advisory group shall be reimbursed in accordance with RCW 44.04.120, and nonlegislative members

in accordance with RCW 43.03.050 and 44.04.120. Staff support shall be provided by the department of social and health services, the developmental disabilities council, the office of financial management, the house of representatives office of program research, and senate committee services.

(3) $1,041,000 of the general fund--state appropriation for fiscal year 2006 and $706,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5441 (studying early learning, K-12, and higher education). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(4) $200,000 of the general fund--state appropriation for fiscal year 2006 is provided to the office of regulatory assistance and is subject to the following conditions and limitations:

(a) This amount is provided solely for the enhanced planning and permit pilot program; and

(b) Regulatory assistance is to select two local government planning and permitting offices to participate in an enhanced permit assistance pilot program. Such enhancement may include, but is not limited to:

(i) Creation of local and state interagency planning and permit review teams;

(ii) Use of advanced online planning and permit applications;

(iii) Using loaned executives; and

(iv) Additional technical assistance and guidance for permit applicants.

(5) $303,000 of the general fund--state appropriation for fiscal year 2006 and $255,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Second Substitute House Bill No. 1970 (government management). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) $200,000 of the general fund--state appropriation for fiscal year 2006 and $200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Substitute Engrossed House Bill No. 1242 (budgeting outcomes and priorities). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(7) The department of ecology, the department of fish and wildlife, the department of natural resources, the conservation commission, and the interagency committee for outdoor recreation shall make recommendations to improve or eliminate monitoring activities related to salmon recovery and watershed health. The agencies shall coordinate with the governor's forum on monitoring and watershed health and consult with the office of financial management in determining the scope and contents of the report.

The agencies shall prepare a report detailing all new activity and updating all previously identified activity within the comprehensive monitoring strategy. The report shall identify the monitoring activity being performed and include: The purpose of the monitoring activity, when the activity started, who uses the information, how often it is accessed, what costs are incurred by fund, what frequency is used to collect data, what geographic location is used to collect data, where the information is stored, and what is the current status and cost by fund source of the data storage systems.

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

(8) $200,000 of the general fund--state appropriation for fiscal year 2007 is provided to the office of financial management for the purpose of contracting with the Washington State University and University of Washington policy consensus center to provide project coordination for the office of financial management, the department of agriculture, the conservation commission, and the department of community, trade, and economic development to work with farmers, ranchers, and other interested parties to identify potential agricultural pilot projects that both enhance farm income and improve protection of natural resources.

(9) $50,000 of the general fund--state appropriation for fiscal year 2006 and $500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the office of regulatory assistance to implement activities supporting the governor's regulatory

improvement program including deployment of interagency permit teams, a business portal, programmatic permits, and an alternative mitigation program.

((~~(11)~~)) (10) $46,000 of the general fund--state appropriation for fiscal year 2006 and $131,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Engrossed Second Substitute House Bill No. 2353 (family child care providers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

((~~(12)~~)) (11) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Washington state quality award program to assist state agencies in obtaining the goals of the Washington state quality award.

((~~(13)~~)) (12) $66,000 of the general fund--state appropriation for fiscal year 2006 and $134,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to establish and provide staff support and technical assistance to the blue ribbon commission on health care costs and access. The commission shall consist of the governor or a designee, who shall serve as chair; two members from each of the four caucuses of the legislature; the insurance commissioner or a designee; the secretary of health; the administrator of the health care authority; the assistant secretary for health and recovery services in the department of social and health services; and the assistant director for insurance services in the department of labor and industries. By December 1, 2006, the commission shall recommend to the governor and legislature a sustainable five-year plan for substantially improving access to affordable health care for all Washington residents.

Sec. 1011. 2006 c 372 s 129 (uncodified) is amended to read as follows:

FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving Account--State Appropriation . . . . . ((~~$29,595,000~~)) $29,702,000

The appropriation in this section is subject to the following conditions and limitations: $103,000 of the administrative hearing revolving account--state appropriation is provided solely to determine,

in collaboration with other state agencies, the best mechanism of digital recording for the office of administrative hearings, the manner of conversion from tape recording to digital recording, and the purchase of digital recording devices.

Sec. 1012. 2006 c 372 s 135 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS

Dependent Care Administrative Account--State

Appropriation $413,000

Department of Retirement Systems Expense Account--

State Appropriation . . . . . ((~~$46,176,000~~))

$46,384,000

TOTAL APPROPRIATION . . . . . ((~~$46,589,000~~))

$46,797,000

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

(1) $13,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1327, chapter 65, Laws of 2005 (purchasing service credit).

(2) $10,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1269, chapter 21, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 2 service credit purchase).

(3) $55,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1270 (law enforcement officers' and fire fighters' retirement system plan 2 postretirement employment). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(4) $26,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1319, chapter 62, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 1 ex-spouse benefits).

(5) $46,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1325, chapter 64, Laws of 2005 (military service credit purchase).

(6) $79,000 of the department of retirement systems expense account

appropriation is provided solely to implement House Bill No. 1329, chapter 67, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 1 reduced survivor benefit).

(7) $56,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1936 (emergency medical technician membership in law enforcement officers' and fire fighters' retirement system plan 2 service). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) $16,000 of the department of retirement systems expense account is provided solely to implement Senate Bill No. 5522 (purchasing service credit lost due to injury). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(9) $80,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Senate Bill No. 6453 (minimum monthly retirement). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(10) $230,000 of the department of retirement systems expense account--state appropriation is provided solely to implement House Bill No. 2932 (catastrophic disability benefit). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(11) $78,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Substitute House Bill No. 2684 (plan 3 five-year vesting). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) $117,000 of the department of retirement systems expense account--state appropriation is provided solely to implement House Bill No. 2690 (service credit purchase). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(13) $111,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 2680 (TRS out-of-state service credit). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(14) $375,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Substitute

House Bill No. 2691 (retirement for justices). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(15) $93,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 2391 (gain sharing revisions).

Sec. 1013. 2006 c 372 s 137 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF REVENUE

General Fund--State Appropriation (FY 2006) $90,302,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$92,647,000~~))
$92,471,000
Timber Tax Distribution Account--State
Appropriation . . . . . ((~~$5,627,000~~))
$5,377,000
Real Estate Excise Tax Grant Account--State
Appropriation $3,900,000
Waste Reduction/Recycling/Litter Control--State
Appropriation $108,000
State Toxics Control Account--State Appropriation $73,000
Oil Spill Prevention Account--State Appropriation $14,000
Pension Funding Stabilization Account Appropriation $447,000
TOTAL APPROPRIATION . . . . . ((~~$193,118,000~~))
$192,692,000

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

(1) $113,000 of the general fund--state appropriation for fiscal year 2006, and $93,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1315 (modifying disclosure requirements for the purposes of the real estate excise tax). If House Bill No. 1315 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) $7,000 of the general fund--state appropriation for fiscal year 2006 and $2,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute Senate Bill No. 5101 (renewable energy). If Substitute Senate Bill No.

5101 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(3) $100,000 of the general fund--state appropriation for fiscal year 2006 and $114,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed House Bill No. 1241 (modifying vehicle licensing and registration penalties).

(4) $1,390,000 of the general fund--state appropriation for fiscal year 2006, and $1,240,000 of the general fund--state appropriation for fiscal year 2007 are for the department to employ strategies to enhance current revenue enforcement activities.

(5) $5,121 of the general fund--state appropriation for fiscal year 2006 is provided solely to satisfy two claims to estate property, pursuant to RCW 11.76.245.

(6) $10,000 of the general fund--state appropriation for fiscal year 2006 and $89,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 2673 (local infrastructure). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(7) $147,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2457 (tax relief/farm machinery). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(8) $29,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 2466 (tax relief for aerospace) or for Second Substitute Senate Bill No. 6604 (tax relief for aerospace). If neither of these bills are enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(9) $193,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 2671 (excise tax relief) or Substitute Senate Bill No. 6385 (excise tax relief). If neither of these bills are enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(10) $33,000 of the general fund--state appropriation for fiscal year 2006 and $10,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of

Substitute House Bill No. 2640 (biotechnology product). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(11) $176,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2670 (hospital benefit zones). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 1014. 2006 c 372 s 138 (uncodified) is amended to read as follows:

FOR THE BOARD OF TAX APPEALS

General Fund--State Appropriation (FY 2006) $1,362,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$1,213,000~~))
$1,218,000
Pension Funding Stabilization Account Appropriation $6,000
TOTAL APPROPRIATION . . . . . ((~~$2,581,000~~))
$2,586,000

Sec. 1015. 2006 c 372 s 147 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

General Fund--State Appropriation (FY 2006) $1,739,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$1,720,000~~))
$1,723,000
Liquor Control Board Construction and Maintenance
Account--State Appropriation $12,832,000
Liquor Revolving Account--State Appropriation . . . . ((~~$159,863,000~~))
$160,072,000
Pension Funding Stabilization Account Appropriation $7,000
TOTAL APPROPRIATION . . . . . ((~~$176,161,000~~))
$176,373,000

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

(1) As authorized under RCW 66.16.010, the liquor control board shall add an equivalent surcharge of $0.42 per liter on all retail sales of spirits, excluding licensee, military and tribal sales, effective no later than July 1, 2005. The intent of this surcharge is

to generate additional revenues for the state general fund in the 2005-07 biennium.

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

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

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

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

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

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

(8) $2,746,000 of the liquor revolving account--state appropriation is provided solely for additional state liquor store and retail business analysis staff. The additional liquor store staff will be deployed to those stores with the greatest potential for increased customer satisfaction and revenue growth. The liquor control board, using the new retail business analysis staff and, if needed, an independent consultant, will analyze the impact of additional staff on customer satisfaction and revenue growth and make recommendations that will increase the effectiveness and efficiency of all the liquor control board's retail-related activities. Using best practices and benchmarks from comparable retail organizations, the analysis will evaluate and make recommendations, at a minimum, on the following issues: Optimal staffing levels and store locations and numbers of

stores (both state liquor stores and contract liquor stores); options for an improved retail organizational structure; strategies to increase the retail decision-making capacity; and resources required for enhanced internal organizational support of the retail activities. In support of this evaluation, a survey shall be employed to gauge customer satisfaction with state and contract liquor store services. A written evaluation with recommendations shall be submitted to the governor and the legislative fiscal committees by October 1, 2006.

(9) $187,000 of the general fund--state appropriation for fiscal year 2006 and $122,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Senate Bill No. 6097 (tobacco products enforcement). If Senate Bill No. 6097 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(10) $1,435,000 of the liquor revolving account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1379 (liquor retail plan). If Substitute House Bill No. 1379 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(11) $1,864,000 of the liquor revolving account--state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 6823 (distribution of beer and wine). If Second Substitute Senate Bill No. 6823 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) $575,000 of the liquor revolving account--state appropriation is provided solely for the implementation of Engrossed Senate Bill No. 6537 (direct wine sales). If Engrossed Senate Bill No. 6537 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 1016. 2006 c 372 s 150 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

General Fund--State Appropriation (FY 2006) $10,137,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$15,037,000~~))
<u>$16,249,000</u>

General Fund--Federal Appropriation . . . . . ((~~$214,322,000~~))
<u>$193,846,000</u>

General Fund--Private/Local Appropriation $2,000
Enhanced 911 Account--State Appropriation $34,812,000
Disaster Response Account--State Appropriation . . . . ((~~$1,664,000~~)) $4,611,000
Disaster Response Account--Federal Appropriation . . . ((~~$6,297,000~~)) $17,239,000
Worker and Community Right-to-Know Account--State Appropriation $315,000
Nisqually Earthquake Account--State Appropriation . . . ((~~$6,531,000~~)) $5,350,000
Nisqually Earthquake Account--Federal Appropriation . ((~~$27,075,000~~)) $23,066,000
Military Department Rental and Lease Account--State Appropriation . . . . . ((~~$378,000~~)) $593,000
Pension Funding Stabilization Account Appropriation $44,000
TOTAL APPROPRIATION . . . . . ((~~$316,614,000~~)) $306,264,000

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

(1) ((~~$1,664,000~~)) $4,611,000 of the disaster response account--state appropriation and ((~~$6,297,000~~)) $17,239,000 of the disaster response account--federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. Expenditures from the disaster response account--federal appropriation in this section may be made only for items FEMA has approved as eligible to receive federal funding. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2005-07 biennium based on current revenue and expenditure patterns.

(2) ((~~$6,531,000~~)) $5,350,000 of the Nisqually earthquake account--state appropriation and ((~~$27,075,000~~)) $23,066,000 of the Nisqually earthquake account--federal appropriation are provided solely for response and recovery costs associated with the February 28, 2001,

earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2005-07 biennium based on current revenue and expenditure patterns.

(3) ((~~$173,613,000~~)) $152,033,573 of the general fund--federal appropriation is provided solely for homeland security, subject to the following conditions:

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

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

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

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

(4) $867,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the Cowlitz county 911 communications

center for the purpose of purchasing or reimbursing the purchase of interoperable radio communication technology to improve disaster response in the Mount St. Helens area.

(5) No funds from sources other than fees from voice over internet protocol (VOIP) providers may be used to implement technologies specific to the integration of VOIP 911 with E-911. The military department, in conjunction with the department of revenue, shall propose methods for assuring the collection of an appropriate enhanced 911 excise tax from VOIP 911 providers and shall report their recommendations to the legislature by November 1, 2005.

(6) $41,000 of the enhanced 911 account appropriation is provided solely to implement Substitute House Bill No. 2543 (911 advisory committee). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(7)(a) $400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the military department for administration of competitive grants detailed in (b) of this subsection and for implementation of one or more of the following activities regarding emergency management: Development and coordination of comprehensive emergency management plans; training of elected and appointed officials on state laws, disaster command and response structures, and the roles and responsibilities of officials before, during, and after a disaster; and administrating periodic joint emergency management training exercises involving the military department and other state agencies. In addition, the military department will study the feasibility of having regional disaster medical assistance teams and urban search and rescue teams available within the state to be deployed by the governor. The military department will report the findings and recommendations to the legislature by December 1, 2006.

(b) $1,600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the military department to allocate grants to regional agencies, local governments, tribal governments, regional incident management teams, and private organizations. The grants shall be for one or more of the following purposes and distributed on a competitive basis: Development and coordination of comprehensive emergency management plans; training of elected and appointed officials on state laws, ordinances, disaster command and

response structures, and the roles and responsibilities of officials before, during, and after a disaster; administration of periodic joint emergency management training exercises; and implementation of projects that will strengthen emergency response, mitigation, preparation, and coordination.

(8)(a) $150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the military department to: (i) Initiate a health registry for veterans and military personnel returning from Afghanistan, Iraq, or other countries in which depleted uranium or other hazardous materials may be found; (ii) develop a plan for outreach to and follow-up of military personnel; (iii) prepare a report for service members concerning potential exposure to depleted uranium and other toxic chemical substances and the precautions recommended under combat and noncombat conditions while in a combat zone; (iv) submit a report by October 1, 2006, to the joint veterans and military affairs committee on the scope and adequacy of training received by members of the Washington national guard on detecting whether their service as eligible members is likely to entail, or to have entailed, exposure to depleted uranium, including an assessment of the feasibility and cost of adding predeployment training concerning potential exposure to depleted uranium and other toxic chemical substances; and (v) study the health effects of hazardous materials exposure including, but not limited to, depleted uranium, as they relate to military service and submit a report and recommendations to the joint veterans and military affairs committee.

(b) By January 31, 2007, the joint veterans and military affairs committee shall submit its recommendations, if any, to the appropriate committees of the legislature.

Sec. 1017. 2006 c 372 s 152 (uncodified) is amended to read as follows:

FOR THE GROWTH MANAGEMENT HEARINGS BOARD

General Fund--State Appropriation (FY 2006) $1,571,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$1,590,000~~))
<u>$1,605,000</u>

Pension Funding Stabilization Account Appropriation $8,000

TOTAL APPROPRIATION . . . . . ((~~$3,169,000~~))
<u>$3,184,000</u>

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

Sec. 1018. 2006 c 372 s 154 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

General Fund--State Appropriation (FY 2006) $745,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$728,000~~)) $845,000

General Fund--Federal Appropriation $1,037,000

General Fund--Private/Local Appropriation $14,000

Pension Funding Stabilization Account Appropriation $3,000

TOTAL APPROPRIATION . . . . . ((~~$2,527,000~~)) $2,644,000

The appropriations in this section are subject to the following conditions and limitations: $117,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to contract with the department of information services for information technology operation and maintenance costs.

(End of part)

PART XI
HUMAN SERVICES

Sec. 1101. 2006 c 372 s 201 (uncodified) is amended to read as follows:

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

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

(3)(a) 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. However, after May 1, ((~~2006~~)) 2007, unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year ((~~2006~~)) 2007 among programs after approval by the director of financial management.

However, the department shall not transfer state moneys that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year ((~~2006~~)) 2007 caseload forecasts and utilization assumptions in the medical assistance, long-term care, foster care, adoption support, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose, other than family support appropriations for the developmental disabilities program in section 205(1)(e) of this act and family reconciliation services appropriations for the children and family services program in section 202(20) of this act, after approval by the director of financial management.

(c) The department shall not transfer funds, ((~~and the director of financial management shall not approve the transfer,~~)) unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds ((~~and not federal funds~~)). The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(4) The department is authorized to expend up to $4,700,000 of its general fund--state appropriation for fiscal year 2007 for any reductions in federal funding in fiscal year 2006 for targeted case management services for children who are in the care of the state. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications under this subsection.

(5) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage Medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP) the department may combine and transfer such Medicaid funds

appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons during the 2005-2007 biennium. The amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot, times the number of clients enrolled in the pilot. In implementing the WMIP pilot projects, the department may: (a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

(6) In accordance with RCW 74.39A.300, the appropriations to the department of social and health services in this act are sufficient to implement the compensation and fringe benefits of the collective bargaining agreement reached between the governor and the exclusive bargaining representative of individual providers of home care services.

Sec. 1102. 2006 c 372 s 202 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2006) $257,266,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$287,602,000~~))
$284,560,000
General Fund--Federal Appropriation . . . . . ((~~$433,829,000~~))
$434,495,000
General Fund--Private/Local Appropriation $400,000
Domestic Violence Prevention Account--State
Appropriation . . . . . ((~~$1,345,000~~))

$1,000,000

Public Safety and Education Account--State
Appropriation $6,405,000

Violence Reduction and Drug Enforcement Account--State
Appropriation $5,860,000

Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$699,000~~))
$711,000

TOTAL APPROPRIATION . . . . . ((~~$993,406,000~~))
$990,697,000

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

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

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

(3) $375,000 of the general fund--state appropriation for fiscal year 2006, $375,000 of the general fund--state appropriation for fiscal year 2007, and $322,000 of the general fund--federal appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each

program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) $125,000 of the general fund--state appropriation for fiscal year 2006 and $125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually.

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

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

(7) $4,661,000 of the general fund--state appropriation for fiscal year 2006, $12,666,000 of the general fund--state appropriation for fiscal year 2007, and $7,443,000 of the general fund--federal appropriation are provided solely for reforms to the child protective services and child welfare services programs, including improvement in achieving face-to-face contact for children every 30 days, improved timeliness of child protective services investigations, and education specialist services. The department shall report by December 1st of each year on the implementation status of the enhancements, including the hiring of new staff, and the outcomes of the reform efforts. The information provided shall include a progress report on items in the child and family services review program improvement plan and areas identified for improvement in the Braam lawsuit settlement.

(8) Within amounts appropriated in this section, priority shall be given to proven intervention models, including evidence-based

prevention and early intervention programs identified by the Washington institute for public policy and the department. The department shall include information on the number, type, and outcomes of the evidence-based programs being implemented in its reports on child welfare reform efforts.

(9) $177,000 of the general fund--state appropriation for fiscal year 2006 and $228,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the state association of children's advocacy centers. Funds may be used for (a) children's advocacy centers that meet the national children's alliance accreditation standards for full membership, and are members in good standing; (b) communities in the process of establishing a center; and (c) the state association of children's advocacy centers. A 50 percent match will be required of each center receiving state funding.

(10) $50,000 of the general fund--state appropriation for fiscal year 2006 and $50,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a street youth program in Spokane.

(11) $4,672,000 of the general fund--state appropriation for fiscal year 2006 and $4,672,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for secure crisis residential centers.

(12) $572,000 of the general fund--state appropriation for fiscal year 2006 and $1,144,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for section 305 of Senate Bill No. 5763 (mental disorders treatment) for chemical dependency specialist services.

(13) ((~~$3,500,000~~)) $3,386,000 of the general fund--state appropriation for fiscal year 2007 and ((~~$1,500,000~~)) $1,449,000 of the general fund--federal appropriation are provided solely for ((~~Engrossed Senate Bill No. 5922 (child neglect). If the bill is not enacted by June 30, 2005, these amounts shall lapse~~)) chapter 512, Laws of 2005.

(14) ((~~$1,345,000~~)) $1,000,000 of the domestic violence prevention account appropriation is provided solely for the implementation of chapter 374, Laws of 2005.

(15) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the supervised visitation and safe

exchange center in Kent. The department shall not retain any portion for administrative purposes.

(16) $450,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Second Substitute House Bill No. 2002 (foster care support services). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(17) $521,000 of the general fund--state appropriation for fiscal year 2007 and $223,000 of the general fund--federal appropriation are provided solely for a statewide foster parent recruitment and retention program pursuant to Second Substitute House Bill No. 3115 (foster care critical support). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(18) The department shall evaluate integrating a family assessment component into its practice model for working with lower risk families involved with child protective services. The department shall report its findings to the joint task force on child safety for children in child protective services or child welfare services by July 1, 2007.

(19) $3,700,000 of the general fund--state appropriation for fiscal year 2006, $3,700,000 of the general fund--state appropriation for fiscal year 2007, and $6,200,000 of the general fund--federal appropriation are provided solely for the medicaid treatment child care (MTCC) program. The department shall contract for MTCC services. In addition to referrals made by children's administration case workers, the department shall authorize children referred to the MTCC program by local public health nurses and case workers from the temporary assistance for needy families (TANF) program, as long as the children meet the eligibility requirements as outlined in the Washington state plan for the MTCC program. Starting in June 2006, the department shall report quarterly to the appropriate policy committees of the legislature on the MTCC program and include monthly statewide and regional information on: (a) The number of referrals; (b) the number of authorized referrals and child enrollments; and (c) program expenditure levels.

(20) $540,000 of the general fund--state appropriation for fiscal year 2006, $540,000 of the general fund--state appropriation for fiscal year 2007, and $2,476,000 of the general fund--federal appropriation are provided solely for the category of services titled "family reconciliation services."

(21) $100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for continuum of care in Region 1.

Sec. 1103. 2006 c 372 s 203 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2006) $79,031,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$80,615,000~~))
$82,301,000
General Fund--Federal Appropriation . . . . . ((~~$5,668,000~~))
$6,459,000
General Fund--Private/Local Appropriation . . . . . ((~~$1,098,000~~))
$2,068,000
Violence Reduction and Drug Enforcement Account--State
Appropriation $38,385,000
Juvenile Accountability Incentive Account--Federal
Appropriation $5,516,000
Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$449,000~~))
$451,000
TOTAL APPROPRIATION . . . . . ((~~$210,762,000~~))
$214,211,000

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

(1) $706,000 of the violence reduction and drug enforcement account appropriation is provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) $6,156,000 of the violence reduction and drug enforcement account appropriation is provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county

impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) $1,020,000 of the general fund--state appropriation for fiscal year 2006, $1,030,000 of the general fund--state appropriation for fiscal year 2007, and $5,345,000 of the violence reduction and drug enforcement account appropriation are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) $2,997,000 of the violence reduction and drug enforcement account appropriation is provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

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

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

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

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

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

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

(6) $319,000 of the general fund--state appropriation for fiscal year 2006 and $678,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to establish a reinvesting in youth pilot program. Participation shall be limited to three counties or groups of counties, including one charter county with a population of over eight hundred thousand residents and at least one county or group of counties with a combined population of three hundred thousand residents or less.

(a) Only the following intervention service models shall be funded under the pilot program: (i) Functional family therapy; (ii) multi-systemic therapy; and (iii) aggression replacement training.

(b) Subject to (c) of this subsection, payments to counties in the pilot program shall be sixty-nine percent of the average service model cost per youth times the number of youth engaged by the selected service model. For the purposes of calculating the average service model cost per engaged youth for a county, the following costs will be included: Staff salaries, staff benefits, training, fees, quality assurance, and local expenditures on administration.

(c) Distribution of moneys to the charter county with a population of over eight hundred thousand residents shall be based upon the number of youth that are engaged by the intervention service models, up to six hundred thousand dollars for the biennium. The department may distribute the remaining grant moneys to the other counties selected to participate in the pilot program.

(d) The department shall provide recommendations to the legislature by June 30, 2006, regarding a cost savings calculation methodology, a funds distribution formula, and criteria for service model eligibility for use if the reinvesting in youth program is continued in future biennia.

(7) $602,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the purposes of settling all claims in *Brown, et. al v. State of Washington*, Pierce County Superior Court Cause No. 04-2-11093-4. The expenditure of this appropriation is contingent on the release of all claims in this case, and total settlement costs shall not exceed the amount provided in this subsection. If settlement is not executed by June 30, 2007, the amount provided in this subsection shall lapse.

Sec. 1104. 2006 c 372 s 204 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 2006) $260,292,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$283,039,000~~)) $278,724,000

General Fund--Federal Appropriation . . . . . ((~~$344,331,000~~)) $338,013,000

General Fund--Private/Local Appropriation . . . . . ((~~$1,970,000~~)) $6,100,000

TOTAL APPROPRIATION . . . . . ((~~$889,632,000~~)) $883,129,000

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

(a) $103,400,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for persons and services not covered by the medicaid program. The department shall distribute this amount among the regional support networks according to a formula that, consistent with RCW 71.24.035(13), assures continuation of fiscal year 2003 levels of nonmedicaid service in each regional support network area for the following service categories in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance. The formula shall also ensure that each regional support network's combined state and federal allocation is no less than the amount it was due under the fiscal year 2005

allocation methodology. The remaining amounts shall be distributed based upon a formula that incorporates each regional support network's percentage of the state's population.

(b) $100,959,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for persons and services not covered by the medicaid program. Consistent with RCW 71.24.035(13), these funds shall be distributed proportional to each regional support network's percentage of the total state population.

(c) ((~~$10,882,000~~)) $10,512,000 of the general fund--state appropriation for fiscal year 2007 and ((~~$10,922,000~~)) $10,550,000 of the general fund--federal appropriation are provided solely to increase medicaid capitation rates (i) by three and one-half percent, for regional support networks whose fiscal year 2006 capitation rates are above the statewide population-weighted average; and (ii) to the statewide population-weighted average, for regional support networks whose fiscal year 2006 capitation rates are below that level. Regional support networks may elect to receive all or a portion of the general fund--state share of the funding for which they qualify under this subsection (1)(c) as an increase in nonmedicaid rather than medicaid funding. Regional support networks choosing to obtain funding in this way must notify the department of their decision no later than June 1, 2006.

(d) ((~~$359,000~~)) $2,175,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to ensure that no regional support network's combined state and federal allocation is less than the amount it was due under the fiscal year 2006 allocation methodology.

(e) $750,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for grants to hospitals that are unable to receive disproportionate share hospital funding due to the federal funding restrictions on "institutions for mental disease." These funds shall be allocated among eligible hospitals proportional to the amount the hospital would have received from the disproportionate share hospital grants funded under section 209 of this 2006 act if the federal funding restriction were not in effect.

(f) $85,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a contract with the national alliance

for the mentally ill of greater Seattle to assist people who are recovering from a major mental illness to participate in development of a group residence for women.

(g) $2,825,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to refund to regional support networks fifty percent of the "liquidated damages" amount that was withheld from payments to the regional support network during fiscal years 2002 through 2005 because the regional support network used more than its allocated number of state hospital days of care. The payments directed in this subsection (1)(g) are contingent upon agreement by the regional support network that the funds shall be used only for mental health services. The payments directed in this subsection do not apply to regional support networks to which such refunds have been directed by court order prior to the effective date of this 2006 act.

(h) The department shall refund to the regional support networks 100 percent of the "liquidated damages" that have been withheld from payments to the regional support network during fiscal year 2006 for periods prior to the effective date of this act. The payments directed in this subsection (1)(h) do not apply to regional support networks to which such refunds have been directed by court order prior to the effective date of this act.

(i) $3,238,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department and regional support networks to contract for development and initial implementation of high-intensity program for active community treatment (PACT) teams, and other proven program approaches which the department concurs will enable the regional support network to achieve significant reductions during fiscal year 2008 and thereafter in the number of beds the regional support network would otherwise need to use at the state hospitals.

(j) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall average 222 per day throughout fiscal year 2007. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall average 727 during the first quarter of fiscal year 2007, 757 during the second quarter of fiscal year 2007, and 777 during the third and fourth quarters of fiscal year 2007. During fiscal year 2007, the department shall not separately charge regional support networks for

use of state hospital beds for short-term commitments, or for persons served in the program for adaptive living skills (PALS), but the days of care provided for such commitments and in the PALS program shall count against the regional support network's state hospital allocation. The legislature intends to authorize separate charges for the PALS program beginning in January 2008.

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

(l) Within amounts appropriated in this subsection, the department shall contract with the Clark county regional support network for development and operation of a project demonstrating collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are medicaid eligible. Project services shall be delivered by teachers and teaching assistants who qualify as, or who are under the supervision of, mental health professionals meeting the requirements of chapter 275-57 WAC. The department shall increase medicaid payments to the regional support network by the amount necessary to cover the necessary and allowable costs of the demonstration, not to exceed the upper payment limit specified for the regional support network in the department's medicaid waiver agreement with the federal government after meeting all other medicaid spending requirements assumed in this subsection. The regional support network shall provide the required nonfederal share of the increased medicaid payment provided for operation of this project.

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

(n) At least $902,000 of the federal block grant funding appropriated in this subsection shall be used for the continued operation of the mentally ill offender pilot program.

(o) $5,000,000 of the general fund--state appropriation for fiscal year 2006 and $5,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon mentally ill offenders' release from confinement. These amounts shall supplement, and not supplant, local or other funding or in-kind resources currently being used for these purposes. The department is authorized to transfer such amounts as are necessary, which are not to exceed $418,000 of the general fund--state appropriation for fiscal year 2006 and $418,000 of the general fund--state appropriation for fiscal year 2007, to the economic services program for the purposes of implementing section 12 of Engrossed Second Substitute House Bill No. 1290 (community mental health) related to reinstating and facilitating access to mental health services upon mentally ill offenders' release from confinement.

(p) $1,500,000 of the general fund--state appropriation for fiscal year 2006 and $1,500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for grants for innovative mental health service delivery projects. Such projects may include, but are not limited to, clubhouse programs and projects for integrated health care and behavioral health services for general assistance recipients. These amounts shall supplement, and not supplant, local or other funding currently being used for activities funded under the projects authorized in this subsection.

(q) The department is authorized to continue to expend federal block grant funds, and special purpose federal grants, through direct contracts, rather than through contracts with regional support networks; and to distribute such funds through a formula other than the one established pursuant to RCW 71.24.035(13).

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

(s) $2,250,000 of the general fund--state appropriation for fiscal year 2006, $2,250,000 of the general fund--state appropriation for

fiscal year 2007, and $4,500,000 of the general fund--federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration. The funds are not subject to the standard allocation formula applied in accordance with RCW 71.24.035(13)(a).

(t) $750,000 of the general fund--state appropriation for fiscal year 2006 and $750,000 of the general fund--state appropriation for fiscal year 2007 are provided to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who have been discharged from the state hospitals. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(u) $539,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to assist with the one-time start-up costs of two evaluation and treatment facilities. Funding for ongoing program operations shall be from existing funds that would otherwise be expended upon short-term treatment in state or community hospitals.

(v) $550,000 of the general fund--state appropriation for fiscal year 2006 and $150,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for enhancing rates to a facility that (i) is a licensed nursing home; (ii) is considered to be an "Institution for Mental Diseases" under centers for medicare and medicaid services criteria; (iii) specializes in long-term rehabilitation services for people with chronic mental illness who are chronically medically-compromised; and (iv) provides services to a minimum of 48 consumers funded by a regional support network. These amounts shall be provided in coordination with and under the auspices of a regional support network and shall enhance, and not supplant, other funding or in-kind resources currently being used for these

purposes. These funds shall be used to cover costs incurred throughout fiscal year 2006 and fiscal year 2007 and ensure adequate compensation for extra medical care services, personal care services, and other incidental costs that are not fully covered in the current rate paid to the facility.

(w) $450,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the mental health division, in collaboration with the children's administration and the juvenile rehabilitation services administration, to establish a pilot program to provide evidence-based mental health services to children. The mental health service or services to be provided under the pilot program must be selected from a list of evidence-based service options developed by the department, in consultation with a broadly representative group of individuals with expertise in children's mental health.

(i) The program site shall be selected through a request for proposal (RFP) process, open to counties or groups of counties, and shall be operational by December 2006.

(ii) Pilot site proposals shall be required to include: A designated lead agency and a commitment to work with community partners, including consumer/family representatives and representatives of the local mental health, juvenile justice, and child welfare systems and, at the applicant's discretion, may also include representatives of other child-serving systems such as health care and education; identification of areas of potential need based upon input from community partners; identification of the service or services that the pilot site would implement based upon community needs and resources; and demonstration of a commitment to participate in efforts that will ensure adherence to the chosen evidence-based practices and evaluate outcomes of implementation of the evidence-based practices.

(iii) The department shall contract with the University of Washington school of medicine's department of psychiatry and behavioral sciences division of public behavioral health and justice to provide support and assistance in all phases of the pilot program, including initiating, implementing, training providers, providing quality assurance, and monitoring implementation and outcomes.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2006) $115,706,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$137,445,000~~))

$130,211,000

General Fund--Federal Appropriation . . . . . ((~~$143,693,000~~))

$144,509,000

General Fund--Private/Local Appropriation . . . . . ((~~$30,994,000~~))

$37,514,000

Pension Funding Stabilization Account--State

Appropriation $965,000

TOTAL APPROPRIATION . . . . . ((~~$428,803,000~~))

$428,905,000

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

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

(b) $3,725,000 of the general fund--state appropriation for fiscal year 2006 and $3,675,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to operate at least one more forensic ward at western state hospital than was operational in December 2004, and to employ professional staff in addition to those assigned in December 2004 to conduct outpatient evaluations of competency to stand trial.

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

(d) $6,770,000 of the general fund--state appropriation for fiscal year 2006 and $19,850,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to open on a temporary basis five additional adult civil commitment wards at the state psychiatric hospitals. The legislature intends for these wards to close, on a phased basis, during the 2007-09 biennium as a result of targeted investments in community services for persons who would otherwise need care in the hospitals. To the extent that the department and regional support networks are able to develop and implement cost-effective approaches during fiscal year 2007 that would avert the need to open one or more of the additional wards, the department is authorized to use funds appropriated in this subsection for implementation of those

approaches. The department shall seek review and comment from the legislative fiscal committees at least thirty days prior to proceeding with implementation of any such alternative approach.

(3) CIVIL COMMITMENT

General Fund--State Appropriation (FY 2006) $40,499,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$45,276,000~~))
<u>$42,481,000</u>

Pension Funding Stabilization Account--State
Appropriation $129,000

TOTAL APPROPRIATION . . . . . ((~~$85,904,000~~))
<u>$83,109,000</u>

(4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2006) $643,000

General Fund--State Appropriation (FY 2007) $1,726,000

General Fund--Federal Appropriation $3,395,000

Pension Funding Stabilization Account--State
Appropriation $1,000

TOTAL APPROPRIATION $5,765,000

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

(a) $75,000 of the general fund--state appropriation for fiscal year 2006, $75,000 of the general fund--state appropriation for fiscal year 2007, and $40,000 of the general fund--federal appropriation are provided solely to implement the request for proposal process required by House Bill No. 1290 (community mental health). If House Bill No. 1290 is not enacted by June 30, 2005, these amounts shall lapse.

(b) $178,000 of the general fund--state appropriation for fiscal year 2006 and $221,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to develop and to train community mental health staff in the use of the integrated chemical dependency/mental health screening and assessment system and tool required by section 601 of Senate Bill No. 5763 (mental disorders treatment). If section 601 of Senate Bill No. 5763 is not enacted by June 30, 2005, these amounts shall lapse.

(c) Funds provided in this subsection may be used to issue a request for proposals in accordance with RCW 71.24.320(2) only if Engrossed Substitute Senate Bill No. 6793 is enacted by June 30, 2006.

(5) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2006) $6,577,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$4,183,000~~))
$4,473,000

General Fund--Federal Appropriation . . . . . ((~~$5,881,000~~))
$6,179,000

Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$19,000~~))
$21,000

TOTAL APPROPRIATION . . . . . ((~~$16,660,000~~))
$17,250,000

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

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

(b) $2,032,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the purposes of complying with and satisfaction of a final court order and judgment in *Pierce County, et al v. State of Washington and State of Washington Department of Social and Health Services, et al,* Thurston County Superior Court Cause No. 03-2-00918-8.

(c) $520,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the purposes of settling all claims in *County of Spokane, a Washington municipal entity v. State of Washington Department of Social and Health Services and Dennis Braddock, the Secretary of the Department of Social and Health Services, in his official capacity,* Thurston County Superior Court Cause No. 03-2-01268-5. The expenditure of this amount is contingent on the release of all claims in the case, and total settlement costs shall not exceed the amount provided in this subsection. If the settlement is not executed by June 30, 2006, the amount provided in this subsection shall lapse.

(d) Funds provided in this subsection may be used to issue a request for proposals in accordance with RCW 71.24.320(2) only if Engrossed Substitute Senate Bill No. 6793 is enacted by June 30, 2006.

Sec. 1105. 2006 c 372 s 205 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2006) $296,430,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$312,856,000~~)) $318,403,000
General Fund--Federal Appropriation . . . . . ((~~$503,419,000~~)) $513,612,000
Health Services Account--State Appropriation $904,000
Pension Funding Stabilization Account--State Appropriation $138,000
TOTAL APPROPRIATION . . . . . ((~~$1,113,747,000~~)) $1,129,487,000

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

(a) The entire health services account appropriation, $151,000 of the general fund--state appropriation for fiscal year 2006, $427,000 of the general fund--state appropriation for fiscal year 2007, and $1,482,000 of the general fund--federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per participating worker per month shall be no greater than $449.00 in fiscal year 2006 and $532.00 in fiscal year 2007.

(b) Individuals receiving family support or high school transition payments as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(c) $516,000 of the general fund--state appropriation for fiscal year 2006, ((~~$1,917,000~~)) $3,432,000 of the general fund--state appropriation for fiscal year 2007, and ((~~$2,433,000~~)) $3,954,000 of the general fund--federal appropriation are provided solely for

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

(d) $579,000 of the general fund--state appropriation for fiscal year 2006, ((~~$1,735,000~~)) $2,015,000 of the general fund--state appropriation for fiscal year 2007, and ((~~$2,315,000~~)) $2,597,000 of the general fund--federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed ((~~$300~~)) $340. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90

percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(e) $12,902,000 of the general fund--state appropriation for fiscal year 2006, ((~~$13,802,000~~)) $12,502,000 of the general fund--state appropriation for fiscal year 2007, and $8,579,000 of the general fund--federal appropriation are provided solely for family support programs for individuals with developmental disabilities.

((~~Of~~)) The amounts provided in this subsection ((~~(e), $900,000 of the general fund--state appropriation for fiscal year 2006 and $1,600,000 of the general fund--state appropriation for fiscal year 2007 are provided solely~~)) are sufficient for the implementation of a flexible family support pilot program for families who are providing care and support for family members with developmental disabilities. The program shall provide funding for support services such as respite care, training and counseling, assistive technologies, transition services, and assistance with extraordinary household expenses.

(i) To receive funding, an individual must: (A) Be eligible for services from the division of developmental disabilities; (B) live with his or her family; (C) not live independently or with a spouse; (D) not receive paid services through the division, including medicaid personal care and medicaid waiver services; and (E) have gross household income of less than or equal to four hundred percent of the federal poverty level.

(ii) The department shall determine individual funding awards based on the following criteria: (A) Documented need for services, with priority given to individuals in crisis or at immediate risk of needing institutional services, individuals who transition from high school without employment or day program opportunities, individuals cared for

by a single parent, and individuals with multiple disabilities; (B) number and ages of family members and their relation to the individual with developmental disabilities; (C) gross annual household income; and (D) availability of state funds.

Funding awards may be made as one-time awards or on a renewable basis. Renewable awards shall be for a period of twelve months for the biennium. Awards shall be based upon the criteria provided in this subsection, but shall be within the following limits: Maximum of $4,000 per year for an individual whose gross annual household income is up to 100 percent of the federal poverty level; maximum of $3,000 per year for an individual whose gross annual household income is up to 200 percent of the federal poverty level; maximum of $2,000 per year for an individual whose gross annual household income is up to 300 percent of the federal poverty level; and maximum of $1,000 per year for an individual whose gross annual household income is up to 400 percent of the federal poverty level. Of the amounts provided in this subsection, $150,000 of the general fund--state appropriation for fiscal year 2006 and $300,000 of the general fund--state appropriation for fiscal year 2007 are provided ((~~solely~~)) for one-time awards.

(iii) Eligibility for, and the amount of, renewable awards and one-time awards shall be redetermined annually and shall correspond with the application of the department's mini-assessment tool. At the end of each award period, the department must redetermine eligibility for funding, including increases or reductions in the level of funding, as appropriate.

(iv) By November 1, 2006, the department shall provide recommendations to the appropriate policy and fiscal committees of the legislature on strategies for integrating state-funded family support programs, including, if appropriate, the flexible family support pilot program, into a single program. The department shall also provide a status report on the flexible family support pilot program, which shall include the following information: The number of applicants for funding; the total number of awards; the number and amount of both annual and one-time awards, broken down by household income levels; and the purpose of the awards.

(v) The department shall manage enrollment and award levels so as to not exceed the amounts appropriated for this purpose.

(f) $840,000 of the general fund--state appropriation for fiscal year 2006, $3,060,000 of the general fund--state appropriation for fiscal year 2007, and $1,500,000 of the general fund--federal appropriation are provided solely for employment and day services. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided for both waiver and nonwaiver clients.

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

(h) $100,000 of the general fund--state appropriation for fiscal year 2006 and $100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for services to community clients provided by licensed professionals at the state residential habilitation centers. The division shall submit claims for reimbursement for services provided to clients living in the community with medical assistance or third-party health coverage, as appropriate, and shall implement a system for billing clients without coverage. The department shall provide a report by December 1, 2006, to the appropriate committees of the legislature on the number of clients served, services provided, and expenditures and revenues associated with those services.

(i) $65,000 of the general fund--state appropriation for fiscal year 2006 and $65,000 of the general fund--federal appropriation are provided solely for supplemental compensation increases for direct care workers employed by home care agencies in recognition of higher labor market cost pressures experienced by agencies subject to collective bargaining obligations. In order for a specific home care agency to be eligible for such increases, home care agencies shall submit the following to the department:

(i) Proof of a legally binding, written commitment to increase the compensation of agency home care workers; and

(ii) Proof of the existence of a method of enforcement of the

commitment, such as arbitration, that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees.

(j) $12,000 of the general fund--state appropriation for fiscal year 2007 and $12,000 of the general fund--federal appropriation are provided solely to increase boarding home provider payment rates by 1.0 percent, effective July 1, 2006.

(k) $134,000 of the general fund--state appropriation for fiscal year 2007 and $134,000 of the general fund--federal appropriation are provided solely to increase adult family home provider payment rates by 1.0 percent, effective July 1, 2006.

(l) $955,000 of the general fund--state appropriation for fiscal year 2007 and $958,000 of the general fund--federal appropriation are provided solely for a rate increase for supported living providers of 15 cents per hour for King county, and 12 cents per hour for all other counties.

(m) $778,000 of the general fund--state appropriation for fiscal year 2007 and $580,000 of the general fund--federal appropriation are provided solely for additional case managers and support staff. The department shall dedicate half of the amount provided in this subsection to accelerate the implementation of the mini-assessment tool on clients not currently receiving paid services.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2006) $76,623,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$78,826,000~~))
<u>$78,142,000</u>
General Fund--Federal Appropriation . . . . . ((~~$153,807,000~~))
<u>$158,868,000</u>
General Fund--Private/Local Appropriation . . . . . ((~~$11,237,000~~))
<u>$13,674,000</u>
Pension Funding Stabilization Account--State
Appropriation $457,000
TOTAL APPROPRIATION . . . . . ((~~$320,950,000~~))
<u>$327,764,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: The developmental disabilities program is authorized to use funds appropriated in this section to purchase goods

and supplies through direct contracting with vendors when the program determines it is cost-effective to do so.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2006) $2,312,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$1,924,000~~))
$1,915,000

General Fund--Federal Appropriation . . . . . ((~~$3,014,000~~))
$3,490,000

Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$17,000~~))
$19,000

TOTAL APPROPRIATION . . . . . ((~~$7,267,000~~))
$7,736,000

The appropriations in this subsection are subject to the following conditions and limitations: $578,000 of the general fund--state appropriation for fiscal year 2006 and $578,000 of the general fund--federal appropriation are provided solely for the purpose of developing and implementing a consistent needs assessment instrument for use on all clients with developmental disabilities. In developing the instrument, the department shall develop a process for collecting data on family income for minor children with developmental disabilities and all individuals who are receiving state-only funded services. The department shall ensure that this information is captured as part of the client assessment process.

(4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2006) $11,000

((~~General Fund--State Appropriation (FY 2007) . . . . . $17,000~~))

General Fund--Federal Appropriation . . . . . ((~~$17,238,000~~))
$17,227,000

Pension Funding Stabilization Account--State
Appropriation $2,000

TOTAL APPROPRIATION . . . . . ((~~$17,268,000~~))
$17,240,000

Sec. 1106. 2006 c 372 s 206 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2006) $610,082,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$663,865,000~~)) $661,277,000
General Fund--Federal Appropriation . . . . . ((~~$1,312,062,000~~)) $1,310,983,000
General Fund--Private/Local Appropriation $18,949,000
Health Services Account--State Appropriation $4,888,000
Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$317,000~~)) $319,000
TOTAL APPROPRIATION . . . . . ((~~$2,610,163,000~~)) $2,606,498,000

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

(1) The entire health services account appropriation, $6,911,000 of the general fund--state appropriation for fiscal year 2006, ((~~$11,571,000~~)) $9,581,000 of the general fund--state appropriation for fiscal year 2007, and ((~~$23,251,000~~)) $20,410,000 of the general fund--federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per eligible participating worker per month shall be no greater than $449.00 in fiscal year 2006 and $532.00 per month in fiscal year 2007. The department, in consultation with the home care quality authority and the health care authority, shall examine how the state determines the appropriate level of health care costs when establishing state contribution rates for all agency and individual home care workers caring for state subsidized clients. The department shall recommend options as to how equivalent benefits can be purchased on behalf of home care workers in a more cost effective manner to the office of financial management and the appropriate fiscal committees of the legislature by October 1, 2006.

(2) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed $147.57 for fiscal year 2006 and shall not exceed ((~~$156.41~~)) $155.99 for fiscal year 2007.

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

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

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

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

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

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

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

(6) $1,604,000 of the general fund--state appropriation for fiscal year 2006, $3,450,000 of the general fund--state appropriation for fiscal year 2007, and $5,064,000 of the general fund--federal appropriation are provided solely to increase compensation for direct care workers employed by home care agencies by 27 cents per hour on July 1, 2005, and by an additional 23 cents per hour on July 1, 2006. The amounts in this subsection also include the funds needed for the employer share of unemployment and social security taxes on the amount of the increase.

(7) $1,786,000 of the general fund--state appropriation for fiscal

year 2006 and $1,804,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for operation of the volunteer chore services program.

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

(9) $93,000 of the general fund--state appropriation for fiscal year 2006, $8,000 of the general fund--state appropriation for fiscal year 2007, and $101,000 of the general fund--federal appropriation are provided solely to expand the number of boarding homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 85 beds in fiscal year 2006 and up to 150 beds in fiscal year 2007.

(10) $305,000 of the general fund--state appropriation for fiscal year 2006 and $377,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the senior farmer's market nutrition program.

(11) $109,000 of the general fund--state appropriation for fiscal year 2006, $90,000 of the general fund--state appropriation for fiscal year 2007, and $198,000 of the general fund--federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1220 (long-term care financing). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(12) $100,000 of the general fund--state appropriation for fiscal year 2006 and $100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for area agencies on aging, or entities with which area agencies on aging contract, to provide a kinship navigator for grandparents and other kinship caregivers of children in both western and eastern Washington.

(a) Kinship navigator services shall include but not be limited to assisting kinship caregivers with understanding and navigating the system of services for children in out-of-home care while reducing barriers faced by kinship caregivers when accessing services.

(b) In providing kinship navigator services, area agencies on aging shall give priority to helping kinship caregivers maintain their caregiving role by helping them access existing services and supports, thus keeping children from entering foster care.

(13) $435,000 of the general fund--state appropriation for fiscal year 2006 and $435,000 of the general fund--federal appropriation are provided solely for supplemental compensation increases for direct care workers employed by home care agencies in recognition of higher labor market cost pressures experienced by agencies subject to collective bargaining obligations. In order for a specific home care agency to be eligible for such increases, home care agencies shall submit the following to the department:

(a) Proof of a legally binding, written commitment to increase the compensation of agency home care workers; and

(b) Proof of the existence of a method of enforcement of the commitment, such as arbitration, that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees.

(14) $7,500,000 of the general fund--state appropriation for fiscal year 2007 and $7,500,000 of the general fund--federal appropriation are provided solely for purposes of settling all claims in the class action suit commonly known as *Regency Pacific et al. v. Department of Social and Health Services*. The expenditure of this amount is contingent on the release of all claims in the case, and total settlement costs shall not exceed the amount provided in this subsection.

(15) $121,000 of the general fund--state appropriation for fiscal year 2007 and $120,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 2475 (individual providers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(16) $57,000 of the general fund--state appropriation for fiscal year 2007 and $57,000 of the general fund--federal appropriation are provided solely to implement Engrossed Second Substitute Senate Bill No. 6630 (threatening individuals). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(17) $4,493,000 of the general fund--state appropriation for fiscal year 2007 and $4,478,000 of the general fund--federal appropriation are

provided solely to implement Substitute House Bill No. 2333 (agency home care workers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(18) $183,000 of the general fund--state appropriation for fiscal year 2006 and $184,000 of the general fund--federal appropriation are provided solely for payments to a boarding home licensed under chapter 18.20 RCW on January 25, 2002, which contracts with the department to provide assisted living services and which serves 20 or more clients participating in the program for all-inclusive care.

(19) $10,090,000 of the general fund--state appropriation for fiscal year 2007 and $10,090,000 of the general fund--federal appropriation are provided solely for the implementation of House Bill No. 2716 (nursing facility payment). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(20) $500,000 of the general fund--state appropriation for fiscal year 2006 and $1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for area agencies on aging, or entities with which area agencies on aging contract, to provide support services through the kinship caregiver support program for grandparents and other informal kinship caregivers of children throughout the state.

(21) $732,000 of the general fund--state appropriation for fiscal year 2007 and $715,000 of the general fund--federal appropriation are provided solely to increase boarding home provider payment rates by 1.0 percent, effective July 1, 2006.

(22) $443,000 of the general fund--state appropriation for fiscal year 2007 and $437,000 of the general fund--federal appropriation are provided solely to increase adult family home provider payment rates by 1.0 percent, effective July 1, 2006.

<u>(23) $125,000 of the general fund--state appropriation for fiscal year 2007 and $125,000 of the general fund--federal appropriation are provided solely for the department to contract with an outside entity to review the current payment methodology for nursing facilities in preparation for the joint legislative task force on long-term care residential payment systems authorized by the 2007-09 biennial appropriations act. The department shall contract for the study as soon as practicable and report on the results of the study by October 1, 2007.</u>

Sec. 1107. 2006 c 372 s 207 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM

General Fund--State Appropriation (FY 2006) . . . . . ((~~$514,027,000~~)) $513,976,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$531,957,000~~)) $537,966,000

General Fund--Federal Appropriation . . . . . ((~~$1,245,673,000~~)) $1,225,905,000

General Fund--Private/Local Appropriation $27,535,000

Pension Funding Stabilization Account--State Appropriation . . . . . ((~~$1,138,000~~)) $1,169,000

TOTAL APPROPRIATION . . . . . ((~~$2,320,330,000~~)) $2,306,551,000

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

(1) $303,247,000 of the general fund--state appropriation for fiscal year 2006, $307,273,000 of the general fund--state appropriation for fiscal year 2007, and $905,232,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department shall:

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

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

(2) $72,526,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$77,880,000~~)) $82,259,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for cash assistance and other services to recipients in the general assistance((~~--unemployable~~)) program. Within these amounts:

(a) The department may expend funds for services that assist recipients to obtain employment and reduce their dependence on public assistance, provided that expenditures for these services and cash assistance do not exceed the funds provided. Mental health, substance abuse, and vocational rehabilitation services may be provided to recipients whose incapacity is not severe enough to qualify for services through a regional support network, the alcoholism and drug addiction treatment and support act, or the division of vocational rehabilitation to the extent that those services are necessary to eliminate or minimize barriers to employment;

(b) The department shall review the general assistance caseload to identify recipients that would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department;

(c) The department shall identify general assistance recipients who are or may be eligible to receive health care coverage or services through the federal veteran's administration and assist recipients in obtaining access to those benefits; and

(d) The department shall report by November of each year to the appropriate committees of the legislature on the progress and outcomes of these efforts.

(3) Within amounts appropriated in this section, the department shall increase the state supplemental payment by $10 per month beginning in fiscal year 2006, and by an additional $2.06 per month beginning in fiscal year 2007, for SSI clients who reside in nursing facilities, residential habilitation centers, or state hospitals and who receive a personal needs allowance and decrease other state supplemental payments.

(4) $5,000,000 of the general fund--state appropriation for fiscal year 2006 and $10,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a subsidy rate increase for child care providers. Of this amount, $500,000 per year shall be

targeted for child care providers in urban areas of region 1 and $500,000 per year shall be targeted for one or more tiered-reimbursement pilot projects.

(5) $32,000 of the general fund--state appropriation for fiscal year 2007 and $61,000 of the general fund--federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5244 (deficit reduction act). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

Sec. 1108. 2006 c 372 s 208 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2006) $55,136,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$67,345,000~~))
$58,973,000
General Fund--Federal Appropriation . . . . . ((~~$136,750,000~~))
$156,481,000
General Fund--Private/Local Appropriation $634,000
Criminal Justice Treatment Account--State
Appropriation . . . . . ((~~$16,500,000~~))
$16,745,000
Violence Reduction and Drug Enforcement Account--State
Appropriation $48,842,000
Problem Gambling Account--State
Appropriation $1,350,000
Public Safety and Education Account--State
Appropriation $2,081,000
Pension Funding Stabilization Account--State
Appropriation $39,000
TOTAL APPROPRIATION . . . . . ((~~$328,677,000~~))
$340,281,000

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

(1) $100,000 of the general fund--state appropriation for fiscal year 2006, $50,000 of the general fund--state appropriation for fiscal year 2007, and $1,350,000 of the problem gambling account appropriation

are provided solely for the program established in Engrossed Substitute House Bill No. 1031 (problem gambling). If legislation creating the account is not enacted by June 30, 2005, this amount shall lapse.

(2) $1,339,000 of the general fund--state appropriation for fiscal year 2006 and $1,713,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the parent child assistance program, including an expansion of services to southwestern Washington and Skagit county. The department shall contract with the University of Washington and community-based providers in Spokane, Yakima, Skagit county, and southwestern Washington for the provision of this program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount. The amounts provided in this subsection are sufficient to fund section 303 of Senate Bill No. 5763 (mental disorders treatment).

(3) $2,000,000 of the general fund--state appropriation for fiscal year 2006 and $3,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for vendor rate adjustments for residential treatment providers for chemical dependency services.

(4) $465,000 of the general fund--state appropriation for fiscal year 2006, $934,000 of the general fund--state appropriation for fiscal year 2007, $1,319,000 of the general fund--federal appropriation, and $700,000 of the violence reduction and drug enforcement account appropriation are provided solely for vendor rate adjustments for residential treatment providers. To the extent that a portion of this funding is sufficient to maintain sufficient residential treatment capacity, remaining amounts may then be used to provide vendor rate adjustments to other types of providers as prioritized by the department in order to maintain or increase treatment capacity.

(5) $1,916,000 of the general fund--state appropriation for fiscal year 2006 and $4,278,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for integrated pilot programs as required by section 203 of Senate Bill No. 5763 (mental disorders treatment). If section 203 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) $244,000 of the general fund--state appropriation for fiscal year 2006 and $244,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for intensive case management pilot programs as required by section 220 of Senate Bill No. 5763

(mental disorders treatment). If section 220 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(7) $159,000 of the general fund--state appropriation for fiscal year 2006, $140,000 of the general fund--state appropriation for fiscal year 2007, and $161,000 of the general fund--federal appropriation are provided solely for development of the integrated chemical dependency/mental health screening and assessment tool required by section 601 of Senate Bill No. 5763 (mental disorders treatment), and associated training and quality assurance. If section 601 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) $5,475,000 of the general fund--state appropriation for fiscal year 2006, ((~~$13,124,000~~)) $6,727,000 of the general fund--state appropriation for fiscal year 2007, and ((~~$10,669,000~~)) $6,997,000 of the general fund--federal appropriation are provided solely to increase capacity of chemical dependency treatment services for adult medicaid eligible and general assistance-unemployable clients. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

(9) $1,967,000 of the general fund--state appropriation for fiscal year 2006, ((~~$2,523,000~~)) $469,000 of the general fund--state appropriation for fiscal year 2007, and ((~~$1,496,000~~)) $655,000 of the general fund--federal appropriation are provided solely to increase capacity of chemical dependency treatment services for minors who are under 200 percent of the federal poverty level. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

Sec. 1109. 2006 c 372 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE PROGRAM

General Fund--State Appropriation (FY 2006) $1,462,447,000

General Fund--State Appropriation (FY 2007) . . . . ((~~$1,550,541,000~~))
$1,535,463,000

General Fund--Federal Appropriation . . . . . ((~~$4,001,987,000~~))
$3,902,112,000

General Fund--Private/Local Appropriation $2,000,000
Emergency Medical Services and Trauma Care Systems
Trust Account--State Appropriation $15,000,000
Health Services Account--State Appropriation . . . . ((~~$677,288,000~~))
$663,077,000
Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$123,000~~))
$124,000
TOTAL APPROPRIATION . . . . . ((~~$7,709,386,000~~))
$7,580,223,000

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

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

(2) The department shall continue to extend medicaid eligibility to children through age 18 residing in households with incomes below 200 percent of the federal poverty level.

(3) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(4) Sufficient amounts are appropriated in this section for the department to continue podiatry services for medicaid-eligible adults.

(5) Sufficient amounts are appropriated in this section for the department to provide an adult dental benefit that is equivalent to the benefit provided in the 2003-05 biennium.

(6) In accordance with RCW 74.46.625, $6,000,000 of the general fund--federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated

and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments.

(7) $2,221,000 of the health services account appropriation, $5,402,000 of the general fund--federal appropriation, $1,590,000 of the general fund--state appropriation for fiscal year 2006, and $1,591,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for grants to rural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(8) $21,092,000 of the health services account appropriation and $19,725,000 of the general fund--federal appropriation are provided solely for grants to nonrural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

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

the hospital to certify the public expenditures required to qualify for the federal portions of both the medicaid inpatient fee-for-service payments and the disproportionate share hospital payments. In the event that any part of the program including, but not limited to, allowable certified public expenditures, is disallowed by the federal government, the department shall not seek recoupment of payments from the hospitals, provided the hospitals have complied with the directions of the department for participation in the program. The legislature intends that hospitals in the program receive no less in combined state and federal payments than they would have received under the methodology that was in place during fiscal year 2005. The department shall therefore make additional grant payments, not to exceed the amounts specified in this subsection, to hospitals whose total payments under the program would otherwise be less than the total state and federal payments they would have received under the methodology in effect during fiscal year 2005. Payments under these new state grant and upper payment limit programs shall not exceed $54,054,000 from general fund--state appropriations in fiscal year 2006, of which $5,600,000 is appropriated in section 204(1) of this 2006 act and the balance in this section; ((~~$47,474,000~~)) $64,417,000 from general fund--state appropriations in fiscal year 2007, of which $5,600,000 is appropriated in section 204(1) of this 2006 act and the balance in this section; and ((~~$11,328,000~~)) $7,386,000 from the general fund--federal appropriations in this section.

(10) $4,077,000 of the general fund--state appropriation for fiscal year 2006, ((~~$4,847,000~~)) $3,294,000 of the general fund--state appropriation for fiscal year 2007, and ((~~$70,100,000~~)) $57,565,000 of the general fund--federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system.

(11) $188,000 of the general fund--state appropriation for fiscal year 2006, $37,000 of the general fund--state appropriation for fiscal year 2007, and $225,000 of the general fund--federal appropriation are provided solely for the department to contract for an independent analysis of the medical assistance administration's current system for establishing hospital inpatient payment rates, and for recommendations on a new or updated system. The department shall submit an interim report of study findings by December 1, 2005, and a final report by

November 15, 2006. The interim report shall include a comparison of the strengths and weaknesses of the current rate-setting system relative to those used by other state, federal, and private payers. The final report shall include recommendations on the design and implementation of a new or updated system that will promote equity among hospitals, access to quality care and improved health outcomes for patients, and cost-control and efficiency for taxpayers. The study should make use of complete and current cost data from a wide variety of hospitals, recognize unique aspects of hospital service delivery structures and medicaid payment systems in Washington, recognize impacts on productivity and quality of care that may result from hospital compensation, recruitment, and retention policies, and provide opportunities for comment and participation by key interest groups in the identification and assessment of alternatives.

(12) Payment rates for hospital inpatient and outpatient services shall be increased by an average of 1.3 percent effective July 1, 2005, and by an average of an additional 1.3 percent effective July 1, 2006. The inpatient increases shall be provided only on the portion of a hospital's rate that excludes medical education and outlier costs, and shall be allocated so that hospitals with lower costs of care (excluding medical education and outlier costs) receive larger percentage increases than those with higher costs of care. The inpatient increases shall be allocated in three percentage increments, with the lowest-cost hospitals receiving the largest percentage rate increase, highest-cost hospitals receiving the smallest percentage increase, and medium-cost hospitals receiving the average of the highest and the lowest percentage rate increase. Increases shall not be provided to those hospitals that are certified as critical access. Sufficient funds are appropriated in this section for Healthy Options contractors to increase hospital payment rates commensurate with the increases in fee-for-service payment rates.

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

(14) The medical assistance administration is authorized to use funds appropriated in this section to purchase goods and supplies

through direct contracting with vendors when the administration determines it is cost-effective to do so.

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

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

(17) Within funds appropriated in this section, the department shall participate in the health technology assessment program required in section 213(6) of this act.

(18) The department is also required to participate in the joint health purchasing project described in section 213(7) of this act.

(19) The department shall, within available resources, continue operation of the medical care services care management pilot project for clients receiving general assistance benefits in King and Pierce counties. The project may use a full or partial capitation model that includes a mechanism for shared savings. The department shall provide a report to the appropriate committees of the legislature by January 1, 2006, on costs, savings, and any outcomes or quality measures associated with the pilot programs during the first year of operation.

(20) By October 1, 2005, the department shall report to the appropriate committees of the legislature on the potential fiscal and programmatic costs and benefits associated with an expansion of managed care pilot programs to SSI and other eligible medicaid elderly and disabled persons.

(21) By November 15, 2006, the department of social and health services, in consultation with the department of revenue and the health care authority, shall report to the health care and fiscal committees of the legislature on options for providing financial incentives for private practice physicians to serve uninsured, medicare, and medicaid patients. The report shall include an assessment of the relative costs and effectiveness of strategies including, but not limited to, tax credits and payment rate increases. The report shall further suggest alternative mechanisms and thresholds for varying tax credits and payment enhancements according to the extent to which a provider serves uninsured, medicare, and medicaid patients.

(22) The department is directed to pursue all available administrative remedies to dispute and reverse recent large retroactive charges by the federal medicare program for payment of medicare part B premiums on behalf of medicaid recipients, to the extent that such premiums are for periods when medicare coverage was in fact never provided the beneficiaries, and their care was instead fully covered by the state medicaid program. The department shall report to the fiscal committees of the legislature by December 1, 2006, on the actions it has taken to dispute and reverse these charges.

(23) $66,000 of the general fund--state appropriation for fiscal year 2007 and $66,000 of the general fund--federal appropriation are provided solely to implement Second Substitute House Bill No. 2002 (foster care support services). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(24) $255,000 of the general fund--state appropriation for fiscal year 2007 and $2,107,000 of the general fund--federal appropriation are provided solely to increase the availability of family planning services at the department of social and health services' community service offices. Resources will be prioritized for those offices where pregnancy rates are higher than the statewide average.

(25) $17,000 of the general fund--state appropriation for fiscal year 2006, $53,000 of the general fund--state appropriation for fiscal year 2007, and $70,000 of the general fund--federal appropriation are provided solely for conducting a study of the employment status of enrollees in the basic health plan and the medical assistance program, pursuant to Engrossed Substitute House Bill No. 3079 (health care services). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

Sec. 1110. 2006 c 372 s 210 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2006) $10,694,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$11,014,000~~))
<u>$10,946,000</u>

General Fund--Federal Appropriation . . . . . ((~~$89,472,000~~))
<u>$89,471,000</u>

Telecommunications Devices for the Hearing and
Speech Impaired--State Appropriation $1,792,000
Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$31,000~~))
$33,000
TOTAL APPROPRIATION . . . . . ((~~$113,003,000~~))
$112,936,000

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

Sec. 1111. 2006 c 372 s 211 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2006) $34,675,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$36,860,000~~))
$41,279,000
General Fund--Federal Appropriation . . . . . ((~~$62,376,000~~))
$61,788,000
General Fund--Private/Local Appropriation . . . . . ((~~$810,000~~))
$836,000
Public Safety and Education Account--State
Appropriation $2,452,000
Violence Reduction and Drug Enforcement Account--State
Appropriation $1,793,000
Pension Funding Stabilization Account--State
Appropriation . . . . . ((~~$300,000~~))
$246,000
TOTAL APPROPRIATION . . . . . ((~~$139,266,000~~))
$143,069,000

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

(1) $500,000 of the general fund--state appropriation for fiscal year 2006 and $500,000 of the general fund--state appropriation for

fiscal year 2007 are provided solely for funding of the teamchild project through the governor's juvenile justice advisory committee.

(2) $2,452,000 of the public safety and education account--state appropriation, $1,500,000 of the general fund--state appropriation for fiscal year 2007, and $1,791,000 of the violence reduction and drug enforcement account--state appropriation are provided solely for the family policy council.

(3) $2,245,000 of the general fund--state appropriation for fiscal year 2006, $1,589,000 of the general fund--state appropriation for fiscal year 2007, and $3,834,000 of the general--fund federal appropriation are provided solely to implement the 2005-07 home care worker collective bargaining agreement.

Sec. 1112. 2006 c 372 s 212 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2006) $48,755,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$49,277,000~~))
$50,970,000
General Fund--Federal Appropriation . . . . . ((~~$47,248,000~~))
$49,938,000
TOTAL APPROPRIATION . . . . . ((~~$145,280,000~~))
$149,663,000

The appropriations in this section are subject to the following conditions and limitations: $114,000 of the general fund--state appropriation for fiscal year 2007 and $51,000 of the general fund--federal appropriation are provided solely for chapter 512, Laws of 2005.

Sec. 1113. 2006 c 372 s 213 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY

General Fund--Federal Appropriation $3,710,000
State Health Care Authority Administrative Account--
State Appropriation . . . . . ((~~$33,279,000~~))
$34,034,000

Medical Aid Account--State Appropriation $345,000
Health Services Account--State Appropriation . . . . ((~~$468,286,000~~))
$464,247,000
TOTAL APPROPRIATION . . . . . ((~~$505,620,000~~))
$502,336,000

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

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

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

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

penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(4) $21,108,000 of the health services account--state appropriation is provided solely for funding for health care services provided through local community clinics.

(5) $391,000 of the health services account appropriation is provided solely for implementation of Substitute Senate Bill No. 5471, chapter 129, Laws of 2005 (drug purchasing consortium).

(6) The health care authority shall conduct a health technology assessment pilot project to evaluate scientific evidence regarding current and evolving health care procedures, services and technology. The pilot shall be a joint effort of the departments of social and health services, labor and industries, corrections, and veteran's affairs and the health care authority. Upon completion of assessment of a procedure, service or technology, the agencies shall make every effort, consistent with federal and state law, to jointly decide: (a) On coverage of the procedure, service or technology by each agency, and (b) if covered, the guidelines or criteria that will be applied to medical necessity decisions.

(7) The departments of social and health services, labor and industries and the health care authority, in collaboration with affected health care providers, facilities, and contracted health plans, shall design and implement a joint health purchasing project that links payment to health care provider or facility performance, particularly where such performance is expected to improve patient outcomes or where there are wide variations in clinical practice used to treat a condition or illness. The purchasing effort shall utilize evidence-based performance measures that are designed to improve quality of care and yield measurable and significant savings. The project shall include payment mechanisms that create incentives to improve quality of care. On or before December 1, 2006, the agencies shall report to relevant policy and fiscal committees of the legislature on the status of the purchasing project, including actual and anticipated savings.

(8) $395,000 of the health services account appropriation is provided solely for implementation of Substitute House Bill No. 1689 (dental residency program). If Substitute House Bill No. 1689 is not

enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(9) $250,000 of the health services account appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1688 (certificate of need program). If Engrossed Second Substitute House Bill No. 1688 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(10) $316,000 of the health services account--state appropriation and $15,000 of the general fund--federal appropriation are provided solely for a study of electronic medical records systems pursuant to Substitute Senate Bill No. 5064 (electronic medical records). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(11) $458,000 of the health services account appropriation, $401,000 of the general fund--federal appropriation, $205,000 of the state health care authority administrative account--state appropriation, and $174,000 of the medical aid account--state appropriation are provided solely for establishment of a centralized evidence-based health technology assessment system as defined in Engrossed Second Substitute House Bill No. 2575 (health technology assessment), for supporting the activities of the health technology clinical committee, or other activities required to implement Engrossed Second Substitute House Bill No. 2575. Participating agencies will be the medical assistance administration in the department of social and health services, the department of labor and industries, the health care authority's uniform medical plan, the department of corrections, and the department of veterans affairs. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) As provided in Engrossed Second Substitute Senate Bill No. 6459 (community-based health care solutions), the authority shall make grants of up to $250,000 from the community health collaborative account to assist community-based organizations increase access to appropriate, affordable health care for Washington residents, particularly low-income working individuals and their families. State grant funds may be used to collect federal matching funds available through medicaid or through the state children's health insurance (SCHIP) program, to the extent allowed by federal rules, and to the

extent funds are available in the state's SCHIP allotment in excess of those required for services funded in section 209 of this 2006 act.

(13) $625,000 of the health services account appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2572 (small business health insurance assistance program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(14) $450,000 of the state health care authority administrative account--state appropriation is provided solely for an on-line employee health assessment tool.

(15) $499,000 of the health services account appropriation and $65,000 of the general fund--federal appropriation are provided solely for conducting a study of the employment status of enrollees in the basic health plan and the medical assistance program, pursuant to Engrossed Substitute House Bill No. 3079. If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

Sec. 1114. 2006 c 372 s 214 (uncodified) is amended to read as follows:

FOR THE HUMAN RIGHTS COMMISSION

General Fund--State Appropriation (FY 2006) $2,779,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$3,032,000~~))
$3,067,000
General Fund--Federal Appropriation $1,321,000
Pension Funding Stabilization Account--State
Appropriation $13,000
TOTAL APPROPRIATION . . . . . ((~~$7,145,000~~))
$7,180,000

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

(1) The commission shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing any changes in existing federal revenues for the remainder of the current fiscal year and changes in projections of federal revenue for the upcoming fiscal year.

(2) $34,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a human rights commission investigator

to travel to Vancouver once a week to provide complaint intake, outreach, and conduct investigations.

Sec. 1115. 2006 c 372 s 216 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Public Safety and Education Account--State
Appropriation . . . . . ((~~$22,231,000~~))
$22,246,000

Death Investigations Account--State Appropriation $148,000

Municipal Criminal Justice Assistance Account--
State Appropriation $460,000

TOTAL APPROPRIATION . . . . . ((~~$22,839,000~~))
$22,854,000

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

(1) During the 2005-2007 biennium, the criminal justice training commission is authorized to raise existing fees charged for firearms certification for security guards in excess of the fiscal growth factor established pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting the certification programs and the appropriation levels in this section.

(2) $100,000 of the public safety and education account--state appropriation is provided solely for support of the coalition of small police agencies major crimes task force. The purpose of this task force is to pool its resources and to establish an efficient and cooperative approach in addressing major violent crimes.

(3) Amounts provided within this section are sufficient to implement the provisions of section 2 of House Bill No. 1136 (electronic monitoring system).

(4) $163,000 of the public safety and education account--state appropriation is provided solely for the implementation of section 4 of Second Substitute House Bill No. 2805 (missing persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(5) The commission shall conduct a survey of local law enforcement and state agencies to collect data projecting future cadet enrollments

for the 2007-2009 biennium. The commission shall report the findings to the legislature by October 1, 2006.

(6)(a) $411,000 of the public safety and education account--state appropriation is provided solely for the implementation of Substitute Senate Bill No. 6502 (victim information system). If the bill is not enacted by June 30, 2006, the amount provided in this subsection is provided solely for a contract with the Washington association of sheriffs and police chiefs to implement a statewide automated victim information and notification system. This system shall be added to the city and county jail booking and reporting system. The statewide automated victim information and notification system shall:

(i) Automatically notify a registered victim via the victim's choice of telephone, letter, or e-mail when any of the following events affect an offender housed in any Washington state city or county jail or department of corrections facility: (A) Is transferred or assigned to another facility; (B) is transferred to the custody of another agency outside the state; (C) is given a different security classification; (D) is released on temporary leave or otherwise; (E) is discharged; (F) has escaped; or (G) has been served with a protective order that was requested by the victim;

(ii) Automatically notify a registered victim via the victim's choice of telephone, letter, or e-mail when an offender has: (A) An upcoming court event where the victim is entitled to be present, if the court information is made available to the statewide automated victim information and notification system administrator at the Washington association of sheriffs and police chiefs; (B) an upcoming parole, pardon, or community supervision hearing; or (C) a change in the offender's parole, probation, or community supervision status including a change in the offender's supervision status or a change in the offender's address;

(iii) Automatically notify a registered victim via the victim's choice of telephone, letter, or e-mail when a sex offender has: (A) Updated his or her profile information with the state sex offender registry; or (B) become noncompliant with the state sex offender registry;

(iv) Permit a registered victim to receive the most recent status report for an offender in any Washington state city and county jail, department of corrections, or sex offender registry by calling the

statewide automated victim information and notification system on a toll-free telephone number or by accessing the statewide automated victim information and notification system via a public web site. All registered victims calling the statewide automated victim information and notification system will be given the option to have live operator assistance to help use the program on a twenty-four hour, three hundred sixty-five day per year basis;

(v) Permit a crime victim to register, or registered victim to update, the victim's registration information for the statewide automated victim information and notification system by calling a toll-free telephone number or by accessing a public web site; and

(vi) Ensure that the offender information contained within the statewide automated victim information and notification system is updated frequently to timely notify a crime victim that an offender has been released or discharged or has escaped.

(b) The purpose of the victim information and notification system is to protect the public health, safety, and welfare generally. Creation and implementation of the victim information and notification system does not create a private right of action.

(c) The Washington association of sheriffs and police chiefs will not require automated victim information and notification systems in existence and operational as of the effective date of this act to participate in the statewide system.

(d) Any vendor that the association contracts with to provide the statewide automated victim notification service must deliver the service with a minimum of 99.95-percent availability and with less than an average of one-percent notification errors as a result of the vendor's technology.

(e) The Washington association of sheriffs and police chiefs shall report to the appropriate fiscal and policy committees of the legislature by December 1, 2006, on the availability of federal grant funds to operate the victim information system.

(7) $132,000 of the public safety and education account--state appropriation is provided solely for the implementation of Substitute Senate Bill No. 6320 (sex offender information). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(8) $1,575,000 of the public safety and education account--state appropriation is provided solely for the implementation of sections 103, 104, and 105 of Engrossed Second Substitute Senate Bill No. 6239 (controlled substances). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 1116. 2006 c 372 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund--State Appropriation (FY 2006) $7,561,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$7,681,000~~))
$7,671,000
Public Safety and Education Account--State
Appropriation $29,519,000
Public Safety and Education Account--Federal
Appropriation $10,000,000
Asbestos Account--State Appropriation $810,000
Electrical License Account--State Appropriation . . . ((~~$35,995,000~~))
$36,303,000
Farm Labor Revolving Account--Private/Local
Appropriation $28,000
Worker and Community Right-to-Know Account--State
Appropriation $1,827,000
Public Works Administration Account--State
Appropriation $2,673,000
Accident Account--State Appropriation . . . . . ((~~$211,084,000~~))
$210,804,000
Accident Account--Federal Appropriation $13,621,000
Medical Aid Account--State Appropriation . . . . . ((~~$208,033,000~~))
$208,036,000
Medical Aid Account--Federal Appropriation $3,185,000
Plumbing Certificate Account--State Appropriation $1,730,000
Pressure Systems Safety Account--State
Appropriation $3,357,000
Pension Funding Stabilization Account--State
Appropriation $31,000
TOTAL APPROPRIATION . . . . . ((~~$537,135,000~~))
$537,156,000

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

(1) $700,000 of the accident account--state appropriation and $699,000 of the medical aid account--state appropriation are provided solely for the construction of a computer system to collect data from self-insured employers and are contingent on the passage of Substitute House Bill No. 1310 (workers compensation reporting) on mandatory electronic data reporting by self-insured employers. If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) $29,283,000 of the public safety and education account--state appropriation, and $10,000,000 of the public safety and education account--federal appropriation are provided solely for the crime victims' compensation program, subject to the following conditions:

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

(b) Reimbursement shall be provided throughout fiscal year 2007 for full reimbursement of mental health care at workers' compensation rates; and

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

(3) $200,000 of the accident account--state appropriation is provided solely to reimburse the department of agriculture for the agricultural worker pesticide handling and application training program.

(4) $71,000 of the medical aid account--state appropriation and $71,000 of the accident account--state appropriation are provided solely for the review of payment of medical bills and authorization for medical procedures by self-insurers.

(5) The department is required to participate in the health technology assessment program required in section 213(6) of this act.

(6) The department is also required to participate in the joint health purchasing project described in section 213(7) of this act.

(7) $35,000 of the general fund--state appropriation for fiscal year 2006 and $8,000 of the general fund--state appropriation for

fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1393 (older mobile homes). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(8) $182,000 of the accident account--state appropriation and $623,000 of the medical aid account--state appropriation are provided solely to (a) expand services in the centers of occupational health and education (COHE) in Spokane and Renton; (b) add two additional COHE locations in the state; and (c) include Yakima county in the Spokane COHE.

(9) $158,000 of the accident account--state appropriation and $158,000 of the medical aid account--state appropriation are provided solely to implement Substitute House Bill No. 1856 (annual audits of the state industrial insurance fund). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

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

(11) $236,000 of the public safety and education account--state is provided solely for fiscal year 2007 to implement House Bill No. 2612 (failure to secure a load). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) $83,000 of the electrical license account--state is provided solely for fiscal year 2007 to implement Substitute House Bill No. 1841 (electrical trainees). If the bill is not enacted by June 30, 2006 the amount provided in this subsection shall lapse.

((~~(14)~~)) (13) The department shall prepare a report identifying programs funded either directly or indirectly from state workers' compensation funds. The report shall describe the amounts and percentages of funds used to administer identified programs, as well as the criteria used to make funding decisions. In consultation with the workers' compensation advisory committee, the department shall also develop recommendations for equitable, adequate, and stable funding sources for identified programs. The department shall submit the report and the recommendations to the house of representatives committees on appropriations and commerce and labor, or their successor committees, and the senate committees on ways and means and labor,

commerce, research and development, or their successor committees, by December 1, 2006.

((~~(15)~~)) (14) $61,000 of the electrical license account--state appropriation and $55,000 of the plumbing certificate account--state appropriation are provided solely to implement Substitute Senate Bill No. 6225 (domestic water pumping systems). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(16)~~)) (15) $26,000 of the accident account--state appropriation and $5,000 of the medical aid account--state appropriation are provided solely to implement Substitute Senate Bill No. 6185 (family and medical leave act). If the bill not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 1117. 2006 c 372 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2006) $1,917,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$1,982,000~~)) (2) $2,058,000

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

Pension Funding Stabilization Account--State Appropriation $10,000

TOTAL APPROPRIATION . . . . . ((~~$3,919,000~~)) (3) $3,995,000

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

(a) The department shall participate in the health technology assessment program required in section 213(6) of this act.

(b) The department shall participate in the joint health purchasing project described in section 213(7) of this act.

(c) $25,000 of the general fund--state appropriation for fiscal year 2006 is provided for the department to conduct a feasibility study of a veterans' cemetery in eastern Washington. The study shall include location, acquisition costs, projection of continued operations costs, and revenue sources for acquisition and operations. A final report of the findings shall be submitted no later than December 15, 2005.

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

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2006) $2,811,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$3,317,000~~))
$3,359,000
General Fund--Federal Appropriation . . . . . ((~~$343,000~~))
$350,000
General Fund--Private/Local Appropriation . . . . . ((~~$1,367,000~~))
$1,893,000
Veterans Estate Management Account--Local
Appropriation $651,000
Veterans' Innovations Program Account--State
Appropriation $2,000,000
Pension Funding Stabilization Account--State
Appropriation $11,000
TOTAL APPROPRIATION . . . . . ((~~$10,500,000~~))
$11,075,000

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

(a) $25,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the development of a public service announcement outreach campaign directed at returning veterans from Operation Iraqi Freedom and Operation Enduring Freedom.

(b) $75,000 of the general fund--state appropriation for fiscal year 2006 and $95,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the post traumatic stress counseling program expansion to address the needs of veterans returning from Iraq and Afghanistan.

(c) $2,000,000 of the veterans' innovations program account--state appropriation for fiscal year 2007 is provided solely to implement Second Substitute House Bill No. 2754 (veterans' innovations program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(d) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to facilitate an immediate program of outreach to Washington soldiers and their families, recognizing a need to support severely wounded and ill soldiers returning from duty in Iraq and Afghanistan. It is expected that the veterans' innovations program will also administer funds and in-kind services contributed by Washington citizens, businesses, and community organizations.

(3) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2006) $5,283,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$5,946,000~~))
$6,490,000
General Fund--Federal Appropriation . . . . . ((~~$36,114,000~~))
$36,507,000
General Fund--Private/Local Appropriation $28,830,000
Pension Funding Stabilization Account--State
Appropriation $187,000
TOTAL APPROPRIATION . . . . . ((~~$76,360,000~~))
$77,297,000

Sec. 1118. 2006 c 372 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

General Fund--State Appropriation (FY 2006) $62,835,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$70,954,000~~))
$71,290,000
General Fund--Federal Appropriation . . . . . ((~~$477,467,000~~))
$466,007,000
General Fund--Private/Local Appropriation . . . . . ((~~$104,867,000~~))
$106,083,000
Hospital Commission Account--State Appropriation . . . ((~~$1,521,000~~))
$1,522,000
Health Professions Account--State Appropriation . . . ((~~$53,975,000~~))
$54,695,000
Aquatic Lands Enhancement Account--State
Appropriation $600,000
Emergency Medical Services and Trauma Care Systems
Trust Account--State Appropriation $12,579,000
Safe Drinking Water Account--State Appropriation . . . ((~~$2,917,000~~))

$2,918,000

Drinking Water Assistance Account--Federal Appropriation . . . . . ((~~$16,179,000~~)) $16,182,000

Waterworks Operator Certification--State Appropriation $1,099,000

Drinking Water Assistance Administrative Account--State Appropriation $326,000

Water Quality Account--State Appropriation . . . . . ((~~$3,693,000~~)) $3,694,000

State Toxics Control Account--State Appropriation $2,852,000

Medical Test Site Licensure Account--State Appropriation . . . . . ((~~$1,798,000~~)) $1,951,000

Youth Tobacco Prevention Account--State Appropriation . ((~~$1,806,000~~)) $1,606,000

Public Health Supplemental Account--Private/Local Appropriation $3,306,000

Accident Account--State Appropriation $277,000

Medical Aid Account--State Appropriation $46,000

Health Services Account--State Appropriation . . . . . ((~~$41,942,000~~)) $43,344,000

Tobacco Prevention and Control Account--State Appropriation . . . . . ((~~$52,684,000~~)) $52,685,000

Pension Funding Stabilization Account--State Appropriation $144,000

TOTAL APPROPRIATION . . . . . ((~~$913,867,000~~)) $906,041,000

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

(1) The department or any successor agency is authorized to raise existing fees charged for the clandestine drug lab program, the drinking water program, radioactive materials license fees, X-ray facility registration fees, shellfish commercial paralytic shellfish poisoning fees, the water recreation program, the wastewater management program, newborn specialty clinic fees, acute care hospitals, psychiatric hospitals, child birth centers, correctional medical

facilities, alcoholism hospitals, and the midwifery program, in excess of the fiscal growth factor pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section. However, the department may not raise existing fees charged for the midwifery program by more than twenty percent over the biennium and from July 1, 2006, through June 30, 2007, the annual fees for new or renewed licenses shall be no greater than $450.

(2) $1,363,000 of the general fund--state fiscal year 2006 appropriation, $1,363,000 of the general fund--state fiscal year 2007 appropriation, and $676,000 of the general fund--local appropriation are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items, DOH-01, DOH-02, DOH-03, and DOH-04.

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

(4) $383,000 of the general fund--state appropriation for fiscal year 2006, $317,000 of the general fund--state appropriation for fiscal year 2007, and $600,000 of the aquatic lands enhancement account appropriation are provided solely to assist counties in marine areas complete on-site sewage system management plans and electronic data bases to inventory on-site sewage systems.

(5) $60,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute Senate Bill

No. 5470 (prescription importation). If Engrossed Substitute Senate Bill No. 5470 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6) $268,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2266 (precursor drugs). If Engrossed Substitute House Bill No. 2266 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(7) $42,000 of the health professions account appropriation is provided solely for implementation of Second Substitute House Bill No. 1168 (prescription reimportation). If Second Substitute House Bill No. 1168 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(8) $100,000 of the general fund--state appropriation for fiscal year 2006 and $620,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the department to implement a multi-year pilot project covering Adams, Chelan, Douglas, Grant, Okanogan, Skagit, and Franklin counties for persons with household income at or below 200 percent of the federal poverty level who are ineligible for family planning services through the medicaid program. Individuals who will be served under the pilot program include women who have never been pregnant, are not currently pregnant, or are beyond the family planning extension period allowed for first steps program eligibility. It is anticipated that the pilot program will serve over 500 women. The department will provide a preliminary report to the appropriate committees of the legislature by January 1, 2006, and a final report by January 1, 2007.

(9) $462,000 of the general fund--private/local appropriation is provided solely to support specialty clinics that provide treatment services to children that are identified with one of the five heritable or metabolic disorders added to the newborn screening panel by the state board of health in 2003.

(10) $125,000 of the general fund--state appropriation for fiscal year 2006 and $125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the farmers' market nutrition program of the special supplemental nutrition program for women, infants and children. It is anticipated that these funds will enable

the department to expand 2004 participation levels by 8,000 persons annually.

(11) $100,000 of the general fund--state appropriation for fiscal year 2006 and $200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the infertility prevention project to implement effective prevention strategies designed to reduce the prevalence of chlamydia and gonorrhea and their potentially debilitating complications.

(12) With funds appropriated in this section, the medical advisory committee to the early detection breast and cervical cancer screening program shall study and recommend strategies for adopting emerging technologies and best practices from the national, state, and local levels in the field of early prevention and detection for breast and cervical cancer, and assist the early detection breast and cervical cancer screening program in implementing policy that follows the best practices of high quality health care for clinical, diagnostic, preventative, pathologic, radiological, and oncology services. The committee will report its recommendations to the legislature by December 15, 2006.

(13) $25,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to develop and implement best practices in preventative health care for children. The department and the kids get care program of public health - Seattle and King county will work in collaboration with local health care agencies to disseminate strategic interventions that are focused on evidence-based best practices for improving health outcomes in children and saving health-care costs.

(14) $48,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1075 (nursing quality commission). If Substitute House Bill No. 1075 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(15) $74,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1137 (physical therapy). If Substitute House Bill No. 1137 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(16) $109,000 of the health professions account appropriation is provided solely for implementation of House Bill No. 1546 (naturopathic

physicians). If House Bill No. 1546 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(17) $80,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1689 (dental health services). If Substitute House Bill No. 1689 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(18) $42,000 of the general fund--state appropriation for fiscal year 2006 and $24,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1605 (soil contamination). If Engrossed Second Substitute House Bill No. 1605 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(19) $40,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for implementation of Substitute House Bill No. 1951 (vision exams for children). If Substitute House Bill No. 1951 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(20) $43,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for implementation of Engrossed Senate Bill No. 5049 (mold in residential units). If Engrossed Senate Bill No. 5049 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(21) $26,000 of the general fund--state appropriation for fiscal year 2006 and $12,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Senate Bill No. 5311 (autism task force). If Senate Bill No. 5311 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(22) $168,000 of the health services account appropriation is provided solely for a two-year pilot project under which parents have the option to choose vaccines which do not contain mercury.

(23) $750,000 of the health services account--state appropriation is provided solely to add one or more combination vaccines to the universal access to childhood immunizations program. The vaccine or vaccines to be added shall be selected by the department after a clinical and cost-effectiveness review by the state vaccine advisory committee. The review shall consider at least the following criteria: (a) The likelihood that use of the combination vaccine will increase

childhood immunization rates; (b) the vaccine's relative effectiveness, and the prevalence and seriousness of the conditions it prevents; (c) the relative cost of the vaccine, after accounting for the extent to which it would replace some single injection antigens; and (d) the extent to which the vaccine is mercury-free. The projected 2007-09 state cost of the combination vaccine or vaccines added pursuant to this review shall not exceed $3,000,000.

(24) $151,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a grant to the Kitsap county health district. The funding shall be used to increase the number of women who receive professional support after delivery through a home visit or telephone call by the county health district. In order to receive the funds, Kitsap county health district must provide an equal amount of matching funds.

((~~(26)~~)) (25) $324,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Second Substitute House Bill No. 2342 (health care declarations). If Second Substitute House Bill No. 2342 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(27)~~)) (26) $432,000 of the general fund--state appropriation for fiscal year 2007 and $21,000 of the health professions account appropriation are provided solely for implementation of Second Substitute House Bill No. 2292 (health care liability reform) including sections 105 through 112 of the bill. If Second Substitute House Bill No. 2292 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(28)~~)) (27) $96,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 2974 (health professions discipline). If Substitute House Bill No. 2974 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(29)~~)) (28) The department of health shall evaluate alternative models for funding the regulation of the health professions, including charging an equivalent fee for all licensed, certified, and registered health professions. The department will provide a report to the appropriate committees of the legislature on the potential fiscal and programmatic benefits and challenges of such alternative models by December 1, 2006.

((~~(30)~~)) (29) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 2985 (foster care health unit). If Substitute House Bill No. 2985 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(31)~~)) (30) $54,000 of the general fund--state appropriation for fiscal year 2007 and $183,000 of the health professions account appropriation are provided solely for implementation of Engrossed Senate Bill No. 6194 (multicultural education/health). If Engrossed Senate Bill No. 6194 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(32)~~)) (31) $118,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1850. If Engrossed Substitute House Bill No. 1850 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(33)~~)) (32) $173,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the state board of health to provide staff support to the governor's interagency committee on health disparities, as provided in Senate Bill No. 6197. If Senate Bill No. 6197 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(34)~~)) (33) $119,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the state board of health to conduct health impact assessments, as provided in Senate Bill No. 6197. If Senate Bill No. 6197 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(35)~~)) (34) $327,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to conduct a survey of health professional demographics and practice patterns, as provided in Senate Bill No. 6193. If Senate Bill No. 6193 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(36)~~)) (35) $200,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to develop and maintain a database showing the statewide incidence and provenance of hepatitis C infections, and to conduct a public information campaign on transmission, prevention, detection, and treatment of the disease.

((~~(37)~~)) (36) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to implement a prostate cancer public awareness and education campaign. The campaign shall place special emphasis on early education for men over forty, African- American men, and men who are at high risk for prostate cancer according to the guidelines of the American cancer society.

((~~(38)~~)) (37) $130,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 6239 (controlled substances) including sections 201 through 203 of the bill. If Engrossed Second Substitute Senate Bill No. 6239 is not enacted by June 30, 2006, the amount provide in this subsection shall lapse.

((~~(39)~~)) (38) Appropriations in this section assume savings attributable to House Bill No. 2632 (HIV insurance coverage program).

((~~(40)~~)) (39) $27,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute House Bill No. 2884 (reclaimed water). If the bill is not enacted by June 30, 2006, these funds shall be used solely for the department to coordinate with the department of ecology or development and adoption of rules relating to reclaimed water.

Sec. 1119. 2006 c 372 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS. The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified herein. However, after May 1, ((~~2006~~)) 2007, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year ((~~2006~~)) 2007 between programs. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds and not federal funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a

narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund--State Appropriation (FY 2006) $46,867,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$59,681,000~~)) <u>$50,815,000</u>

General Fund--Federal Appropriation $1,022,000

Violence Reduction and Drug Enforcement Account--State Appropriation $26,000

Public Safety and Education Account--State Appropriation $2,774,000

Pension Funding Stabilization Account--State Appropriation $245,000

TOTAL APPROPRIATION . . . . . ((~~$110,615,000~~)) <u>$101,749,000</u>

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

(a) $5,250,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$17,250,000~~)) <u>$7,861,000</u> of the general fund--state appropriation for fiscal year 2007 are provided solely for phase three of the department's offender-based tracking system replacement project. This amount is conditioned on the department satisfying the requirements of section 902 of this act.

(b) $26,000 of the general fund--state appropriation for fiscal year 2006 and $44,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1402 (offender travel or transfer). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(c) $35,000 of the general fund--state appropriation for the fiscal year 2007 is provided solely for the establishment and support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will begin to investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental

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

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2006) $524,561,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$555,895,000~~))
$559,488,000
General Fund--Federal Appropriation $3,447,000
Violence Reduction and Drug Enforcement Account--
State Appropriation $2,984,000
Pension Funding Stabilization Account--State
Appropriation $2,269,000
TOTAL APPROPRIATION . . . . . ((~~$1,089,156,000~~))
$1,092,749,000

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

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

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

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

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

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

(f) The department shall ((~~participation~~)) participate in the health technology assessment program required in section 213(6) of this act. The department shall also participate in the joint health purchasing project described in section 213(7) of this act.

(g) The Harborview medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(h) $1,060,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 3 of Second Substitute Senate Bill No. 6319 (failure to register). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(i) $384,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Second Substitute Senate Bill No. 6460 (crimes with sexual motivation). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(j) $91,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 2 of Second Substitute Senate Bill No. 6172 (possession of child pornography). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(k) $763,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of sections 102, 301, and 302 of Engrossed Second Substitute Senate Bill No. 6239 (controlled

substances). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2006) $89,217,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$92,477,000~~)) $99,901,000

Public Safety and Education Account--State Appropriation . . . . . ((~~$16,796,000~~)) $16,833,000

Pension Funding Stabilization Account--State Appropriation $449,000

TOTAL APPROPRIATION . . . . . ((~~$198,939,000~~)) $206,400,000

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

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

(b) $268,000 of the general fund--state appropriation for fiscal year 2006 and $484,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1402 (offender travel or transfer). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(c) $122,000 of the general fund--state appropriation for fiscal year 2006 and $82,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1136 (electronic monitoring system). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(d) $59,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 4 of Second Substitute Senate Bill No. 6319 (failure to register). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(e) $666,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 303 of Engrossed Second Substitute Senate Bill No. 6239 (controlled substances). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2006) $838,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$882,000~~))
$887,000
Pension Funding Stabilization Account--State
Appropriation $3,000
TOTAL APPROPRIATION . . . . . ((~~$1,723,000~~))
$1,728,000

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

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2006) $37,289,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$38,662,000~~))
$39,095,000
TOTAL APPROPRIATION . . . . . ((~~$75,951,000~~))
$76,384,000

The appropriations in this subsection are subject to the following conditions and limitations: $130,000 of the general fund--state appropriation for fiscal year 2006 and $196,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

Sec. 1120. 2006 c 372 s 225 (uncodified) is amended to read as follows:

FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund--State Appropriation (FY 2006) $60,000

General Fund--State Appropriation (FY 2007) $60,000

General Fund--Federal Appropriation . . . . . ((~~$260,228,000~~))
$260,256,000

General Fund--Private/Local Appropriation . . . . . ((~~$31,966,000~~))
$31,974,000

Unemployment Compensation Administration Account--
Federal Appropriation . . . . . ((~~$200,541,000~~))
$200,625,000

Administrative Contingency Account--State
Appropriation . . . . . ((~~$16,866,000~~))
$16,869,000

Employment Service Administrative Account--State
Appropriation . . . . . ((~~$24,491,000~~))
$24,497,000

TOTAL APPROPRIATION . . . . . ((~~$534,212,000~~))
$534,341,000

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

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

(2) $12,735,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the Social Security Act (Reed Act). This amount is authorized for state choice administrative functions. The department shall submit recommendations by September 1, 2007, to the office of financial management and the legislative fiscal committees for options reducing the costs of the state choice administrative functions for the 2007-2009 biennium. If these options require any statutory changes, the department shall submit agency request legislation to the appropriate legislative policy committees and fiscal committees by December 15, 2007.

(3) $2,300,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available

to the state by section 903(d) of the Social Security Act (Reed Act). This amount is authorized to continue implementation of chapter 4, Laws of 2003 2nd sp. sess. and for implementation costs relating to Engrossed House Bill No. 2255 (unemployment insurance).

(4) $4,578,000 of the unemployment compensation administration account--federal appropriation is provided from funds made available to the state by section 903(d) of the Social Security Act (Reed Act). These funds are authorized to provide direct services to unemployment insurance claimants and providing job search review.

(End of part)

PART XII
NATURAL RESOURCES

Sec. 1201. 2006 c 372 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2006) $40,744,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$44,131,000~~))
<u>$45,836,000</u>
General Fund--Federal Appropriation $74,678,000
General Fund--Private/Local Appropriation $13,290,000
Special Grass Seed Burning Research
Account--State Appropriation $14,000
Reclamation Account--State Appropriation $2,778,000
Flood Control Assistance Account--State
Appropriation $3,422,000
State Emergency Water Projects Revolving
Account--State Appropriation $1,312,000
Waste Reduction/Recycling/Litter Control--State
Appropriation $15,081,000
State Drought Preparedness Account--State
Appropriation $225,000
State and Local Improvements Revolving
Account (Water Supply Facilities)--State
Appropriation $386,000
Vessel Response Account--State Appropriation $2,876,000
Site Closure Account--State Appropriation $656,000
Water Quality Account--State Appropriation $28,085,000
Wood Stove Education and Enforcement
Account--State Appropriation $357,000
Worker and Community Right-to-Know
Account--State Appropriation $2,153,000
State Toxics Control Account--State Appropriation . . ((~~$84,319,000~~))
<u>$84,426,000</u>
State Toxics Control Account--Private/Local
Appropriation $380,000

Local Toxics Control Account--State Appropriation $5,424,000
Water Quality Permit Account--State Appropriation $32,468,000
Underground Storage Tank Account--State Appropriation . . . $2,889,000
Environmental Excellence Account--State Appropriation $504,000
Biosolids Permit Account--State Appropriation $853,000
Hazardous Waste Assistance Account--State
Appropriation $5,171,000
Air Pollution Control Account--State Appropriation $11,206,000
Oil Spill Prevention Account--State Appropriation $11,078,000
Air Operating Permit Account--State Appropriation $2,922,000
Freshwater Aquatic Weeds Account--State
Appropriation $2,144,000
Oil Spill Response Account--State Appropriation $7,079,000
Metals Mining Account--State Appropriation $14,000
Water Pollution Control Revolving Account--State
Appropriation $485,000
Water Pollution Control Revolving Account--Federal
Appropriation $2,357,000
Freshwater Aquatic Algae Control Account--State
Appropriation $509,000
Pension Funding Stabilization Account--State
Appropriation $186,000
TOTAL APPROPRIATION . . . . . ((~~$400,176,000~~))
$401,988,000

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

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

(2) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(3) $4,054,000 of the state toxics control account appropriation is provided solely for methamphetamine lab clean-up activities and for the clean up of toxic waste, focusing on clean up within and around Puget Sound.

(4) $170,000 of the oil spill prevention account appropriation is provided solely for implementation of the Puget Sound conservation and recovery plan action item UW-02 through a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(5) ((~~$2,500,000~~)) $1,567,552 of the general fund--state appropriation for fiscal year 2006 and ((~~$2,000,000~~)) $2,932,448 of the general fund--state appropriation for fiscal year 2007 are provided solely for shoreline grants to local governments to implement Substitute Senate Bill No. 6012 (shoreline management), chapter 262, Laws of 2003.

(6) $156,000 of the general fund--state appropriation for fiscal year 2006 and $144,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to expand the department's pilot program for processing 401 water quality certification projects to a statewide process and timeline to meet improved permit processing accountability and timelines, which will result in 90 percent of routine certifications occurring within 90 days of application, and acknowledgement of receipt of the application being sent within 10 days.

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

(8) $100,000 of the general fund--state appropriation for fiscal year 2006 and $100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to support water measurement and water storage components of the Columbia River Initiative Program.

(9) $509,000 of the freshwater aquatic algae control account--state is provided solely for implementation of Engrossed Substitute Senate Bill No. 5699 (aquatic invasive species). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(10) $250,000 of the state toxics control account--state appropriation is provided solely to implement Engrossed Second

Substitute House Bill No. 1605 (soil contamination). If the bill is not enacted by June 30, 2005, the amount in this subsection shall lapse.

(11) $200,000 of the water quality account--state appropriation is provided solely for the department to contract with the state conservation commission to provide statewide coordination and support for coordinated resource management.

(12) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(13) $196,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute House Bill No. 2884 (reclaimed water). If the bill is not enacted by June 30, 2006, the amount provided in this subsection is provided solely to adopt rules in coordination with the department of health for all aspects of reclaimed water including: Industrial and commercial uses, land applications, direct recharge, wetland discharge, surface percolation, constructed wetlands, stream flow augmentation, and graywater use. The department must adopt the rules in a phased approach: The first phase shall be proposed for adoption by June 1, 2007, and shall include the uses of constructed treatment wetlands; and the second phase shall be adopted by December 31, 2010.

(14) $820,000 of the oil spill prevention account--state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 6244 (oil spill prevention). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(15) $2,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Second Substitute House Bill No. 2860 (Columbia river basin). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(17)~~)) (16) $340,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to support development of a wetland mitigation program in Clark county. The program will engage local, state, and federal agencies, private investors, property owners, and

others in the creation of one or more wetland banks and other measures to protect habitat functions and values while accommodating urban growth in the region.

((~~(18)~~)) (17) $150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to develop a pilot water management process that will include three federally recognized treaty Indian tribes.

((~~(19)~~)) (18) $130,000 of the state toxics control account--state appropriation is provided solely to support pesticide container recycling activities in Washington.

((~~(20)~~)) (19) $100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to Walla Walla county and Columbia county conservation district for habitat conservation planning and related endangered species act assurances for small irrigators and landowners.

((~~(21)~~)) (20) To maximize the use of amounts appropriated during this biennium for the clean up of toxic waste, focusing on clean up within and around Puget Sound, the department shall prioritize for this purpose the use of existing staff, additional FTEs added this biennium, temporary project staff, and contracted services.

((~~(22)~~)) (21) $25,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the department to collaborate with the Wenatchee watershed planning unit and Chelan county for development of a regulatory strategy, as required by the federal clean water act, to control total maximum daily loads of phosphorous to the Wenatchee river. A technically sound plan for managing phosphorous and restoring water quality in the Wenatchee river shall be provided to the appropriate committees of the legislature by July 1, 2008.

((~~(23)~~)) (22) $55,000 of the general fund--state appropriation for fiscal year 2006 and $150,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to address air quality issues for the Columbia river gorge in cooperation with the state of Oregon.

((~~(24)~~)) (23) $67,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Senate Bill No. 6861 (domestic water users). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(25)~~)) (24) $200,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the restoration of Long lake

located in Kitsap county in accordance with the plan approved by the Kitsap county weed control board, the county commissioners, the citizens for improving Long lake, and the department of ecology.

((~~(26)~~)) (25) $150,000 of the local toxics control account--state appropriation is provided solely for the contracting and production of the second phase report for establishing sustainable statewide regional CBRNE/Hazmat response capability. The report will, at a minimum include, a cost-benefit analysis, analysis of sustainable funding options, regional alignment and mutual aid agreements, and administration requirements.

((~~(27)~~)) (26) $250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a pilot project that demonstrates the value of long-term management plans for small forest landowners.

(27) $500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a loan to the Washington materials management and financing authority for necessary start-up costs pursuant to RCW 70.95N.310. The department shall execute an agreement with the authority for repayment of the loan.

Sec. 1202. 2006 c 372 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2006) $35,687,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$38,334,000~~))
$38,986,000
General Fund--Federal Appropriation . . . . . ((~~$2,738,000~~))
$2,918,000
General Fund--Private/Local Appropriation $71,000
Winter Recreation Program Account--State
Appropriation $1,109,000
Off-Road Vehicle Account--State Appropriation $220,000
Snowmobile Account--State Appropriation $4,805,000
Aquatic Lands Enhancement Account--State
Appropriation $345,000
Parks Renewal and Stewardship Account--State
Appropriation . . . . . ((~~$38,702,000~~))
$35,425,000

Public Safety and Education Account--State
Appropriation $47,000
Parks Renewal and Stewardship Account--Private/Local
Appropriation $300,000
Pension Funding Stabilization Account--State
Appropriation $191,000
TOTAL APPROPRIATION . . . . . ((~~$122,549,000~~))
$120,104,000

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

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

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

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

(4) $185,000 of the parks renewal and stewardship account--state appropriation is provided solely to develop a plan for public education and tourist orientation and interpretation at selected state park sites along the route of the ice age floods from Spokane to the Pacific ocean.

(5) Until July 1, 2007, the commission may not charge fees for general park access or parking. Funding of $500,000 of the general fund--state appropriation for fiscal year 2006 and $2,636,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to compensate the state parks and recreation commission for lost revenue from general park access or parking fees.

(6) $750,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for repair and maintenance costs at state parks.

(7) $200,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for employee retirement buyout costs.

(8) $40,000 of the general fund--state appropriation for fiscal

year 2007 is provided solely for computer network hardware and software, and for backup drives and tapes.

Sec. 1203. 2006 c 372 s 306 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

General Fund--State Appropriation (FY 2006) $2,235,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$2,256,000~~))
$2,745,000
General Fund--Federal Appropriation $250,000
Water Quality Account--State Appropriation $4,178,000
Pension Funding Stabilization Account--State
Appropriation $3,000
TOTAL APPROPRIATION . . . . . ((~~$8,922,000~~))
$9,411,000

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

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

(2) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(3) $100,000 of the general fund--state appropriation for fiscal year 2006 and $100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Substitute House Bill No. 1462 (relating to funding for conservation districts). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

Sec. 1204. 2006 c 372 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund--State Appropriation (FY 2006) $46,692,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$46,856,000~~))
$48,282,000

General Fund--Federal Appropriation . . . . . ((~~$49,100,000~~))
$50,400,000
General Fund--Private/Local Appropriation $36,089,000
Off-Road Vehicle Account--State Appropriation $392,000
Aquatic Lands Enhancement Account--State
Appropriation $5,820,000
Recreational Fisheries Enhancement--State
Appropriation $3,753,000
Warm Water Game Fish Account--State Appropriation $2,904,000
Eastern Washington Pheasant Enhancement
Account--State Appropriation $750,000
Wildlife Account--State Appropriation . . . . . ((~~$61,946,000~~))
$62,406,000
Wildlife Account--Federal Appropriation $33,029,000
Wildlife Account--Private/Local Appropriation . . . . ((~~$10,386,000~~))
$11,586,000
Game Special Wildlife Account--State Appropriation $2,883,000
Game Special Wildlife Account--Federal Appropriation . . . $8,863,000
Game Special Wildlife Account--Private/Local
Appropriation $469,000
Public Safety and Education Account--State
Appropriation $588,000
Environmental Excellence Account--State Appropriation $15,000
Regional Fisheries Salmonid Recovery
Account--Federal Appropriation $2,755,000
Oil Spill Prevention Account--State Appropriation $1,043,000
Oyster Reserve Land Account--State Appropriation $411,000
Aquatic Invasive Species Prevention Account--State
Appropriation $528,000
Pension Funding Stabilization Account--State
Appropriation $248,000
TOTAL APPROPRIATION . . . . . ((~~$315,520,000~~))
$319,906,000

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

(1) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(2) $1,556,714 of the general fund--state appropriation for fiscal year 2006 and $1,556,713 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DFW-01 through DFW-06, DFW-08 through DFW-12, and DFW-16.

(3) $225,000 of the general fund--state appropriation for fiscal year 2006 and $225,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

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

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

(6) $180,000 of the wildlife account--state appropriation is provided solely to test deer and elk for chronic wasting disease and to document the extent of swan lead poisoning. Of this amount, $65,000 is provided solely to document the extent of swan lead poisoning and to begin environmental cleanup.

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

(8) The department shall prepare a report detailing the hydraulic permit approval program applications and project types. The department shall coordinate with the office of financial management in determining the contents of the report. At minimum, the report shall include permits by applicant (name, state, local, federal, tribal entity, etc.), project type (pamphlet, minor, medium, major, extension, revision, etc.) and project location (county and water resource inventory area). The department shall submit the report to the office

of financial management and legislative fiscal committees no later than September 1, 2006.

(9) $700,000 of the general fund--federal appropriation is provided solely for environmental data quality and access projects in support of state salmon recovery efforts. The department shall coordinate planning and implementation of all activities with the department of information services and the governor's salmon recovery office. The department shall make certain that any activity using these funds is consistent with recommendations to be submitted (per section 405, chapter 488, Laws of 2005) in the joint report to the legislature and office of financial management on December 1, 2006.

(10) $100,000 of the general fund--state appropriation for fiscal year 2006 and $400,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. Army Corps of Engineers.

(11) $72,000 of the state wildlife account--state appropriation is provided solely to implement House Bill No. 1211 (multiple season big game permit). If the bill is not enacted by June 30, 2005, the amount provided in this section shall lapse.

(12) $528,000 of the aquatic invasive species prevention account--state appropriation is provided solely to implement Senate Bill No. 5699 (preventing and controlling aquatic invasive species and algae). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

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

(14) $10,000 of the general fund--state appropriation for fiscal year 2006 and $10,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for chum salmon production at Minter creek hatchery.

(15) $45,000 of the general fund--federal appropriation for fiscal year 2006 and $45,000 of the general fund--federal appropriation for fiscal year 2007 are provided solely for the management of Canada goose seasons to increase the number of hunting days in southwest Washington.

(16) $46,000 of the wildlife account--state appropriation is provided solely to increase the number of courses providing the hunter education training program created in RCW 77.32.155. The department shall reduce the current backlog of applicants waiting to take the training program and provide for a stable supply of training program courses in order to avoid future backlogs.

(17) $481,000 of the wildlife account--state appropriation is provided solely to continued operation of the Naselle Hatchery during the 2005-07 biennium. This will increase production by 3 million Chinook, 1 million Coho, and 30,000 trout.

(18) $223,000 of the wildlife account--state appropriation is provided solely to implement Senate Bill No. 5227 (wildlife harvest reports). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(19) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for federal match funding for the control of predators that damage livestock, crops, and property.

(20) $85,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to produce educational materials discouraging activities that harm or disturb the spawning beds of salmon and steelhead. Discouraged activities include, but are not limited to, wading on spawning beds, driving motor vehicles on spawning beds, use of high-powered jet or propeller-driven boats across spawning beds, dragging anchors through spawning beds, digging or removing gravel from spawning beds, or any other physical disturbance capable of disturbing spawning fish or damaging or destroying nests of incubating eggs.

(a) The educational materials produced by the department in accordance with this subsection must include, at a minimum, brochures that are to be disseminated to persons applying for fishing and boating licenses statewide. The department must also distribute the brochures widely to retail outlets that cater to outdoor recreation.

(b) The department shall work cooperatively with the tribal fishery comanagers in the development of the educational materials under this section.

(c) The department shall report to the legislature concerning the effectiveness of this subsection after at least two spawning cycles of salmon and steelhead have occurred.

(21) Within the amounts appropriated in this section, by December 1, 2006, the department shall:

(a) Submit a report detailing the reductions required by omnibus appropriations acts since 1997 for activities supported by the state wildlife fund; and

(b) Submit quarterly revenue and expenditure reports for the state wildlife account based on current revenue forecasts to the office of financial management and the fiscal committees of the legislature((~~; and~~)).

(22) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(23) $408,000 of the general fund--state appropriation for fiscal year 2006 ((~~is~~)) and $200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for fire suppression and remediation activities on department lands and facilities that were impacted during the 2005 and 2006 fire season. Funding shall be used for fire suppression, winter feeding, seeding, planting vegetation, fertilizing, weed control, and the establishment of water bars and other erosion control measures.

(24) $266,000 of the general fund--state appropriation for fiscal year 2006 and $214,000 of the state wildlife account--state appropriation are provided solely for the continued operation of the Nemah, Mossyrock, Omak, Colville, Arlington, and Columbia Basin hatcheries during the 2005-07 biennium. Funding shall be used to offset the increased cost of utilities, fuel, fish feed, and mitigation obligations previously funded from local sources. The department shall consult with the appropriate natural resource and fiscal committees of the legislature prior to submitting a 2007-09 budget proposal that changes current hatchery operations, production, and/or maintenance to the office of financial management. Unless specifically authorized by the legislature, the department shall not close any hatchery facility currently in operation.

(25) $43,000 of the general fund--state appropriation for fiscal

year 2007 is provided solely to implement Engrossed Substitute Senate Bill No. 5385 (invasive species council). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(26) $76,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to pay for the added level of fishery sampling and monitoring in the upper Columbia river area as required under the endangered species act and federal court orders.

(27) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for an interagency working group scoping of a study of the sinking of ships as dive attractions. The department of fish and wildlife shall, as approved by the office of financial management, enter into an interagency agreement with the department of natural resources, the state parks and recreation commission, the department of ecology, and the department of community, trade, and economic development to delineate elements of this study. The department of fish and wildlife shall report to the office of financial management and the appropriate committees of the legislature no later than November 15, 2006.

(28) $500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to increase fish production levels on a statewide basis at state-operated fish hatcheries. By July 31, 2006, the department shall submit to the appropriate policy and fiscal committees of the legislature an implementation plan that outlines in specific detail how the amount provided in this subsection will be spent in order to increase fish production. The plan will include production implementation timelines, increased production goals, by species, at identified hatcheries that will receive financial assistance, and the amount to be retained by the department for administration and overhead costs, including the purchase of any new equipment. By July 31, 2007, the department shall submit to the appropriate policy and fiscal committees of the legislature a report documenting the increased production levels, using fiscal year 2006 as the base year for comparison purposes. If the department is unable to produce the implementation plan by July 31, 2006, the amount provided in this subsection shall lapse.

(29) $75,000 of the general fund--state appropriation in fiscal year 2007 is provided solely for the department to prevent impacts to

native species by controlling the nonnative nutria population in Skagit county.

(30) $100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the northwest straits commission to remove lost and abandoned fishing nets and crab and shrimp pots that may be dangerous to humans and that unintentionally trap and kill endangered salmon and other aquatic species.

(31) $4,000 of the wildlife account--state appropriation is provided solely to implement House Bill No. 1210 (temporary fishing license). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(32) Within existing appropriations and utilizing all available federal moneys allocated for the crab buy-back program, the department shall develop and implement a crab buy-back program that allows commercial crab fishers the opportunity to sell their licenses back to the state and exit from the crabbing fishery. The department shall report to the office of financial management and the appropriate fiscal committees of the legislature its detailed implementation plan no later than December 1, 2006.

(33) $660,000 of the general fund--federal appropriation is provided solely to initiate a review of the hydraulic project approval permit rules and to undergo a public process for adoption of new or revised rules that my be needed. Upon completion, the department shall complete a habitat conservation plan for the hydraulic project approval program, and shall seek legislative review prior to adoption of new or revised rules.

(34) $125,000 of the state wildlife account--state appropriation is provided to implement Engrossed Senate Bill No. 5232 (turkey tags). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

<u>(35) $634,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for operations and fish production costs at department-operated Mitchell act hatchery facilities.</u>

Sec. 1205. 2006 c 372 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund--State Appropriation (FY 2006) $40,473,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$53,999,000~~))
$89,221,000
General Fund--Federal Appropriation . . . . . ((~~$15,215,000~~))
$25,525,000
General Fund--Private/Local Appropriation $1,276,000
Forest Development Account--State Appropriation . . . ((~~$54,697,000~~))
$54,842,000
Off-Road Vehicle Account--State Appropriation . . . . . ((~~$4,001,000~~))
$4,026,000
Surveys and Maps Account--State Appropriation . . . . . ((~~$2,447,000~~))
$2,450,000
Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$8,451,000~~))
$8,966,000
Resources Management Cost Account--State
Appropriation . . . . . ((~~$86,332,000~~))
$86,537,000
Surface Mining Reclamation Account--State
Appropriation . . . . . ((~~$2,828,000~~))
$2,830,000
Disaster Response Account--State
Appropriation $5,000,000
Water Quality Account--State Appropriation . . . . . ((~~$2,636,000~~))
$2,645,000
Aquatic Land Dredged Material Disposal Site
Account--State Appropriation $1,321,000
Natural Resources Conservation Areas Stewardship
Account--State Appropriation $34,000
State Toxics Control Account--State Appropriation $2,155,000
Air Pollution Control Account--State Appropriation $556,000
Derelict Vessel Removal Account--State Appropriation . . . $1,138,000
Agricultural College Trust Management
Account--State Appropriation . . . . . ((~~$1,966,000~~))
$1,972,000
Pension Funding Stabilization Account--State
Appropriation $136,000
TOTAL APPROPRIATION . . . . . ((~~$284,661,000~~))
$331,103,000

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

(1) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(2) $18,000 of the general fund--state appropriation for fiscal year 2006, $18,000 of the general fund--state appropriation for fiscal year 2007, and $1,652,050 of the aquatic lands enhancement account appropriation are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DNR-01 and DNR-02.

(3) $138,000 of the resource management cost account--state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1896 (geoduck harvest). If the bill is not enacted by June 30, 2005, the amount in the subsection shall lapse.

(4) $972,000 of the general fund--state appropriation for fiscal year 2006 and $994,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(5) $10,689,000 of the general fund--state appropriation for fiscal year 2006, ((~~$13,635,000~~)) $48,571,000 of the general fund--state appropriation for fiscal year 2007, and $5,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. Of these amounts, up to $250,000 may be expended for staff and other necessary resources to design and implement a fire data-collection system that includes financial- and performance-management information for fires over 10 acres in size.

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

(6) $582,000 of the aquatic lands enhancement account appropriation is provided solely for spartina control.

(7) Fees approved by the board of natural resources in the 2005-07

biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(8) $9,000,000 of the general fund--state appropriation for fiscal year 2007 and $2,000,000 of the aquatic lands enhancement account--state appropriation are provided solely for the purposes of settling those claims identified in *U.S., et al. v. State of Washington, et al.* Subproceeding No. 89-3 (Shellfish), United States District Court for the Western District of Washington at Seattle, Case No. C70-9213. The expenditure of this appropriation is contingent on a settlement agreement that includes the state of Washington as a party to the agreement which is fully executed by June 29, 2007, and a consent decree entered by June 29, 2007, by the United States District Court for the Western District of Washington settling and releasing the identified treaty claims to harvest shellfish previously negotiated in the settlement agreement. By June 29, 2007, the release of claims associated with the settlement agreement and consent decree must be fully effective and there must be no unfulfilled contingencies that could cause the settlement agreement or consent decree to be vacated at some future date if not fulfilled. In the event that these contingencies are not met, the amounts provided in this subsection shall lapse.

(9) $2,155,000 of the state toxics account--state appropriation is provided solely for the department to meet its obligations with the U.S. environmental protection agency for the clean-up of Commencement Bay and other sites.

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

(11) $250,000 of the general fund--state appropriation for fiscal year 2006, $250,000 of the general fund--state appropriation for fiscal year 2007, and $500,000 of the resource management cost account--state appropriation are provided solely for a report on the future of Washington forests. The purpose of the report is to examine economic, recreational, and environmental trends influencing the forest products

industry and secondary manufacturing sectors in Washington state. The department shall contract with the University of Washington college of forestry resources. The college shall consult with the University of Washington economics department for the section on investment returns from granted lands. The report shall contain the following parts:

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

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

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

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

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

(f) Based on the information derived from (a) through (d) of this subsection, an assessment of the expected rate of return from state granted lands. This section of the reports shall also review reports

prepared by the department over the past ten years that describe the investment returns from granted lands. The review of these previous reports shall compare and critique the methodology and indicators used to report investment returns. The review shall recommend appropriate measures of investment returns from granted lands.

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

(12) $4,000 of the general fund--state appropriation for fiscal year 2006 and $4,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to compensate the forest board trust for a portion of the lease to the Crescent television improvement district consistent with RCW 79.13.520.

(13) The department shall develop a multiyear work plan and schedule for mapping all applicable areas of the state for landslide hazards and earthquake hazards. The work plan and schedule shall be based on a carryforward funding level, and shall be submitted to the office of financial management and to the fiscal committees of the legislature by June 30, 2006.

(14) $654,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for geologic hazard research, activities, and mapping, including earthquake, landslide, and tsunami hazards.

(15) $397,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to work with appropriate stakeholders and state agencies in determining how privately owned lands, in combination with other land ownership such as public and tribal lands, contribute to wildlife habitat. The assessment will also determine how commercial forest, forest lands on the urban fringe, and small privately-owned forest lands that are managed according to Washington's forest and fish prescriptions, in

combination with other forest management activities, function as wildlife habitat now and in the future.

((~~(17)~~)) (16) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to establish a work group to study existing legislation affecting the oil and natural gas industry, and to make recommendations to that legal framework to improve the regulatory, technical, environmental, and financial framework of the oil and gas industry. The department shall report its recommendations to the legislature by December 30, 2006.

((~~(18)~~)) (17) $35,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Senate Bill No. 5179 (forest health). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

((~~(19)~~)) (18) $719,000 of the surface mining reclamation account--state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 6175 (surface mining). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(19) $504,000 of the aquatic lands enhancement account--state appropriation is provided solely for expenses related to removing the hull of the S.S. Catala, shipwrecked on state-owned aquatic lands at Damon Point State Park.

Sec. 1206. 2006 c 372 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

General Fund--State Appropriation (FY 2006) $10,979,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$12,271,000~~))
$12,771,000
General Fund--Federal Appropriation $10,634,000
General Fund--Private/Local Appropriation $413,000
Aquatic Lands Enhancement Account--State
Appropriation $1,990,000
Water Quality Account--State Appropriation $972,000
State Toxics Control Account--State Appropriation $3,555,000
Water Quality Permit Account--State Appropriation $238,000
Pension Funding Stabilization Account--State
Appropriation $39,000

TOTAL APPROPRIATION . . . . . ((~~$41,091,000~~))
$41,591,000

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

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

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

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

(4) $36,000 of the general fund--state appropriation for fiscal year 2006 and $37,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for an economic impact study of fairs in the state of Washington.

(5) $12,000 of the general fund--state appropriation for fiscal year 2006 and $13,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for indemnity payments for poultry that are ordered by the department to be slaughtered or destroyed.

(6) $250,000 of the general fund--state appropriation for fiscal year 2006 and $250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for market promotion and trade barrier grants.

(7) $75,000 of the general fund--state appropriation for fiscal year 2006 and $75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the small farm and direct marketing program.

(8) $306,000 of the general fund--state appropriation for fiscal year 2006 and $160,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to complete a database application that would consolidate program information and enable the department to more effectively respond to a food safety or animal disease emergency.

(9) $150,000 of the general fund--state appropriation for fiscal

year 2006 and $150,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement the Washington wine brand campaign.

(10) The department shall consult with affected agricultural industries before fees for fruit and vegetable inspections may be raised. The consultation shall include a review of current inspection services, the cost of providing those services, and the discontinuation of unnecessary services.

(11) $85,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 3033 (animal identification). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) $30,000 of the general fund--state appropriation for fiscal year 2006 and $110,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Engrossed Substitute Senate Bill No. 6508 (renewable fuel). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(13) $100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to support noxious weed boards.

(14) $500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the purchase of agricultural products equipment. The department shall negotiate an appropriate agreement with the agriculture industry for the use of the equipment.

(15) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for spartina eradication efforts.

(16) $26,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute Senate Bill No. 5385 (invasive species council). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(17) $30,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Substitute Senate Bill No. 6377 (milk and milk products). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(18) $500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement the wine commission marketing campaign.

(End of part)

PART XIII
TRANSPORTATION

Sec. 1301. 2006 c 372 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2006) $37,601,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$32,753,000~~))
$36,220,000
General Fund--Federal Appropriation . . . . . ((~~$4,364,000~~))
$4,872,000
General Fund--Private/Local Appropriation $596,000
Death Investigations Account--State Appropriation . . . ((~~$4,628,000~~))
$4,591,000
Public Safety and Education Account--State
Appropriation . . . . . ((~~$3,388,000~~))
$3,438,000
Enhanced 911 Account--State Appropriation $573,000
County Criminal Justice Assistance
Account--State Appropriation . . . . . ((~~$2,895,000~~))
$2,923,000
Municipal Criminal Justice Assistance
Account--State Appropriation . . . . . ((~~$1,157,000~~))
$1,171,000
Fire Service Trust Account--State Appropriation $131,000
Fire Service Training Account--State Appropriation $7,560,000
State Toxics Control Account--State Appropriation $469,000
Violence Reduction and Drug Enforcement
Account--State Appropriation $313,000
Fingerprint Identification
Account--State Appropriation . . . . . ((~~$6,270,000~~))
$6,271,000
Disaster Response Account--State Appropriation $2,000
Aquatic Invasive Species Enforcement Account--State
Appropriation $145,000
Pension Funding Stabilization Account--State

Appropriation $102,000

TOTAL APPROPRIATION . . . . . ((~~$102,947,000~~))
$106,978,000

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

(1) $200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of state fire marshal to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) $145,000 of the aquatic invasive species enforcement account--state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5699 (aquatic invasive species). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(3) $250,000 of the general fund--state appropriation for fiscal year 2006 and $240,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed House Bill No. 1241 (vehicle licensing and registration). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(4) $395,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 5 of Second Substitute House Bill No. 2805 (missing persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(5) If funding is provided through a federal grant or through a memorandum of understanding with a local government, the Washington state patrol's automatic fingerprint identification system shall be capable of instantly accepting electronic latent search records from any Washington state local law enforcement agency, to be implemented on a timeline agreed to by the patrol and the agency granting the fund source. The Washington state patrol shall notify the appropriate fiscal and policy committees of the legislature in writing upon the receipt of such federal moneys or upon the effective date of a memorandum of understanding with a local government.

(6) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute Senate Bill No. 6519 (sex offender registration). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(7) In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform and charge fees for criminal history and background checks for state and local agencies, and nonprofit and other private entities and disseminate the records. It is the policy of the state of Washington that the fees cover, as nearly as practicable, the direct and indirect costs of the criminal history and background check activities. Pursuant to RCW 43.135.055, during the 2005-2007 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the direct and indirect cost of criminal history and background check activities.

(End of part)

PART XIV
EDUCATION

Sec. 1401. 2006 c 372 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2006) $13,452,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$17,151,000~~)) $17,376,000

General Fund--Federal Appropriation . . . . . ((~~$23,090,000~~)) $23,090,000

Pension Funding Stabilization Account Appropriation $165,000

TOTAL APPROPRIATION . . . . . ((~~$53,693,000~~)) $54,083,000

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

(a) $10,835,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$10,980,000~~)) $10,990,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) $428,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$547,000~~)) $597,000 of the general fund--state

appropriation for fiscal year 2007 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(c) $509,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$504,000~~)) $554,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the Washington professional educator standards board. Within the amounts provided in this subsection, the Washington professional educator standards board shall pursue the implementation of recent study recommendations including: (i) Revision of teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies, and (ii) development of mathematics specialist endorsement.

(d) $607,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$592,000~~)) $992,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for increased attorney general fees related to *School Districts' Alliance for Adequate Funding of Special Education et al. v. State of Washington et al.*, Thurston County Superior Court Cause No. 04-2-02000-7 and other education funding lawsuits.

(e) ((~~$1,900,000~~)) $1,615,000 of the general fund--state appropriation is for replacement of the apportionment system, which includes the processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

(f)(i) $45,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the office of the superintendent of public instruction and the department of health to collaborate and develop a work group to assess school nursing services in class I school districts. The work group shall consult with representatives from the following groups: School nurses, schools, students, parents, teachers, health officials, and administrators. The work group shall:

(A) Study the need for additional school nursing services by gathering data about current school nurse-to-student ratios in each class I school district and assessing the demand for school nursing services by acuity levels and the necessary skills to meet those demands. The work group also shall recommend to the legislature best practices in school nursing services, including a dedicated,

sustainable funding model that would best meet the current and future needs of Washington's schools and contribute to greater academic success of all students. The work group shall make recommendations for school nursing services, and may examine school nursing services by grade level. The work group shall assess whether funding for school nurses should continue as part of basic education; and

(B) In collaboration with managed care plans that contract with the department of social and health services medical assistance administration to provide health services to children participating in the medicaid and state children's health insurance program, identify opportunities to improve coordination of and access to health services for low-income children through the use of school nurse services. The work group shall evaluate the feasibility of pooling school district and managed care plan funding to finance school nurse positions in school districts with high numbers of low-income children.

(ii) The office of superintendent of public instruction shall report the work group's findings and plans for implementation to the legislature by February 1, 2006.

(g) $78,000 of the general fund--state appropriation for fiscal year 2006 and $228,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to provide direct services and support to schools around an integrated, interdisciplinary approach to instruction in conservation, natural resources, sustainability, and human adaptation to the environment. Of this amount, $150,000 of the general fund--state appropriation for fiscal year 2007 is provided for deposit in the Washington natural science, wildlife, and environmental education partnership account for grants pursuant to RCW 28A.300.440. Specific integration efforts will focus on science, math, and the social sciences. Integration between basic education and career and technical education, particularly agricultural and natural sciences education, is to be a major element.

(h) $2,896,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902, chapter 518, Laws of 2005.

(i) $325,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for comprehensive cultural competence and

anti-bias education programs for educators and students. The office of superintendent of public instruction shall administer grants to school districts with the assistance and input of groups such as the anti-defamation league and the Jewish federation of Seattle.

(j) $50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Senate Bill No. 6219 (financial literacy). If the bill is not enacted by June 30, 2006, the amount in this section is provided solely for additional efforts at promoting financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(k) $64,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the office of the superintendent of public instruction to conduct further evaluation of issues raised in the recently completed joint legislative audit and review committee report on the accounting of special education excess costs. Within the amounts provided in this subsection, the office of the superintendent of public instruction will convene a work group to evaluate modifying or replacing the current 1077 methodology. This work group will deliver a report to the appropriate committees of the legislature, including the joint legislative audit and review committee, and the office of financial management, by January 1, 2007. The work group will take into consideration recommendations of the Washington learns steering committee.

(l) $15,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed House Bill No. 2910 (environmental education). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(2) STATEWIDE PROGRAMS

General Fund--State Appropriation (FY 2006) $12,341,000
General Fund--State Appropriation (FY 2007) $18,884,000
General Fund--Federal Appropriation . . . . . ((~~$58,112,000~~))
$67,358,000
TOTAL APPROPRIATION . . . . . ((~~$89,337,000~~))
$98,583,000

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

(a) HEALTH AND SAFETY

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

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

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

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

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

(iv) $40,000 of the general fund--state appropriation is provided solely for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the

extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

(v) $10,344,000 of the general fund--federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies and $800,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for one-time backfill of the federal reductions to the safe and drug free schools and communities grant program.

(vi) A maximum of $146,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $146,000 of the general fund--state appropriation for fiscal year 2007 are provided for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide a request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(vii) $100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a pilot youth suicide prevention and information program. The office of superintendent of public instruction will work with selected school districts and community agencies in identifying effective strategies at preventing youth suicide.

(viii) $40,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute Senate Bill No. 6580 (school notification about sex and kidnapping offenders), including section 2 of that act.

(ix) $45,000 of the general fund state--state appropriation for fiscal year 2007 is provided solely for the development of safe school plan standards. By December 1, 2006, the Washington state school safety center advisory committee, in consultation with the superintendent of public instruction shall prepare a report with: (1) The recommended standards; (2) a potential implementation plan for those standards statewide; and (3) detailed information on the costs and other impacts on school districts from implementing the standards. The development of standards shall address requirements for school mapping and shall include a review of current research regarding safe school planning.

(b) TECHNOLOGY

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

(c) GRANTS AND ALLOCATIONS

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

(ii) A maximum of $548,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of $1,059,000 of the general fund--state appropriation for fiscal year 2007 are provided for alternative certification routes. Funds may be used by the professional educator standards board to continue existing alternative-route grant programs and to create new alternative-route programs in regions of the state with service shortages. Of this amount, $511,000 of the general fund--state appropriation for fiscal year 2007 is provided for additional conditional scholarships to candidates seeking an endorsement in special education, math, science, and bilingual education.

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

(iv) A maximum of ((~~$1,224,000~~)) $2,448,000 of the general fund--state appropriation ((~~for fiscal year 2006 and a maximum of $1,224,000 of the general fund--state appropriation for fiscal year 2007 are~~)) is provided for in-service training and educational programs conducted by the Pacific Science Center.

(v) A maximum of ((~~$1,079,000~~)) $2,158,000 of the general fund--state appropriation ((~~for fiscal year 2006 and a maximum of $1,079,000 of the general fund--state appropriation for fiscal year 2007 are~~)) is

provided for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific Science Center.

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

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

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

(ix) ((~~$1,911,000~~)) $2,119,000 of the general fund--federal appropriation is provided for the advanced placement fee program to increase opportunities for low-income students and under-represented populations to participate in advanced placement courses and to increase the capacity of schools to provide advanced placement courses to students.

(x) $5,532,000 of the general fund--federal appropriation is provided for comprehensive school reform demonstration projects to provide grants to low-income schools for improving student achievement through adoption and implementation of research-based curricula and instructional programs.

(xi) ((~~$24,490,000~~)) $33,526,000 of the general fund--federal appropriation is provided for 21st century learning center grants, providing after-school and inter-session activities for students.

(xii) $383,000 of the general fund--state appropriation for fiscal year 2006 and $294,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Lorraine Wojahn dyslexia pilot reading program in up to five school districts.

(xiii) $75,000 of the general fund--state appropriation for fiscal year 2006 and $75,000 of the general fund--state appropriation for

fiscal year 2007 are provided solely for developing and disseminating curriculum and other materials documenting women's role in World War II.

(xiv) $175,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for incentive grants for districts to develop preapprenticeship programs. Grant awards up to $10,000 each shall be used to support the program's design, school/business/labor agreement negotiations, and recruiting high school students for preapprenticeship programs in the building trades and crafts.

(xv) $3,980,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the dissemination of the Navigation 101 curriculum to all districts, including the development and dissemination of electronic student planning tools and the development of a software package to use to analyze the impact of the implementation of Navigation 101 on student performance, and grants to at least one hundred school districts for the implementation of the Navigation 101 program. The implementation grants will be limited to a maximum of two years and the school districts selected shall represent various regions of the state and reflect differences in school district size and enrollment characteristics.

(xvi) $2,148,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for one-time grants to school districts to offset extraordinary rate increases for natural gas and heating oil.

(xvii) $22,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed House Bill No. 2579 (educational assessments). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(xviii) $1,500,000 of the general fund--state appropriation for fiscal year 2006 and $1,500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a pilot grant program related to serving students in staffed residential homes <u>and other students as specified below</u>. The pilot grant program will be established in at least five school districts. The districts eligible for the pilot grant program shall be limited to school districts with a concentration of students residing in staffed residential homes greater than or equal to 1.3 full time equivalent students per 1,000 K-12 public students<u>, including students who resided in staffed</u>

residential homes during the 2005-2006 school year, and transferred to another residential facility in that district as a result of a closure of one or more staffed residential homes in that district in the current or preceding school year. The amount of funding for each pilot grant district shall be in proportion to the degree of concentration of staffed residential home students residing and served in each respective district or serving high school district, and other criteria as determined by the office of the superintendent of public instruction. Funding in the pilot grant program shall not be considered part of the basic education program.

(A) The pilot grant program is intended to: (I) Identify the fiscal and educational challenges posed to districts that serve staffed residential homes students; (II) provide resources to assist school districts in developing best practices for addressing these challenges; (III) address costs resulting from high concentrations of staffed residential home students in some school districts; (IV) develop models of collaboration between school districts and staffed residential homes; and (V) gain additional information on the variety of circumstances and needs present in the staffed residential home population, including both special education and nonspecial education eligible students.

(B) As a condition of the pilot grant program, the selected school districts must meet the following criteria: (I) Jointly develop, with staffed residential homes in their community, a model policy and plan for collaboration and information sharing, which includes an agreed upon routine of regular communication regarding each child's progress, including for special education students the development and regular updating of individualized education programs; (II) provide an annual progress report regarding the implementation of the model policy and plan and measured progress toward meeting the educational needs of students in staffed residential homes; and (III) provide information and data to the office of the superintendent of public instruction as required for the study detailed in (D) of this subsection (c)(xviii).

(C) $40,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the office of the superintendent of public instruction, with the assistance of the department of social and health services, to prepare a report to the appropriate policy and fiscal committees of the legislature and the office of financial

management on: (I) The number of students residing at each staffed residential home by school district; (II) the specific types of needs of students residing at each staffed residential home; and (III) an overview of the differences in the programs being offered at staffed residential homes and the ranges of costs associated with these programs; and (IV) a summary of the current types of collaboration between school districts and staffed residential homes. This report shall be submitted by November 30, 2006.

(D) $15,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the office of the superintendent of public instruction to report to the appropriate policy and fiscal committees of the legislature and the office of financial management on the results of the pilot grant program established in this subsection (c)(xviii), including a description of the impact on the educational services delivered to the students residing at each staffed residential home. Based on the results of the pilot grant program, the office of the superintendent of public instruction may make recommendations regarding best practices for meeting the needs of students residing in staffed residential homes, and fostering collaboration with staffed residential homes. This report shall be submitted by June 30, 2007.

(E) For those students ((~~residing in staffed residential homes~~)) <u>for whom a school district receives a pilot grant application and</u> who are special education eligible, school districts are eligible to pursue safety net funding beyond the pilot grant program amounts so that the combined basic education allocation, special education excess cost allocation, pilot grant amount, and safety net grants recognize the costs associated with serving staffed residential home students potentially concentrated in a few school districts.

(F) For purposes of this subsection (c)(xviii), "staffed residential home" means a home licensed by the department of social and health services to provide twenty-four hour care for six or fewer children or expectant mothers, which employs staff to care for them.

Sec. 1402. 2006 c 372 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT

General Fund--State Appropriation (FY 2006) $4,193,442,000

General Fund--State Appropriation (FY 2007) . . . . ((~~$4,281,807,000~~))
$4,252,844,000
Pension Funding Stabilization Account Appropriation . . . $28,548,000
TOTAL APPROPRIATION . . . . . ((~~$8,503,797,000~~))
$8,474,834,000

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

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

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

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

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

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

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

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

(A) Funds provided under this subsection (2)(a)(iv) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio in grades K-4 equal to or greater than 53.2

certificated instructional staff per thousand full-time equivalent students. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-4 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

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

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

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

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

(A) Vocational education programs approved by the superintendent of

public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2007-08 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

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

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

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

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

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

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within

any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

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

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

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

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

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

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

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

(h) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades

1-6 program, an additional one-half of a certificated instructional staff unit.

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

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

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

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

(4) Fringe benefit allocations shall be calculated at a rate of 11.21 percent in the 2005-06 school year and 13.02 percent in the 2006-07 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 14.07 percent in the 2005-06 school year and 15.99 percent in the 2006-07 school year for classified salary allocations provided under subsection (3) of this section.

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

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

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

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of

$9,112 per certificated staff unit in the 2005-06 school year and a maximum of $9,476 per certificated staff unit in the 2006-07 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of $22,377 per certificated staff unit in the 2005-06 school year and a maximum of $23,272 per certificated staff unit in the 2006-07 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of $17,362 per certificated staff unit in the 2005-06 school year and a maximum of $18,056 per certificated staff unit in the 2006-07 school year.

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

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

(9) The superintendent may distribute a maximum of ((~~$12,992,000~~)) <u>$12,769,000</u> outside the basic education formula during fiscal years 2006 and 2007 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter

52.04 RCW, a maximum of $513,000 may be expended in fiscal year 2006 and a maximum of $534,000 may be expended in fiscal year 2007;

(b) For summer vocational programs at skills centers, a maximum of $2,035,000 may be expended for the 2006 fiscal year and a maximum of $2,385,000 for the 2007 fiscal year. 20 percent of each fiscal year amount may carry over from one year to the next;

(c) A maximum of $369,000 may be expended for school district emergencies;

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

(e) $394,000 of the general fund--state appropriation for fiscal year 2006 and $850,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for incentive grants to encourage school districts to increase enrollment in vocational skills centers. Up to $500 for each full-time equivalent student may be proportionally distributed to a school district or school districts increasing skills centers enrollment above the levels in the 2004-05 school year. The office of the superintendent of public instruction shall develop criteria for awarding incentive grants pursuant to this subsection. The total amount allocated pursuant to this subsection shall be limited to $1,244,000 for the 2005-07 biennium. Funds provided in this subsection shall first be expended to provide incentive grants to school districts increasing skills center enrollment during the school year. If funds are available after making these allocations, funds may be distributed for: (i) Increasing enrollment including allowing up to an additional .2 full time equivalent student enrollment at skills centers; (ii) increasing enrollment and capacity of summer vocational programs at the skills centers.

(f) ((~~$4,943,000~~)) <u>$4,719,000</u> of the general fund--state appropriation for fiscal year 2007 is provided solely for one-time allocations for equipment replacement in vocational programs and skills centers. The funding shall be allocated based on $75 per full time equivalent vocational student and $125 per full time equivalent skills center student.

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

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

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

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

Sec. 1403. 2006 c 372 s 504 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund--State Appropriation (FY 2006) $74,336,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$241,576,000~~)) $239,233,000
Education Legacy Trust Account--State Appropriation $470,000
Pension Funding Stabilization Account Appropriation $1,543,000
General Fund--Federal Appropriation . . . . . ((~~$1,043,000~~)) $1,034,000
TOTAL APPROPRIATION . . . . . ((~~$318,968,000~~)) $316,616,000

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

(1) ((~~$190,375,000~~)) $187,442,000 is provided for a cost of living adjustment of 1.2 percent effective September 1, 2005, and another 3.3 percent effective September 1, 2006, for state formula staff units. The appropriations include associated incremental fringe benefit

allocations at rates of 10.57 percent for the 2005-06 school year and 12.38 percent for the 2006-07 school year for certificated staff and 10.57 percent for the 2005-06 school year and 12.49 percent for the 2006-07 school year for classified staff.

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

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

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	$0.27	$1.06
Highly Capable (per formula student)	$2.96	$11.40
Transitional Bilingual Education (per eligible bilingual student)	$7.94	$30.52
Learning Assistance (per formula student)	$1.69	$6.50

(c) The appropriations in this section include $251,000 for fiscal year 2006 and ((~~$1,022,000~~)) $1,015,000 for fiscal year 2007 for salary increase adjustments for substitute teachers.

(2) ((~~$129,905,000~~)) $129,173,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is $582.47 per month for the 2005-06 and 2006-07 school years. The appropriations in this section provide for a rate increase to $629.07 per month for the 2005-06 school year and $682.54 per month for the 2006-07 school year. The adjustments to health insurance benefit allocations are at the following rates:

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	$0.42	$0.91
Highly Capable (per formula student)	$2.88	$6.16
Transitional Bilingual Education (per eligible bilingual student)	$7.54	$16.20
Learning Assistance (per formula student)	$1.49	$3.21

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

Sec. 1404. 2006 c 372 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION

General Fund--State Appropriation (FY 2006) $247,541,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$252,607,000~~))

$251,831,000

Pension Funding Stabilization Account Appropriation $755,000

TOTAL APPROPRIATION . . . . . ((~~$500,903,000~~))

$500,127,000

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

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

(2) A maximum of $796,000 of this fiscal year 2006 appropriation and a maximum of $828,000 of the fiscal year 2007 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

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

(4) Allocations for transportation of students shall be based on reimbursement rates of $42.52 per weighted mile in the 2005-06 school year and ((~~$42.30~~)) $43.57 per weighted mile in the 2006-07 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Included in the 2005-06 school year rate is ((~~a one-time~~)) an increase of $1.12 and included in the 2006-07 school year rate is an increase of $1.27 to offset extraordinary increases in the price of diesel fuel. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

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

(6) Beginning with the 2005-06 school year, the superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the current state price. The superintendent may include a weighting or other adjustment factor in the averaging formula to ease the transition from the current-price depreciation system to the average depreciation system. Prior to making any depreciation payment in the 2005-06 school year, the

superintendent shall notify the office of financial management and the fiscal committees of the legislature of the specific depreciation formula to be used. The replacement cost shall be based on the lowest bid in the appropriate bus category for that school year. A maximum of $50,000 of the fiscal year 2006 appropriation may be expended for software programming costs associated with the implementation of this subsection.

Sec. 1405. 2006 c 372 s 506 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund--State Appropriation (FY 2006) $3,147,000
General Fund--State Appropriation (FY 2007) $3,159,000
General Fund--Federal Appropriation . . . . . ((~~$270,423,000~~))
$313,038,000
TOTAL APPROPRIATION . . . . . ((~~$276,729,000~~))
$319,344,000

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

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

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

(3) $47,000 of the general fund--state appropriation for fiscal year 2006 and $59,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to reimburse school districts for school breakfasts served to students enrolled in the free or reduced price meal program pursuant to House Bill No. 1771 (requiring school breakfast programs in certain schools). If House Bill No. 1771 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

Sec. 1406. 2006 c 372 s 507 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS

General Fund--State Appropriation (FY 2006) $464,812,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$478,191,000~~))
$470,395,000

General Fund--Federal Appropriation . . . . . ((~~$435,664,000~~))
$436,409,000

Pension Funding Stabilization Account Appropriation $3,234,000

TOTAL APPROPRIATION . . . . . ((~~$1,381,901,000~~))
$1,374,850,000

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

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

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

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

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

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

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

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

(4) The superintendent of public instruction shall distribute state and federal funds to school districts based on two categories: The

optional birth through age two program for special education eligible developmentally delayed infants and toddlers, and the mandatory special education program for special education eligible students ages three to twenty-one. A "special education eligible student" means a student receiving specially designed instruction in accordance with a properly formulated individualized education program.

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

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

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

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

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

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

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

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

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education

students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with subsection (6)(b) of this section, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) To the extent necessary, $18,940,000 of the general fund--state appropriation and $28,698,000 of the general fund--federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (5) of this section. If safety net awards exceed the amount appropriated in this subsection (8), the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(16) $1,400,000 of the general fund--federal appropriation shall be expended for one-time grants to school districts for the start-up costs of implementing web-based programs that assist schools in meeting state and federal requirements regarding individualized education plans.

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

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

Sec. 1407. 2006 c 372 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE

General Fund--State Appropriation (FY 2006) $173,153,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$190,957,000~~))
$188,092,000
TOTAL APPROPRIATION . . . . . ((~~$364,110,000~~))
$361,245,000

Sec. 1408. 2006 c 372 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund--State Appropriation (FY 2006) $18,078,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$18,237,000~~)) $17,551,000

Pension Funding Stabilization Account Appropriation $117,000

TOTAL APPROPRIATION . . . . . ((~~$36,432,000~~)) $35,746,000

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

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

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

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

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

(5) $236,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$236,000~~)) $196,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

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

Sec. 1409. 2006 c 372 s 511 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund--State Appropriation (FY 2006) $6,900,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$6,974,000~~))
$6,918,000
Pension Funding Stabilization Account Appropriation $44,000
TOTAL APPROPRIATION . . . . . ((~~$13,918,000~~))
$13,862,000

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

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

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of $347.93 per funded student for the 2005-06 school year and $351.98 per funded student for the 2006-07 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of two percent of each district's full-time equivalent basic education enrollment.

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

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

Sec. 1410. 2006 c 372 s 512 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS

General Fund--State Appropriation (FY 2006) $45,382,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$51,297,000~~))
$51,536,000
General Fund--Federal Appropriation $147,799,000
TOTAL APPROPRIATION . . . . . ((~~$244,478,000~~))
$244,717,000

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

(1) ASSESSMENT

(a) $21,946,000 of the general fund--state appropriation for fiscal year 2006, $21,491,000 of the general fund--state appropriation for fiscal year 2007, and $18,560,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL and development of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year. $100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to: (i) Investigate the use of existing mathematics assessments in languages other than English as possible means of measuring tenth grade essential academic learnings and standards, including examining the content and rigor of the assessments as well as their reliability and validity; (ii) estimate the cost of translating the tenth grade mathematics WASL into other languages and scoring these assessments should they be implemented; and (iii) develop recommendations for (i) and (ii) of this subsection (a). Funds provided in this section are sufficient to implement section 5 of Engrossed Substitute Senate Bill No. 6475 (alternative assessment options).

(b) $1,327,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Substitute House Bill No. 3127 (education), including section 2 of that act. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(c) $250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 4 of Engrossed Substitute Senate Bill No. 6255 (student-centered planning) regarding reimbursement of diagnostic assessments.

(2) MATH REMEDIATION

The purpose of this subsection (2) is to strengthen high school student performance in meeting the state standards in mathematics.

(a) Included in the general fund--state amounts provided in subsection (1) of this section is $2,350,000 which is provided solely for the development of a new tenth grade mathematics assessment tool that: (i) Presents the mathematics essential learnings in segments for assessment; (ii) is comparable in content and rigor to the tenth grade mathematics WASL when all segments are considered together; (iii) is reliable and valid; and (iv) can be used to determine a student's academic performance level.

(b) $110,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the development of WASL knowledge and skill learning modules to assist students performing at tenth grade Level 1 in mathematics.

(c) $330,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for development of mathematics knowledge and skill learning modules to teach middle and high school students specific skills that have been identified as areas of difficulty for tenth grade students. The office of the superintendent of public instruction shall develop materials for classroom use and for tutorial learning activities.

(d) $600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for development of web-based applications of the curriculum and materials produced under (b) and (c) of this subsection as well as mathematics knowledge and skill modules and materials previously developed by the office of the superintendent of public instruction. The products are to be designed as on-line courses for students needing Level 1 instruction; learning modules accessible to classroom teachers for incorporation into classroom instruction; tutorials that can be used as WASL assessment skill refreshers and as tutor-guided and parent-guided learning modules; and on-line practice WASLs with supporting item scoring information and student response examples.

(3) PROFESSIONAL DEVELOPMENT

(a) $548,000 of the fiscal year 2006 general fund--state appropriation and $548,000 of the fiscal year 2007 general fund--state appropriation are provided solely for training of paraprofessional

classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

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

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

(d) $3,180,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$4,358,000~~)) $4,597,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for salary bonuses, and mandatory fringe benefits, for teachers who attain certification by the national board for professional teaching standards, subject to the following conditions and limitations:

(i) Teachers who hold a valid certificate from the national board during the 2005-06 or 2006-07 school years shall receive an annual bonus not to exceed $3,500 in each of these school years in which they hold a national board certificate.

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

(e) $98,761,000 of the general fund--federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

(4) SCHOOL IMPROVEMENT

(a) $338,000 of the general fund--state appropriation for fiscal year 2006 and $488,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (i) Development of an individualized

professional growth plan for a new principal or principal candidate; and (ii) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, $25,000 per year shall be used to support additional participation of secondary principals.

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

(c) $1,000,000 of the general fund--state appropriation for fiscal year 2006 and $1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a high school and school district improvement program modeled after the office of the superintendent of public instruction's existing focused assistance program in (b) of this subsection. The state funding for this improvement program will match an equal amount committed by a nonprofit foundation in furtherance of a jointly funded program.

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

public instruction shall emphasize issues of high school reform and mathematics instruction when offering summer institute programs supported by funds provided in this subsection.

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

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

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

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

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

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

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

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

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

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

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

(g) $125,000 of the general fund--state appropriation for fiscal year 2006 and $125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the improvement of reading achievement and implementation of research-based reading models. The superintendent shall evaluate reading curriculum programs and other instructional materials to determine the extent to which they are aligned with state standards. A report of the analyses shall be made available to school districts. The superintendent shall report to districts the assessments that are available to screen and diagnose reading difficulties, and shall provide training on how to implement a reading assessment system. Resources may also be used to disseminate grade level expectations and develop professional development modules and web-based materials.

(h) $30,401,000 of the general fund--federal appropriation is provided for the reading first program under Title I of the no child left behind act.

(i) $500,000 of the general fund--state appropriation for fiscal year 2007 is provided for the office of the superintendent of public instruction to award five grants to parent, community, and school district partnership programs that will meet the unique needs of different groups of students in closing the achievement gap. The legislature intends that the pilot programs will help students meet state learning standards, achieve the skills and knowledge necessary for college or the workplace, reduce the achievement gap, prevent dropouts, and improve graduation rates. The office of the superintendent of public instruction shall develop and publish the criteria for awarding grants by July 2006.

(i) The pilot programs shall be designed in such a way as to be supplemental to educational services provided in the district and shall utilize a community partnership based approach to helping students and their parents.

(ii) The grant recipients shall work in collaboration with the office of the superintendent of public instruction to develop measurable goals and evaluation methodologies for the pilot programs. $25,000 of this appropriation may be used by the office of the superintendent of public instruction to hold a statewide meeting to disseminate successful strategies developed by the grantees.

(iii) The office of the superintendent of public instruction shall issue a report to the legislature in the 2007 session on the progress of each of the pilot programs.

(5) STUDENT SUPPORTS

(a) $2,500,000 of the general fund--state appropriation for fiscal year 2006 and $4,500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for: (i) The meals for kids program under RCW 28A.235.145 through 28A.235.155; (ii) to eliminate the co-pay for students eligible for reduced price lunch eating breakfast; and (iii) for additional assistance for school districts initiating a summer food service program.

(b) $125,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for an early reading grant program for community-based initiatives that develop prereading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts. Grant awards shall include funding for one-time start up costs for local affiliates and a one-time partial payment of school district dues to local affiliates of up to 30 percent of the per student dues amount. Grant applications shall include:

(i) Strategies for parental involvement emphasizing ages birth to five and outreach to diverse communities;

(ii) Evidence of collaboration with, and support from, local school districts, and how the activities funded in the grant are complementary to the reading improvement efforts of local school districts;

(iii) A plan for community participation and coordination of resources including in-kind and financial support by public and private sector partners;

(iv) Measurable goals and evaluation methodology to determine impact;

(v) Integration of reading strategies from the Washington state early learning and development benchmarks;

(vi) A plan for marketing and public relations;

(vii) Strategies for sustaining the program when grant funding is no longer available; and

(viii) Evidence of district commitment to reading improvement, aligned curriculum, progress monitoring, and time-on-task.

(c) $850,000 of the general fund--state appropriation for fiscal year 2006 and $850,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs. Grants provided under this section may be used by school districts for expenditures from September 2005 through August 31, 2007.

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

(6) TECHNOLOGY

(a) $1,959,000 of the general fund--state appropriation for fiscal year 2006 and $1,959,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of

school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(b) $126,000 of the general fund--state appropriation for fiscal year 2006 and $126,000 of the general fund--state appropriation for fiscal year 2007 are provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

Sec. 1411. 2006 c 372 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund--State Appropriation (FY 2006) $58,205,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$61,608,000~~))
<u>$58,181,000</u>
General Fund--Federal Appropriation $51,741,000
Pension Funding Stabilization Account Appropriation $504,000
TOTAL APPROPRIATION . . . . . ((~~$172,058,000~~))
<u>$168,631,000</u>

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

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

(2) The superintendent shall distribute a maximum of $759.58 per eligible bilingual student in the 2005-06 school year and $770.40 in the 2006-07 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

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

(4) $70,000 of the amounts appropriated in this section are

provided solely to develop a system for the tracking of current and former transitional bilingual program students.

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

Sec. 1412. 2006 c 372 s 514 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM

General Fund--State Appropriation (FY 2006) $65,018,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$64,626,000~~))
$64,353,000
Education Legacy Trust Account--State Appropriation . . . $24,605,000
Pension Funding Stabilization Account Appropriation $553,000
General Fund--Federal Appropriation $348,351,000
TOTAL APPROPRIATION . . . . . ((~~$503,153,000~~))
$502,880,000

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) Funding for school district learning assistance programs shall be allocated at maximum rates of $184.69 per funded student for the 2005-06 school year and $187.97 per funded student for the 2006-07 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:

(i) 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; and

(ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.

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

(2) Increases in a school district's allocation above the 2004-05 school year level shall be directed to grades nine through ten for the 2006-07 school year.

(3) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(4) Small school districts are encouraged to make the most efficient use of the funding provided by using regional educational service district cooperatives to hire staff, provide professional development activities, and implement reading and mathematics programs consistent with research-based guidelines provided by the office of the superintendent of public instruction.

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

(6) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

Sec. 1413. 2006 c 372 s 515 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--PROMOTING ACADEMIC

SUCCESS

General Fund--State Appropriation (FY 2006) $3,842,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$23,879,000~~)) $19,067,000

Pension Funding Stabilization Account Appropriation $189,000

TOTAL APPROPRIATION . . . . . ((~~$27,910,000~~)) $23,098,000

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

(1) The amounts appropriated in this section are provided solely for remediation for students who have not met standard in one or more content areas of the WASL in the spring of their tenth grade year and on each retake thereafter. The funds may be used for extended learning activities, including summer school, before and after school, Saturday classes, skill seminars, assessment preparation, and in-school or out-of-school tutoring. Extended learning activities may occur on the school campus, via the internet, or at other locations and times that meet student needs. Funds allocated under this section shall not be considered basic education funding. Amounts allocated under this section shall fund new extended learning opportunities, and shall not supplant funding for existing programs and services.

(2) School district allocations for promoting academic success programs shall be calculated as follows:

(a) A portion of the district's student units shall be the number of content area assessments (reading, writing, and mathematics) on which students were more than one standard error of measurement from meeting standard on the Washington assessment of student learning for the current class of eleventh grade students.

(b) The other portion of the district's student units shall be the number of content area assessments (reading, writing, and mathematics) on which students were less than one standard error of measurement from meeting standard but did not meet standard on the Washington assessment of student learning for the current class of eleventh grade students. Districts with at least one but less than 20 student units combining the student units generated from this subsection and (a) of this subsection shall be counted as having 20 student units for the purposes of the allocations in (d) and (e)(i) of this subsection.

(c) The legislature recognizes that professional development and planning for teachers is an important component of high quality extended learning activities. Accordingly, a one-time funding amount equal to 12 hours of certificated instructional staff units per 13.0 student units, as calculated in (a) and (b) of this subsection, is provided in this section to ensure that extended learning activities are of high quality and aligned to the state's essential academic learning requirements.

(d) Allocations for certificated instructional staff salaries and benefits shall be determined using formula-generated staff units calculated pursuant to this subsection. Ninety-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (a) of this subsection and thirty-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (b) of this subsection. Allocations for salaries and benefits for the staff units calculated under this subsection shall be calculated in the same manner as provided under section 503 of this act. Salary and benefit increase funding for staff units generated under this section is included in section 504 of this act.

(e) The following additional allocations are provided per student unit, as calculated in (a) and (b) of this subsection:

(i) $12.50 for maintenance, operations, and transportation;

(ii) $12.00 for pre- and post-remediation assessments;

(iii) $17.00 per reading remediation student unit;

(iv) $8.00 per mathematics remediation student unit; and

(v) $8.00 per writing remediation student unit.

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

(3) School districts shall report annually to the office of the superintendent of public instruction on the use of these funds, including the types of assistance selected by students, the number of students receiving each type of assistance, and the impact on WASL test scores.

(4) $708,000 of the general fund--state appropriation for fiscal year 2006 and ((~~$3,408,000~~)) $1,300,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for additional

one-time allocations to offer remedial programs for students in the class of 2007 or other students who have not achieved success on the tenth grade WASL. The formula for distributing the allocations to school districts shall include amounts for students in the class of 2007 who register to retake the WASL and want remedial assistance, and other factors as determined by the office of the superintendent of public instruction. Before making the allocations from the funding provided in this subsection, the office of the superintendent of public instruction shall consult with the office of financial management to ensure that the proposed allocations will achieve efficient and effective program delivery and that they are one-time in nature.

(5) $1,500,000 of the general fund--state appropriation for fiscal year 2007 is provided for competitive innovation grants awarded to schools and school districts for implementing high school remediation programs that are unique in program delivery, program accessibility, program content, or a combination of these factors and that serve students who have not achieved success on the tenth grade WASL.

(6) School districts may carry over from one year to the next up to 20 percent of funds allocated under this program; however, carryover funds shall be expended for promoting academic success programs, and may be used to provide extended learning programs for students beyond their eleventh grade year who want continued remedial assistance to pass the WASL.

Sec. 1414. 2006 c 372 s 516 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM

Student Achievement Account--State

Appropriation . . . . . ((~~$630,537,000~~))

<u>$630,313,000</u>

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

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of $300.00 per FTE student for the 2005-06 school year and $375.00 per FTE student for the 2006-07 school year. For the purposes of this section, FTE student refers to the annual average full-time equivalent enrollment of the school district in

grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

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

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

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

Sec. 1415. 2006 c 372 s 518 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF EARLY LEARNING

General Fund--State Appropriation (FY 2006) $100,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$32,504,000~~)) $32,799,000

General Fund--Federal Appropriation $180,000

TOTAL APPROPRIATION . . . . . ((~~$32,784,000~~)) $33,079,000

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

(1) $29,941,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for providing early childhood education assistance. Of this amount, $1,497,000 is provided solely to increase the number of children receiving education and $2,146,000 is provided solely for a targeted vendor rate increase.

(2) $525,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for an early reading grant program for community-based initiatives that develop prereading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts. If Substitute House Bill No. 2836 (reading achievement account) is enacted by June 30, 2006, this amount shall be deposited in the reading achievement account. Grant awards shall include funding for one-time start up costs for local affiliates and a one-time partial payment of school district dues to local affiliates of up to 30 percent of the per student dues amount. Grant applications shall include:

(a) Strategies for parental involvement emphasizing ages birth to five and outreach to diverse communities;

(b) Evidence of collaboration with, and support from, local school districts, and how the activities funded in the grant are complementary to the reading improvement efforts of local school districts;

(c) A plan for community participation and coordination of resources including in-kind and financial support by public and private sector partners;

(d) Measurable goals and evaluation methodology to determine impact;

(e) Integration of reading strategies from the Washington state early learning and development benchmarks;

(f) A plan for marketing and public relations;

(g) Strategies for sustaining the program when grant funding is no longer available; and

(h) Evidence of district commitment to reading improvement, aligned curriculum, progress monitoring, and time-on-task.

(3) $1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the child care career and wage ladder program created by chapter 507, Laws of 2005.

NEW SECTION. **Sec. 1416.** A new section is added to 2006 c 372 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION. (1) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (2) of this section.

(2) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, 2007, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year 2007 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; and learning assistance programs.

(3) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

(End of part)

PART XV
HIGHER EDUCATION

Sec. 1501. 2006 c 372 s 603 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2006) $337,629,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$352,714,000~~))
$352,614,000
General Fund--Private/Local Appropriation $300,000
Accident Account--State Appropriation $6,209,000
Medical Aid Account--State Appropriation $6,143,000
Education Legacy Trust--State Appropriation $10,748,000
Pension Funding Stabilization Account--State
Appropriation $604,000
TOTAL APPROPRIATION . . . . . ((~~$714,347,000~~))
$714,247,000

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

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

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

(3)(a) $3,057,000 of the education legacy trust appropriation for fiscal year 2006 and $7,691,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 360 new enrollments at the Seattle campus, 325 new enrollments at the Tacoma campus, and 275 new enrollments at the Bothell campus. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(b) $2,500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for 150 additional high-demand student enrollments. The university shall make it a priority to expand access to baccalaureate programs in engineering, math, and science. By December 15, 2006, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs enrolled with the funding provided in this subsection.

(4) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, the University of Washington shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

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

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

(c) Improve freshman retention rates;

(d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;

(e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and

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

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

On or before November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the

provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to December 1, 2006.

(5) $200,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to assist the transition of University of Washington-Tacoma and University of Washington-Bothell from branch campuses serving upper-division students, to four-year campuses serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. Consistent with the recommendations of the higher education coordinating board, UW-Tacoma and UW-Bothell may begin enrolling lower-division students beginning in fiscal year 2007.

(6) $30,000 of the general fund--state appropriation for fiscal year 2006 and $30,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for research on labor and economic issues in Washington state through the Harry Bridges center.

(7) $146,000 of the general fund--state appropriation for fiscal year 2006 and $296,000 of the general fund--state appropriation for the fiscal year 2007 are provided solely to the Burke Museum to enhance the museum's public outreach capabilities.

(8) $125,000 of the general fund--state appropriation for fiscal year 2006 and $125,000 of the general fund--state appropriation for the fiscal year 2007 are provided solely to the institute for learning and brain sciences (ILABS) to develop a partnership, linking ILABS to policymakers, private sectors and user-groups.

(9) The University of Washington medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department of corrections has negotiated with other community hospitals in Washington state.

(10) $75,000 of the general fund--state appropriation for fiscal year 2006 and $75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Olympic natural resources center.

(11) $350,000 of the general fund--state appropriation for fiscal year 2006 and $450,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to maintain the autism center at

the University of Washington-Tacoma campus. The facility will continue to function as a satellite facility to the autism center at the University of Washington medical center in Seattle and provide clinical service and professional training.

(12) $2,400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to increase the university's capacity to conduct research in the life science fields.

(13) $400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for improvements to the Pacific Northwest seismic network.

(14) $1,008,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(15) $500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the university to implement a department of global health. The school of medicine and the school of public health and community medicine will jointly form and operate the department. The focus will be establishing sustainable improvements in global health through public health policy, practice, and medical care.

(16) $2,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to pay for operations and maintenance costs of the bioengineering and genome sciences buildings that will come on line during the 2005-07 biennium.

(17) $150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to expand the Washington search for young scholars program at the Robinson center at the University of Washington.

((~~(19)~~)) (18) $300,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for math engineering science achievement (MESA) Washington to establish centers throughout the state.

(19) $25,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict.

Sec. 1502. 2006 c 372 s 604 (uncodified) is amended to read as follows:

FOR WASHINGTON STATE UNIVERSITY

General Fund--State Appropriation (FY 2006) $206,511,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$213,500,000~~))
$213,520,000

Education Legacy Trust--State Appropriation $11,162,000

Pension Funding Stabilization Account--State
Appropriation $293,000

TOTAL APPROPRIATION . . . . . ((~~$431,466,000~~))
$431,486,000

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

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

(2)(a) $2,741,000 of the education legacy trust appropriation for fiscal year 2006 and $6,900,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 430 new enrollments at the Pullman campus, 450 new enrollments at the Vancouver campus, and 25 new enrollments at the Tri-Cities campus. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(b) $1,174,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for 80 additional high demand student enrollments. The university shall make it a priority to expand baccalaureate and graduate level access to nursing programs and to expand baccalaureate programs in engineering and construction management. By December 15, 2006, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs enrolled with the funding provided in this subsection.

(3) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the

total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Washington State University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

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

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

(c) Improve freshman retention rates;

(d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;

(e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and

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

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

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

(4) $507,000 of the education legacy trust appropriation for fiscal year 2006 and $1,014,000 of the education legacy trust appropriation for fiscal year 2007 are provided solely to expand the entering class of veterinary medicine students by 16 resident student FTEs each academic year during the 2005-2007 biennium.

(5) $350,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to assist the transition of Washington

State University-Vancouver from a branch campus serving only upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. Consistent with the recommendations of the higher education coordinating board, WSU-Vancouver may begin enrolling lower-division students beginning in fiscal year 2007.

(6) The university shall give consideration to reprioritizing agricultural research funding to allow for expansion of the center for precision agricultural systems and development of the biologically intensive and organic agriculture program.

(7) $25,000 of the general fund--state appropriation for fiscal year 2006 and $25,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to study the cost of complying with vehicle licensing and registration laws. Funding is subject to the passage of House Bill No. 1241 (modifying vehicle licensing and registration penalties). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) $42,000 of the general fund--state appropriation for fiscal year 2006 and $43,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Senate Bill No. 5101 (providing incentives to support renewable energy). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(9) $200,000 of the general fund--state appropriation for fiscal year 2006 and $200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to conduct research on alternatives for controlling ghost shrimp in Willapa bay.

(10) $716,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(11) $250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to assist the Washington State University (WSU) Tri-Cities in planning the transition from a branch campus serving upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services.

WSU Tri-Cities may begin enrolling lower-division students beginning in Fall 2007.

(12) $800,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the university to operate the AgWeatherNet system.

(13) $400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the center for sustaining agriculture and natural resources to create a biologically intensive and organic agriculture program.

((~~(15)~~)) (14) $1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for allocation to a private nonprofit medical and scientific research institute to be located in Spokane for the purposes of developing and implementing new medical treatment therapies involving systems biology, genomics, and nanotechnology. The allocation shall be matched by the nonprofit institute by an equal amount of funds from nonstate sources. The university shall not retain any of these funds for administrative purposes.

((~~(16)~~)) (15) $98,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to establish a biofuels consumer education and outreach program at the Washington State University extension energy program.

(16) $25,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict.

Sec. 1503. 2006 c 372 s 606 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2006) . . . . . ((~~$45,671,000~~))
$45,586,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$47,006,000~~))
$46,980,000

Education Legacy Trust--State Appropriation $6,461,000

Pension Funding Stabilization Account--State

Appropriation $103,000

TOTAL APPROPRIATION . . . . . ((~~$99,241,000~~))
$99,130,000

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

(1) $2,147,000 of the education legacy trust appropriation for fiscal year 2006 and $4,314,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 650 new enrollments. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Central Washington University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

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

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

(c) Improve freshman retention rates;

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

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

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

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

(3) For the 2006-07 and 2007-08 academic years, the legislature hereby increases the limit on total gross authorized operating fees revenue waived, exempted, or reduced by Central Washington University pursuant to RCW 28B.15.910 to eleven percent.

(4) $206,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

Sec. 1504. 2006 c 372 s 616 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

General Fund--State Appropriation (FY 2006) $5,149,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$5,285,000~~))
$5,354,000

General Fund--Private/Local Appropriation $1,335,000

Pension Funding Stabilization Account--State
Appropriation $38,000

TOTAL APPROPRIATION . . . . . ((~~$11,807,000~~))
$11,876,000

(End of part)

PART XVI
SPECIAL APPROPRIATIONS

Sec. 1601. 2006 c 372 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2006) $640,544,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$683,019,000~~))
$679,329,000
State Building Construction Account--State
Appropriation . . . . . ((~~$5,924,000~~))
$6,500,000
State Taxable Building Construction
Account--State Appropriation $539,000
Gardner-Evans Higher Education Construction
Account--State Appropriation $1,395,000
Debt-Limit Reimbursable Bond Retirement
Account--State Appropriation $2,583,000
Columbia River Basin Water Supply Development
Account--State Appropriation $24,000
Hood Canal Aquatic Rehabilitation Bond Account--State
Appropriation $21,000
TOTAL APPROPRIATION . . . . . ((~~$1,334,004,000~~))
$1,330,935,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2006 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2006.

Sec. 1602. 2006 c 372 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING

BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund--State Appropriation (FY 2006) $24,588,000
General Fund--State Appropriation (FY 2007) $26,743,000
Nondebt-Limit Reimbursable Bond Retirement
Account--State Appropriation . . . . . ((~~$130,909,000~~))
$131,001,000
TOTAL APPROPRIATION . . . . . ((~~$182,240,000~~))
$182,332,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

Sec. 1603. 2006 c 372 s 704 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund--State Appropriation (FY 2006) $1,357,000
General Fund--State Appropriation (FY 2007) . . . . . ((~~$1,357,000~~))
$957,000
State Building Construction Account--State Appropriation . $1,080,000
State Taxable Building Construction
Account--State Appropriation . . . . . ((~~$78,000~~))
$86,000
Gardner-Evans Higher Education Construction
Account--State Appropriation $452,000
Columbia River Basin Water Supply Development
Account--State Appropriation $2,000
Hood Canal Aquatic Rehabilitation Bond Account--State
Appropriation $2,000
TOTAL APPROPRIATION . . . . . ((~~$4,324,000~~))
$3,936,000

Sec. 1604. 2006 c 372 s 705 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL

Disaster Response Account--State Appropriation . . . . ((~~$8,000,000~~))
$9,000,000

The sum of ((~~$8,000,000~~)) $9,000,000 is appropriated from the disaster response account for the purpose of making allocations to the Washington state patrol for fire mobilizations costs or to the department of natural resources for fire suppression costs.

Sec. 1605. 2006 c 372 s 706 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY

General Fund--State Appropriation (FY 2006) $1,600,000

General Fund--State Appropriation (FY 2007) $1,000,000

TOTAL APPROPRIATION $2,600,000

The appropriations in this section ((~~is~~)) are subject to the following conditions and limitations: The appropriations ((~~is~~)) are provided solely for deposit into the disaster response account for the purposes specified in section 705 of this act.

Sec. 1606. 2006 c 372 s 707 (uncodified) is amended to read as follows:

FOR SUNDRY CLAIMS. The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of financial management, except as otherwise provided, as follows:

(1) Reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110:

(a) Kirk F. Schultz, claim number SCJ 2006-01 . . . . . $12,312

(b) Scott A. King, claim number SCJ 2006-02 . . . . . $9,922

(c) Mark D. Huckaba, claim number SCJ 2006-03 . . . . . $10,000

(d) James D. Brittain, claim number SCJ 2006-02 . . . . . $20,000

(e) Jain E. Johnson, claim number SCJ 2007-01 . . . . . $7,250

(f) Sandra J. Ciske, claim number SCJ 2007-02 . . . . . $10,168

(g) Matthew R. Young, claim number SCJ 2007-03 . . . . . $40,185

(h) Kevin J. Flockhart, claim number SCJ 2007-04 . . . . . $38,209

(i) James J. O'Hagan, claim number SCJ 2007-05 . . . . . $25,207

(j) Claude G. Lindsey, Jr., claim number SCJ 2007-07 . . . $10,701

(k) Cary Youngstrom, claim number SCJ 2007-08 . . . . . $5,089

(2) Payment from the state wildlife account for damage to crops by wildlife pursuant to RCW 77.36.050:

(a) For deposit into the self-insurance liability account for reimbursement of payment made to Circle S Landscape, claim number SCG 2004-05 . . . . . $21,926

(b) ((~~Venture Farms, claim number SCG 2005-03 . . . . . $57,448~~

~~(c)~~)) Patrick O'Hagen, claim number SCG 2006-02 . . . . . $1,673

((~~(d)~~)) (c) Patrick O'Hagen, claim number SCG 2006-03 . . . $2,389

((~~(e)~~)) (d) Swampapple Enterprises, Inc., claim number SCG 2006-04 . . . . . $3,574

((~~(f)~~)) (e) Wilbur H. Mundy, claim number SCG 2006-05 . . $10,307

((~~(g)~~)) (f) Sam Kayser, claim number SCG 2006-08 . . . . . $1,108

((~~(h)~~)) (g) Richard Cordell, claim number SCG 2006-09 . . . $4,076

(h) Ralland L. Wallace, claim number SCG 2006-06 . . . . . $23,393

(i) Sulfur Creek Ranches, claim number SCG 2007-01 . . . . $4,602

(j) Venture Farms, claim number SCG 2007-04 . . . . . $5,254

(3) Payment for reinterment of human remains from historic graves pursuant to RCW 68.60.050:

Darrin Erdahl, claim number SCO 2006-01 . . . . . $3,000

Sec. 1607. 2005 c 518 s 707 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--SEX OFFENDER SENTENCING IMPACT

General Fund--State Appropriation (FY 2006) $45,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$792,000~~))

$604,000

TOTAL APPROPRIATION . . . . . ((~~$837,000~~))

$649,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for distribution to counties to pay for the costs of implementing chapter 176, Laws of 2004, which makes amendments to the special sex offender sentencing alternative.

Sec. 1608. 2006 c 372 s 708 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO

RETIREMENT SYSTEMS. The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2005, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund--State Appropriation (FY 2006) $32,450,000

General Fund--State Appropriation (FY 2007) . . . . . ((~~$38,750,000~~))

$38,650,000

(a) $100,000 of the general fund--state appropriations for fiscal year 2006 and $200,000 of the general fund--state appropriations for fiscal year 2007 are provided solely to implement Substitute House Bill No. 1936 (emergency medical technicians). If the bill is not enacted by June 30, 2005, the amounts provided shall lapse.

(b) $950,000 of the general fund--state appropriation for fiscal year 2006 and $950,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the state contributions required under Substitute Senate Bill No. 5615 (law enforcement officers' and fire fighters' retirement system plan 2 disability benefit). If the bill is not enacted by June 30, 2005, the amounts provided shall lapse.

(c) $100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement House Bill No. 2932 (catastrophic disability). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(2) There is appropriated for contributions to the judicial retirement system:

General Fund--State Appropriation (FY 2006) $6,601,000

General Fund--State Appropriation (FY 2007) $9,539,000

(3) There is appropriated for contributions to the judges retirement system:

General Fund--State Appropriation (FY 2006) $300,000

General Fund--State Appropriation (FY 2007) $300,000

(4) There is appropriated for the state contributions required under Senate Bill No. 6453 (minimum monthly retirement):

General Fund--State Appropriation (FY 2007) $500,000

Special Account Retirement Contribution Increase Revolving Account Appropriation $200,000

(5) There is appropriated for the state contributions required under Substitute House Bill No. 2684 (plan 3 five-year vesting):

General Fund--State Appropriation (FY 2007) $600,000

TOTAL APPROPRIATION . . . . . ((~~$87,940,000~~)) $89,140,000

Sec. 1609. 2006 c 372 s 712 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--ENERGY FREEDOM ACCOUNT

General Fund--State Appropriation (FY 2007) . . . . . ((~~$23,000,000~~)) $20,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for ((~~deposit~~)) expenditure into the energy freedom account. If Engrossed Third Substitute House Bill No. 2939 (energy freedom) is not enacted by June 30, 2006, the appropriation in this section shall lapse.

Sec. 1610. 2006 c 372 s 715 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--PERSONNEL LITIGATION SETTLEMENT--RETROSPECTIVE PAYMENTS

General Fund--State Appropriation (FY 2007) . . . . . ((~~$11,813,000~~)) $11,039,976

Special Personnel Litigation Revolving Account Appropriation . . . . . ((~~$10,689,000~~)) $9,954,024

TOTAL APPROPRIATION . . . . . ((~~$22,502,000~~)) $20,994,000

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

(1) The entire appropriation is provided solely for the purposes of

funding the retrospective payments for the settlement of litigation involving compensation differentials among personnel classes, *W.P.E.A. v. State of Washington*.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the ((~~state treasurer~~)) office of financial management shall transfer or direct the transfer of sufficient moneys from each dedicated fund or account, including local funds of state agencies and institutions of higher education, to the special personnel litigation revolving account in accordance with ((~~LEAP~~)) OFM document number ((~~2006-S11~~)) 2007-S01 dated ((~~March 3,~~)) December 19, 2006. Agencies and institutions of higher education with local funds will deposit sufficient money to the special personnel litigation revolving account from their local funds as directed by the office of financial management. The office of financial management will direct the transfer of funds in the amount of the settlement to the administrator of the settlement on the date required by the court order.

NEW SECTION. **Sec. 1611.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--PERSONNEL LITIGATION SETTLEMENT--PROSPECTIVE PAYMENTS

General Fund--State Appropriation (FY 2007) $793,000
Special Personnel Litigation Revolving Account
Appropriation $666,000
TOTAL APPROPRIATION $1,459,000

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

(1) The entire appropriation is provided solely for the purposes of funding the prospective provisions in the settlement agreement, settling all claims in the litigation involving compensation differentials among personnel classes, *W.P.E.A. v. State of Washington*.

(2) Appropriations or spending authority is provided to agencies in accordance with OFM document number 2007-S02 dated December 19, 2006. This funding is to be used in each agency's payroll process to pay the increased salaries for specified job classes as required in the settlement agreement.

NEW SECTION. **Sec. 1612.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--EQUAL JUSTICE SUBACCOUNT

General Fund--State Appropriation (FY 2007) $4,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the equal justice subaccount.

NEW SECTION. **Sec. 1613.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--DISASTER RESPONSE ACCOUNT

General Fund--State Appropriation (FY 2007) $9,700,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the disaster response account.

NEW SECTION. **Sec. 1614.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--TOBACCO PREVENTION AND CONTROL ACCOUNT

General Fund--State Appropriation (FY 2007) $50,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the tobacco prevention and control account.

NEW SECTION. **Sec. 1615.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--PENSION FUNDING STABILIZATION ACCOUNT

General Fund--State Appropriation (FY 2007) $115,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the pension funding stabilization account.

NEW SECTION. **Sec. 1616.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION LEGACY TRUST ACCOUNT
General Fund--State Appropriation (FY 2007) $215,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the education legacy trust account.

NEW SECTION. **Sec. 1617.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--MOBILE HOME PARK RELOCATION ACCOUNT
General Fund--State Appropriation (FY 2007) $2,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the mobile home park relocation account.

NEW SECTION. **Sec. 1618.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--HEALTH SERVICES ACCOUNT
General Fund--State Appropriation (FY 2007) $50,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the health services account.

NEW SECTION. **Sec. 1619.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--VIOLENCE REDUCTION AND DRUG ENFORCEMENT ACCOUNT
General Fund--State Appropriation (FY 2007) $5,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the violence reduction and drug enforcement account.

Sec. 1620. 2005 c 518 s 729 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--PENSION CONTRIBUTION ADJUSTMENTS FOR THE PUBLIC SAFETY EMPLOYEES' RETIREMENT SYSTEM
((~~General Fund--State Appropriation (FY 2007) . . . . . $4,400,000~~))

Special Account Retirement Contribution Increase
Revolving Account Appropriation . . . . . ((~~($3,900,000)~~))
-$73,000
((~~TOTAL APPROPRIATION . . . . . $500,000~~))

The appropriation((~~s~~)) in this section ((~~are~~)) is subject to the following conditions and limitations:

(1) The appropriation((~~s~~)) in this section ((~~are~~)) is provided solely to make adjustments to agency appropriations to reflect the costs associated with the entry of employees into the public safety employees' retirement system as created by chapter 242, Laws of 2004.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special account retirement contribution increase revolving account in accordance with schedules provided by the office of financial management.

NEW SECTION. **Sec. 1621.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--TECHNOLOGY FUNDING

General Fund--State Appropriation (FY 2007) $26,277,000
Special Technology Funding Revolving Account
Appropriation (FY 2008) $37,964,000
TOTAL APPROPRIATION $64,241,000

The appropriations in this section are provided solely for deposit to and expenditure from the data processing revolving account and are subject to the following conditions and limitations:

(1) The appropriations in this section, for expenditure to the data processing revolving account, are to be known as the "information technology funding pool" and are under the joint control of the department of information services and the office of financial management. The department of information services shall review information technology proposals and work jointly with the office of financial management to determine the projects to be funded and the amounts and timing of release of funds. To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special technology funding revolving account, hereby created in the state treasury, in accordance with schedules provided by

the office of financial management pursuant to LEAP Document ITA-2007 as developed by the legislative evaluation and program committee on April 20, 2007, at 13:01 hours.

(2) In exercising this authority, the department of information services and the office of financial management shall:

(a) Seek opportunities to reduce costs and achieve economies of scale by leveraging statewide investments in systems and data and other common or enterprise-wide solutions within and across state agencies that include standard software, hardware, and other information technology systems infrastructure, and common data definitions and data stores that promote the sharing of information across agencies whenever possible;

(b) Ensure agencies incorporate project management best practices and consider lessons learned from other information technology projects; and

(c) Develop criteria for the evaluation of information technology project funding proposals to include the determination of where common or coordinated technology or data solutions may be established, and identification of projects that cross fiscal biennia or are dependent on other prior, current, or future related investments.

(3) In allocating funds for the routine replacement of software and hardware, the information services board and office of financial management shall presume that agencies should have sufficient funding in their base allocation to pay for such replacement and that any allocations out of these funds are for extraordinary maintenance costs.

(4) Funds appropriated in this section shall not be released for information technology projects with a risk-severity assessment level two or greater under the policies of the information services board until a feasibility study has been completed and approved by the information services board. If the feasibility study indicates a need for funding exceeding that allocated for the current biennium, justification of increased project costs shall be incorporated in an annual report from the department of information services to the information services board, the office of financial management, and the legislative evaluation and accountability program committee. Implementation funds shall not be released until the project is approved by the legislature.

(5) Funds in the 2007-09 biennium may only be expended on the projects listed on LEAP Document IT-2007, as generated by the legislative evaluation and accountability program committee on April 20, 2007, at 13:01 hours. Future biennia allocations from the information technology funding pool shall be determined jointly by the department of information services and the office of financial management.

(6) Beginning December 1, 2008, and every biennium thereafter, the department of information services shall submit a statewide information technology plan to the office of financial management and the legislative evaluation and accountability program committee that supports a consolidated funding request. In alternate years, a plan addendum shall be submitted that reflects any modified funding pool request requiring action in the ensuing supplemental budget session.

(7) The department of information services shall report to the office of financial management and the legislative evaluation and accountability program committee by October 1, 2007, and annually thereafter, the status of planned allocations from funds appropriated in this section.

(8) State agencies shall report project performance in consistent and comparable terms using common methodologies to calculate project performance by measuring work accomplished (scope and schedule) against work planned and project cost against planned budget. The department of information services shall provide implementation guidelines and oversight of project performance reporting.

(9) The information services board shall require all agencies receiving funds appropriated in this section to account for project expenses included in an information technology portfolio report submitted annually to the department of information services, the office of financial management, and the legislative evaluation and accountability program committee by October 1st of each year. The department of information services, with the advice and approval of the office of financial management, shall establish criteria for complete and consistent reporting of expenditures from these funds and project staffing levels.

(10) In consultation with the legislative evaluation and accountability program committee, the department of information services shall develop criteria for evaluating requests for these funds

and shall report annually to the office of financial management and the legislative evaluation and accountability program committee by November 1st the status of distributions and expenditures from this pool.

NEW SECTION. **Sec. 1622.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION CONSTRUCTION ACCOUNT

General Fund--State Appropriation (FY 2007) $20,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the education construction account.

NEW SECTION. **Sec. 1623.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--READING ACHIEVEMENT ACCOUNT

General Fund--State Appropriation (FY 2007) $2,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the reading achievement account. The amounts provided shall be used: (1) To implement an early reading grant program for evidence-based or promising community-based initiatives that develop early literacy skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts; and (2) to provide statewide support to community-based reading initiatives.

NEW SECTION. **Sec. 1624.** A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--BOATING ACTIVITIES ACCOUNT

General Fund--State Appropriation (FY 2007) $2,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the boating activities account under Substitute House Bill No. 1651 (boating activities). If the bill is not enacted by June 30, 2007, the appropriation in this section shall lapse.

(End of part)

PART XVII
OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1701. 2006 c 372 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 . . . . . ((~~$6,561,000~~)) $6,644,000

General Fund Appropriation for public utility district excise tax distributions . . . . . ((~~$44,292,000~~)) $44,282,000

General Fund Appropriation for prosecuting attorney distributions . . . . . ((~~$3,568,000~~)) $3,757,000

General Fund Appropriation for boating safety and education distributions . . . . . ((~~$4,252,000~~)) $3,979,000

General Fund Appropriation for other tax distributions . . . . . ((~~$38,000~~)) $41,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . . ((~~$1,969,000~~)) $2,044,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . . ((~~$147,000~~)) $133,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties . . . . . ((~~$83,325,000~~)) $77,023,000

County Criminal Justice Assistance Appropriation . . . . . ((~~$53,650,000~~)) $53,953,000

Municipal Criminal Justice Assistance

Appropriation . . . . . ((~~$21,315,000~~)) $21,381,000

Liquor Excise Tax Account Appropriation for liquor excise tax distribution . . . . . ((~~$40,512,000~~)) $41,525,000

Liquor Revolving Account Appropriation for liquor profits distribution . . . . . ((~~$88,818,000~~)) $68,911,000

City-County Assistance Account Appropriation for local government financial assistance distribution . . . . . ((~~$20,100,000~~)) $26,020,000

TOTAL APPROPRIATION . . . . . ((~~$368,547,000~~)) $349,693,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 1702. 2006 c 372 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation . . . . . ((~~$2,050,000~~)) $2,173,601

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 1703. 2006 c 372 s 803 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation . . . . . ((~~$1,367,000~~)) $1,499,068

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 1704. 2006 c 372 s 804 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION

General Fund Appropriation for federal grazing fees distribution . . . . . ((~~$1,644,000~~)) $2,292,000

General Fund Appropriation for federal flood control funds distribution . . . . . ((~~$68,000~~)) $67,000

Forest Reserve Fund Appropriation for federal forest reserve fund distribution . . . . . ((~~$84,500,000~~)) $84,071,000

TOTAL APPROPRIATION . . . . . ((~~$86,212,000~~))

$86,430,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 1705. 2006 c 372 s 805 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS. For transfers in this section to the state general fund, pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased by the amount of the transfer. The increase shall occur in the fiscal year in which the transfer occurs.

State Convention and Trade Center Account:
For transfer to the state general fund, $5,150,000 for fiscal year 2006 and $5,150,000 for fiscal year 2007 . . . . . $10,300,000

General Fund: For transfer to the tourism development and promotion account, $150,000 for fiscal year 2006 and $150,000 for fiscal year 2007 . . . . . $300,000

Financial Services Regulation Account: For transfer to the state general fund, $778,000 for fiscal year 2006 and $779,000 for fiscal year 2007 . . . . . $1,557,000

Public Works Assistance Account: For transfer to the drinking water assistance account, $8,400,000 for fiscal year 2006 . . . . . $8,400,000

Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual balance of the tobacco settlement account . . . . . ((~~$185,823,000~~))
$166,070,000

Health Services Account: For transfer to the state general fund, $45,000,000 for fiscal year 2006 . . . . . $45,000,000

Health Services Account: For transfer to the tobacco prevention and control account . . . . . ((~~$25,086,000~~))

$21,257,000

Health Services Account: For transfer to the water quality account $7,885,000

Health Services Account: For transfer to the violence reduction and drug enforcement account $6,932,000

Public Employees' and Retirees' Insurance Account: For transfer to the state general fund, $40,000,000 for fiscal year 2006 and $45,000,000 for fiscal year 2007 . . . . . $85,000,000

Department of Retirement Systems Expense Account: For transfer to the state general fund, $2,000,000 for fiscal year 2006 . . . . . $2,000,000

Secretary of State's Revolving Account: For transfer to the state general fund, $250,000 for fiscal year 2006 and $250,000 for fiscal year 2007 . . . . . $500,000

State Treasurer's Service Account: For transfer to the state general fund, $9,500,000 for fiscal year 2006 and $7,000,000 for fiscal year 2007 . . . . . $16,500,000

General Fund: For transfer to the water quality account, $318,000 for fiscal year 2006 and $319,000 for fiscal year 2007 . . . . . $637,000

State Toxics Control Account: For transfer to the water quality account $12,500,000

Water Quality Account: For transfer to the water pollution control revolving account . . . . ((~~$16,534,000~~))
$11,034,000

Pollution Liability Insurance Trust Account: For transfer to the state general fund $3,750,000

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account, an amount not to exceed $21,800,000

Waste Reduction, Recycling, and Litter Control Account: For transfer to the state general fund, $1,000,000 for fiscal year 2006 and $1,000,000 for fiscal year 2007 . . . . . $2,000,000

Public Works Assistance Account: For transfer to the public facility construction loan revolving account, $4,500,000 for fiscal year 2006 . . . . . $4,500,000

Nisqually Earthquake Account: For transfer to the disaster response account, $3,000,000 for fiscal year 2006 . . . . . $3,000,000

Natural Resources Equipment Revolving Fund: For transfer to the state general fund for fiscal year 2006 . . . . . $1,000,000

General Fund: For transfer to the violence reduction and drug enforcement account, $1,500,000 for fiscal year 2006 and $1,500,000 for fiscal year 2007 . . . . . $3,000,000

Education Legacy Trust Account: For transfer to the student achievement account, $35,555,000 for fiscal year 2006 and $103,046,000 for fiscal year 2007 . . . . . $138,601,000

(End of part)

PART XVIII
MISCELLANEOUS

NEW SECTION. **Sec. 1801.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 1802.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

(End of part)

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SHB 1128 - CONF REPT
By Conference Committee

On page 1, line 1 of the title, after "matters;" strike the remainder of the title and insert "amending RCW 15.64.050, 28B.15.910, 41.05.065, 43.10.180, 43.60A.165, 46.09.170, 70.105D.070, 70.146.080, 74.08A.340, and 79.64.040; reenacting and amending RCW 43.08.250 and 70.146.030; amending 2006 c 372 ss 108, 111, 112, 114, 118, 122, 124, 126, 127, 128, 129, 135, 137, 138, 147, 150, 152, 154, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 216, 217, 219, 221, 222, 225, 302, 303, 306, 307, 308, 309, 402, 501, 502, 504, 505, 506, 507, 509, 510, 511, 512, 513, 514, 515, 516, 518, 603, 604, 606, 616, 701, 703, 704, 705, 706, 707, 708, 712, 715, 801, 802, 803, 804, and 805 (uncodified); amending 2005 c 518 ss 707 and 729 (uncodified); adding a new section to chapter 28A.630 RCW; adding a new section to 2006 c 372 (uncodified); adding new sections to 2005 c 518 (uncodified); creating new sections; making appropriations; providing expiration dates; and declaring an emergency."

--- END ---