2008
Supplemental Capital Budget
Conference Proposal

ESHB 2765

March 12, 2008

ESHB 2765 - CONF REPT
By Conference Committee

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A supplemental capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2009, out of the several funds specified in this act.

PART 1
GENERAL GOVERNMENT

NEW SECTION. **Sec. 1001.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

K-12 Inventory Pilot Project (08-2-850)

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

(1) Funding is provided solely for the joint legislative audit and review committee to define and develop a pilot facility condition and inventory system for K-12 public school facilities. In developing and conducting the pilot, the joint legislative audit and review committee shall seek input from the superintendent of public instruction, participating school districts, the construction services group within educational service district 112, the state board for community and technical colleges, the office of financial management, the department of information services, and other entities as determined by the joint legislative audit and review committee. It is the intent of the legislature to build on the experience of the community and technical

college capital facility assessment and inventory process, which includes an independent condition assessment of facilities, to establish a baseline of basic public school facility building data and information. It is also the intent of the legislature that once developed, a facility condition and inventory system must be housed in and operated by the office of the superintendent of public instruction for school districts statewide.

(2) The joint legislative audit and review committee shall select up to ten public school districts to participate in the pilot. The school districts must represent a cross-section of large and small districts, urban and rural districts, districts with facilities of varying age and condition, districts with varying fiscal capacity, and at least one district that serves as the host for a skills center.

(3) The facility condition and inventory system must include facility and site information necessary for facility assessment and maintenance. The facility condition and inventory system must also inform statewide policy options related to: (a) Class size; (b) all-day kindergarten; (c) specialized educational spaces, including math and science classrooms and labs, as well as other specialized spaces; (d) environmental health and safety improvements; (e) joint use of school facilities beyond the traditional school day; (f) high performance buildings; (g) use of portables; and (h) other policy options as identified by the joint legislative audit and review committee.

(4) Data elements in the facility condition and inventory system may include, but are not limited to, facility location, facility condition including health and safety considerations, type, size, current use, enrollment and space by grade level, information on specialized educational spaces, functionality of space, energy efficiency information, date and cost of original construction, date and cost of any major remodeling or renovation, operations and maintenance information and expenditures, and other data elements as determined by the joint legislative audit and review committee.

(5) By January 1, 2009, the joint legislative audit and review committee shall provide a report to the appropriate legislative fiscal committees on the following: (a) A proposed scope of work for the facility condition and inventory system pilot project; (b) identification of current sources of school district facility

information and where the data resides; (c) recommended criteria for evaluating school facilities; (d) potential school district participants; (e) an implementation plan for the pilot group of school districts; and (f) a review of other states' scope and use of public school facility condition and inventory information.

(6) By January 1, 2010, the joint legislative audit and review committee shall submit findings and recommendations on the pilot program to the appropriate legislative fiscal committees. At a minimum, the final report must include the following: (a) A summary of data collected and analyzed for each participating school district; (b) an analysis of study and survey data for several participating school districts compared to an independent facility assessment; (c) a cost/benefit analysis of expanding the pilot to school districts statewide, including potential timelines; (d) possible methods and frequency for collecting, inventorying, updating, and sharing facility information by the office of the superintendent of public instruction; (e) possible interaction of a facility condition and inventory system with the statewide first responder building mapping system and other data collection efforts that are ongoing, including student educational data managed by the office of the superintendent of public instruction; (f) methods that allow for the efficient transfer of information between school districts and the facility condition and inventory system; and (g) other recommendations as determined by the joint legislative audit and review committee.

Appropriation:

Education Construction Account--State $230,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $230,000

Sec. 1002. 2007 c 520 s 1020 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Housing Assistance, Weatherization, and Affordable Housing (06-4-851)

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

(1) $7,800,000 of the reappropriation from the Washington housing trust account is provided solely for the backlog, as defined by the department, of projects determined by the department to be eligible under chapter 43.185 or 43.185A RCW.

(2) $4,500,000 of the reappropriation from the Washington housing trust account is provided solely for weatherization administered through the energy matchmakers program.

(3) $850,000 of the reappropriation from the Washington housing trust account is provided solely to promote development of safe and affordable housing units for persons eligible for services from the division of developmental disabilities within the department of social and health services.

(4) $500,000 of the reappropriation from the Washington housing trust account is provided solely for shelters, transitional housing, or other housing facilities for victims of domestic violence.

(5) $3,000,000 of the reappropriation from the Washington housing trust account is provided solely for farm worker housing projects and programs to meet the full spectrum of housing needs of Washington's farm workers and their families. The department shall work with stakeholders representing a diversity of farm worker housing interests to develop a strategic plan in implementing this provision.

(6) $200,000 of the reappropriation from the Washington housing trust account is provided solely for the implementation and management of a manufactured/mobile home landlord-tenant ombudsman conflict resolution program by the office of mobile home affairs as generally described in section 3, chapter 429, Laws of 2005. The office of mobile home affairs shall also determine the number of complaints made to the department since May of 2005 that, in the best estimate of the department, do in fact present violations of chapter 59.20 RCW and shall produce a summary of the number and types of complaints. The office of mobile home affairs shall also continue to maintain and update a database with information about all mobile home parks and manufactured housing communities. The office of mobile home affairs shall provide a report regarding the activities and results of the program to the appropriate committees of the house of representatives and the senate by December 31, 2007.

(7) $150,000 of the appropriation from the Washington housing trust account is provided solely for a program to assist individuals and

communities in the home-buying process, including, but not limited to: Homebuyer education classes, credit and budget counseling, financial literacy training, and down payment assistance programs. The department shall contract with a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code or similar successor provision that has experience and expertise in addressing language access barriers in the home-buying process to implement this program.

(8) The reappropriation in this section must be included in the calculation of annual funds available for determining the administrative costs of the department, which shall not exceed five percent of the annual funds available for the housing assistance program and the affordable housing program as authorized under RCW 43.185.050 and 43.185A.030.

Reappropriation:

Washington Housing Trust Account--State $16,502,000

((~~Homeless Families Services Account--State . . . . . $4,000,000~~

~~Subtotal Reappropriation . . . . . $20,502,000~~))

$16,502,000

Prior Biennia (Expenditures) $499,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$21,001,000~~))

$17,001,000

Sec. 1003. 2007 c 520 s 1030 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Drinking Water Assistance Program (07-4-004)

Appropriation:

Drinking Water Assistance Account--State . . . . . ((~~$7,200,000~~))

$10,800,000

Drinking Water Assistance Repayment Account--State . . $21,100,000

Subtotal Appropriation . . . . . ((~~$28,300,000~~))

$31,900,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $155,400,000

TOTAL . . . . . ((~~$183,700,000~~))

$187,300,000

Sec. 1004. 2007 c 520 s 1034 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Public Works Trust Fund (07-4-005)

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

(1) Up to $10,000,000 of the appropriation is for the public works board, in consultation with the house of representatives capital budget committee, the senate ways and means committee, and the office of financial management, to implement an infrastructure interest rate buy-down pilot program. The purpose of the program is to demonstrate options for the most efficient use of the state's investment in local infrastructure by funding more projects at an accelerated rate.

(2) The pilot program must provide grants to local governments to offset the difference in interest rates between one-half of one percent, as offered by the public works board, and the interest rate the local government receives on issuance of their own debt.

(3) The pilot program must include the following projects:

(a) Those with high scores from the list of projects that were not funded, as identified in the public works board 2008 legislative report;

(b) Projects located in economically distressed areas or that may be significantly impacted by a possible upcoming recession; and

(c) Projects located in jurisdictions that have unused debt capacity and are willing and able to acquire additional debt to finance the proposed infrastructure project.

Appropriation:

Public Works Assistance Account--State $327,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $1,400,000,000

TOTAL $1,727,000,000

Sec. 1005. 2007 c 520 s 1031 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Housing Assistance, Weatherization, and Affordable Housing (07-4-009)

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

(1) $9,000,000 of the appropriation is provided solely for weatherization administered through the energy matchmakers program.

(2) $5,000,000 of the appropriation is provided solely to promote development of safe and affordable housing units for persons eligible for services from the division of developmental disabilities within the department of social and health services.

(3) $2,500,000 of the appropriation is provided solely for grants to nonprofit organizations and public housing authorities for revolving loan, self-help housing programs for low and moderate income families.

(4) $1,000,000 of the appropriation is provided solely for shelters, transitional housing, or other housing facilities for victims of domestic violence.

(5) $14,000,000 of the appropriation is provided solely for facilities housing low-income migrant, seasonal, or temporary farmworkers. The operation of the facilities built under this section shall be in compliance with 8 U.S.C. Sec. 1342. The department shall work with the farmworker housing advisory committee to prioritize funding of projects to the areas of highest need. Funding may also be provided, to the extent qualified projects are submitted, for health and safety projects. Any of this appropriation that is not obligated by June 30, 2009, shall be added to the amount appropriated for the general pool of projects.

(6) $5,000,000 of the appropriation is provided solely for the development of emergency shelters and transitional housing opportunities for homeless families with children.

(7) $4,000,000 of the appropriation is provided solely for the development of farm infrastructure improvements. Any of this appropriation that is not obligated by June 30, 2009, shall be added to the amount appropriated for the general pool of projects.

(8) $1,500,000 of the appropriation is provided solely for the development of housing for low-income or homeless Native Americans. The department shall work with Native American tribes, not-for–profit organizations with experience in serving Native American populations, and Native American housing development organizations to prioritize projects located in the areas of highest identified need.

(9) $4,000,000 of the appropriation is provided solely for loans and grants to eligible organizations to purchase manufactured/mobile home communities with the intent of preserving the communities for affordable housing.

(10) Up to $10,000,000 of the appropriation is for the creation and development of low-income housing within areas declared disasters by the governor after November 2007.

(11) $2,000,000 of the appropriation from the state taxable building construction account is provided solely for the development or preservation of farmworker housing for migrant and seasonal farmworkers located on private farms. This appropriation is subject to appropriate agreements to protect the public investment. Any of this appropriation that is not obligated by June 30, 2009, shall be added to the amount appropriated for the general pool of projects.

(12) The appropriations in this section from the state building construction account shall be distributed as grants.

(13) $250,000 of the appropriation from the Washington housing trust account is provided solely to the city of Burien for housing related purposes.

(14) The appropriation in this section shall not be used for the administrative costs of the department. The amount of the appropriation shall be included in the calculation of annual funds available for determining the administrative costs authorized under RCW 43.185.050.

((~~(11)~~)) (15) Within available funding provided in this section, the department shall prepare an inventory of housing assistance programs. The inventory shall include all state funded programs, the housing finance commission programs, all programs funded by local governments and housing authorities, including a description of expenditures from fees and taxes specifically authorized by state law for housing assistance and homeless programs, all property tax and sales tax provisions that are intended to support housing assistance programs, and all federally funded housing assistance programs provided in the state. The inventory shall include a description of the program, biennial appropriation and expenditure levels since the 1999-2001 biennium through the 2007-2009 biennium, a description of eligibility criteria and the amount of benefit provided per unit or per

family, and the number of units or families assisted. The department shall coordinate with the joint legislative audit and review committee to reduce duplicative efforts that may be required by legislation.

(16)(a) $10,000,000 of the appropriation is provided solely for the department to contract with the Washington state housing finance commission to provide grants or loans to eligible organizations, described under RCW 43.185A.040, to purchase land or real property for affordable housing and community facilities preservation or development in rapidly gentrifying neighborhoods, redevelopment areas, or communities with a significant low-income population that is threatened with displacement by such gentrification. Loans or grants may be made to purchase land or real property for the preservation or development of affordable housing or community facilities, including reasonable costs and fees. The Washington state housing finance commission's review and evaluation of projects for loans and grants must include, but is not limited to the following: (i) Consideration of mobile home parks facing closure; (ii) properties in neighborhoods in King county that are facing gentrification or redevelopment; and (iii) properties located in the city of Spokane that are facing the threat of displacing low-income tenants due to the loss of affordable housing rental units. The Washington state housing finance commission, with approval from the department, may adopt guidelines and requirements that are necessary to administer the affordable housing and community facilities rapid response program. A loan recipient must preserve affordable rental housing acquired or developed under this section as affordable housing for a minimum of thirty years. Interest rates on loans made under this section may be as low as zero percent but may not exceed three percent. All loan repayments must be deposited into the Washington housing trust account and accounted for separately from other funds in the account.

(b) By December 1, 2008, the Washington state housing finance commission shall report to the department and the appropriate committees of the legislature: (i) The number of loans that were made in the program; (ii) for what purposes the loans were made; (iii) to whom the loans were made; and (iv) when the loans are expected to be paid back.

(17) Up to $10,000,000 of the appropriation is for the department to contract with the Washington state housing finance commission to

administer the facilitation of nonprofit entities' use of tax-exempt multifamily bonds issued by the Washington state housing finance commission.

(18)(a) $100,000 of the appropriation from the Washington housing trust account is provided solely for the department to work in consultation with the affordable housing advisory board and representatives from nonprofit housing development organizations and affordable housing advocacy groups in the state to:

(i) Identify and analyze all costs associated with affordable housing development projects financed through the Washington housing trust fund under chapters 43.185 and 43.185A RCW, which may include, but are not limited to, costs associated with legal and architectural services, permitting and impact fees, land acquisition, and general construction costs;

(ii) Make recommendations for strategies, which must include recommendations for changes to public policy and department procedures, to reduce the costs identified in (a)(i) of this subsection; and

(iii) Make recommendations for potential performance measures appropriate for each strategy identified.

(b) In developing recommendations for strategies to reduce costs, the department shall analyze and address the fiscal impact of public policies of the state and of local governments, Washington housing trust fund policies, and general market forces on affordable housing development.

(c) The department shall report its findings and recommendations to the governor and to the appropriate committees of the legislature by September 30, 2009.

Appropriation:

State Taxable Building Construction Account--State .	$130,000,000
State Building Construction Account--State	$56,700,000
Washington Housing Trust Account--State	$13,300,000
Subtotal Appropriation	$200,000,000
Prior Biennia (Expenditures)	$0
Future Biennia (Projected Costs)	$560,000,000
TOTAL	((~~$690,000,000~~)) $760,000,000

Sec. 1006. 2007 c 520 s 1035 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Rural Washington Loan Fund (07-4-008)

Appropriation:

Rural Washington Loan Account--State . . . . . ((~~$4,127,000~~)) $2,027,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $16,508,000

TOTAL . . . . . ((~~$20,635,000~~)) $18,535,000

Sec. 1007. 2007 c 520 s 1036 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Youth Recreational Facilities Grants (07-4-003)

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

(1) The appropriation is subject to the provisions of RCW 43.63A.135.

(2) The appropriation is provided solely for the following list of projects:

Projects	Location	Recommendation
YMCA of the inland northwest	Spokane	$800,000
Boys and girls clubs of south Puget Sound	Lakewood	$300,000
YMCA of Snohomish county	Mukilteo	$385,000
YMCA of Snohomish county	Everett	$800,000
Boys and girls club of south Puget Sound	Gig Harbor	$600,000
Toutle river ranch	Longview	$525,000
Boys and girls club of Bellevue	Bellevue	$800,000
YMCA of Tacoma-Pierce county	Gig Harbor	$800,000
Wenatchee valley YMCA	Wenatchee	$213,000
YMCA of greater Seattle	Seattle	$250,000
Maple Valley community center	Maple Valley	$100,000
Boys and girls clubs of King county	Seattle	$618,000

Filipino community of Seattle	Seattle	$146,000
Boys and girls clubs of King county	Seattle	$800,000
Ferndale boys and girls club	Ferndale	$863,000
((~~Tacoma community center~~)) Boys and girls club of south Puget Sound	Tacoma	$800,000
Mukilteo boys and girls club	Mukilteo	$250,000
Total		**$9,050,000**

Appropriation:

State Building Construction Account--State $9,050,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $32,000,000

TOTAL $41,050,000

Sec. 1008. 2007 c 520 s 1041 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Local and Community Projects (08-4-001)

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

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement shall not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(2)(c).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation provided in this section for the bridge for kids project shall not be released until the department obtains a report from the project sponsor updating the cost of the project and the current fund raising plan.

(8) ((~~Funding for preconstruction activities for the Camas and Washougal community and recreation center is contingent on voter approval of a metropolitan park district.~~

~~(9)~~)) The appropriation provided in this section for the Fox theater shall be provided only under an agreement that the theater shall retain its current name as the Fox theater.

((~~(10)~~)) (9) The appropriation in this section for the life support and emergency medical services infrastructure build-out project is provided solely for emergency medical services and medical care infrastructure consistent with the adopted mission, goals, and capital plan of the 501(c)(3) life support.

((~~(11) The port of Grays Harbor project is a loan that is subject to the provisions of chapter 171, Laws of 2006.~~

~~(12)~~)) (10) The appropriation is provided solely for the following list of projects:

Project Name	Amount
800 MhZ interoperability public safety communication	$1,000,000
Aberdeen union gospel mission	$562,000
Arts west playhouse and gallery	$150,000
Ashford cultural center and mountaineering museum	$800,000
Asian counseling/referral services	$2,000,000
((~~Aviation high school~~	~~$275,000~~))
Ballard corners park	$125,000
Beaver mitigation of Little Spokane river	$75,000
Benton City food bank	((~~$200,000~~))
	$350,000

Bethel community center	$1,000,000
Blueberry park improvements	$5,000
Bothell crossroads/state route 522 realignment - land acquisition and preconstruction activities	$7,000,000
Bowen field	$500,000
Bremerton downtown economic revitalization projects	$5,000,000
Bridge for kids	$500,000
Burbank water improvement	$1,621,000
Burien town square	$1,600,000
Camp kilworth land acquisition - Federal Way	$1,100,000
Cannon house	$750,000
Chambers creek pedestrian bridge	((~~$1,000,000~~)) <u>$2,400,000</u>
Chehalis middle school track improvement	$350,000
Chehalis veterans wall of honor security enclosure	$25,000
Chelan county public utility district monitor domestic water system	$800,000
Children's hospital	$2,500,000
Cities of Camas and Washougal community/recreation center preconstruction activities	$500,000
City of Everett - senior center expansion and upgrade	$400,000
City of Everett minor league baseball - aquasox	$433,000
City of Kent event center	$3,000,000
City of Mount Vernon downtown and waterfront flood control	$1,000,000
City of Puyallup riverwalk trail project	$600,000
City of Tacoma minor league baseball - rainiers	$2,500,000
City of Yakima minor league baseball	$594,000
Civil war cemetery near volunteer park	$5,000
Columbia Springs environmental learning center preconstruction or construction activities	$200,000
Confluence project	((~~$500,000~~)) <u>$1,000,000</u>
Counter balance park	$100,000
Coupeville covered play area	$113,000
Covered bridge park land acquisition (Grays river)	$90,000
Cowlitz drug treatment center	$580,000
Darrington water system improvements	$100,000

Dawson place child advocacy center land acquisition and renovation	$650,000
Daybreak star in Discovery park	$300,000
Dining car historic preservation	$50,000
Discovery park - Fort Lawton	$700,000
Duwamish education center	$2,000,000
Duwamish longhouse	$275,000
Eatonville family park	$200,000
Evergreen school district health and biosciences academy	$1,000,000
Federal Way little league field lighting	$50,000
Ferndale boys and girls club - urgent needs and preconstruction activities	$200,000
Fish lake trail	$1,000,000
Fort Dent sewer	$450,000
Foss waterway	((~~$1,000,000~~)) <u>$1,300,000</u>
Fox theater	$2,000,000
Friends of hidden river preconstruction activities	$675,000
Goodwill of Tacoma	$1,500,000
Granite Falls museum	$30,000
High Point neighborhood center in West Seattle	$1,000,000
Highline school district noise mitigation	((~~$3,500,000~~)) <u>$5,000,000</u>
Hill ward building removal	$550,000
Innovative services northwest	$1,900,000
Institute for community leadership	$700,000
Jewish federation of greater Seattle	$900,000
Kent alliance center	$500,000
Kirkland public safety campus land acquisition and preconstruction activities	$750,000
Kitsap SEED	$1,100,000
Klickitat law enforcement firing range	$20,000
Kruckeberg botanical garden	$150,000
Lake Stevens civic center	$800,000
Lake Stevens senior center	((~~$200,000~~)) <u>$300,000</u>
Lake Waughop/department of ecology aquatic weeds	$50,000
Library connection at greenbridge	$200,000

Life support and emergency medical services infrastructure build-out	$2,700,000
Lions club renovation	$160,000
Long lake nutrient reduction	$300,000
Loon lake wood waste removal pilot study	$350,000
Lucy Lopez center land acquisition	$750,000
Maple Valley lake wilderness lodge and conference center	$1,500,000
Maple Valley legacy site planning and infrastructure development	$3,000,000
McCaw hall	$2,000,000
McDonald park	$150,000
Mercer slough environmental center	$1,500,000
Mill creek senior center	$150,000
Mirabeau Point children's universal park	$800,000
Mobius	((~~$800,000~~)) <u>$1,900,000</u>
Monroe rotary field	$700,000
Morning star cultural center	$300,000
Mountains to sound - SR18/I90 interchange	$500,000
Nisei veterans committee	$250,000
NORCOM public safety communication	$750,000
Nordic heritage museum <u>preconstruction activities</u>	$1,500,000
Northwest African American museum	$650,000
Northwest harvest	$3,000,000
Northwest stream center	$300,000
Oak Harbor dredging preconstruction activities	$59,000
Oak Harbor veterans memorial	$50,000
Okanogan Valley equestrian and cultural heritage center	$4,000,000
Palouse street safety improvements	$210,000
Performing arts center eastside <u>preconstruction activities</u>	((~~$2,000,000~~)) <u>$2,500,000</u>
Perry technical institute hanger	$250,000
Pike Place market	$1,070,000
Port of Benton transloader (railex)	$1,000,000
((~~Port of Grays Harbor~~	~~$2,500,000~~))
Port of Walla Walla wine incubator	$500,000
Poulsbo marine science center floating classroom	$100,000

Prime time repairs (terminally ill children)	$300,000
Puyallup town square	$200,000
Rainier lifelong learning center	$200,000
Richland Babe Ruth field complex	$1,000,000
Seatac World War I memorial plaza	$200,000
Seattle art museum	$1,250,000
Seattle children's play garden	$332,000
Seattle Chinese garden	$500,000
Shoreline YMCA	$800,000
Simon youth foundation resource center	$150,000
Skagit recreation and event center	$1,000,000
Snoqualmie railway history preconstruction activities	$600,000
Somerset village - Snohomish Y	$200,000
South Tacoma community center	((~~$700,000~~))
	$1,200,000
Spokane county minor league baseball - Indians	$2,000,000
Spokane Valley community center and foodbank	$260,000
Spokane YWCA/YMCA joint project	((~~$2,500,000~~))
	$3,500,000
Springwood youth center	$500,000
SR 395/court street pedestrian overpass	$400,000
Suquamish inviting house construction	$1,000,000
Tacoma narrows bridge lights	$1,500,000
Tonasket viewing platform	$100,000
Tanbara clinic - East Tacoma community	$850,000
The Northwest maritime center	$2,250,000
The Tri Cities minor league baseball	$666,000
Thurston county small business incubator	$750,000
Tokeland/North Cove water tank for fire	$10,000
Town square grid - drexler drive	$750,000
Tukwila southcenter parkway infrastructure	$4,000,000
Turning point domestic violence shelter	$700,000
University Place town square	$1,000,000
VaHalla hall	$750,000
Vancouver national historic reserve	$750,000
Vernetta Smith Chehalis timberland library	$500,000
Waitsburg flood control feasibility report	$29,000
Walla Walla county health center annex	$100,000

White Center heights park	$500,000
White Salmon water improvement	$1,500,000
Willapa harbor community center	$300,000
Wing-It productions historic theater	$20,000
Washington State University/Shoreline Community College zero energy house	$200,000
Yakima domestic violence shelter	$200,000
Yakima downtown futures initiative phase 3	$1,000,000
((~~YMCA of Snohomish county: Ebey Island project~~	~~$2,200,000~~))
Total	((~~$132,619,000~~)) $134,694,000

Appropriation:

State Building Construction Account--State . . . ((~~$132,619,000~~)) $134,694,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$132,619,000~~)) $134,694,000

Sec. 1009. 2007 c 520 s 1039 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Innovation Partnership Zones (08-2-003)

The appropriation in this section is subject to the following conditions and limitations: The state will designate unique areas of the state as innovation partnership zones, where globally competitive companies, research institutions, and advanced training are creating special competitive advantages for the state. From among the innovation partnership zones, using a competitive process based on need, estimated economic impact, geographic diversity, and local matches, ((~~five~~)) six zones or projects will be selected to receive funding. The appropriation in this section is provided solely for shared telecommunications within the zone, shared infrastructure and facilities, long-term capital purchases, and up to 10 percent for zone administration through the locally-designated innovation partnership zone administrator. It is the intent of the legislature that innovation partnership zone grants should consider the commercialization of inventions and innovations.

Appropriation:

State Building Construction Account--State $5,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $5,000,000

Sec. 1010. 2007 c 520 s 1021 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Job/Economic Development Grants (06-4-950)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the project list in section 107, chapter 371, Laws of 2006.

(2) $1,000,000 of the reappropriation for the Pacific Northwest national labs campus infrastructure project is provided solely for giga-pop infrastructure.

(3) ((~~$5,000,000~~)) $2,200,000 of the reappropriation is provided solely for military communities infrastructure projects. Military communities infrastructure projects shall include:

(a) Grants to counties and cities for the purchase of development easements and the purchase of real property in fee simple to restrict the use of accident potential zones and clear zones. The office of financial management shall establish a competitive process for selecting projects to receive the grants. Final allocation of these grants shall be at the discretion and with the approval of the director of the office of financial management.

The grants are subject to the following conditions:

(i) The county or city must be subject to and in compliance with RCW 36.70A.530;

(ii) The grants may not be used to remove encroachments into these zones allowed by county or city zoning or permitting actions;

(iii) The county or city must have an encroachment prevention plan preventing future encroachment into these zones; and

(iv) The grant provided by the state must not exceed one-third of the project cost with funds from local and federal sources providing the balance of the funds.

(b) Up to $481,000 of the reappropriation is provided solely for improvements to a military department site on Fairchild air force base.

Reappropriation:

Public Works Assistance Account--State . . . . . ((~~$31,481,000~~)) $28,681,000

Prior Biennia (Expenditures) $18,519,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$50,000,000~~)) $47,200,000

NEW SECTION. **Sec. 1011.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Skagit County Digester (08-4-951)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for a grant for the Skagit county digester project. This appropriation is subject to appropriate agreements to protect the public investment.

Appropriation:

State Building Construction Account--State $500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $500,000

NEW SECTION. **Sec. 1012.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Snohomish County Biodiesel (08-4-859)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for a grant for the Snohomish county biodiesel crusher project. This appropriation is subject to appropriate agreements to protect the public investment.

Appropriation:

Energy Freedom Account--State $500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $500,000

NEW SECTION. **Sec. 1013.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Quillayute Valley Wood-Fire Boiler (08-4-858)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for a grant for the Quillayute Valley wood-fire boiler demonstration project. This appropriation is subject to appropriate agreements to protect the public investment.

Appropriation:

Energy Freedom Account--State $1,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $1,000,000

Sec. 1014. 2007 c 520 s 1042 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Community Development Fund (08-4-850)

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

(1) The projects listed in this section must comply with RCW 43.63A.125(2)(c).

(2) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(3) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or

appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(4) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(5) Project funds are available on a reimbursement basis only and may not be advanced under any circumstances.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

Project Name	Amount
CASA Latina	$1,000,000
Divine alternatives for dads services (DADS) center	$10,000
El Centro de la Raza center	$821,000
Hilltop renaissance community - Centro Latino	$1,950,000
Hilltop renaissance community - MLK development association preconstruction activities	$4,000,000
HomeSight center	$250,000
Ilwaco community building	$2,700,000
Japanese cultural center of Washington	$1,000,000
KCR Bremerton community services center	$900,000
KDNA community center (Granger community center)	$500,000
Korean women's association center	$1,500,000
North helpline lake city court	$350,000
Salishan housing community	$2,900,000
Sea Mar family housing community	$1,500,000
Spokane east central community center	$150,000
Spokane emmanuel center	$500,000
Spokane Northeast community center	$1,000,000
Wapato Filipino American center	$135,000
Total	$21,166,000

Appropriation:

State Building Construction Account--State $21,166,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $21,166,000

Sec. 1015. 2007 c 520 s 1045 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Washington State Horse Park (08-2-004)

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

(1) The appropriation in this section shall complete the state's capital obligation for the facility.

(2) Land provided for the state horse park by the county or city in which the park is located shall remain in the ownership of that county or city unless the county or city determines otherwise. The legislature encourages the county or city to provide a long-term lease of selected property to the Washington state horse park authority at a minimal charge.

Appropriation:

State Building Construction Account--State $3,500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $3,500,000

NEW SECTION. **Sec. 1016.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Longview Regional Water Treatment Plant Dredging (08-1-001)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the emergency dredging of the Cowlitz river to prevent sandbars from obstructing the intake facility necessary for the city of Longview to obtain water.

Appropriation:

State Building Construction Account--State $150,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $150,000

NEW SECTION. **Sec. 1017.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Quincy Water Treatment System Phase 1 (08-1-002)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to increase the capacity of the water treatment facility in the city of Quincy.

Appropriation:

State Building Construction Account--State $4,500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $4,500,000

NEW SECTION. **Sec. 1018.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Community Schools (08-4-856)

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

(1) The appropriation in this section is provided solely for the acquisition, rehabilitation, expansion, or improvement of surplus school buildings to be converted into community facilities for the delivery of nonresidential coordinated services for children and families.

(2) Eligible applicants include local governments, nonprofit organizations, nonprofit early learning providers, and tribal governments. Only the following surplus schools may be eligible for grant funding under this section: (a) Allen school; (b) Crown Hill school; (c) Fauntleroy school; (d) University Heights school; (e) Martin Luther King elementary school; and (f) Lincoln high school north wing.

(3) As part of the grant process, applicants must submit a comprehensive plan for the use of the surplus school that includes information on the following:

(a) A list of partner entities that will assist the lead eligible applicant to provide or coordinate services for children and families;

(b) A memorandum of understanding between the lead eligible applicant and each partner; and

(c) An examination of capital and operating funding sources that applicants intend to apply to the project and coordinated services at each school to be served, whether such funding is derived from grants under this section or from other federal, state, local, or private sources.

(4) Project applicants must demonstrate that the proposed project is ready to proceed, will make timely use of the funds, and requires state funding to accomplish a discrete, usable phase of the project that may include acquisition.

(5) If grant funds under this subsection are used for the acquisition of surplus school facilities, the sale proceeds must be used by the local school board disposing of such property for renovation, replacement, or new construction of school facilities in the district, but shall not be used as local match for projects receiving state school construction assistance grants.

(6) In contracts for grants authorized under this subsection, the department shall include provisions that require that capital improvements must be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities must be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

Appropriation:

State Building Construction Account--State $4,585,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $4,585,000

NEW SECTION. **Sec. 1019.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

2008 Local and Community Projects (08-4-861)

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

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only and may not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(2)(c).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

Project Name	**Amount**
180th/240th park development	$700,000
Armed forces and aerospace museum	$100,000
Brightwater environmental education center and energy test bed	$270,000
Bullerville utility district water system replacement	$350,000
Burley Mountain lodge	$350,000
Camano community health clinic	$500,000
Cispus environmental learning center	$150,000
Cliff Bailey center - north end roof	$302,000

Comfort house senior citizen center	$15,000
Culvert and road collapse on 17th street in Lynden	$500,000
Dayton historic depot	$75,000
Dialysis capacity and backup power	$450,000
Eatonville community pool access addition	$350,000
Edwall water system	$765,000
Examination room at children's justice center	$100,000
Federal Way performing arts preconstruction activities	$500,000
Garfield county agricultural history museum	$75,000
Greenacres neighborhood park development	$300,000
Handicap and public safety renovations	$115,000
Hazel Heights p-patch and community garden	$70,000
Historic train preservation	$50,000
Hope center	$135,000
Jim Kennett track renovation	$12,000
Kitsap mental health services residential facility	$1,000,000
Mason transit community center	$235,000
McCaw hall	$400,000
Mobile command center	$330,000
Mt. Rainier lahar warning system upgrade	$300,000
Mt. Spokane ski and snowboard parks preconstruction activities	$300,000
Naches depot and trail phase II	$375,000
New hope farms	$85,000
North East redevelopment area project preconstruction activities	$500,000
Petrovitsky park upgrade	$100,000
Public facility emergency readiness	$300,000
Puget Sound industrial excellence center	$1,000,000
Rainier Valley boys and girls club	$450,000
Redman slough channel restoration	$45,000
Relocation of Highline West Seattle mental health facility	$1,500,000
Road and culvert repair on Cedar Flats road	$500,000
Seahurst environmental center	$300,000
Share house expansion	$1,400,000
Skamania county fairgrounds emergency repairs	$100,000
Snohomish American legion ADA ramp	$50,000

Sunnyside school district	$150,000
Underwood water reservoir and water system improvements	$350,000
Union avenue redevelopment	$500,000
Vader public restrooms	$110,000
Vancouver river front redevelopment	$910,000
Wallingford boys and girls club	$100,000
West Richland diking district	$120,000
William Factory small business incubator	$250,000
Yakima Valley museum feasibility study - downtown arts center	$25,000
Youth housing and drop-in center	$300,000
YWCA Somerset village apartments and community center acquisition	$160,000
Total	$18,479,000

Appropriation:

State Building Construction Account--State	$18,479,000
Prior Biennia (Expenditures)	$0
Future Biennia (Projected Costs)	$0
TOTAL	$18,479,000

NEW SECTION. **Sec. 1020.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Statewide Childcare Facilities Needs Assessment (08-4-857)

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

(1) The appropriation in this section is provided solely for the department, in consultation with the department of early learning, to provide an assessment of childcare capacity statewide for the following children: (a) Children served by programs under chapter 72.40 RCW; (b) sick children; (c) children whose care is subsidized by the department of social and health services; (d) children that participate in the early childhood education and assistance program; and (e) children that participate in the head start program.

(2) The department shall review current or potential funding sources for the acquisition, construction, renovation, or expansion of early learning and other childcare program facilities, and make

recommendations to the legislature regarding the need to revise current state competitive childcare facility programs or develop new state programs.

(3)(a) The department shall convene a work group to consider and make recommendations regarding potential criteria for a competitive childcare facility program including, but not limited to the following: (i) Potential eligible applicants; (ii) the appropriateness of grants or loans for eligible applicants; (iii) the type of facilities that are eligible for grants or loans; (iv) objective selection criteria; (v) the need for technical assistance for applicants; and (vi) potential modifications, if any, to the school construction assistance program administered by the office of the superintendent of public instruction with regard to early learning and other childcare programs.

(b) The work group shall consist of stakeholders in the early learning and childcare communities and their recommendations must be delivered to the legislative fiscal committees by November 15, 2008.

Appropriation:

State Building Construction Account--State $42,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $42,000

NEW SECTION. **Sec. 1021.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Building Communities Fund Program (08-4-855)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the administrative costs associated with the implementation of chapter . . . (Second Substitute Senate Bill No. 6855 (funding for jobs, economic development, and local capital projects)), Laws of 2008. If the bill is not enacted by June 30, 2008, the appropriation in this section shall lapse. The department shall submit a list of qualified eligible projects to the governor and the legislature for the 2009-2011 biennium. The anticipated funding level for these projects is up to thirty-two million dollars.

Appropriation:

State Building Construction Account--State $250,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $250,000

NEW SECTION. **Sec. 1022.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Infrastructure Investment System (08-2-859)

The appropriation in this section is subject to the following conditions and limitations: The legislature intends to begin a process of reevaluating the policy goals and priorities for the allocation of infrastructure assistance program funds through the use of information that is available and reviewed each biennium by the infrastructure programs.

(1) The appropriation in this section is provided solely for the office of financial management, in cooperation with the department of community, trade, and economic development, the department of ecology, the department of health, the transportation improvement board, and the office of the state treasurer to develop an implementation plan. The implementation plan will also be developed in consultation with existing and potential state infrastructure program grant and loan recipients, other stakeholders, and the legislature. The implementation plan must identify options for the organization and coordination of appropriate state infrastructure assistance programs into an improved infrastructure investment system. The implementation plan must identify opportunities for the improved infrastructure investment system to achieve the following:

(a) Ease of access to program information and applications;

(b) Access to technical assistance;

(c) Coordination of program investment to ensure that all budget and tax support from all state sources is disclosed and considered as a total package of assistance. This includes the identification of taxes paid by taxing districts and regions and the benefits received from those same districts and regions;

(d) The promotion of strategic investments of state resources that are aligned with state policy goals, which includes laws, administrative rules, and program policies;

(e) The reduction of the cost of private market borrowing for jurisdictions with higher costs;

(f) The identification of additional revenue for local infrastructure; and

(g) Effective and efficient program administration.

(2) The development of an implementation plan must build upon prior studies and inventories of infrastructure programs and a further analysis of the major local infrastructure assistance programs. The implementation plan must be based on analysis, including the following:

(a) Identification of the benefits from state grants and interest rate subsidies to rate payers and local tax payers;

(b) A comparison of state policy goals, which are primary considerations in determining project funding decisions, with the actual funding decisions, the criteria used to rank proposals, and the performance measures used to monitor the success of the programs;

(c) The compilation of the total amount of assistance received by jurisdictions over the past five biennia;

(d) A comparison of the terms of a sample of low-interest loans provided to public infrastructure projects with the terms of private market borrowing that the jurisdictions would have been able to obtain. The sample of loans must include different types and sizes of projects and jurisdictions; and

(e) An identification of funds leveraged with state infrastructure resources.

(3) The legislature also intends to use information from the multiple infrastructure assistance programs to provide direction for future funding priorities. The legislature will base those priorities on information from infrastructure assistance programs, including the programs' recommendations for the following:

(a) Needed investment for the different types of infrastructure projects over the next six years;

(b) Funding allocation of the projected existing state infrastructure assistance resources to those types of projects;

(c) Reallocation of existing state resources for infrastructure projects; and

(d) New and existing local and state revenue sources to address unfunded local infrastructure needs. In estimating the needed

investment for different types of infrastructure projects, infrastructure assistance programs may include in their recommendations new types of projects that are not authorized in statute.

(4) The implementation plan and analysis must be completed by December 1, 2008.

Appropriation:

Public Works Assistance Account--State $475,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $475,000

Sec. 1023. 2007 c 520 s 1048 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Snohomish, Island, and Skagit County Regional Higher Education (08-2-001)

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

(1) It is the intent of the legislature that the four-year institutions and the community and technical colleges work as cooperative partners to ensure the successful and efficient operation of the state's system of higher education. In furtherance of the state's responsibility for the expansion of baccalaureate and graduate educational programs in the central Puget Sound area, the University of Washington shall govern and operate an additional branch campus to be located in the Snohomish/Island/Skagit county area. Top priorities for the campus include expansion of upper division capacity for transfer students and graduate students in high demand programs, with a particular focus on science, technology, and engineering. The campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges. The campus may also directly admit freshmen and sophomores gradually and deliberately in accordance with a campus plan to be submitted to the higher education coordinating board. All student admissions will be carried out in accordance with coadmissions and proportionality agreements emphasizing access for transfer students codeveloped by the University of Washington and the state board for community and technical colleges.

(2) The office of financial management and the University of Washington are directed to assess options and make recommendations on the siting of the branch campus in the Snohomish/Island/Skagit county region and shall develop operational and management plans needed to establish the institution. The plans shall include but not be limited to a master business plan for design and implementation, and programs to be offered to address demographic pressures and workforce needs. Planning and analysis shall be done in coordination with the local community and existing higher education institutions. Site selection criteria shall include, but not be limited to: Meeting the objectives of the master business plan; meeting the unmet baccalaureate needs in the region, including high demand program needs; compliance with provisions of the state's growth management act; and accessibility from existing and planned transportation infrastructure.

(3) Five years from the time the first class of students enters the new institution, the higher education coordinating board will work with the new institution and a local advisory board to: (a) Review the extent to which the new institution is meeting the baccalaureate degree needs of the citizens and businesses of the region and state; (b) assess any additional steps needed to accomplish the goals set forth in subsection (1) of this section, and; (c) assess the relationship between the new institution and other higher education institutions in the region and the state.

(4) The state board for community and technical colleges and the University of Washington shall plan for transition of appropriate programs from the university center to upper division programs at the branch campus.

(5) The office of financial management and the University of Washington shall report to the governor and the appropriate committees of the senate and house of representatives by November 15, 2007, on campus siting recommendations and a preliminary design and implementation plan. ((~~The final design and implementation plan shall be delivered to the governor and the appropriate committees of the senate and house of representatives by June 1, 2008.~~))

(6) The office of financial management may contract with outside sources to carry out the provisions of this section.

Appropriation:

State Building Construction Account--State . . . . ((~~$4,000,000~~))

$1,500,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$4,000,000~~))
$1,500,000

Sec. 1024. 2007 c 520 s 1050 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Oversight of State Facilities (08-2-855)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to strengthen its oversight role in state facility analysis and decision making as generally described in chapter 506, Laws of 2007.

Appropriation:

State Building Construction Account--State . . . . ((~~$1,015,000~~))
$1,419,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$1,015,000~~))
$1,419,000

Sec. 1025. 2007 c 520 s 1049 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Higher Education Cost Escalation (08-2-854)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to assist public baccalaureate higher education institutions in managing unanticipated cost escalation for projects bid during the 2007-2009 biennium. Not more than $750,000 shall be made available to any single project and amounts used must be matched equally from other resources. The office of financial management shall manage the distribution of funds to ensure that the requesting institution has managed its project within the current appropriation through preparation of bid documents and that

the scope of the project is no greater than originally specified in the design. Prior to approving use of a minor works appropriation as a match, and its transfer to the project with unanticipated cost escalation, the office of financial management shall require the institution to describe what it has done to identify and develop alternative resources for a match, and the specific minor works projects that would be deferred as a result of the transfer. The office of financial management shall report to the appropriate fiscal committees of the legislature on the use of these funds.

Appropriation:

State Building Construction Account--State . . . . ((~~$3,237,000~~))
$1,500,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$3,237,000~~))
$1,500,000

NEW SECTION. **Sec. 1026.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Higher Education Project Scoring and Financing Study (08-2-861)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to complete an objective analysis and scoring of all capital budget projects proposed by the public four-year institutions, beginning in 2008, and a higher education financing study as generally described in chapter . . . (Engrossed Substitute House Bill No. 3329), Laws of 2008. If the bill is not enacted by June 30, 2008, the appropriation shall lapse.

Appropriation:

State Building Construction Account--State $300,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $300,000

Sec. 1027. 2007 c 520 s 1058 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Statewide Infrastructure: Preservation Minor Works (06-1-004)

Reappropriation:

State Vehicle Parking Account--State $31,000

State Building Construction Account--State . . . . . ((~~$246,000~~)) <u>$146,000</u>

Thurston County Capital Facilities Account--State . . . $1,824,000

Subtotal Reappropriation . . . . . ((~~$2,101,000~~)) <u>$2,001,000</u>

Prior Biennia (Expenditures) $918,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$3,019,000~~)) <u>$2,919,000</u>

Sec. 1028. 2007 c 520 s 1065 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Building Improvements (08-1-011)

((~~The appropriation in this section is subject to the following conditions and limitations: $25,000 of the capitol building construction account appropriation is provided solely to establish a legislative gift center created in chapter . . . (Second Substitute House Bill No. 1896), Laws of 2007. If the bill is not enacted by June 30, 2007, the appropriation shall lapse.~~))

Appropriation:

((~~Capitol Building Construction Account--State . . . . . $701,000~~))

<u>Thurston County Capital Facilities Account--State . . . . $676,000</u>

State Building Construction Account--State . . . . . ((~~$550,000~~)) <u>$575,000</u>

Subtotal Appropriation $1,251,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $2,836,000

TOTAL $4,087,000

Sec. 1029. 2007 c 520 s 1066 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Minor Works - Facility Preservation (08-1-015)

Appropriation:

Capitol Building Construction Account--State . . . ((~~$1,715,000~~)) $1,619,000

State Building Construction Account--State . . . . ((~~$1,456,000~~)) $1,666,000

Thurston County Capital Facilities Account--State . . . $3,634,000

General Administration Service Account--State $1,386,000

Subtotal Appropriation . . . . . ((~~$8,191,000~~)) $8,305,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) . . . . . ((~~$20,365,000~~)) $20,065,000

TOTAL . . . . . ((~~$28,556,000~~)) $28,370,000

Sec. 1030. 2007 c 520 s 1067 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Minor Works - Infrastructure Preservation (08-1-004)

Appropriation:

Capitol Building Construction Account--State $600,000

State Vehicle Parking Account--State $22,000

State Building Construction Account--State . . . . ((~~$3,000,000~~)) $2,796,000

Thurston County Capital Facilities Account--State . . . $1,899,000

General Administration Service Account--State $200,000

Subtotal Appropriation . . . . . ((~~$5,721,000~~)) $5,517,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) . . . . . ((~~$7,006,000~~)) $6,006,000

TOTAL . . . . . ((~~$12,727,000~~)) $11,523,000

Sec. 1031. 2007 c 520 s 1073 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Oversight of State Facilities (08-2-853)

The appropriation in this section is subject to the following conditions and limitations: The appropriations ((~~is~~)) in this section ((~~is~~)) are provided solely for the department of general administration to assist the office of financial management with the development ((~~of six-year facility plans as generally described in chapter . . . (Substitute House Bill No. 2366), Laws of 2007~~)) and implementation of RCW 43.82.035 and 43.82.055.

Appropriation:

General Administration Services Account--State $345,000

State Building Construction Account--State $264,000

Subtotal Appropriation $609,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$345,000~~)) $609,000

Sec. 1032. 2007 c 520 s 1068 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Minor Works - Program (08-2-012)

Appropriation:

State Building Construction Account--State . . . . . ((~~$370,000~~)) $260,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $2,720,000

TOTAL . . . . . ((~~$3,090,000~~)) $2,980,000

NEW SECTION. **Sec. 1033.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Infrastructure Relocation (08-2-028)

Appropriation:

State Building Construction Account--State $2,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $2,000,000

NEW SECTION. **Sec. 1034.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Campus Monuments Repair and Restoration (09-1-003)

Appropriation:

State Building Construction Account--State $288,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $288,000

NEW SECTION. **Sec. 1035.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Thurston County--Capital Campus High Capacity Transportation Study (08-2-955)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for a contract with the Thurston county regional planning council for a study of transportation options for state employees in Thurston county and state capital campus visitors. The study must analyze trip patterns, alternative modes of transportation for employees, access for visitors, interagency travel, and commute trip reduction programs. The study must recommend options to improve multimodal transportation options available to those traveling to and from the capital and satellite campuses, including ways to improve the use, design, and access to new and existing transportation infrastructure such as parking lots, bicycle storage, park and rides, and transit stops.

Appropriation:

State Vehicle Parking Account--State $150,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0
TOTAL $150,000

NEW SECTION. **Sec. 1036.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Heritage Center/Executive Office Building: Design (08-2-858)

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

(1) The appropriation in this section is provided solely for design of the combined heritage center and executive office building project.

(2) The secretary of state and the department of general administration, in consultation with the office of the state treasurer, shall submit a financial plan for the combined project to the legislature by February 1, 2009. The financial plan must be approved by the director of the office of financial management and must include the following:

(a) An updated scope of work for the combined project;

(b) An updated projection of annual revenues and expenses for each portion of the combined facility authorized in section 6001 (9) and (10)(a) of this act that fully support the project scope;

(c) A contingency plan in the event that fees generated under RCW 43.07.128, 36.18.010, and 36.22.175 are insufficient to meet debt service payments on the heritage center portion of the project in any given year over the life of the certificate of participation. Moneys derived from private fundraising activities shall not be considered as a revenue source for debt service payments in the contingency plan. The contingency plan must prioritize methods to be used to make up shortfalls in revenue including, but not limited to, transfers from the state general fund and other accounts, archive and corporate filing fee increases, agency operating budget reductions, and other methods;

(d) A risk management plan that identifies the process for decision making on project scope, schedule, and budget changes. The risk management plan also must describe the process for resolving disagreements between all parties; and

(e) An update on private fundraising activities.

(3) An executive steering committee shall be established for the

project comprised of the secretary of state, the insurance commissioner, the director of the department of general administration, and the director of the office of financial management.

(4) The secretary of state and the department of general administration shall provide updates on the project to the office of financial management, including but not limited to information on project scope, schedule, and budget, on an interval to be determined by the office of financial management.

Appropriation:

Washington State Heritage Center Account--State $6,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $6,000,000

NEW SECTION. **Sec. 1037.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF PERSONNEL

Thurston County Childcare Needs Assessment - Predesign (08-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the department of personnel and the department of general administration to develop a predesign to determine: (1) Childcare needs of Washington state employees in Thurston county; (2) existing licensed childcare capacity near the capitol campus, in Lacey and in Tumwater, located near state agency offices; (3) preferred and alternate locations based on that need and capacity, on or near the capitol campus, in Lacey and in Tumwater; (4) optimum size of childcare space; and (5) project costs for these locations. The departments shall submit the predesign by September 15, 2008, to the office of financial management and the appropriate legislative fiscal committees.

Appropriation:

Thurston County Capital Facilities Account--State $150,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $150,000

Sec. 1038. 2007 c 520 s 1075 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF INFORMATION SERVICES

Wheeler Block Development--Department of Information Services, State Patrol, and General Office (08-2-950)

The appropriation in this section is subject to the following conditions and limitations: Planning funds are provided solely to lease/develop state office buildings and facilities for the department of information services on the "Wheeler block" of the east capitol campus. The office buildings shall be constructed and financed so that agencies' occupancy costs per gross square foot or per employee will not exceed 110 percent of comparable private market rental rates per gross square foot or per employee. The comparable general office space rate shall be calculated based on recent Thurston county leases of new space of at least 100,000 rentable square feet adjusted for known escalation clauses, expected inflation, and differences in the level of service provided by the comparable leases as determined by the department in consultation with the department of general administration. In addition to the department of information services, state agency tenants shall include the state patrol and general office facilities for small agencies and offices. The department shall design and operate the general office facilities for small agencies and offices as a demonstration of the efficiencies gained from the integration of office space and telecommunications and computer technology. The demonstration project shall provide office space, furniture, and telecommunications and computer technology as a single package. The facility shall be designed so that small agencies and offices can move in and out of the facility without the typical moving expenses that result from individual agency ownership of furniture and technology. The facility for small agencies and offices shall also provide for staffing and space efficiencies resulting from central reception, and support services and spaces. The department of general administration shall coordinate with state agency tenants of the existing general administration building that will not be relocated to the new facilities of the "Wheeler block" for occupancy of state-owned or existing leased facilities ((~~vacated by the state patrol or the department of information services~~)) <u>within Thurston county prior to relocation to new or not currently state-owned or leased facilities.</u>

The department shall consider alternatives for backfilling vacated state patrol or department of information services leased facilities when possible.

Appropriation:

State Building Construction Account--State $2,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $2,000,000

Sec. 1039. 2007 c 520 s 1090 (uncodified) is amended to read as follows:

FOR THE STATUTE LAW COMMITTEE

Pritchard Building Rehabilitation ((~~(08-2-017)~~)) (08-2-850)

Appropriation:

State Building Construction Account--State . . . . ((~~$1,100,000~~)) $800,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$1,100,000~~)) $800,000

NEW SECTION. **Sec. 1040.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE MILITARY DEPARTMENT

Flood Warning Systems (08-2-851)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the emergency management division in consultation with the department of ecology, the department of community, trade, and economic development, the Washington association of counties, the United States army corps of engineers, the national oceanic and atmospheric association, and the national weather service to develop the following:

(1) An inventory and description of flood warning systems currently in place in flood hazard areas of the state, including manual systems and electronic systems;

(2) A needs assessment indicating what specific areas of the state could be better served by flood warning systems based on flooding areas mapped under the federal emergency management act. The needs assessment must include recommendations regarding how to make timely notification of flood warnings and how to gather and share data about potential flood areas;

(3) An information bank of flood warning systems, with descriptions of available and emerging technologies, and estimates of the costs of purchasing, installing, and maintaining these systems;

(4) Sources of potential federal assistance for local flood warning systems; and

(5) Recommendations to assist local governments in the financing of capital costs of flood warning systems, including the potential to modify existing state programs.

The recommendations must be reported to the office of financial management and legislature by December 15, 2009.

Appropriation:

State Building Construction Account--State $250,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $250,000

(End of part)

PART 2
HUMAN SERVICES

NEW SECTION. **Sec. 2001.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Community and Technical College Mapping (08-2-950)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the Washington association of sheriffs and police chiefs to include facilities on community and technical college campuses in the statewide first responder building mapping information system.

Appropriation:

State Building Construction Account--State $1,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $746,000

TOTAL $1,746,000

Sec. 2002. 2007 c 520 s 2007 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest School - Health and Safety Improvements (06-1-852)

Reappropriation:

((~~Charitable, Educational, Penal, and Reformatory Institutions Account--State . . . . . $400,000~~))

State Building Construction Account--State $372,000

Prior Biennia (Expenditures) $350,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$750,000~~))
$722,000

Sec. 2003. 2007 c 520 s 2021 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Capital Project Management (08-1-110)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account--State . . . . . ((~~$2,555,000~~)) $2,305,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $11,870,000

TOTAL . . . . . ((~~$14,425,000~~)) $14,175,000

Sec. 2004. 2007 c 520 s 2037 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest Campus Master Plan (08-2-850)

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

(1) The department shall resume and complete a master plan of the portion of the Fircrest campus that is not utilized by the Fircrest school or the department of health.

(2) In drafting the master plan, the department shall consult with the following:

(a) The city of Shoreline;

(b) The department of natural resources;

(c) The department of health regarding their master planning effort;

(d) Representatives of institutions of higher education with whom the department has a partnership; and

(e) Representatives of the Shoreline community and neighboring communities.

(3) The master plan must include a plan for the future of the property, including recommendations for alternative uses such as affordable housing and smart growth options. The hybrid option as described in the Fircrest excess property report dated January 14, 2008, must be used for the purposes of the master plan. The development of the master plan must not prohibit the potential future expansion of the public health laboratory by the department of health.

(4) The department must report to the appropriate committees of the

legislature and the office of financial management by ((~~January 1, 2008~~)) December 1, 2010.

Appropriation:

State Building Construction Account--State . . . . . ((~~$175,000~~)) $445,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$175,000~~)) $445,000

Sec. 2005. 2007 c 520 s 2029 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center Medium Management Housing Addition (08-2-505)

The appropriation in this section is subject to the following conditions and limitations: Funding is for the evaluation of design alternatives to meet programmatic needs and to add residential space to existing facilities by remodeling existing residential space and converting existing program space to residential space for additional beds.

Appropriation:

State Building Construction Account--State . . . . ((~~$1,000,000~~)) $1,275,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$1,000,000~~)) $1,275,000

Sec. 2006. 2007 c 520 s 2032 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital Laundry Upgrades (08-1-325)

Appropriation:

State Building Construction Account--State . . . . . ((~~$885,000~~)) $2,858,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$885,000~~))
$2,858,000

Sec. 2007. 2007 c 520 s 2042 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

Public Health Laboratory Addition (08-2-003)

Appropriation:

State Building Construction Account--State . . . . ((~~$1,184,000~~))
$2,012,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) . . . . . ((~~$8,984,000~~))
$8,156,000
TOTAL $10,168,000

Sec. 2008. 2007 c 520 s 2045 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

Drinking Water Assistance Program (06-4-001)

Reappropriation:

Drinking Water Assistance Account--Federal $18,588,000

Appropriation:

Drinking Water Assistance Account--Federal . . . . ((~~$54,300,000~~))
$66,474,000

Prior Biennia (Expenditures) $7,086,000
Future Biennia (Projected Costs) $99,360,000
TOTAL . . . . . ((~~$179,334,000~~))
$191,508,000

NEW SECTION. **Sec. 2009.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF HEALTH

Review of Drinking Water Systems (08-2-850)

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

(1) The appropriation in this section is provided solely for the department of health to conduct a statewide review of small public drinking water systems that have or may in the future require significant state resources to resolve urgent threats to public health and safety. A small water system is less than one thousand connections (a group A or group B water system). The department shall evaluate case studies, the two regulatory frameworks in place for small systems, and provide a report to the appropriate legislative committees and the office of financial management with recommendations on early interventions or changes to the regulatory structure that could prevent such problems in the future.

(2) The department shall identify the communities that would benefit from consolidation, regionalization, or other measures that will lead to improved small system regulatory compliance, long-term public health protection, and sustained economic vitality in communities served by small systems. The department shall submit a progress report to the fiscal committees of the legislature and the office of financial management by December 1, 2008, and a final report by June 30, 2009.

Appropriation:

State Building Construction Account--State	$100,000
Prior Biennia (Expenditures)	$0
Future Biennia (Projected Costs)	$0
TOTAL	$100,000

NEW SECTION. **Sec. 2010.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

Walla Walla Nursing Facility (08-2-008)

Appropriation:

State Building Construction Account--State	$125,000
Prior Biennia (Expenditures)	$0
Future Biennia (Projected Costs)	$13,850,000
TOTAL	$13,975,000

Sec. 2011. 2007 c 520 s 2061 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Complex: Improve C and D Units Security Features (06-1-046)

Reappropriation:

State Building Construction Account--State . . . . . ((~~$280,000~~)) $308,000

Prior Biennia (Expenditures) $2,618,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$2,898,000~~)) $2,926,000

NEW SECTION. **Sec. 2012.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Center: 100-Bed Management and Segregation Unit (00-2-008)

Reappropriation:

State Building Construction Account--State $995,000

Prior Biennia (Expenditures) $38,443,000

Future Biennia (Projected Costs) $0

TOTAL $39,438,000

NEW SECTION. **Sec. 2013.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary: Convert BAR Units from Medium to Close Custody (04-2-004)

Reappropriation:

State Building Construction Account--State $110,000

Prior Biennia (Expenditures) $17,699,000

Future Biennia (Projected Costs) $0

TOTAL $17,809,000

Sec. 2014. 2007 c 520 s 2054 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Coyote Ridge Corrections Center: Design and Construct Medium Security Facility (98-2-011)

Reappropriation:

State Building Construction Account--State $155,459,000

Appropriation:

State Building Construction Account--State . . . . ((~~$13,700,000~~)) $1,280,000

Prior Biennia (Expenditures) $75,449,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$244,608,000~~)) $232,188,000

Sec. 2015. 2007 c 520 s 2056 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary: North Close Security Compound (04-2-005)

Reappropriation:

State Building Construction Account--State $10,482,000

Appropriation:

State Building Construction Account--State $13,007,000

Charitable, Educational, Penal, and Reformatory Institutions Account--State $763,000

Subtotal Appropriation $13,770,000

Prior Biennia (Expenditures) $130,276,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$140,758,000~~)) $154,528,000

Sec. 2016. 2007 c 520 s 2058 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Clallam Bay Corrections Center: Replace Support Building Roof (06-1-044)

Reappropriation:

State Building Construction Account--State . . . . ((~~$3,930,000~~)) $3,580,000

Prior Biennia (Expenditures) $822,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$4,752,000~~)) $4,402,000

Sec. 2017. 2007 c 520 s 2075 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary: Replace Correctional Industry Roof (06-1-023)

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account--State . . . . . ((~~$1,619,000~~)) $856,000

State Building Construction Account--State . . . . ((~~$1,338,000~~)) $1,101,000

Subtotal Reappropriation . . . . . ((~~$2,957,000~~)) $1,957,000

Prior Biennia (Expenditures) $494,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$3,451,000~~)) $2,451,000

(End of part)

PART 3
NATURAL RESOURCES

Sec. 3001. 2007 c 520 s 3001 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Water Supply Facilities (74-2-006)

The reappropriation in this section is subject to the following conditions and limitations: $300,000 of funds redirected from completed or cancelled projects is provided solely for capital expenses associated with a groundwater study of the upper Kittitas.

Reappropriation:

State and Local Improvements Revolving Account (Water Supply Facilities)--State $2,756,000

Prior Biennia (Expenditures) $13,543,000

Future Biennia (Projected Costs) $0

TOTAL $16,299,000

Sec. 3002. 2007 c 520 s 3019 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

State Drought Preparedness (05-4-009)

Reappropriation:

State Drought Preparedness--State . . . . . ((~~$1,464,000~~)) $1,287,000

Prior Biennia (Expenditures) $5,865,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$7,329,000~~)) $7,152,000

Sec. 3003. 2007 c 520 s 3036 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (08-4-010)

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

(1) Up to $10,000,000 of the state building construction account--state appropriation is for the extended grant payment to Spokane for the Spokane-Rathdrum Prairie aquifer.

(2) $5,000,000 of the state building construction account--state appropriation is provided solely for water quality grants for hardship communities with a population of less than 5,000. The department shall give priority consideration to: (a) Communities subject to a regulatory order from the department of ecology for noncompliance with water quality rules; (b) projects for which design work has been completed; and (c) projects with a local match from reasonable water quality rates and charges.

(3) $2,000,000 of the state building construction account--state appropriation is provided solely for the Adams and Lincoln counties ground water mapping project. The project shall submit a report to the appropriate committees of the legislature describing the dynamic relationship between groundwater and surface water in the region. The report shall be submitted by January 1, 2009.

(4) $2,100,000 of the state toxics control account appropriation is provided solely for wastewater and clean water improvement projects at Illahee state park, Fort Flagler state park, and Larrabee state park.

(5)(a) $4,400,000 of the state building construction account--state appropriation is provided solely for the Tenino waste water treatment facility and collection system to replace the city of Tenino's septic systems.

(b) ((~~$18,505,000~~)) $22,113,000 of the state building construction account--state appropriation is provided solely for the following projects:

Project	Amount
City of Carnation waste water treatment system	$3,000,000
Mansfield waste water treatment upgrade	$960,000
Rock Island waste water treatment system	$870,000
Enumclaw waste water treatment system	$750,000
Snohomish waste water treatment system	((~~$4,925,000~~)) $5,425,000
Freeland sewer district	$1,000,000
Clark county regional sewer cooperative	$4,000,000

Town of Warden waste water	$3,000,000
Gig Harbor waste water system improvements	$1,000,000
Ritzville waste water treatment system	$1,608,000
Sultan waste water system improvements	$500,000

((~~(b)~~)) (c) The appropriation for entities that are listed in ((~~(a)~~)) (b) of this subsection shall not affect the entities' eligibility for centennial fund hardship assistance and shall be excluded from any financial hardship calculation that would have the effect of reducing other moneys for which the entity is currently contracted and eligible under WAC 173-95A-030(8), as it existed on the effective date of this section.

((~~(c)~~)) (d) The appropriation to the city of Carnation is for payment to King county for the county connection charge and other eligible costs.

Appropriation:

State Building Construction Account--State . . . . ((~~$49,225,000~~)) $42,629,000

Water Quality Capital Account--State . . . . . ((~~$7,550,000~~)) $5,417,000

State Toxics Control Account--State . . . . . ((~~$2,100,000~~)) $18,837,000

Subtotal Appropriation . . . . . ((~~$58,875,000~~)) $66,883,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $178,400,000

TOTAL . . . . . ((~~$237,275,000~~)) $245,283,000

NEW SECTION. **Sec. 3004.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Wastewater Regionalization (08-2-851)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the department to conduct a review of statewide community wastewater infrastructure needs and identify communities that would benefit from regional wastewater infrastructure and identify any

barriers to regionalization these communities may face. The department must submit an interim report to the appropriate legislative committees and the office of financial management by November 30, 2008, with a final report due by June 30, 2009.

Appropriation:

State Building Construction Account--State $100,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $100,000

NEW SECTION. **Sec. 3005.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Wastewater Systems Case Studies (08-2-852)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the department and department of community, trade, and economic development to develop a set of case studies of wastewater systems, based on the small communities initiative's action list, that require significant state financial and technical resources to resolve urgent threats to public health, safety, and environmental quality. The department shall provide recommendations for early interventions to prevent similar problems with small communities in the future. The recommendations must be provided to the appropriate legislative committees and the office of financial management by November 30, 2008.

Appropriation:

State Building Construction Account--State $75,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $75,000

Sec. 3006. 2007 c 520 s 3037 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Cleanup Toxic Sites in Puget Sound (08-4-005)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the clean up of contaminated sites that lie adjacent to and are within one-half mile of Puget Sound. Clean ups shall include orphan and abandoned sites that pose a threat to Puget Sound with the highest priority sites being cleaned up first. The department shall provide the Puget Sound partnership, as created by chapter 341, Laws of 2007, the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

Appropriation:

State Toxics Control Account--State . . . . . ((~~$4,000,000~~)) $6,767,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $18,820,000

TOTAL . . . . . ((~~$22,820,000~~)) $25,587,000

Sec. 3007. 2007 c 520 s 3045 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Reduce Health Risks from Toxic Diesel Pollution (08-4-024)

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

(1) ((~~$4,840,000~~)) $5,380,000 of the appropriation is provided solely for clean diesel school bus ((~~diesel retrofits~~)) projects for local school districts, which the department may use for the purposes of RCW 28A.160.205.

(2) ((~~$2,330,000~~)) $4,830,000 of the appropriation is provided solely for ((~~emission reduction projects for local governments to retrofit public sector diesel engines to allow public sector fleets to reduce their emissions~~)) clean diesel projects, other than for school buses, as described in RCW 70.94.017(2)(a) and may be distributed through grants to air pollution control authorities.

Appropriation:

Local Toxics Control Account--State . . . . . ((~~$7,170,000~~)) $10,210,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$7,170,000~~))
$10,210,000

Sec. 3008. 2007 c 520 s 3046 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grants (08-4-008)

Appropriation:

Local Toxics Control Account--State . . . . . ((~~$84,475,000~~))
$92,875,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $180,000,000
TOTAL . . . . . ((~~$264,475,000~~))
$272,875,000

Sec. 3009. 2007 c 520 s 3048 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Safe Soils Remediation Grants (08-4-009)

Appropriation:

State Toxics Control Account--State . . . . . ((~~$2,000,000~~))
$4,500,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $4,000,000
TOTAL . . . . . ((~~$6,000,000~~))
$8,500,000

Sec. 3010. 2007 c 520 s 3050 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Skykomish Cleanup (08-4-020)

The appropriation in this section is subject to the following conditions and limitations: $3,000,000 of the cleanup settlement account appropriation is provided solely for implementation of chapter

. . . . (Senate Bill No. 6722 (cleanup settlement account)), Laws of 2008. If the bill is not enacted by June 30, 2008, the amount provided in this section shall lapse.

Appropriation:

State Toxics Control Account--State $7,000,000

Clean Up Settlement Account--State $3,000,000

Subtotal Appropriation $10,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) . . . . . ((~~$0~~))

$2,050,000

TOTAL . . . . . ((~~$7,000,000~~))

$12,050,000

NEW SECTION. **Sec. 3011.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Mason County Consortium (08-4-851)

Appropriation:

State Toxics Control Account--State $500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $500,000

NEW SECTION. **Sec. 3012.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Flood Protection Study (08-2-855)

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

The legislature finds that levees across the state provide protection to hundreds of communities from flooding. Many of these levee systems are old, built with substandard materials, and were not designed to provide the level of protection that the communities behind them need. Recent decertification of levees in King and Pierce counties by the United States army corps of engineers indicates a growing problem with levee maintenance. As more levees are decertified, land behind those levees is considered to be located in

the regulated floodplain. Because of this, many homeowners and businesses must obtain flood insurance, and new construction projects must meet strict new building codes.

Therefore, the appropriation in this section is provided solely for the department to conduct a study to determine the number of decertified levees in the state and to identify strategies for recertifying the levees so that they provide optimum protection for the communities protected by the levees. The department must prioritize areas to include in the study based on population and the economic impact of potential flood damage.

The study shall include the following components:

(1) A working group of levee managers to advise and inform the study;

(2) A technical review of the structural integrity of levee systems;

(3) An inventory, map, and rate the effectiveness of existing levee systems; and

(4) The development of strategies and actions needed to improve the existing levee system and to ensure certification by the United States army corps of engineers for one-hundred year flood protection.

The study must be completed and a report provided to the appropriate legislative committees by July 1, 2009.

Appropriation:

State Building Construction Account--State $280,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $280,000

Sec. 3013. 2007 c 520 s 3049 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Reduce Public Health Risks from Wood Stove Pollution (08-4-019)

Appropriation:

Wood Stove Education Account--State $500,000

<u>Local Toxics Control Account--State . . . . . $1,500,000</u>

<u>Subtotal Appropriation . . . . . $2,000,000</u>

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) . . . . . ((~~$2,000,000~~))
$0
TOTAL . . . . . ((~~$2,500,000~~))
$2,000,000

NEW SECTION. **Sec. 3014.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Breazeale Interpretive Center (08-2-856)

Appropriation:

General Fund--Federal $495,000
Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $495,000

Sec. 3015. 2007 c 520 s 3060 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Facility Preservation - Facilities (06-1-004)

Reappropriation:

State Building Construction Account--State . . . . ((~~$6,000,000~~))
$4,700,000

Prior Biennia (Expenditures) $4,419,000
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$10,419,000~~))
$9,119,000

Sec. 3016. 2007 c 520 s 3072 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Puget Sound Wastewater (06-1-851)

Reappropriation:

State Building Construction Account--State . . . . ((~~$6,100,000~~))
$5,814,000

Prior Biennia (Expenditures) $1,095,000
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$7,195,000~~))

$6,909,000

NEW SECTION. **Sec. 3017.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Saint Edward State Park Seminary Building: Preservation (08-1-010)

The appropriation in this section is subject to the following conditions and limitations: Design and construction to stop ground water intrusion, above-ground water intrusion, and internal leakage from the rain leader system.

Appropriation:

State Building Construction Account--State $2,310,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $12,200,000

TOTAL $14,510,000

Sec. 3018. 2007 c 520 s 3087 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works - Facility Preservation (08-1-001)

Appropriation:

State Building Construction Account--State . . . . ((~~$9,000,000~~)) $8,800,000

State Toxics Control Account--State $200,000

Subtotal Appropriation $9,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $40,000,000

TOTAL $49,000,000

Sec. 3019. 2007 c 520 s 3084 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Historic Preservation (08-1-002)

((~~The appropriation in this section is subject to the following conditions and limitations:~~

~~(1) $500,000 of the appropriation is provided solely for the design, permits, and drawings for the seminary building at St. Edward State Park.~~

~~(2) $500,000 of the appropriation is provided solely for improvements to prevent further degradation of the seminary building.~~))

Appropriation:

State Building Construction Account--State . . . . ((~~$7,101,000~~)) $6,191,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $14,500,000

TOTAL . . . . . ((~~$21,601,000~~)) $20,691,000

Sec. 3020. 2007 c 520 s 3092 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Trail Development (08-1-008)

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

(1) $500,000 of the appropriation is provided solely to construct the ecological trail from Baker Bay to the Pacific ocean at Cape Disappointment state park, as identified in the commission's master capital plan.

(2) $350,000 of the appropriation is provided solely for upgrades to the Squak mountain trail.

(3) The commission shall permit the city of North Bend to install a water line under part of the John Wayne trail. The city shall pay for all project costs and the cost of restoring the trail to the original or improved condition but shall not be charged a fee for the easement.

Appropriation:

State Building Construction Account--State $4,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $4,000,000

Sec. 3021. 2007 c 520 s 3095 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Sammamish Major Park Upgrade (08-1-014)

Appropriation:

State Building Construction Account--State . . . . ((~~$1,033,000~~)) <u>$1,183,000</u>

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$1,033,000~~)) <u>$1,183,000</u>

<u>NEW SECTION.</u> **Sec. 3022.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Ocean City Comfort Station--Fire Damage Repair (08-1-043)

Appropriation:

State Building Construction Account--State $181,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $181,000

<u>NEW SECTION.</u> **Sec. 3023.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Flagler: Parkwide Sewage Treatment System (08-1-044)

Appropriation:

State Building Construction Account--State $2,773,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $2,773,000

<u>NEW SECTION.</u> **Sec. 3024.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Bigelow House (08-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for capital improvements to the Bigelow house. The commission shall accept the donation of the Bigelow house museum, the grounds, and the contents of the Bigelow house museum from the Bigelow house preservation association if the Bigelow house preservation association agrees to continue to provide staff and programming for the museum.

Appropriation:

State Building Construction Account--State $100,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $100,000

NEW SECTION. **Sec. 3025.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Ike Kinswa State Park Improvement (08-2-950)

Appropriation:

Parks Renewal and Stewardship Account--Private/Local . . $500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $500,000

Sec. 3026. 2007 c 520 s 3102 (uncodified) is amended to read as follows:

FOR THE ((~~INTERAGENCY COMMITTEE FOR OUTDOOR~~)) RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (00-2-001)

Reappropriation:

General Fund--Federal $166,000

Salmon Recovery Account--State . . . . . ((~~$1,175,000~~)) $575,000

Subtotal Reappropriation . . . . . ((~~$1,341,000~~)) $741,000

Prior Biennia (Expenditures) $100,284,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$101,625,000~~))
$101,025,000

Sec. 3027. 2007 c 520 s 3134 (uncodified) is amended to read as follows:

FOR THE ((~~INTERAGENCY COMMITTEE FOR OUTDOOR~~)) RECREATION AND CONSERVATION FUNDING BOARD

Youth Athletic Fields (06-2-952)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for competitive grants for acquisition, development, and renovation of youth athletic fields. The committee shall follow the applicable rules of the youth athletic facilities program, except that grants for maintenance are not eligible and the amount of a grant need not be in proportion to the population of the city or county where the community outdoor athletic facility is located, and if there are not enough project applications submitted in a category within the account to meet the requirement of equal distribution of funds to each category, the recreation and conservation funding board may distribute any remaining funds to other categories within the account.

Reappropriation:

State Building Construction Account--State $2,500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $2,500,000

Sec. 3028. 2007 c 520 s 3146 (uncodified) is amended to read as follows:

FOR THE ((~~INTERAGENCY COMMITTEE FOR OUTDOOR~~)) RECREATION AND CONSERVATION FUNDING BOARD

Washington Wildlife Recreation Grants (08-4-011)

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

(1) The appropriations are provided solely for the approved list of projects in LEAP capital document No. 2007-3 as developed on March 17, 2007, and LEAP capital document No. 2008-1 as developed on February 13, 2008.

(2) If additional funds are available after funding the farmlands preservation account projects approved in subsection (1) of this section, the committee may:

(a) Provide one-time grants of up to $25,000 each to counties requesting assistance in developing farmlands preservation strategies for the purpose of seeking grants from the farmlands preservation account in future grant cycles.

(b) Conduct a second grant cycle in the 2007-2009 biennium for farmlands preservation projects. A ranked list of farmlands preservation projects may be submitted to the governor by November 1, 2007, for approval in the 2008 supplemental capital budget. The governor may remove projects from the list recommended by the committee and shall submit this amended list in the supplemental capital budget request to the legislature.

(3) Funds appropriated for distribution according to the provisions of RCW 79A.15.040(1)(c) shall be allocated forty percent to local government projects and sixty percent to state agency projects. If the cumulative total of local government projects is less than forty percent of the total distribution to this category, the difference may be allocated to state agency projects.

(4) $627,299 of the appropriation from the riparian protection account is provided solely for the Chehalis river surge plain natural area preserve. This amount shall not be expended for the project until the department of natural resources has completed a management plan for the preserve that maintains recreational access and that management plan is presented to the house of representatives capital budget and senate ways and means committees.

<u>(5) The recreation and conservation funding board shall research hazards to the public from personal high speed watercraft, also known as jet skis, and shall report to the fiscal committees of the legislature by January 1, 2009, with recommendations for increasing public enjoyment and safety when commingling personal high speed watercraft and other forms of motorized and nonmotorized water recreation.</u>

Appropriation:

Outdoor Recreation Account--State $36,000,000

Farmlands Preservation Account--State $9,000,000

Riparian Protection Account--State $19,000,000

Habitat Conservation Account--State $36,000,000
Subtotal Appropriation $100,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $280,000,000
TOTAL $380,000,000

Sec. 3029. 2007 c 520 s 3144 (uncodified) is amended to read as follows:

FOR THE ((~~INTERAGENCY COMMITTEE FOR OUTDOOR~~)) RECREATION AND CONSERVATION FUNDING BOARD

Nonhighway Off-Road Vehicle Activities (08-4-008)

The appropriation in this section is subject to the following conditions and limitations: $450,000 of the appropriation is provided solely for grants to local law enforcement and noise enforcement agencies for the enforcement of existing state noise laws and regulations. Grants may be used to acquire noise monitoring equipment and to compensate law enforcement agencies for staff overtime and administrative expenses. Funds for noise enforcement grants shall come from amounts allocated for the purposes specified in RCW 46.09.170(2)(d).

Appropriation:

Nonhighway Off-Road Vehicle Activities Program
Account--State $9,036,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $42,945,000
TOTAL $51,981,000

NEW SECTION. **Sec. 3030.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE STATE CONSERVATION COMMISSION

Flood Assistance for Farm Communities (08-4-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to restore agricultural infrastructure and equipment necessary to repair, replace, or maintain infrastructure that provides public health and safety, water quality, and fish and wildlife habitat protection,

including debris removal, fencing, replacing manure lagoons, and properly functioning equipment and facilities.

Appropriation:

State Building Construction Account--State $1,500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $1,500,000

Sec. 3031. 2007 c 520 s 3155 (uncodified) is amended to read as follows:

FOR THE STATE CONSERVATION COMMISSION

Practice Incentive Payment Loan Program (08-4-004)

Appropriation:

Conservation Assistance Revolving Account--State . ((~~$1,000,000~~)) $500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $3,000,000

TOTAL . . . . . ((~~$4,000,000~~)) $3,500,000

NEW SECTION. **Sec. 3032.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE STATE CONSERVATION COMMISSION

Livestock Nutrient Program (08-4-001)

Appropriation:

Water Quality Capital Account--State $4,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $4,000,000

Sec. 3033. 2007 c 520 s 3161 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Fish and Wildlife Population and Habitat Protection (06-1-003)

The appropriations in this section are subject to the following conditions and limitations: The state building construction account

appropriation is provided solely for increasing the allocation for the bank stabilization and fish habitat project on the east fork of the Lewis river.

Reappropriation:

Wildlife Account--State . . . . . ((~~$288,750~~)) $289,000

Appropriation:

State Building Construction Account--State $375,000

Prior Biennia (Expenditures) . . . . . ((~~$311,250~~)) $311,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$600,000~~)) $975,000

Sec. 3034. 2007 c 520 s 3175 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Puget Sound Initiative - Nearshore Salmon Restoration (06-2-001)

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

(1) The appropriations in this section are provided solely for efforts to restore nearshore habitat and estuaries in Puget Sound. The department shall focus on restoring natural nearshore processes, including protection and restoration of beach sediments and removal of existing bulkheads.

(2) The department shall provide the Puget Sound partnership, as created by chapter 341, Laws of 2007 the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

(3) Funded projects require a nonstate match or in-kind contributions. The department shall seek to maximize the amount of nonstate match from local, state, tribal, and federal partners. Individual projects require a minimum 33 percent cash or in-kind match.

(4) Eligible projects must be within Puget Sound and identified by a salmon recovery lead entity or marine resource committee and

identified in a current salmon recovery, watershed, or nearshore habitat restoration and protection plan.

(5) Project evaluation criteria shall be developed by the Puget Sound nearshore steering committee. The criteria shall be consistent with the technical guidance developed by the Puget Sound nearshore science team and shall be coordinated with the salmon recovery funding board to ensure that project funding and matching requirements are maximized to the greatest extent possible.

(6) The department shall not utilize any amount of this appropriation to support administration or overhead. Funding to support the administration of the funds and the implementation of selected projects shall be obtained from the department's operating budget.

(7) In recognition of the urgent need to complete the Puget Sound nearshore ecosystem restoration project general investigation, up to $723,000 of this appropriation may be used to match federal funds implementing the cost-share agreement between the department and the United States army corps of engineers.

(8) ((~~$3,746,875~~)) $2,698,735 of the appropriation is provided solely for the following projects:

Project	Amount
Carpenter creek estuary phase 1 (South Kingston road)	$637,000
Duwamish Garden estuary restoration	((~~$1,400,000~~)) $300,000
Seahurst Park bulkhead phase II	$1,100,000
Lower Dosewallips floodplain	$609,875
Titlow Beach pocket estuary restoration	$51,860

Reappropriation:

State Building Construction Account--State $2,300,000

Appropriation:

State Building Construction Account--State $12,000,000

General Fund--Federal $1,000,000

Subtotal Appropriation $13,000,000

Prior Biennia (Expenditures) $200,000

Future Biennia (Projected Costs) $28,000,000

TOTAL $43,500,000

Sec. 3035. 2007 c 520 s 3179 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Statewide Fencing Renovation and Replacement (08-1-009)

The appropriation is this section is subject to the following conditions and limitations: ((~~$1,000,000 of the appropriation is provided solely for the replacement of elk fencing lost in the 2005 school fire in the Wooten wildlife area.~~))

(1) Up to $2,000,000 of the appropriation from the wildlife account that is compensation from the settlement received by the state for damages to the Wooten wildlife area caused by the school fire is for the replacement of elk fencing in the Wooten wildlife area. The department shall contract with another state agency to construct the fence.

(2) $331,000 of the appropriation is provided solely for the replacement of a barbed wire fence that was destroyed in the Rockpile creek fire of July 2007.

Appropriation:

State Building Construction Account--State . . . . ((~~$2,100,000~~)) $1,431,000

Wildlife Account--Private/Local $2,000,000

Subtotal Appropriation $3,431,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$2,100,000~~)) $3,431,000

Sec. 3036. 2007 c 520 s 3187 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Combined State Agency Aviation Facility (08-1-950)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for predesign and design of a single, consolidated aviation facility, including consolidated operations, at the Olympia airport to house the fixed wing operations of the Washington state patrol, the department of natural resources, and the department of fish and wildlife, and the rotary

operations of the department of natural resources. The office of financial management shall not allot design funds until the predesign has undergone a budget evaluation study team review, and the results of the budget evaluation study team review have been provided to the legislative fiscal committees and submitted to the office of financial management for review and approval.

Appropriation:

State Building Construction Account--State . . . . . ((~~$11,000~~))
$101,000

Wildlife Account--State $12,000

Subtotal Appropriation . . . . . ((~~$23,000~~))
$113,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $1,608,000

TOTAL . . . . . ((~~$1,631,000~~))
$1,721,000

NEW SECTION. **Sec. 3037.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Okanogan-Similkameen Land Acquisition (08-2-023)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the acquisition of agricultural easements or land as specified for the following properties:

(1) South end Palmer lake: Agricultural easement;

(2) Highway 97 near Riverside: Land acquisition;

(3) McLaughlin Canyon: Agricultural easement;

(4) Similkameen and Sinlahekin river intersect: Agricultural easement; and

(5) Buzzard lake: Land acquisition.

Appropriation:

State Building Construction Account--State $3,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $3,000,000

NEW SECTION. **Sec. 3038.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Ebey Island Property (08-2-852)

The appropriation in this section is subject to the following conditions and limitations: Up to $3,300,000 of the appropriation in this section is for the acquisition of the Ebey island property from the YMCA of Snohomish county. The office of financial management shall not allot funds to the department until the appraisal is complete and shall not allot more than the amount of the appraisal. The department shall assess the cost of: (1) Extending the YMCA segment of the Ebey island road one-quarter of a mile; and (2) constructing a parking lot at the end of the road.

Appropriation:

State Building Construction Account--State	$2,300,000
General Fund--Federal	$1,000,000
Subtotal Appropriation	$3,300,000
Prior Biennia (Expenditures)	$0
Future Biennia (Projected Costs)	$0
TOTAL	$3,300,000

NEW SECTION. **Sec. 3039.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Stemilt Basin Acquisition (08-2-029)

Appropriation:

State Building Construction Account--State	$200,000
Prior Biennia (Expenditures)	$0
Future Biennia (Projected Costs)	$0
TOTAL	$200,000

Sec. 3040. 2007 c 520 s 3198 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Recreation Capital Renovations (08-2-006)

The appropriation in this section is subject to the following conditions and limitations: $200,000 of the appropriation is provided solely for trail system signage. The department shall not plan for or construct new or expanded facilities or trails for off-road vehicles for recreation on state lands until after June 30, 2009, unless the project is already funded, has been considered as part of a landscape-level plan for recreation that has completed state environmental policy act (SEPA) review, which included public participation, and is the best alternative to protect environmental or trust resources and public safety from immediate risk.

Appropriation:

State Building Construction Account--State $1,065,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $15,278,000

TOTAL $16,343,000

Sec. 3041. 2007 c 520 s 3211 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Combined State Agency Aviation Facility (08-1-952)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for predesign and design of a single, consolidated aviation facility, including consolidated operations, at the Olympia airport to house the fixed wing operations of the Washington state patrol, the department of natural resources, and the department of fish and wildlife, and the rotary operations of the department of natural resources. The office of financial management shall not allot design funds until the predesign has undergone a budget evaluation study team review, and the results of the budget evaluation study team review have been provided to the legislative fiscal committees and submitted to the office of financial management for review and approval.

Appropriation:

Forest Development Account--State $15,000

Resource Management Cost Account--State $16,000

State Building Construction Account--State . . . . . ((~~$23,000~~)) $555,000

Subtotal Appropriation . . . . . ((~~$54,000~~))
$586,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $3,783,000
TOTAL . . . . . ((~~$3,837,000~~))
$4,369,000

Sec. 3042. 2007 c 520 s 3204 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer (08-2-005)

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

(1) The total appropriation is provided to the department solely to transfer from trust status, or enter into fifty year leases for, certain trust lands of statewide significance deemed appropriate for state park, fish and wildlife habitat, natural area preserve, natural resources conservation area, open space, housing and essential government services, or recreation purposes. The approved list of projects is identified in the LEAP capital document 2007-5, developed ((~~March 20~~)) April 19, 2007.

((~~(3)~~)) (2) Property subject to lease agreements under this section shall be appraised at fair market value. Lease terms shall be fifty years with options to renew for an additional fifty years. Lease payments shall be lump sum payments for the entire term of the lease at the beginning of the lease. The department shall calculate such lump sum payments using professional appraisal standards. These lease payments may not exceed the fee simple purchase price based on current fair market value and shall be deposited by the department to the common school construction account in the same manner as lease revenues from other common school trust lands. No deduction shall be made for the resource management cost account under RCW 79.64.040.

((~~(4)~~)) (3) All reasonable costs incurred by the department to implement this section are authorized to be paid out of the appropriations. Authorized costs include the actual cost of appraisals, staff time, environmental reviews, surveys, and other similar costs.

((~~(5)~~)) (4) Intergrant exchanges between common school and other trust lands of equal value may occur if the exchange is in the interest of each trust, as determined by the board of natural resources.

((~~(6)~~)) (5) Prior to or concurrent with conveyance of these properties, the department, with full cooperation of the receiving agencies, shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Transfer and lease agreements for properties identified in subsection (1) of this section must include terms that restrict the use of the property to the intended purpose. Transfer and lease agreements may include provisions for receiving agencies to request alternative uses of the property, provided the alternative uses are compatible with the original intended public purpose and the department and legislature approves such uses.

((~~(7)~~)) (6) The department and receiving agencies shall work in good faith to carry out the intent of this section. However, the department or receiving agencies may remove a property from the transfer list based on new, substantive information, if it is determined that transfer of the property is not in the statewide interest of either the common school trust or the receiving agency.

((~~(8)~~)) (7) The department shall execute trust land transfers that, after the deduction of reasonable costs as provided in subsection ((~~(4)~~)) (3) of this section, eighty percent of the total value of transferred property is timber value and is deposited in the common school construction account. To achieve the eighty percent requirement, the department may choose to lease properties originally intended as transfers.

((~~(9)~~)) (8) On June 30, 2009, the state treasurer shall transfer all remaining uncommitted funds from this appropriation to the common school construction account and the appropriations in this section shall be reduced by an equivalent amount.

Appropriation:

State Building Construction Account--State $98,985,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $287,000,000

TOTAL $385,985,000

Sec. 3043. 2007 c 520 s 3214 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Conversion Land Acquisition (08-1-950)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for acquisition of working forest lands at risk of conversion to nonforest uses. The legislature finds that the chronic loss of working forest lands threatens the long-term prospects of the timber products industry, which in turn threatens the long-term economic return for the beneficiaries of state trust lands. Acquisition of these conversion lands is intended to help stabilize the primary source of revenue to trust land beneficiaries. The department shall submit a report to the appropriate committees of the legislature by October 1, 2008, indicating the lands purchased under this section, showing the locations, acres, purchase price, and within that purchase price, the value of the property attributed to the future value of timber harvests given an expected rate of return for timber lands, and the value of the property attributed to future development of the property. It is the intention of the legislature to lease <u>or otherwise acquire</u> the development rights of these conversion lands and retain them as long-term working forest lands under the sustainable harvest plan. Working forest lands acquired under this section shall be managed at a level equal to or greater than seventy-five percent of the expected harvest under the sustainable harvest plan. The appropriation provided in this section shall lapse unless chapter 504, Laws of 2007, or similar provisions contained in other legislation, is enacted prior to June 30, 2007. No amounts appropriated in this section shall be expended on the central cascade land exchange unless one of the two following conditions are met: (1) The four Stemilt parcels in T21R20E are excluded from the exchange; or (2) the four Stemilt parcels in T21R20E are included in the exchange and the department and Chelan county, as chair of the Stemilt partnership, agree on a plan for eventual ownership, disposition, and management of the four Stemilt parcels. The department shall manage cash balances in the natural resources real property replacement account such that cash balances are sufficient for the treasurer transfers required in section 6030 of this act. The

department may also transfer funds from the land bank subaccount of the resource management cost account to the natural resources real property replacement account to ensure sufficient cash balances.

Appropriation:

Resource Management Cost Account--State	$40,000,000
Natural Resources Real Property Replacement	
Account--State	$30,000,000
Subtotal Appropriation	$70,000,000
Prior Biennia (Expenditures)	$0
Future Biennia (Projected Costs)	$0
TOTAL	$70,000,000

NEW SECTION. **Sec. 3044.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Potential School Sites-State Trust Land Study (08-2-854)

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

(1) The joint legislative committee on school construction funding finds that high growth school districts are often unable to acquire lands best suited for siting new schools. Current funding capacity is devoted to current needs and land development in rapidly growing areas of the state competes with the present and future need for undeveloped sites to build new schools.

(2) The appropriation in this section is provided solely for the superintendent of public instruction and the commissioner of public lands to establish a work group to analyze the feasibility of and develop options for using existing state lands in high growth areas of the state for potential future school sites. The work group shall: (a) Prepare an inventory of existing state trust lands suitable for use as school sites; (b) prepare a projection of the needs for school sites in high growth school districts; and (c) develop options for holding and valuing the land for future school district use that are consistent with legal requirements and management objectives for state trust lands and any other state lands.

(3) The work group shall report to the legislature by December 1, 2008.

Appropriation:

Resource Management Cost Account--State $30,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Cost) $0

TOTAL $30,000

Sec. 3045. 2007 c 520 s 3219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

Energy Freedom Program (E3SHB No. 2939) (06-2-850)

The reappropriation in this section is subject to the following conditions and limitations: If legislation is enacted by June 30, 2009, that moves the energy freedom program to the department of community, trade, and economic development, then the amounts in this section are appropriated to the department of community, trade, and economic development.

Reappropriation:

Energy Freedom Account--State . . . . . ((~~$5,971,000~~))
<u>$4,471,000</u>

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$5,971,000~~))
<u>$4,471,000</u>

(End of part)

PART 4
TRANSPORTATION

Sec. 4001. 2007 c 520 s 4004 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

Combined State Agency Aviation Facility (08-2-951)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for predesign and design of a single, consolidated aviation facility, including consolidated operations, at the Olympia airport to house the fixed wing operations of the Washington state patrol, the department of natural resources, and the department of fish and wildlife, and the rotary operations of the department of natural resources. The office of financial management shall not allot design funds until the predesign has undergone a budget evaluation study team review, and the results of the budget evaluation study team review have been provided to the legislative fiscal committees and submitted to the office of financial management for review and approval.

Appropriation:

State Building Construction Account--State . . . . . ((~~$12,000~~)) $376,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $813,000

TOTAL . . . . . ((~~$825,000~~)) $1,189,000

NEW SECTION. **Sec. 4002.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE WASHINGTON STATE PATROL

Higher Education Campus Security Plan (08-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for a needs analysis and fiscal impact study of higher

education campus security as generally described in chapter . . . (Second Substitute House Bill No. 2507), Laws of 2008. If the bill is not enacted by June 30, 2008, the appropriation shall lapse.

Appropriation:

State Building Construction Account--State $200,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $200,000

NEW SECTION. **Sec. 4003.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE WASHINGTON STATE PATROL

DNA Crime Lab Computer System (08-2-952)

Appropriation:

State Building Construction Account--State $500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $500,000

NEW SECTION. **Sec. 4004.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE WASHINGTON STATE PATROL

Seattle Crime Lab Expansion (09-2-102)

Appropriation:

State Building Construction Account--State $734,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $6,208,000

TOTAL $6,942,000

NEW SECTION. **Sec. 4005.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION

Culvert Replacements (08-1-001)

Appropriation:

State Building Construction Account--State $5,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $5,000,000

(End of part)

PART 5
EDUCATION

Sec. 5001. 2007 c 520 s 5008 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

School Construction Assistance Grants (08-4-200)

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

(1) For state assistance grants for purposes of calculating square foot eligibility, kindergarten student headcount shall not be reduced by fifty percent.

(2) The legislature has made a commitment to phase in all-day kindergarten programs beginning with the 2007-08 school year. However, the legislature finds that one potential barrier to successful expansion of all-day kindergarten programs may be a lack of facilities that meet the requirements of an all-day kindergarten program. The office of the superintendent of public instruction, in consultation with the school facilities citizen advisory panel, shall examine alternatives for addressing school facilities needs for all-day kindergarten programs, including adapting existing unused space, creating innovative public-private partnerships and partnerships with early learning providers, shifting the location of current programs within a district or a school, and temporary, limited use of portables. The office of the superintendent of public instruction shall submit a report to the capital budget committee of the house of representatives and the ways and means committee of the senate by September 1, 2007, with recommendations on preferred alternatives and an analysis of the feasibility and cost of implementing the alternatives.

<u>(3) Within the amounts appropriated in this section, the office of the superintendent of public instruction shall review and evaluate the cost and other implications of changing the current annual release cycle for the school construction assistance program. The office of the superintendent of public instruction shall prepare a report resulting from their review and evaluation by December 1, 2008. This</u>

report must include a specific plan for implementing the change in the 2009-2011 biennium.

Appropriation:

State Building Construction Account--State . . . ((~~$109,521,000~~)) $22,394,000

Common School Construction Account--State . . . . ((~~$770,658,000~~)) $769,185,000

Common School Reimbursable Construction Account--State $180,000

Subtotal Appropriation . . . . . ((~~$880,359,000~~)) $791,759,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) . . . . . ((~~$3,500,725,000~~)) $3,495,689,000

TOTAL . . . . . ((~~$4,381,084,000~~)) $4,287,448,000

NEW SECTION. **Sec. 5002.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Aviation High School (08-1-002)

The appropriation in this section is subject to the following conditions and limitations: $900,000 of the appropriation in this section is provided solely for design costs for a new facility at Aviation high school, to include space that would be colocated at the museum of flight on east marginal way. The office of financial management shall not allot funds for design until the Highline school district has secured an operating agreement for a high school program at the museum of flight site.

Appropriation:

State Building Construction Account--State $1,175,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $1,175,000

NEW SECTION. **Sec. 5003.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Greenbridge Early Learning Center (08-1-003)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the Puget Sound education district for building the center for the thrive-by-five program.

Appropriation:

State Building Construction Account--State $2,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $2,000,000

NEW SECTION. **Sec. 5004.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

East Yakima Early Learning Center (08-4-860)

Appropriation:

State Building Construction Account--State $100,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $100,000

NEW SECTION. **Sec. 5005.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

North Central Technical Skills Center (08-4-861)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to purchase the option on property owned by the port of Chelan for the north central technical skills center.

Appropriation:

School Construction and Skill Centers

Building Account--State $50,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $50,000

NEW SECTION. **Sec. 5006.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Seattle Skills Center Feasibility Study (08-4-858)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for completion of a comprehensive study for the development of skills center programs in the Seattle school district.

Appropriation:

School Construction and Skill Centers

Building Account--State $75,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $75,000

NEW SECTION. **Sec. 5007.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Satellite/Branch Campus Feasibility Studies (08-4-859)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for comprehensive feasibility studies regarding potential skill center satellite or branch campuses in underserved areas of Washington.

Appropriation:

School Construction and Skill Centers

Building Account--State $475,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $475,000

NEW SECTION. **Sec. 5008.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

K-12 Formula Methods Study (08-2-856)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for

the office of the superintendent of public instruction to convene a work group to develop methods and options for making the current school construction assistance grant program more transparent in terms of the formula components, assumptions, and expected funding sources for projects funded from the grant program. Within this amount, the office of the superintendent of public instruction shall also develop a pilot template for providing information related to funding sources, including the amount of either bond or other local sources, or both, estimated for each project released in fiscal year 2009. The office of the superintendent of public instruction shall update and consult with the joint legislative task force on school construction funding as work progresses on this effort and must provide a final report to the task force by October 1, 2008.

Appropriation:

Education Construction Account--State $150,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $150,000

NEW SECTION. **Sec. 5009.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Regional School Construction Assistance Program (08-2-857)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the office of the superintendent of public instruction to develop and implement a regional school construction technical assistance program for school districts primarily delivered through educational service districts. The program will be prioritized towards school districts with the greatest need in terms of school construction management and school construction capabilities. In developing and implementing this program, to the maximum extent possible and appropriate, the office of the superintendent of public instruction shall receive assistance from the architectural and engineering services division of the department of general administration and the construction services group based out of educational service district 112. As part of the work, the office

of the superintendent of public instruction shall review voluntary model contracts for school construction.

Appropriation:

Education Construction Account--State $1,100,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $1,100,000

Sec. 5010. 2007 c 520 s 5010 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Vocational Skills Centers (08-4-300)

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

(1) $9,362,000 from this appropriation is provided solely for minor capital projects at all of the state's skills centers ranked with a "severity score" of 40 points or more.

(2) $24,400,000 from this appropriation is provided solely for the design and construction of the Skagit Valley vocational skills center.

(3) ((~~$16,366,000~~)) $15,366,000 from this appropriation is provided solely for the design and construction of the Yakima Valley technical skills center.

(4) $23,161,000 from this appropriation is provided solely for the design and construction of the Sno-Isle skills center.

(5) $1,118,000 from this appropriation is provided solely for the design and construction of the Clark county skills center.

(6) $300,000 from this appropriation is provided solely for the completion of the new market skills center project and to address storm water issues.

Appropriation:

State Building Construction Account--State . . . . ((~~$74,707,000~~)) $64,354,000

School Construction and Skill Centers Building Account--State $9,353,000

Subtotal Appropriation $73,707,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $83,984,000

TOTAL . . . . . ((~~$158,691,000~~))
$157,691,000

Sec. 5011. 2007 c 520 s 5014 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

K-12 Inventory Pilot Project (08-2-851)

((~~The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the office of the superintendent of public instruction to define and develop a pilot information management system for public school facilities, building on the experience of the community and technical college facilities information management system. Participating school districts must represent a cross-section of large and small districts, urban and rural districts, and districts with facilities of varying age and condition. The system must allow for the efficient transfer of information between the office of the superintendent of public instruction and participating school districts. The inventory system must include, but not be limited to, facility and site information necessary for appropriate facility stewardship. Data elements may include facility location, condition, type, current use, size, date and cost of original construction, the cost of any major remodeling or renovation, and energy information. By December 1, 2007, the office of the superintendent of public instruction shall provide a report to the appropriate legislative fiscal committees on the inventory system's scope, potential school district participants, and an implementation plan for the pilot group of school districts.~~))

Appropriation:

Education Construction Account--State . . . . . ((~~$900,000~~))
$50,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$900,000~~))
$50,000

NEW SECTION. **Sec. 5012.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Grant County Skills Center (08-4-854)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of the Grant county/Moses Lake school district skills center.

Appropriation:

School Construction and Skill Centers

Building Account--State $927,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $927,000

NEW SECTION. **Sec. 5013.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Northeast King County Skills Center (08-4-855)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of the northeast King county school district skills center.

Appropriation:

School Construction and Skill Centers

Building Account--State $550,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $550,000

NEW SECTION. **Sec. 5014.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Pierce County Skills Center (08-4-856)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of the Pierce county skills center. The office of financial management shall not allot design funds until the predesign

has undergone a budget evaluation study team review and the results of the budget evaluation study team review have been provided to the legislative fiscal committees and submitted to the office of financial management for review and approval. The predesign and design shall identify options for construction of the facility in two phases.

Appropriation:

School Construction and Skill Centers

Building Account--State $3,070,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $3,070,000

NEW SECTION. **Sec. 5015.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Potential School Sites - State Trust Lands Study (08-2-860)

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

(1) The joint legislative committee on school construction funding finds that high growth school districts are often unable to acquire lands best suited for siting new schools. Current funding capacity is devoted to current needs and land development in rapidly growing areas of the state competes with the present and future need for undeveloped sites to build new schools.

(2) The appropriation in this section is provided solely for the superintendent of public instruction and the commissioner of public lands to establish a work group to analyze the feasibility of and develop options for using existing state lands in high growth areas of the state for potential future school sites. The work group shall: (a) Prepare an inventory of existing state trust lands suitable for use as school sites; (b) prepare a projection of the needs for school sites in high growth school districts; and (c) develop options for holding and valuing the land for future school district use that are consistent with legal requirements and management objectives for state trust lands and any other state lands.

(3) The work group shall report to the legislature by December 1, 2008.

Appropriation:

Education Construction Account--State $25,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $25,000

NEW SECTION. **Sec. 5016.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Enrollment Projections Evaluation Study (08-2-859)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of the superintendent of public instruction to contract with a research organization to conduct an evaluation of the accuracy and reliability of the current method used for forecasting school district enrollment for determining eligibility for the school assistance program. This evaluation must also include a review of different methodologies used by school districts in projecting their enrollment for capital planning and budgeting purposes. A final report resulting from this evaluation must be submitted by January 1, 2009.

Appropriation:

Education Construction Account--State $150,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $150,000

Sec. 5017. 2007 c 520 s 5016 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

Minor Works - Facility Preservation (08-1-005)

Appropriation:

State Building Construction Account--State . . . . . ((~~$770,000~~)) $470,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $2,500,000

TOTAL . . . . . ((~~$3,270,000~~))
$2,970,000

Sec. 5018. 2007 c 520 s 5017 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

New Physical Education Center (08-2-001)

Appropriation:

State Building Construction Account--State . . . . ((~~$9,000,000~~))
$9,300,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$9,000,000~~))
$9,300,000

NEW SECTION. **Sec. 5019.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma - Land Acquisition (09-2-003)

Appropriation:

Education Construction Account--State $2,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $2,000,000

NEW SECTION. **Sec. 5020.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma - Soils Remediation (08-2-852)

Appropriation:

State Toxics Control Account--State $1,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $1,000,000

NEW SECTION. **Sec. 5021.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

Burke Museum Renovation (08-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for a predesign study for renovation of the Burke museum. The predesign must include a feasibility study and plan for covering at least one-third of the projected renovation cost through nonstate sources.

Appropriation:

State Building Construction Account--State $300,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $300,000

Sec. 5022. 2007 c 520 s 5086 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

Dean Hall Renovation (06-1-004)

The appropriation in this section is subject to the following conditions and limitations: $1,300,000 of the appropriation is provided solely for furnishings and equipment.

Reappropriation:

State Building Construction Account--State $924,000

Appropriation:

State Building Construction Account--State . . . . ((~~$23,200,000~~)) $24,500,000

Prior Biennia (Expenditures) $1,276,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$25,400,000~~)) $26,700,000

Sec. 5023. 2007 c 520 s 5100 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

Daniel J. Evans Building - Modernization (04-2-006)

The appropriation in this section is subject to the following conditions and limitations: $1,983,000 of the appropriation is provided solely to finish renovation of the library building by addressing issues of the aging infrastructure while incorporating programmatic needs of the institution.

Reappropriation:

Gardner-Evans Higher Education Construction Account--State $20,250,000

Appropriation:

Education Construction Account--State $1,465,000

State Building Construction Account--State $518,000

Subtotal Appropriation $1,983,000

Prior Biennia (Expenditures) $24,500,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$44,750,000~~)) $46,733,000

Sec. 5024. 2007 c 520 s 5117 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

Minor Works - Health, Safety, and Code (06-1-082)

Reappropriation:

State Building Construction Account--State . . . . . ((~~$850,000~~)) $727,000

Prior Biennia (Expenditures) $1,240,000

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$2,090,000~~)) $1,967,000

Sec. 5025. 2007 c 520 s 5118 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

Minor Works - Infrastructure Preservation (06-1-084)

Reappropriation:

State Building Construction Account--State . . . . . ((~~$850,000~~)) $657,000

Prior Biennia (Expenditures) $1,375,000

Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$2,225,000~~))
$2,032,000

Sec. 5026. 2007 c 520 s 5119 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

Minor Works - Program (06-2-085)

Reappropriation:

Western Washington University Capital Projects
Account--State . . . . . ((~~$2,200,000~~))
$1,239,000

Prior Biennia (Expenditures) $5,522,000
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$7,722,000~~))
$6,761,000

Sec. 5027. 2007 c 520 s 5128 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Pacific - Lewis and Clark Station Camp Park Project (02-S-001)

Reappropriation:

State Building Construction Account--State $666,000

Appropriation:

State Building Construction Account--State $1,935,000

Prior Biennia (Expenditures) $1,885,000
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$2,551,000~~))
$4,486,000

NEW SECTION. **Sec. 5028.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Olympia - State Capitol Museum: Building Preservation (08-1-002)

Appropriation:

State Building Construction Account--State $207,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $207,000

Sec. 5029. 2007 c 520 s 5145 (uncodified) is amended to read as follows:

FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Museum System Repair and Upgrades/Preservation (08-1-013)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for preservation projects ((~~and to~~)), system repair, and ((~~upgrade~~)) museum ((~~systems~~)) upgrades to enhance delivery of exhibits and K-12 education and American Indian programs.

Appropriation:

State Building Construction Account--State $1,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $1,000,000

Sec. 5030. 2007 c 520 s 5217 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce College Fort Steilacoom: Cascade Core Phase I (06-1-326)

Reappropriation:

State Building Construction Account--State $1,000,000

Appropriation:

State Building Construction Account--State . . . . ((~~$14,602,000~~)) $17,602,000

Community/Technical College Capital Projects Account--State $1,000,000

Subtotal Appropriation $18,602,000

Prior Biennia (Expenditures) $2,350,000
Future Biennia (Projected Costs) $0
TOTAL . . . . . ((~~$17,952,000~~)) $21,952,000

Sec. 5031. 2007 c 520 s 5255 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Preservation - Repairs and Minor Improvements (08-1-001)

Appropriation:

Community/Technical College Capital Projects Account--State . . . . . ((~~$16,000,000~~)) $15,000,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $70,000,000

TOTAL . . . . . ((~~$86,000,000~~)) $85,000,000

Sec. 5032. 2007 c 520 s 5275 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Higher Education Cost Escalation (08-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the state board for community and technical colleges to assist public community and technical colleges in managing unanticipated cost escalation for projects bid during the 2007-2009 biennium. Not more than $750,000 shall be made available to any single project and amounts provided for this purpose must be matched equally from other resources. The board shall manage the distribution of funds to ensure that the requesting college has managed its project within the current appropriation through preparation of bid documents and that the scope of the project is no greater than was originally specified in the design. Prior to the office of financial management approving use of a minor works appropriation as a match, and its transfer to the project with unanticipated cost escalation, the board shall require the college to describe what it has done to identify and develop alternative resources for a match, and the specific minor works projects that would be deferred as a result of the transfer. The board will report to the office of financial management and the appropriate fiscal committees of the legislature on the use of these funds.

Appropriation:

State Building Construction Account--State . . . . ((~~$3,238,000~~)) $2,238,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL . . . . . ((~~$3,238,000~~)) $2,238,000

NEW SECTION. **Sec. 5033.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellevue Community College: L Building Emergency Repairs (08-1-850)

Appropriation:

State Building Construction Account--State $1,663,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $1,663,000

NEW SECTION. **Sec. 5034.** A new section is added to 2007 c 520 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Yakima Valley Community College - Skills Center (08-2-852)

Appropriation:

State Building Construction Account--State $1,000,000

School Construction and Skill Centers

Building Account--State $1,500,000

Subtotal Appropriation $2,500,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $2,500,000

(End of part)

PART 6
MISCELLANEOUS AND SUPPLEMENTAL PROVISIONS

Sec. 6001. 2007 c 520 s 6013 (uncodified) is amended to read as follows:

ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS. The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, 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. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

State agencies may enter into agreements with the department of general administration and the state treasurer's office to develop requests to the legislature for acquisition of properties and facilities through financial contracts. The agreements may include charges for services rendered.

Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(1) Washington state patrol: Enter into a financing contract for up to $1,360,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to replace the dormitory facility at the

Washington state patrol fire training academy in North Bend, Washington.

(2) Department of general administration: Enter into a financing contract for up to $685,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the preservation of the transportation building.

(3) Department of corrections: Enter into a financing contract for up to $17,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to provide additional work release beds.

(4) Parks and recreation commission: Enter into a financing contract in an amount not to exceed $2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop Cama Beach state park.

(5) Community and technical colleges:

(a) Enter into a financing contract on behalf of Green River Community College for up to $20,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase Kent Station phase 2.

(b) Enter into a financing contract on behalf of Tacoma Community College for up to $3,600,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an early childhood education and learning center.

(c) Enter into a financing contract on behalf of Walla Walla Community College for up to $1,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase up to 40 acres of land.

(d) Enter into a financing contract on behalf of Columbia Basin College for up to $300,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop an academic support and achievement center.

<u>(e) Enter into a financing contract on behalf of Wenatchee Valley College for up to $3,347,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop a 72 bed student housing facility.</u>

<u>(f) Enter into a financing contract on behalf of Seattle Central Community College for up to $3,100,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase property adjacent the main campus.</u>

(6) Evergreen State College: Enter into a financing contract for up to $16,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the college activities building renovation.

(7) Washington state convention and trade center: Enter into a financing contract for up to $58,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase and renovate the museum condominium unit located adjacent to the state convention center. The purchase price shall not exceed fair market value. A purchase agreement with the owner of the unit on the effective date of this section shall include the following requirements: (a) Upon completion of the purchase of the property, the seller shall retain $5,750,000 of the sale proceeds in a restricted investment account, reserving such funds for capital costs associated with development of its principal heritage center to be located within the city of Seattle. Principal and accrued earnings in such an account shall be available for expenditure by the seller when the seller or the city of Seattle has executed a construction contract for either a new facility or improvements to an existing structure to serve as the principal heritage center to be operated by the seller within the city; and (b) in the event that the conditions of (a) of this subsection are not met by June 30, 2017, the entire amount in the restricted account shall be transferred to the state general fund and shall represent a recovery of the state's contribution towards the development of the museum. In the event of such a transfer, the rightful ownership of the property by the Washington state convention and trade center shall not be impaired.

(8) Department of information services: Enter into a financing contract for an amount approved by the office of financial management for costs and financing expenses and required reserves pursuant to chapter 39.94 RCW to lease develop or lease purchase a state general office building and facilities for the department of information services on the state-owned property called "the Wheeler block" in Olympia. The office buildings shall be constructed and financed so that agencies occupancy costs per gross square foot or per employee will not exceed 110 percent of comparable private market rental rates per gross square foot or per employee. The comparable general office space rate shall be calculated based on recent Thurston county leases

of new space of at least 100,000 rentable square feet adjusted for known escalation clauses, expected inflation, and differences in the level of service provided by the comparable leases as determined by the department in consultation with the department of general administration. In addition to the department of information services, state agency tenants shall include the consolidation of state patrol offices and general office facilities for small agencies and offices. The department of information services shall design and operate the general office facilities for small agencies and offices as a demonstration of the efficiencies gained from the integration of office space and telecommunications and computer technology. The demonstration project shall provide office space, furniture, telecommunications, and computer technology as a single package. The facility shall be designed so that small agencies and offices can move in and out of the facility without the typical moving expenses that result from individual agency ownership of furniture and technology. The facility for small agencies and offices shall also provide for staffing and space efficiencies resulting from central reception, support services, and spaces. The office of financial management shall certify to the state treasurer: (a) The project description and dollar amount; and (b) that all requirements of this subsection (8) have been met. Should the department of information services choose to use a financing contract that does not provide for the issuance of certificates of participation, the financing contract shall be subject to approval by the state finance committee as required by RCW 39.94.010. In approving a financing contract not providing for the use of certificates of participation, the state finance committee should be reasonably certain that the contract is excluded from the computation of indebtedness, particularly that the contract is not backed by the full faith and credit of the state and the legislature is expressly not obligated to appropriate funds to make payments. For purposes of this section, "financing contract" includes but is not limited to a certificate of participation and tax exempt financing similar to that authorized in RCW 47.79.140.

(9) Office of the secretary of state: Enter into a financing contract for up to ((~~$112,942,000~~)) $134,935,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct the heritage center. The heritage center is one part of a

combined facility of the heritage center and executive office building, authorized in subsection (10) of this section. The authorization for financing under this subsection (9) shall lapse unless chapter 523, Laws of 2007 is enacted by June 30, 2007.

(10) Department of general administration:

(a) Enter into a financing contract for up to ((~~$75,863,000~~)) $79,981,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct the executive office building. The executive office building is one part of a combined facility of the executive office building and the heritage center authorized in subsection (9) of this section. The authorization for financing under this subsection (10) shall lapse unless chapter 523, Laws of 2007 is enacted by June 30, 2007.

(b) Enter into a financing contract for up to $17,144,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the rehabilitation of the John L. O'Brien building, subject to approval of the project scope by the speaker of the house of representatives and the chief clerk of the house of representatives.

(c) Enter into a financing contract for up to $2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the "Perry street child care site" renovations and purchase.

(d) Enter into a financing contract for up to $2,685,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for land acquisition in Olympia, Washington.

(11) Department of ecology: Enter into a financing contract for up to $11,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to rebuild the east wall of the department of ecology's headquarters building in Lacey, Washington.

Sec. 6002. RCW 43.155.050 and 2007 c 520 s 6036 are each amended to read as follows:

(1) The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to provide for state match requirements under

federal law for projects and activities conducted and financed by the board under the drinking water assistance account. Not more than fifteen percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than ten percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans. For the 2007-2009 biennium, moneys in the account may be used for grants for projects identified in section 138, chapter 488, Laws of 2005, for the infrastructure investment system implementation plan identified in section 1022 of this act; for the interest rate buy-down pilot program identified in section 1004 of this act; and for the housing assistance, weatherization, and affordable housing program identified in section 1005 of this act.

(2) The job development fund is hereby established in the state treasury. Up to fifty million dollars each biennium from the public works assistance account may be transferred into the job development fund. Money in the job development fund may be used solely for job development fund program grants, administrative expenses related to the administration of the job development fund program created in RCW 43.160.230, and for the report prepared by the joint legislative audit and review committee pursuant to RCW 44.28.801(2). Moneys in the job development fund may be spent only after appropriation. The board shall prepare a prioritized list of proposed projects of up to fifty million dollars as part of the department's 2007-09 biennial budget request. The board may provide an additional alternate job development fund project list of up to ten million dollars. The legislature may remove projects from the list recommended by the board. The legislature may not change the prioritization of projects recommended for funding by the board, but may add projects from the alternate list in order of priority, as long as the total funding does not exceed fifty million dollars.

Sec. 6003. RCW 48.02.190 and 2007 c 153 s 3 and 2007 c 468 s 1 are each reenacted and amended to read as follows:

(1) As used in this section:

(a) "Organization" means every insurer, as defined in RCW 48.01.050, having a certificate of authority to do business in this state, every health care service contractor, as defined in RCW 48.44.010, every health maintenance organization, as defined in RCW 48.46.020, or self-funded multiple employer welfare arrangement, as defined in RCW 48.125.010, registered to do business in this state. "Class one" organizations shall consist of all insurers as defined in RCW 48.01.050. "Class two" organizations shall consist of all organizations registered under provisions of chapters 48.44 and 48.46 RCW. "Class three" organizations shall consist of self-funded multiple employer welfare arrangements as defined in RCW 48.125.010.

(b)(i) "Receipts" means (A) net direct premiums consisting of direct gross premiums, as defined in RCW 48.18.170, paid for insurance written or renewed upon risks or property resident, situated, or to be performed in this state, less return premiums and premiums on policies not taken, dividends paid or credited to policyholders on direct business, and premiums received from policies or contracts issued in connection with qualified plans as defined in RCW 48.14.021, and (B) prepayments to health care service contractors, as defined in RCW 48.44.010, health maintenance organizations, as defined in RCW 48.46.020, or participant contributions to self-funded multiple employer welfare arrangements, as defined in RCW 48.125.010, less experience rating credits, dividends, prepayments returned to subscribers, and payments for contracts not taken.

(ii) Participant contributions, under chapter 48.125 RCW, used to determine the receipts in this state under this section shall be determined in the same manner as premiums taxable in this state are determined under RCW 48.14.090.

(c) "Regulatory surcharge" means the fees imposed by this section.

(2) The annual cost of operating the office of insurance commissioner shall be determined by legislative appropriation. A pro rata share of the cost shall be charged to all organizations as a regulatory surcharge. Each class of organization shall contribute a sufficient amount to the insurance commissioner's regulatory account to pay the reasonable costs, including overhead, of regulating that class of organization.

(3) The regulatory surcharge shall be calculated separately for each class of organization. The regulatory surcharge collected from

each organization shall be that portion of the cost of operating the insurance commissioner's office, for that class of organization, for the ensuing fiscal year that is represented by the organization's portion of the receipts collected or received by all organizations within that class on business in this state during the previous calendar year. However, the regulatory surcharge must not exceed one-eighth of one percent of receipts and the minimum regulatory surcharge shall be one thousand dollars.

(4) The commissioner shall annually, on or before June 1st, calculate and bill each organization for the amount of the regulatory surcharge. The regulatory surcharge shall be due and payable no later than June 15th of each year. However, if the necessary financial records are not available or if the amount of the legislative appropriation is not determined in time to carry out such calculations and bill such regulatory surcharge within the time specified, the commissioner may use the regulatory surcharge factors for the prior year as the basis for the regulatory surcharge and, if necessary, the commissioner may impose supplemental fees to fully and properly charge the organizations. Any organization failing to pay the regulatory surcharges by June 30th shall pay the same penalties as the penalties for failure to pay taxes when due under RCW 48.14.060. The regulatory surcharge required by this section is in addition to all other taxes and fees now imposed or that may be subsequently imposed.

(5) All moneys collected shall be deposited in the insurance commissioner's regulatory account in the state treasury which is hereby created.

(6) Unexpended funds in the insurance commissioner's regulatory account at the close of a fiscal year shall be carried forward in the insurance commissioner's regulatory account to the succeeding fiscal year and shall be used to reduce future regulatory surcharges. <u>During the 2007-2009 fiscal biennium, the legislature may transfer from the insurance commissioner's regulatory account to the Washington state heritage center account such amounts as reflect excess fund balance in the account.</u>

(7)(a) Each insurer may annually collect regulatory surcharges remitted in preceding years by means of a policyholder surcharge on premiums charged for all kinds of insurance. The recoupment shall be

at a uniform rate reasonably calculated to collect the regulatory surcharge remitted by the insurer.

(b) If an insurer fails to collect the entire amount of the recoupment in the first year under this section, it may repeat the recoupment procedure provided for in this subsection (7) in succeeding years until the regulatory surcharge is fully collected or a de minimis amount remains uncollected. Any such de minimis amount may be collected as provided in (d) of this subsection.

(c) The amount and nature of any recoupment shall be separately stated on either a billing or policy declaration sent to an insured. The amount of the recoupment must not be considered a premium for any purpose, including the premium tax or agents' commissions.

(d) An insurer may elect not to collect the regulatory surcharge from its insured. In such a case, the insurer may recoup the regulatory surcharge through its rates, if the following requirements are met:

(i) The insurer remits the amount of surcharge not collected by election under this subsection; and

(ii) The surcharge is not considered a premium for any purpose, including the premium tax or agents' commission.

Sec. 6004. RCW 79.64.020 and 2004 c 199 s 226 are each amended to read as follows:

A resource management cost account in the state treasury is created to be used solely for the purpose of defraying the costs and expenses necessarily incurred by the department in managing and administering state lands and aquatic lands and the making and administering of leases, sales, contracts, licenses, permits, easements, and rights-of-way as authorized under the provisions of this title. Appropriations from the resource management cost account to the department shall be expended for no other purposes. Funds in the resource management cost account may be appropriated or transferred by the legislature for the benefit of all of the trusts from which the funds were derived. <u>For the 2007-2009 biennium, moneys in the account may be used for the purposes identified in section 3044 of this act.</u>

Sec. 6005. RCW 40.14.024 and 2003 c 163 s 3 are each amended to read as follows:

The local government archives account is created in the state treasury. All receipts collected by the county auditors under RCW 40.14.027 and 36.22.175 for local government services, such as providing records scheduling, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management, must be deposited into the account, and expenditures from the account may be used only for these purposes. <u>During the 2007-2009 biennium, the legislature may transfer from the local government archives account to the Washington state heritage center account such amounts as reflect the excess fund balance in the account.</u>

Sec. 6006. RCW 36.22.175 and 2003 c 163 s 5 are each amended to read as follows:

(1)<u>(a)</u> In addition to any other charge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for each document recorded. Revenue generated through this surcharge shall be transmitted monthly to the state treasurer for deposit in the local government archives account under RCW 40.14.024. These funds shall be used solely for providing records scheduling, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management.

<u>(b)</u> The division of archives and records management within the office of the secretary of state shall provide records management training for local governments and shall establish a competitive grant program to solicit and prioritize project proposals from local governments for potential funding to be paid for by funds from the auditor surcharge and tax warrant surcharge revenues. Application for specific projects may be made by local government agencies only. The state archivist in consultation with the advisory committee established under RCW 40.14.027 shall adopt rules governing project eligibility, evaluation, awarding of grants, and other criteria including requirements for records management training for grant recipients.

(2) The advisory committee established under RCW 40.14.027 shall review grant proposals and establish a prioritized list of projects to be considered for funding by January 1st of each even-numbered year, beginning in 2002. The evaluation of proposals and development of the prioritized list must be developed through open public meetings. Funding for projects shall be granted according to the ranking of each application on the prioritized list and projects will be funded only to the extent that funds are available. A grant award may have an effective date other than the date the project is placed on the prioritized list.

(3)(a) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded after January 1, 2002. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the local government archives account under RCW 40.14.024 to be used exclusively for: (i) The construction and improvement of a specialized regional facility located in eastern Washington designed to serve the archives, records management, and digital data management needs of local government; and (ii) payment of the certificate of participation issued for the Washington state heritage center to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments on the certificate of participation.

(b) To the extent the facilities are used for the storage and retrieval of state agency records and digital data, that portion of the construction of such facilities used for state government records and data shall be supported by other charges and fees paid by state agencies and shall not be supported by the surcharge authorized in this subsection, except that to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments for the Washington state heritage center, the local government archives account under RCW 40.14.024 may be used for the Washington state heritage center.

(c) At such time that all debt service from construction ((~~on such facility~~)) of the specialized regional archive facility located in eastern Washington has been paid, fifty percent of the surcharge authorized by this subsection shall be reverted to the centennial

document preservation and modernization account as prescribed in RCW 36.22.170 and fifty percent of the surcharge authorized by this section shall be reverted to the state treasurer for deposit in the archives and records management account to serve the archives, records management, and digital data management needs of local government, except that the state treasurer shall not revert funds to the centennial document preservation and modernization account and to the archives and records management account if fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments on the Washington state heritage center.

Sec. 6007. RCW 43.09.282 and 1995 c 301 s 20 are each amended to read as follows:

For the purposes of centralized funding, accounting, and distribution of the costs of the audits performed on local governments by the state auditor, there is hereby created an account entitled the municipal revolving account. The state treasurer shall be custodian of the account. All moneys received by the state auditor or by any officer or employee thereof shall be deposited with the state treasurer and credited to the municipal revolving account. Only the state auditor or the auditor's designee may authorize expenditures from the account. No appropriation is required for expenditures. The state auditor shall keep such records as are necessary to detail the auditing costs attributable to the various types of local governments. During the 2007-2009 fiscal biennium, the legislature may transfer from the municipal revolving account to the Washington state heritage center account such amounts as reflect excess fund balance in the account.

NEW SECTION. **Sec. 6008.** A new section is added to 2007 c 520 (uncodified) to read as follows:

The joint legislative audit and review committee shall conduct an evaluation of the accuracy of capital project cost estimates prepared by state agencies for their budget requests. The evaluation shall include a review of the methods used to prepare estimates at agencies with large capital programs, a review of the process used by the office of financial management and legislative fiscal committees to evaluate project cost estimates, and an analysis of the accuracy of project cost estimates compared to actual project costs over time for a subset of

projects. The evaluation will also recommend other areas of capital project risk for assessment in future evaluations. The joint legislative audit and review committee shall submit a report to the relevant fiscal committees of the legislature by August 2009.

Sec. 6009. RCW 70.105D.070 and 2007 c 522 s 954, 2007 c 520 s 6033, 2007 c 446 s 2, and 2007 c 341 s 30 are each reenacted and 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 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, defined for the purposes of this section as 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, that pose a threat to human health or the environment.

(b) 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, except that any applicant that is a Puget Sound partner, as defined in RCW 90.71.010, along with any

project that is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, shall, except as conditioned by RCW 70.105D.120, receive priority for any available funding for any grant or funding programs or sources that use a competitive bidding process.

(c) 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.

(d) To expedite cleanups throughout the state, the department shall partner with local communities and liable parties for cleanups. The department is authorized to use the following additional strategies in order to ensure a healthful environment for future generations:

(i) The director may alter grant-matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:

(A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;

(B) Funding would create new substantial economic development, public recreational, or habitat restoration opportunities that would not otherwise occur; or

(C) Funding would create an opportunity for acquisition and redevelopment of vacant, orphaned, or abandoned property under RCW 70.105D.040(5) that would not otherwise occur;

(ii) The use of outside contracts to conduct necessary studies;

(iii) The purchase of remedial action cost-cap insurance, when necessary to expedite multiparty clean-up efforts.

(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, or, after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

(7) The department shall adopt rules for grant or loan issuance and performance.

(8) During the 2007-2009 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as reflect excess fund balance in the account.

Sec. 6010. 2007 c 520 s 6032 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

Education Construction Account: For transfer to the Common School Construction, an amount not to exceed . . . . . ((~~$138,200,000~~)) $133,930,000

Education Savings Account: For transfer to the Common School Construction Account, an amount not to exceed . . . . . ((~~$43,400,000~~)) $103,063,000

State Convention and Trade Center Account: For transfer to the Washington Housing Trust Account, an amount not to exceed $8,000,000

Public Works Assistance Account: For transfer to

the Washington Housing Trust Account, an amount not to exceed $2,800,000

Local Government Archives Account: For transfer to the Washington State Heritage Center Account $4,000,000

Insurance Commissioner's Regulatory Account: For transfer to the Washington State Heritage Center Account in July 2008 . . . . . $1,500,000

Municipal Revolving Account: For transfer to the Washington State Heritage Center Account $500,000

Local Toxics Control Account: For transfer to the State Toxics Control Account $3,000,000

Sec. 6011. RCW 67.40.040 and 2007 c 228 s 106 are each amended to read as follows:

(1) The proceeds from the sale of the bonds authorized in RCW 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and 67.40.130, and all other moneys received by the state convention and trade center from any public or private source which are intended to fund the acquisition, design, construction, expansion, exterior cleanup and repair of the Eagles building, conversion of various retail and other space to meeting rooms, purchase of the land and building known as the McKay Parcel, development of low-income housing, or renovation of the center, and those expenditures authorized under RCW 67.40.170 shall be deposited in the state convention and trade center account hereby created in the state treasury and in such subaccounts as are deemed appropriate by the directors of the corporation.

(2) Moneys in the account, including unanticipated revenues under RCW 43.79.270, shall be used exclusively for the following purposes in the following priority:

(a) For reimbursement of the state general fund under RCW 67.40.060;

(b) After appropriation by statute:

(i) For payment of expenses incurred in the issuance and sale of the bonds issued under RCW 67.40.030;

(ii) For expenditures authorized in RCW 67.40.170, and during the 2007-2009 biennium, the legislature may transfer from the state

convention and trade center account to the Washington housing trust account such amounts as reflect the excess fund balance in the account;

(iii) For acquisition, design, and construction of the state convention and trade center;

(iv) For debt service for the acquisition, design, and construction and retrofit of the museum of history and industry museum property or other future expansions of the convention center as approved by the legislature; and

(v) For reimbursement of any expenditures from the state general fund in support of the state convention and trade center; and

(c) For transfer to the state convention and trade center operations account.

(3) The corporation shall identify with specificity those facilities of the state convention and trade center that are to be financed with proceeds of general obligation bonds, the interest on which is intended to be excluded from gross income for federal income tax purposes. The corporation shall not permit the extent or manner of private business use of those bond-financed facilities to be inconsistent with treatment of such bonds as governmental bonds under applicable provisions of the Internal Revenue Code of 1986, as amended.

(4) In order to ensure consistent treatment of bonds authorized under RCW 67.40.030 with applicable provisions of the Internal Revenue Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment earnings on bond proceeds deposited in the state convention and trade center account in the state treasury shall be retained in the account, and shall be expended by the corporation for the purposes authorized under chapter 386, Laws of 1995 and in a manner consistent with applicable provisions of the Internal Revenue Code of 1986, as amended.

(5) Subject to the conditions in subsection (6) of this section, starting in fiscal year 2008, the state treasurer shall transfer:

(a) The sum of four million dollars, or as much as may be available pursuant to conditions set forth in this section, from the state convention and trade center account to the tourism enterprise account, with the maximum transfer being four million dollars per fiscal year; and

(b) The sum of five hundred thousand dollars, or as much as may be available pursuant to conditions set forth in this section, from the

state convention and trade center account to the tourism development and promotion account, with the maximum transfer being five hundred thousand dollars per fiscal year.

(6)(a) Funds required for debt service payments and reserves for bonds issued under RCW 67.40.030; for debt service authorized under RCW 67.40.170; and for the issuance and sale of financial instruments associated with the acquisition, design, construction, and retrofit of the museum of history and industry museum property or for other future expansions of the center, as approved by the legislature, shall be maintained within the state convention and trade center account.

(b) No less than six million one hundred fifty thousand dollars per year shall be retained in the state convention and trade center account for funding capital maintenance as required by the center's long-term capital plan, facility enhancements, unanticipated replacements, and operating reserves for the convention center operation. This amount shall be escalated annually as follows:

(i) Four percent for annual inflation for capital maintenance, repairs, and replacement;

(ii) An additional two percent for enhancement to the facility; and

(iii) An additional three percent for growth in expenditure due to aging of the facility and the need to maintain an operating reserve.

(c) Sufficient funds shall be reserved within the state convention and trade center account to fund operating appropriations for the annual operation of the convention center.

Sec. 6012. RCW 79.17.010 and 2003 1st sp.s. c 25 s 939 are each amended to read as follows:

(1) The department, with the approval of the board, may exchange any state land and any timber thereon for any land of equal value in order to:

(a) Facilitate the marketing of forest products of state lands;

(b) Consolidate and block-up state lands;

(c) Acquire lands having commercial recreational leasing potential;

(d) Acquire county-owned lands;

(e) Acquire urban property which has greater income potential or which could be more efficiently managed by the department in exchange for state urban lands as defined in RCW 79.19.100; or

(f) Acquire any other lands when such exchange is determined by the board to be in the best interest of the trust for which the state land is held.

(2) Land exchanged under this section shall not be used to reduce the publicly owned forest land base.

(3) The board shall determine that each land exchange is in the best interest of the trust for which the land is held prior to authorizing the land exchange.

(4) During the biennium ending June 30, ((~~2005, the department, with approval of the board, may exchange any state land and any timber thereon for any land and proceeds of equal value~~)) 2009, for the purposes of maintaining working farm and forest landscapes or acquiring natural resource lands at risk of development, the department, with approval of the board of natural resources, may exchange any state land and any timber thereon for any land and proceeds of equal value, when it can be demonstrated that the trust fiduciary obligations can be better fulfilled after an exchange is completed. Proceeds may be in the form of cash or services in order to achieve the purposes established in this section. Any cash received as part of an exchange transaction shall be deposited in the resource management cost account to pay for administrative expenses incurred in carrying out an exchange transaction. The amount of proceeds received from the exchange partner may not exceed five percent of the total value of the exchange. The receipt of proceeds shall not change the character of the transaction from an exchange to a sale.

(5) Prior to executing an exchange under this section, and in addition to the public notice requirements set forth in RCW 79.17.050, the department shall consult with legislative members, other state and federal agencies, local governments, tribes, local stakeholders, conservation groups, and any other interested parties to identify and address cultural resource issues and the potential of the state lands proposed for exchange to be used for open space, park, school, or critical habitat purposes.

Sec. 6013. RCW 79.17.020 and 2003 1st sp.s. c 25 s 937 and 2003 c 334 s 209 are each reenacted and amended to read as follows:

(1) The board of county commissioners of any county and/or the mayor and city council or city commission of any city or town and/or

the board shall have authority to exchange, each with the other, or with the federal forest service, the federal government or any proper agency thereof and/or with any private landowner, county land of any character, land owned by municipalities of any character, and state forest land owned by the state under the jurisdiction of the department, for real property of equal value for the purpose of consolidating and blocking up the respective land holdings of any county, municipality, the federal government, or the state of Washington or for the purpose of obtaining lands having commercial recreational leasing potential.

(2) During the biennium ending June 30, ((~~2005, the department, with approval of the board, may exchange any state forest land and any timber thereon for any real property and proceeds of equal value~~)) 2009, for the purposes of maintaining working farm and forest landscapes or acquiring natural resource lands at risk of development, the department, with approval of the board of natural resources, may exchange any state land and any timber thereon for any land and proceeds of equal value, when it can be demonstrated that the trust fiduciary obligations can be better fulfilled after an exchange is completed. Proceeds may be in the form of cash or services in order to achieve the purposes established in this section. Any cash received as part of an exchange transaction shall be deposited in the forest development account to pay for administrative expenses incurred in carrying out an exchange transaction. The amount of proceeds received from the exchange partner may not exceed five percent of the total value of the exchange. The receipt of proceeds shall not change the character of the transaction from an exchange to a sale.

(3) Prior to executing an exchange under this section, and in addition to the public notice requirements set forth in RCW 79.17.050, the department shall consult with legislative members, other state and federal agencies, local governments, tribes, local stakeholders, conservation groups, and any other interested parties to identify and address cultural resource issues, and the potential of the state lands proposed for exchange to be used for open space, park, school, or critical habitat purposes.

Sec. 6014. 2007 c 520 s 6016 (uncodified) is amended to read as follows:

(1) A joint legislative task force on school construction funding is established to review the following:

(a) The statutory provisions regarding the funding of school construction projects;

(b) Eligibility requirements and distribution formulas for the state's school construction assistance grant program;

(c) Flexibility needed in the system to address diverse district and geographic needs including, but not limited to, the construction needs unique to high growth areas, as well as the needs of school districts that have experienced consecutive school levy failures; and

(d) Potential revenue sources and alternative funding mechanisms for school construction including, but not limited to, funding mechanisms that may: (i) Phase out and replace revenue collected under RCW 82.02.050 through 82.02.100 for school facilities; and (ii) encourage cooperative partnerships with early learning providers, skill centers, community and technical colleges, or public baccalaureate institutions through the use of a supermatch concept.

(2) The office of the superintendent of public instruction shall provide progress updates to the task force on the development of the pilot inventory of school district facility information and the design of a process for developing a ten-year projection of the facility needs of school districts as provided for in section 5014 of this act for review and comment by the task force.

(3)(a) The joint legislative task force on school construction funding shall consist of eight members, two members each, one from each major caucus, from the house of representatives committees on capital budget and education, appointed by the speaker of the house of representatives, and two members each, one from each major caucus, from the senate committees on ways and means and early learning and K-12 education, appointed by the president of the senate.

(b) The president of the senate and the speaker of the house of representatives jointly shall appoint two members representing school districts.

(c) The office of the superintendent of public instruction and the office of financial management shall cooperate with the task force and maintain liaison representatives.

(d) The task force shall coordinate with the appropriate standing

committees of the legislature and may consult with other interested parties, as may be appropriate, for technical advice and assistance.

(e) The task force shall select a chair from among its legislative membership.

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

(5) Legislative members of the task force must be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, 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.

(6) The expenses of the task force must 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 committee, or their successor committees.

(7) The task force must report ((~~its~~)) preliminary findings and recommendations to the appropriate committees of the legislature by December 1, 2007, and a final report by January 1, 2009.

NEW SECTION. **Sec. 6015.** A new section is added to 2007 c 520 (uncodified) to read as follows:

(1) A joint task force on local financing options for affordable housing, arts, cultural, education, civic center, Puget Sound restoration and preservation, youth recreation, and community development projects within King county is established. The task force shall review only existing King county-specific revenue options to fund housing, arts, cultural, civic center, Puget Sound restoration and preservation, youth recreation, and community development projects in King county. Such options must include, but are not limited to, admissions, car rental, hotel/motel, restaurant, and other sources currently used to pay for the construction, financing, and mitigation of Safeco and Qwest fields and financing of the Kingdome debt.

(2) The speaker of the house of representatives and the majority leader of the senate shall select members from each of the two largest caucuses in the house of representatives and each of the two largest

caucuses in the senate to serve on the task force. The governor shall appoint a representative from the governor's office to serve on the task force. The task force shall not exceed seven members in total.

(3) The task force may seek assistance from members of the senate and house of representatives and other interested parties to provide advice and technical assistance.

(4) Staff support for the task force study group must be provided by the house of representatives office of program research and the senate committee services.

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

(6) The expenses of the task force must 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 committee, or their successor committees.

(7) The task force must report its findings and recommendations to the appropriate committees of the legislature by December 1, 2008.

(8) The task force study group expires April 30, 2009.

Sec. 6016. RCW 43.19.501 and 1994 c 219 s 18 are each amended to read as follows:

The Thurston county capital facilities account is created in the state treasury. The account is subject to the appropriation and allotment procedures under chapter 43.88 RCW. Moneys in the account may be expended for capital projects in facilities owned and managed by the department of general administration in Thurston county. <u>For the 2007-2009 biennium, moneys in the account may be used for predesign identified in section 1037 of this act.</u>

Sec. 6017. RCW 43.99N.060 and 2007 c 241 s 11 are each amended to read as follows:

(1) The stadium and exhibition center account is created in the custody of the state treasurer. All receipts from the taxes imposed under RCW 82.14.0494 and distributions under RCW 67.70.240(5) shall be deposited into the account. Only the director of the office of financial management or the director's designee may authorize

expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW. An appropriation is not required for expenditures from this account.

(2) Until bonds are issued under RCW 43.99N.020, up to five million dollars per year beginning January 1, 1999, shall be used for the purposes of subsection (3)(b) of this section, all remaining moneys in the account shall be transferred to the public stadium authority, created under RCW 36.102.020, to be used for public stadium authority operations and development of the stadium and exhibition center.

(3) After bonds are issued under RCW 43.99N.020, all moneys in the stadium and exhibition center account shall be used exclusively for the following purposes in the following priority:

(a) On or before June 30th of each year, the office of financial management shall accumulate in the stadium and exhibition center account an amount at least equal to the amount required in the next succeeding twelve months for the payment of principal of and interest on the bonds issued under RCW 43.99N.020;

(b) An additional reserve amount not in excess of the expected average annual principal and interest requirements of bonds issued under RCW 43.99N.020 shall be accumulated and maintained in the account, subject to withdrawal by the state treasurer at any time if necessary to meet the requirements of (a) of this subsection, and, following any withdrawal, reaccumulated from the first tax revenues and other amounts deposited in the account after meeting the requirements of (a) of this subsection; and

(c) The balance, if any, shall be transferred to the youth athletic facility account under subsection (4) of this section.

Any revenues derived from the taxes authorized by RCW 36.38.010(5) and 36.38.040 or other amounts that if used as provided under (a) and (b) of this subsection would cause the loss of any tax exemption under federal law for interest on bonds issued under RCW 43.99N.020 shall be deposited in and used exclusively for the purposes of the youth athletic facility account and shall not be used, directly or indirectly, as a source of payment of principal of or interest on bonds issued under RCW 43.99N.020, or to replace or reimburse other funds used for that purpose.

(4) Any moneys in the stadium and exhibition center account not required or permitted to be used for the purposes described in

subsection (3)(a) and (b) of this section shall be deposited in the youth athletic facility account hereby created in the state treasury. Expenditures from the account may be used only for purposes of grants or loans to cities, counties, and qualified nonprofit organizations for community outdoor athletic facilities. For the 2005-2007 biennium, moneys in the account may also be used for a recreation level of service study for local and regional active recreation facilities. Only the director of the recreation and conservation office or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. The athletic facility grants or loans may be used for acquiring, developing, equipping, maintaining, and improving community outdoor athletic facilities. Funds shall be divided equally between the development of new community outdoor athletic facilities, the improvement of existing community outdoor athletic facilities, and the maintenance of existing community outdoor athletic facilities. Cities, counties, and qualified nonprofit organizations must submit proposals for grants or loans from the account. To the extent that funds are available, cities, counties, and qualified nonprofit organizations must meet eligibility criteria as established by the director of the recreation and conservation office. The grants and loans shall be awarded on a competitive application process and the amount of the grant or loan shall be in proportion to the population of the city or county for where the community outdoor athletic facility is located. Grants or loans awarded in any one year need not be distributed in that year. <u>In the 2007–2009 biennium, if there are not enough project applications submitted in a category within the account to meet the requirement of equal distribution of funds to each category, the director of the recreation and conservation office may distribute any remaining funds to other categories within the account.</u> The director of the recreation and conservation office may expend up to one and one-half percent of the moneys deposited in the account created in this subsection for administrative purposes.

<u>NEW SECTION.</u> **Sec. 6018.** Section 6002 of this act expires June 30, 2011.

NEW SECTION. **Sec. 6019.** 2007 c 520 s 6006 (uncodified) is repealed.

NEW SECTION. **Sec. 6020.** Part headings in this act are not any part of the law.

NEW SECTION. **Sec. 6021.** 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. 6022.** 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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ESHB 2765 - CONF REPT
By Conference Committee

On page 1, line 1 of the title, after "budget;" strike the remainder of the title and insert "making appropriations and

authorizing expenditures for capital improvements; amending RCW 43.155.050, 79.64.020, 40.14.024, 36.22.175, 43.09.282, 67.40.040, 79.17.010, 43.19.501, and 43.99N.060; reenacting and amending RCW 48.02.190, 70.105D.070, and 79.17.020; amending 2007 c 520 ss 1020, 1030, 1034, 1031, 1035, 1036, 1041, 1039, 1021, 1042, 1045, 1048, 1050, 1049, 1058, 1065, 1066, 1067, 1073, 1068, 1075, 1090, 2007, 2021, 2037, 2029, 2032, 2042, 2045, 2061, 2054, 2056, 2058, 2075, 3001, 3019, 3036, 3037, 3045, 3046, 3048, 3050, 3049, 3060, 3072, 3087, 3084, 3092, 3095, 3102, 3134, 3146, 3144, 3155, 3161, 3175, 3179, 3187, 3198, 3211, 3204, 3214, 3219, 4004, 5008, 5010, 5014, 5016, 5017, 5086, 5100, 5117, 5118, 5119, 5128, 5145, 5217, 5255, 5275, 6013, 6032, and 6016 (uncodified); adding new sections to 2007 c 520 (uncodified); creating new sections; repealing 2007 c 520 s 6006 (uncodified); providing an expiration date; and declaring an emergency."

--- END ---