# 2008
# Supplemental Operating Budget
# Conference Proposal

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# ESHB 2687

March 12, 2008

**ESHB 2687** - CONF REPT
By Conference Committee

Strike everything after the enacting clause and insert the following:

**"PART I**
**GENERAL GOVERNMENT**

**Sec. 101.** 2007 c 522 s 101 (uncodified) is amended to read as follows:

**FOR THE HOUSE OF REPRESENTATIVES**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$34,522,000~~)) $34,807,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$35,598,000~~)) $36,010,000

Pension Funding Stabilization Account
Appropriation . . . . . $560,000

TOTAL APPROPRIATION . . . . . ((~~$70,680,000~~)) $71,377,000

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

(1) $56,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Senate Bill No. 5926 (construction industry). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) $52,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Third Substitute House Bill No. 1741 (oral history). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(3) $194,000 of the general fund--state appropriation for fiscal year 2008 and $194,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the legislature to contract

for an independent economic and actuarial analysis of health care reform proposals pursuant to Engrossed Substitute Senate Bill No. 6333. The results of this evaluation will be submitted to the governor, the health and fiscal policy committees of the legislature, and the work group by December 15, 2008.

**Sec. 102.** 2007 c 522 s 102 (uncodified) is amended to read as follows:

**FOR THE SENATE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$26,483,000~~))
$26,990,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$29,196,000~~))
$29,434,000

Pension Funding Stabilization Account
Appropriation . . . . . $467,000

TOTAL APPROPRIATION . . . . . ((~~$56,146,000~~))
$56,891,000

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

(1) $56,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Senate Bill No. 5926 (construction industry). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) $52,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Third Substitute House Bill No. 1741 (oral history). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(3) $194,000 of the general fund--state appropriation for fiscal year 2008 and $194,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the legislature to contract for an independent economic and actuarial analysis of health care reform proposals pursuant to Engrossed Substitute Senate Bill No. 6333. The results of this evaluation will be submitted to the governor, the health and fiscal policy committees of the legislature, and the work group by December 15, 2008.

**Sec. 103.** 2007 c 522 s 103 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$3,377,000~~))
$3,378,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$3,155,000~~))
$3,355,000

Pension Funding Stabilization Account
Appropriation . . . . . $36,000

TOTAL APPROPRIATION . . . . . ((~~$6,568,000~~))
$6,769,000

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

(1) Notwithstanding the provisions in this section, the committee may adjust the due dates for projects included on the committee's 2007-09 work plan as necessary to efficiently manage workload.

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

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

for the study. The joint legislative audit and review committee shall solicit input regarding the study from interested parties, including representatives from the affordable housing advisory board, the department of community, trade, and economic development, the housing finance commission, representatives from the private rental housing industry, housing authorities, community action agencies, county and city governments, and nonprofit and for-profit housing developers. The joint legislative audit and review committee shall present the results of the study to the legislature by December 31, 2008.

(4) $100,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a cost analysis of the programs and activities administered by the department of fish and wildlife. In conducting the study, the committee shall specifically identify the total costs that support both hunting and fishing programs as well as nongame programs, including appropriate shares of the agency's administrative and indirect costs. The committee shall compare the cost analysis to revenues that currently support the programs, including the level of support received from game licenses and fees. The committee shall base its analysis on available management information and shall provide the results of its analysis to the legislature by January 2008.

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

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

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

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

(9) $75,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute House Bill No. 1488 (oil spill program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

(11) $38,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed House Bill No. 2641 (education performance agreements). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(12) Within the amounts appropriated in this section, the joint legislative audit and review committee shall conduct a preaudit for a comprehensive review of boards and commissions. The preaudit study will inventory the existing boards/commissions, identify criteria for selecting entities for further review, propose the scope and objectives of those reviews, and identify resource and schedule options for the committee to consider before proceeding.

(13) The joint legislative audit and review committee shall develop a framework for future efforts to quantify and analyze health care spending across all sectors of the state. This effort would focus on identifying the relevant types of spending in the public and private sectors, the availability of information on each of those types of

spending, and the extent to which that available information could be tracked over time. In conducting this work, the committee shall work with the legislative evaluation and accountability program committee and the University of Washington's institute for health metrics and evaluation, as appropriate. The committee shall provide a report by January 2009.

(14) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for beginning a cost-benefit analysis of a state-supported recreational facility. The objective of this analysis will be to compare the total capital and operating costs for the facility to the total benefits that have accrued over time and identify which parties have borne the costs and which parties have received the benefits.

**Sec. 104.** 2007 c 522 s 104 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . $1,843,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,068,000~~))
$2,038,000

Pension Funding Stabilization Account
Appropriation . . . . . $41,000

TOTAL APPROPRIATION . . . . . ((~~$3,952,000~~))
$3,922,000

**Sec. 105.** 2007 c 522 s 105 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF THE STATE ACTUARY**

General Fund--State Appropriation (FY 2009) . . . . . $25,000

Department of Retirement Systems Expense Account--
State Appropriation . . . . . ((~~$3,517,000~~))
$3,491,000

TOTAL APPROPRIATION . . . . . $3,516,000

The appropriations in this section are subject to the following conditions and limitations: $25,000 of the general fund--state appropriation for 2009 is provided solely for the purchase of actuarial services to assist in the evaluation of the fiscal impact of health benefit proposals.

**Sec. 106.** 2007 c 522 s 106 (uncodified) is amended to read as follows:

**FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$9,023,000~~)) $9,057,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$9,198,000~~)) $9,151,000

Pension Funding Stabilization Account Appropriation . . . . . $92,000

TOTAL APPROPRIATION . . . . . ((~~$18,313,000~~)) $18,300,000

**Sec. 107.** 2007 c 522 s 107 (uncodified) is amended to read as follows:

**FOR THE STATUTE LAW COMMITTEE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$4,810,000~~)) $4,811,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$5,301,000~~)) $5,220,000

Pension Funding Stabilization Account Appropriation . . . . . $75,000

TOTAL APPROPRIATION . . . . . ((~~$10,186,000~~)) $10,106,000

**Sec. 108.** 2007 c 522 s 109 (uncodified) is amended to read as follows:

**FOR THE SUPREME COURT**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$7,255,000~~)) $7,392,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$7,510,000~~)) $7,598,000

TOTAL APPROPRIATION . . . . . ((~~$14,765,000~~)) $14,990,000

The appropriations in this section are subject to the following conditions and limitations: $150,000 of the general fund--state appropriation for fiscal year 2008 and $55,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement the task force on domestic violence as requested by section

306 of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**Sec. 109.** 2007 c 522 s 110 (uncodified) is amended to read as follows:

**FOR THE LAW LIBRARY**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$2,231,000~~))
$2,268,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,259,000~~))
$2,269,000

TOTAL APPROPRIATION . . . . . ((~~$4,490,000~~))
$4,537,000

**Sec. 110.** 2007 c 522 s 111 (uncodified) is amended to read as follows:

**FOR THE COURT OF APPEALS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$15,779,000~~))
$16,092,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$16,819,000~~))
$17,145,000

TOTAL APPROPRIATION . . . . . ((~~$32,598,000~~))
$33,237,000

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

**Sec. 111.** 2007 c 522 s 112 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON JUDICIAL CONDUCT**

General Fund--State Appropriation (FY 2008) . . . . . $1,117,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,148,000~~))
$1,134,000

TOTAL APPROPRIATION . . . . . ((~~$2,265,000~~))
$2,251,000

**Sec. 112.** 2007 c 522 s 113 (uncodified) is amended to read as follows:

**FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$29,011,000~~)) $30,659,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$30,148,000~~)) $33,447,000

Public Safety and Education Account--State Appropriation (FY 2008) . . . . . ((~~$24,071,000~~)) $22,558,000

Public Safety and Education Account--State Appropriation (FY 2009) . . . . . ((~~$24,223,000~~)) $24,199,000

Equal Justice Subaccount of the Public Safety and Education Account--State Appropriation (FY 2008) . . . $3,175,000

Equal Justice Subaccount of the Public Safety and Education Account--State Appropriation (FY 2009) . . . $3,175,000

Judicial Information Systems Account--State Appropriation . . . . . ((~~$39,437,000~~)) $40,923,000

TOTAL APPROPRIATION . . . . . ((~~$153,240,000~~)) $158,136,000

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

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

other agency costs. Funding distributed in this subsection shall not be used to supplant existing local funding for the court-appointed special advocates program.

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

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

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

the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

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

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

(6) ((~~$1,000,000~~)) $830,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,000,000~~)) $1,170,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for improving interpreter services at the trial court level.

(a) Of these amounts, ((~~$340,000~~)) $170,000 for fiscal year 2008 ((~~is~~)) and $170,000 for fiscal year 2009 are provided solely to assist trial courts in developing and implementing language assistance plans. The administrator of the courts, in consultation with the interpreter commission, shall adopt language assistance plan standards consistent with chapters 2.42 and 2.43 RCW. The standards shall include guidelines on local community input, provisions on notifying court users on the right and methods to obtain an interpreter, information on training for judges and court personnel, procedures for identifying and appointing an interpreter, access to translations of commonly used forms, and processes to evaluate the development and implementation of the plan.

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

courts with interpreter services. At the end of the fiscal year, recipients shall report to the administrator of the court the amount the trial court spent on interpreter services.

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

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

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

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

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

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

(8)(a) $20,458,000 of the judicial information systems account--state appropriation is provided solely for the development and implementation of the core case management system. In expending the funds provided within this subsection, the following conditions must first be satisfied before any subsequent funds may be expended:

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

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

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

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

((~~(10)~~)) (9) $534,000 of the general fund--state appropriation for fiscal year 2008 and $949,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Substitute Senate Bill No. 5320 (public guardianship office). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) $29,000 of the general fund--state appropriation for fiscal year 2008 and $102,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the twenty-third superior court judge position in Pierce county. The funds appropriated in this subsection shall be expended only if the judge is appointed and serving on the bench.

(11) $800,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement Second Substitute House Bill No. 2822 (family and juvenile court). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(12) $90,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement Second Substitute House Bill No. 2903 (access coordinator). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 113.** 2007 c 522 s 114 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF PUBLIC DEFENSE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$18,014,000~~))
$17,814,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$18,016,000~~))
$18,137,000

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $7,066,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . ((~~$7,025,000~~))
$7,013,000

Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2008) . . . $2,250,000

Equal Justice Subaccount of the Public Safety and
Education Account--State Appropriation (FY 2009) . . . $2,251,000

TOTAL APPROPRIATION . . . . . ((~~$54,622,000~~))
$54,531,000

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

(1) The amounts provided from the public safety and education account appropriations include funding for expert and investigative services in death penalty personal restraint petitions.

(2) $398,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to expand the parents representation program into Whatcom county.

(3) Starting with fiscal year 2009, the office shall adjust its monthly, annual, and biennial accounting records so that the expenditures by fund, object, and subobject are attributed to the following programs: (a) Appellate indigent defense; (b) representation of indigent parents qualified for appointed counsel in dependency and termination cases; (c) trial court criminal indigent defense; (d) other grants or contracted services; and (e) costs for administering the office. The office may consult with the administrator for the courts, the office of financial management, and the legislative evaluation and accountability program committee for guidance in adjusting its accounting records.

(4) $235,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement sections 2 and 3 of Engrossed Second Substitute House Bill No. 3205 (child long-term well-being). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 114.** 2007 c 522 s 116 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF THE GOVERNOR**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$6,614,000~~))
$6,615,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$6,758,000~~))
$6,959,000

((~~General Fund--Federal Appropriation . . . . . $35,000~~))

Economic Development Strategic Reserve Account--State
Appropriation . . . . . ((~~$4,000,000~~))
$6,000,000

Oil Spill Prevention Account--State Appropriation . . . . . $715,000

TOTAL APPROPRIATION . . . . . ((~~$18,122,000~~))
$20,289,000

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

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

fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5224 (salmon office). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(2) $25,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Senate Bill No. 6313 (disability history). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(3) $2,000,000 of the economic development and strategic reserve account--state appropriation for fiscal year 2009 is provided solely to provide support and assistance to victims of the December 2007 storms and floods in Chehalis and Centralia.

**Sec. 115.** 2007 c 522 s 117 (uncodified) is amended to read as follows:

**FOR THE LIEUTENANT GOVERNOR**

General Fund--State Appropriation (FY 2008) . . . . . $798,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$837,000~~))
$821,000
General Fund--Private/Local Appropriation . . . . . $90,000
TOTAL APPROPRIATION . . . . . ((~~$1,725,000~~))
$1,709,000

**Sec. 116.** 2007 c 522 s 118 (uncodified) is amended to read as follows:

**FOR THE PUBLIC DISCLOSURE COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . $2,546,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,499,000~~))
$2,448,000
TOTAL APPROPRIATION . . . . . ((~~$5,045,000~~))
$4,994,000

The appropriations in this section are subject to the following conditions and limitations: $100,000 of the general fund--state appropriation for fiscal year 2008 is for a feasibility study to determine the cost of designing, developing, implementing, and maintaining: (a) Software or other applications to accommodate electronic filing by lobbyists reporting under RCW 42.17.150 and 42.17.170, by lobbyist employers reporting under RCW 42.17.180, and by

public agencies reporting under RCW 42.17.190; (b) a database and query system that results in data that is readily available to the public for review and analysis and that is compatible with current computer architecture, technology, and operating systems, including but not limited to Windows and Apple operating systems. The commission shall contract for the feasibility study and consult with the department of information services. The study may include other elements, as determined by the commission, that promote public access to information about lobbying activity reportable under chapter 42.17 RCW. The study shall be provided to the legislature by January 2008.

**Sec. 117.** 2007 c 522 s 119 (uncodified) is amended to read as follows:

**FOR THE SECRETARY OF STATE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$32,941,000~~)) $33,863,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$21,774,000~~)) $21,816,000

General Fund--Federal Appropriation . . . . . ((~~$7,312,000~~)) $7,279,000

General Fund--Private/Local Appropriation . . . . . ((~~$134,000~~)) $132,000

Archives and Records Management Account--State Appropriation . . . . . ((~~$8,390,000~~)) $8,339,000

Department of Personnel Service Account--State Appropriation . . . . . ((~~$768,000~~)) $760,000

Local Government Archives Account--State Appropriation . . . . . ((~~$13,791,000~~)) $15,344,000

Election Account--Federal Appropriation . . . . . ((~~$39,103,000~~)) $31,511,000

Charitable Organization Education Account--State Appropriation . . . . . $122,000

TOTAL APPROPRIATION . . . . . ((~~$124,335,000~~)) $119,166,000

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

(1) ((~~$13,104,000~~)) $13,290,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) ((~~$2,421,000~~)) $2,556,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$3,893,000~~)) $3,965,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

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

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

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

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including

benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

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

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

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

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

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

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

(7) $575,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for settlement costs and attorney fees resulting from the resolution of *Washington Association of Churches, et al. v. Reed,* United States District Court Western District of Washington at Seattle, Case No. CV06-0726RSM.

**Sec. 118.** 2007 c 522 s 120 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . $348,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$317,000~~))

$463,000

TOTAL APPROPRIATION . . . . . ((~~$665,000~~))

$811,000

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

(1) The office shall assist the department of personnel on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department of personnel shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

(2) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the office to engage a contractor to conduct a detailed analysis of the achievement gap for Native American students; analyze the progress in developing effective government-to-government relations and identification and adoption of curriculum regarding tribal history, culture, and government as provided under RCW 28A.345.070; recommend a comprehensive plan for closing the achievement gap pursuant to goals under the federal no child left behind act for all groups of students to meet academic standards by 2014; and identify performance measures to monitor adequate yearly progress. The contractor shall conduct the analysis starting with the call to action paper by the multi-ethnic think tank and as guided by the tribal leader congress on education, the Washington state school directors association, and other appropriate groups. The contractor shall submit a study update by September 15, 2008, and submit a final report by December 30, 2008, to the governor, the superintendent of public instruction, the state board of education, the P-20 council, the basic education finance task force, and the education committees of the legislature.

**Sec. 119.** 2007 c 522 s 121 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2008) . . . . . $257,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$252,000~~)) $548,000

TOTAL APPROPRIATION . . . . . ((~~$509,000~~)) $805,000

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

(1) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the commission to engage a contractor to conduct a detailed analysis of the achievement gap for Asian American students; recommend a comprehensive plan for closing the achievement gap pursuant to goals under the federal no child left behind act for all groups of students to meet academic standards by 2014; and identify performance measures to monitor adequate yearly progress. The contractor shall conduct the analysis starting with the call to action paper by the multi-ethnic think tank and as guided by the former members of the Asian Pacific Islander American think tank and other appropriate groups. The contractor shall submit a study update by September 15, 2008, and submit a final report by December 30, 2008, to the governor, the superintendent of public instruction, the state board of education, the P-20 council, the basic education finance task force, and the education committees of the legislature.

(2) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the commission to engage a contractor to conduct a detailed analysis of the achievement gap for Pacific Islander American students; recommend a comprehensive plan for closing the achievement gap pursuant to goals under the federal no child left behind act for all groups of students to meet academic standards by 2014; and identify performance measures to monitor adequate yearly progress. The contractor shall conduct the analysis starting with the call to action paper by the multi-ethnic think tank and as guided by the former members of the Asian Pacific Islander American think tank and other appropriate groups. The contractor shall submit a study update by September 15, 2008, and submit a final report by December 30, 2008, to the governor, the superintendent of public instruction, the state board of education, the P-20 council, the basic education finance task force, and the education committees of the legislature.

**Sec. 120.** 2007 c 522 s 122 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER**

State Treasurer's Service Account--State

Appropriation . . . . . ((~~$15,687,000~~))

$15,539,000

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

**Sec. 121.** 2007 c 522 s 123 (uncodified) is amended to read as follows:

**FOR THE STATE AUDITOR**

General Fund--State Appropriation (FY 2008) . . . . . $794,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$829,000~~))
$806,000

State Auditing Services Revolving Account--State
Appropriation . . . . . ((~~$15,188,000~~))
$15,312,000

TOTAL APPROPRIATION . . . . . ((~~$16,811,000~~))
$16,912,000

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

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

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

(3) $1,000 of the appropriation from the auditing services revolving account--state is provided solely for an adjustment to the

agency lease rate for space occupied and parking in the Tacoma Rhodes Center. The department of general administration shall increase lease rates to meet the cash gain/loss break-even point for the Tacoma Rhodes Center effective July 1, 2007.

(4) $313,000 of the auditing services revolving account--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 6776 (whistleblower protections). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 122.** 2007 c 522 s 124 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . $159,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$229,000~~))
$225,000

TOTAL APPROPRIATION . . . . . ((~~$388,000~~))
$384,000

**Sec. 123.** 2007 c 522 s 125 (uncodified) is amended to read as follows:

**FOR THE ATTORNEY GENERAL**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$6,250,000~~))
$6,262,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$6,656,000~~))
$6,973,000

General Fund--Federal Appropriation . . . . . ((~~$3,951,000~~))
$3,960,000

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $1,143,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . ((~~$1,199,000~~))
$1,228,000

New Motor Vehicle Arbitration Account--State
Appropriation . . . . . ((~~$1,323,000~~))
$1,312,000

Legal Services Revolving Account--State
Appropriation . . . . . ((~~$224,635,000~~))

$229,849,000

Tobacco Prevention and Control Account--State

Appropriation . . . . . $270,000

TOTAL APPROPRIATION . . . . . ((~~$245,427,000~~))

$250,997,000

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

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

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

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

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

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

(6) $170,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2479 (wireless number disclosure). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(7) $110,000 of the legal services revolving account--state appropriation is provided solely for implementation of Second Substitute House Bill No. 3274 (port district contracting). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(8) $346,000 of the legal services revolving account--state appropriation is provided solely for implementation of sections 2 and 3 of Engrossed Second Substitute House Bill No. 3205 (child long-term well-being). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(9) $492,000 of the legal services revolving account--state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 6732 (construction industry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(10) The agency shall submit a staffing model that supports the need for increased resources due to casework associated with the sexually violent predator population to the office of financial management and the fiscal committees of the legislature by October 31, 2008.

(11) The attorney general shall deposit to the health services account at least $680,000 from the *cy pres* monetary portion of the consent decree in settlement of the consumer protection act litigation against Caremark Rx, LLC (King county superior court cause no. 08-2-

06098-5). These moneys shall be expended pursuant to legislative appropriation consistent with the terms of the consent decree.

(12) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the attorney general to review the implementation of Substitute Senate Bill No. 6385 (real property). At a minimum, the attorney general shall collect data related to the number of actions filed and their disposition. The office shall report its findings and any recommendations for statutory changes to the appropriate committees of the legislature by December 1, 2008. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 124.** 2007 c 522 s 126 (uncodified) is amended to read as follows:

**FOR THE CASELOAD FORECAST COUNCIL**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$756,000~~))
$815,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$781,000~~))
$793,000

TOTAL APPROPRIATION . . . . . ((~~$1,537,000~~))
$1,608,000

**Sec. 125.** 2007 c 522 s 127 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$66,652,000~~))
$63,420,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$67,867,000~~))
$73,998,000

General Fund--Federal Appropriation . . . . . ((~~$251,537,000~~))
$252,994,000

General Fund--Private/Local Appropriation . . . . . ((~~$14,680,000~~))
$14,657,000

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $2,775,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . ((~~$2,735,000~~))
$3,750,000

Public Works Assistance Account--State
Appropriation . . . . . ((~~$2,977,000~~))
$2,956,000
Tourism Promotion and Development Account--State
Appropriation . . . . . $1,000,000
Drinking Water Assistance Administrative Account--
State Appropriation . . . . . ((~~$415,000~~))
$405,000
Lead Paint Account--State Appropriation . . . . . ((~~$6,000~~))
$18,000
Building Code Council Account--State Appropriation . . ((~~$1,180,000~~))
$1,211,000
Low-Income Weatherization Assistance Account--State
Appropriation . . . . . ((~~$8,385,000~~))
$8,381,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2008) . . . . . $3,644,000
Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2009) . . . . . ((~~$3,660,000~~))
$3,650,000
Community and Economic Development Fee Account--State
Appropriation . . . . . ((~~$1,840,000~~))
$1,837,000
Washington Housing Trust Account--State
Appropriation . . . . . ((~~$32,327,000~~))
$26,777,000
((~~Homeless Families Service Account--State~~
~~Appropriation . . . . . $300,000~~))
Public Facility Construction Loan Revolving
Account--State Appropriation . . . . . ((~~$635,000~~))
$630,000
Affordable Housing Account--State Appropriation . . . ((~~$15,200,000~~))
$14,650,000
Community Preservation and Development Authority
Account--State Appropriation . . . . . $350,000
Home Security Fund Account--State Appropriation . . . ((~~$16,200,000~~))
$16,700,000
Independent Youth Housing Account--State Appropriation . . $1,000,000

Administrative Contingency Account--State Appropriation . . $1,800,000
Manufacturing Innovation and Modernization Account--
State Appropriation . . . . . $306,000
TOTAL APPROPRIATION . . . . . ((~~$495,365,000~~))
$496,909,000

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

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

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

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

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

fund. Repayments of funds owed under the program shall be remitted to the department according to the terms included in the original loan agreements.

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

(6) $2,500,000 of the general fund--state appropriation for fiscal year 2008 and $2,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Second Substitute Senate Bill No. 5092 (associate development organizations). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

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

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

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

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

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

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

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

(iii) Identifiable boundaries for the zone within which the applicant will concentrate efforts to connect innovative researchers, entrepreneurs, investors, industry associations or clusters, and training providers. The geographic area defined should lend itself to a distinct identity and have the capacity to accommodate firm growth;

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

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

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

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

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

(9) $430,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,935,000~~)) $2,200,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the economic development commission to work with the higher education coordinating board and research institutions to: (a) Develop a plan for recruitment

of ten significant entrepreneurial researchers over the next ten years to lead innovation research teams, which plan shall be implemented by the higher education coordinating board; and (b) develop comprehensive entrepreneurial programs at research institutions to accelerate the commercialization process.

(10) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the cascade land conservancy to develop and demonstrate one or more transfer of development rights programs. These programs shall involve the purchase or lease of development rights or conservation easements from family forest landowners facing pressure to convert their lands and who desire to keep their land in active forest management. The grant shall require the conservancy to work in collaboration with family forest landowners and affected local governments, and to submit an interim written progress report to the department by September 15, 2008, and a final report by June 30, 2009. The department shall transmit the reports to the governor and the appropriate committees of the legislature.

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

(12) $180,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$180,000~~)) $430,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for KCTS public television to support programming in the Spanish language. These funds are intended to support the addition of a bilingual outreach coordinator to serve Latino adults, families and children in western and central Washington; multimedia promotion on Spanish-language media and website integration; the production of targeted public affairs programs that seek to improve education and the quality of life for Latinos; and to establish partnerships with city and county library systems to provide alternative access to the v-me Spanish language channel via the internet.

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

((~~(15)~~)) (14) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the African chamber of commerce of the Pacific Northwest to support the formation of trade alliances between Washington businesses and African businesses and governments.

((~~(16)~~)) (15) $750,000 of the general fund--state appropriation for fiscal year 2008 and $750,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the emergency food assistance program.

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

~~(18)~~)) (16) $80,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the energy facility site evaluation council to contract for a review of the status of pipeline utility corridor capacity and distribution for natural gas, petroleum and biofuels in southwest Washington. The council shall submit its findings and recommendations to the legislature by December 1, 2007.

((~~(19)~~)) (17) ((~~$1,813,000~~)) $513,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,813,000~~)) $2,463,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a pilot program to provide transitional housing assistance to offenders who are reentering the community and are in need of housing as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). The department shall operate the program through grants to eligible organizations as described in RCW 43.185.060. A minimum of two programs shall be established in two counties in which community justice centers are located. The pilot programs shall be selected through a request for proposal process in

consultation with the department of corrections. The department shall select the pilot sites by January 1, 2008.

(a) The pilot program shall:

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

(ii) Offer transitional supportive housing that includes individual support and mentoring available on an ongoing basis, life skills training, and close working relationships with community justice centers and community corrections officers. Supportive housing services can be provided directly by the housing operator, or in partnership with community-based organizations;

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

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

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

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

((~~(20)~~)) (18) $288,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for community transition coordination networks and county service inventories as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). Funds are provided for: (a) Grants to counties to inventory services and resources available to assist offenders reentering the community; (b) a grant to the Washington institute for public policy to develop criteria for conducting the inventory; and (c) the department of community, trade, and economic development to assist with the inventory and implement a community transition coordination network pilot program.

((~~(21) $75,000~~)) (19) $150,000 of the general fund--state appropriation for fiscal year 2008 ((~~and $75,000 of the general fund--state appropriation for fiscal year 2009 are~~)) is provided solely for a grant to the center for advanced manufacturing to assist domestic businesses to compete globally.

((~~(22)~~)) (20) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the developmental disabilities council to contract for legal services for individuals with developmental disabilities entering or currently residing in the department of social and health services division of developmental disabilities community protection program.

((~~(23)~~)) (21) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to Safe Havens to provide supervised visitation for families affected by domestic violence and abuse.

((~~(24)~~)) (22) $408,000 of the general fund--state appropriation for fiscal year 2008 and $623,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to county juvenile courts to expand the number of participants in juvenile drug courts consistent with the conclusions of the Washington state institute for public policy evaluation of effective programs to reduce future prison populations.

((~~(25)~~)) (23) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5652 (microenterprise development), including grants to microenterprise organizations for organizational capacity building and provision of training and technical assistance. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(26)~~)) (24) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to ((~~establish the state economic development commission as an independent state agency consistent with~~)) implement Second Substitute Senate Bill No. 5995

(economic development commission). ((~~If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.~~

~~(27)~~)) (25) $150,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support international trade fairs.

((~~(28)~~)) (26) $50,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a study to survey best practices for smart meters/smart grid/smart appliance technology and the range of applications for smart meters around the country. The survey shall include, but is not limited to, utilities using smart meters to: (a) Meter responses to time-of-use pricing, (b) meter savings from direct load control programs, (c) manage operations costs, (d) identify power outages, (e) meter voluntary interruptible power programs, (f) facilitate pay-as-you-go programs, and (g) enhance billing operations. The study will compare the survey results with Washington's electric utility power system including considerations of electricity price variations between peak and off-peak prices, seasonal price variations, forecast demand, conservation goals, seasonal or daily distribution or transmission constraints, etc., to identify the applications where smart meters may provide particular value to either individual consumers, individual Washington electric utility power systems, or the overall electric power grid in Washington, and to meeting state conservation and energy goals. The department shall complete the study and provide a report to the governor and the legislature by December 1, 2007.

((~~(30)~~)) (27)(a) $500,000 of the general fund--state appropriation for fiscal year ((~~2008 is provided for a pilot program to provide assistance for three jurisdictions to enforce financial fraud and identity theft laws. Three pilot enforcement areas shall be established on January 1, 2008, two in the two largest counties by population west of the crest of the Cascade mountains and one in the largest county by population east of the crest of the Cascade mountains. Funding received for the purpose of this subsection through appropriations, gifts, and grants shall be divided equally between the three pilot enforcement areas. This funding is intended to provide for additional deputy prosecutors, law enforcement, clerical staff, and other support for the prosecution of financial fraud and identity theft~~

~~crimes. The funding shall not be used to supplant existing funding and cannot be used for any purpose other than enforcement of financial fraud and identity theft laws. Appropriated state funds must be used to match gifts and grants of private-sector funds for the purposes of this subsection, and expenditure of appropriated state funds may not exceed expenditure of private funds.~~

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

~~(i) Two members from financial institutions;~~

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

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

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

~~(v) One law enforcement officer.~~

~~(c) The task force in each county shall provide advice and expertise in order to facilitate the prosecutor's efforts to prosecute and reduce the incidence of financial fraud and identity theft crimes, including check fraud, chronic unlawful issuance of bank checks, embezzlement, credit/debit card fraud, identity theft, forgery, counterfeit instruments, organized counterfeit check rings, and organized identity theft rings~~)) 2009 is provided solely for the implementation of Second Substitute Senate Bill No. 1273 (financial fraud). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

((~~(31)~~)) (28) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to Grays Harbor county for activities associated with southwest Washington coastal erosion investigations and demonstrations.

((~~(32)~~)) (29) $112,000 of the general fund--state appropriation for fiscal year 2008 and $113,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the retired senior volunteer program.

((~~(33)~~)) (30) $200,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation

for fiscal year 2009 are provided solely for a grant to the Benton and Franklin county juvenile and drug courts. The grant is contingent upon the counties providing equivalent matching funds.

((~~(34)~~)) (31) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant to the Seattle aquarium for a scholarship program for transportation and admission costs for classrooms with lower incomes, English as second language or special needs.

((~~(35)~~)) (32) $256,000 of the general fund--state appropriation for fiscal year 2008 and $256,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the long-term care ombudsman program.

((~~(36)~~)) (33) $425,000 of the general fund--state appropriation for fiscal year 2008 and $425,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the Washington state association of counties for the county training program.

((~~(37)~~)) (34) $495,000 of the general fund--state appropriation for fiscal year 2008 and $495,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the northwest agriculture business center.

((~~(38)~~)) (35) ((~~$200,000~~)) $40,000 of the general fund appropriation for fiscal year 2008 ((~~is~~)) and $160,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a program to build capacity and promote the development of nonprofit community land trust organizations in the state. Funds shall be granted through a competitive process to community land trusts with assets under one million dollars, and these funds shall be used for operating costs, technical assistance, and other eligible capacity building expenses to be determined by the department.

((~~(39)~~)) (36) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to centro latino to provide adult basic education that includes but is not limited to: English as a second language, Spanish literacy training, work-readiness training, citizenship classes, programs to promote school readiness, community education, and entrepreneurial services.

((~~(40)~~)) (37) $500,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$500,000~~)) $800,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to resolution Washington to build statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that all citizens have access to a low-cost resolution process as an alternative to litigation. Of the fiscal year 2009 funding, $300,000 is to assist the centers in providing mediation services for parties with parenting plan disputes who either (a) are currently involved in dissolution proceedings or (b) completed a dissolution within the past year. The funding provided by this subsection does not constitute state funding to counties for the purposes of RCW 26.09.015(2)(b).

((~~(41)~~)) (38) $2,000,000 of the general fund--state appropriation for fiscal year 2008 and $2,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute House Bill No. 1303 (cleaner energy). Of these amounts, $487,000 of the general fund--state appropriation for fiscal year 2008 is provided solely as pass-through funding to the department of ecology to conduct the climate advisory team stakeholder process and related staffing, analysis, and public outreach costs. The department shall retain ((~~$1,500,000~~)) $1,013,000 for expenditures related to the operations of the energy freedom authority, and the support of the vehicle workgroup and the carbon market stakeholder workgroup and any other activities required of the department by the bill. The department shall enter into interagency agreements with other agencies to implement the bill in the following amounts: (a) $1,500,000 shall be provided to the climate impacts group at the University of Washington for climate assessments; (b) $200,000 shall be provided to the University of Washington college of forest resources for identification of barriers to using the state's forest resources for fuel production; and (c) $800,000 shall be provided to the Washington State University for analyzing options for market incentives to encourage biofuels production. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(42)~~)) (39) $347,000 of the general fund--state appropriation for fiscal year 2008 and $348,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to Western Washington

University to support small business development centers and underserved economic development councils with secondary research services. Of the amounts in this subsection, $500,000 is intended for research services and shall be divided evenly between 25-50 small business development centers and underserved economic development councils and $195,000 shall be used to develop infrastructure, training programs, and marketing materials.

((~~(43)~~)) (40) $100,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a study on improving the effectiveness of the growth management act. Topics may include but are not limited to: How best to meet and finance infrastructure and service needs of growing communities; how to provide incentives to accommodate projected growth and protect resource lands and critical areas; and how local governments are prepared to address land use changes associated with climate change.

((~~(44)~~)) (41) $75,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$75,000~~)) $175,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the Poulsbo marine science center.

((~~(45)~~)) (42) $1,625,000 of the general fund--state appropriation for fiscal year 2008 and $1,625,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating and capital equipment and facility grants to the following public television and radio stations: KPBX/KSFC, $863,525; KPLU, $733,525; KVTI, $108,550; KDNA, $29,205; KSER, $338,325; KNHC, $146,620; KSPS, $568,750; and KBTC, $461,500.

((~~(46)~~)) (43) $200,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the safe and drug free schools and communities program.

((~~(47)~~)) (44) $102,000 of the general fund--state appropriation for fiscal year 2008 and $103,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the University of Washington's college of forest resources center for international trade in forest products.

((~~(48)~~)) (45) $471,000 of the general fund--state appropriation for fiscal year 2008 and $471,000 of the general fund--state appropriation

for fiscal year 2009 are provided solely as pass-through funding to Walla Walla community college for its water and environmental center.

((~~(49)~~)) (46) $65,000 of the general fund--state appropriation for fiscal year 2008 and $65,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a contract with a food distribution program for communities in the southwestern portion of the state and for workers impacted by timber and salmon fishing closures and reductions. The department may not charge administrative overhead or expenses to the funds provided in this subsection.

((~~(50)~~)) (47)(a) $200,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for a study to examine the fiscal health of counties. The study shall address spending and revenues, as well as the demographic, geographic, social, economic, and other factors contributing to or causing financial distress. The study shall also examine the financial efficiencies, cost savings, and improved levels of service that may be gained by authorizing noncharter counties greater flexibility in altering their forms of governance, including consolidating or merging constitutional or statutory functions or structures.

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

((~~(51)~~)) (48) $2,136,000 of the general fund--state appropriation for fiscal year 2008 and $2,136,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation and expense of the "closing the achievement gap-flight program" of the Seattle public schools during the 2007-09 biennium. The funds will be used in support of a collaboration model between the Seattle public schools and the community. The primary intent for this program is to close the academic achievement gap for students of color

and students in poverty by promoting parent and family involvement and enhancing the social-emotional and the academic support for students. By June 30, 2009, the Seattle public schools will provide and evaluation of the impact of the activities funded on class size, graduation rates, student attendance, student achievement, and closing the achievement gap.

((~~(52)~~)) (49) $1,000,000 of the general fund--state appropriation for fiscal year 2008 ((~~and~~)), $1,000,000 of the general fund--state appropriation for fiscal year 2009, and $200,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely for crime victim service centers.

((~~(53)~~)) (50) $41,000 of the general fund--state appropriation for fiscal year 2008 and $36,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for House Bill No. 1038 (electric transmission lines). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

((~~(54)~~)) (51) $1,000,000 of the independent youth housing account is provided for Second Substitute House Bill No. 1922 (youth housing program). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

((~~(55)~~)) (52) $227,000 of the general fund--state appropriation for fiscal year 2008 and $127,000 of the general fund--state appropriation for fiscal year ((~~2008~~)) 2009 are provided solely for Second Substitute House Bill No. 1636 (development rights). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(56)~~)) (53) $35,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for Substitute House Bill No. 1037 (electrical transmission). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

((~~(57)~~)) (54) $131,000 of the general fund--state appropriation for fiscal year 2008 ((~~and $62,000 of the general fund--state appropriation for fiscal year 2009 are~~)) is provided solely for Engrossed Second Substitute House Bill No. 1705 (health sciences and services). ((~~If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.~~

~~(58)~~)) (55) $881,000 of the general fund--state appropriation for fiscal year 2008 and $882,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to: (a)

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

((~~(59)~~)) (56) $15,200,000 of the affordable housing account--state appropriation and $16,200,000 of the home security fund account--state appropriation are provided solely for Engrossed Second Substitute House Bill No. 1359 (affordable housing). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(60)~~)) (57) $350,000 of the community preservation and development authority account--state appropriation is provided solely for Substitute Senate Bill No. 6156 (development authorities). If this bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(58) $600,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for distribution to community sexual assault programs by the office of crime victims advocacy for the purpose of enhancing services provided to child victims of sexual abuse and their families. Enhanced services may include expanded hours of medical and legal advocacy, expanded hours of therapy for the child victim, increased support to nonoffending family members, and the development of a standardized child-centered approach to service delivery.

(59) $750,000 of the public safety and education account--state appropriation for fiscal year 2009 is provided solely to the office of crime victims advocacy. These funds shall be contracted with the 39 county prosecuting attorneys' offices to support victim-witness services. The funds must be prioritized to ensure a full-time victim-witness coordinator in each county. The office may retain only the amount currently allocated for this activity for administrative costs.

(60) $75,000 of the public safety and education account appropriation for fiscal year 2009 is provided solely for the update of

statewide sexual assault victim assistance protocols through a coordinated effort led by the Washington coalition of sexual assault programs.

(61) $2,500,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the transitional housing operating and rent program.

(62) $500,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Airway Heights wastewater treatment plant and is contingent upon a capacity agreement with the Kalispel tribe that precludes the need to build multiple wastewater treatment facilities on the West Plains.

(63) $344,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington New Americans program to provide naturalization assistance for legal permanent residents who are eligible to become citizens. The department shall conduct a competitive process to contract with an entity to provide this assistance, which shall include, but is not limited to: Curriculum design, counseling, outreach to immigrant communities, application processing and legal screening, and citizenship preparation services. The state funding is contingent upon receipt, by the contractor(s) of at least a twenty-five percent match of nonstate funding. The department and the contractor(s) shall develop performance measures for the program and within sixty days of the close of each fiscal year for which state funding is provided, shall report to the governor and the legislature on the outcome of the program and the performance measures. The department may retain up to five percent of the funds provided in this subsection to administer the competitive process and the contract. It is the intent of the legislature that $2,000,000 be provided in the 2009-11 fiscal biennium to conclude this program.

(64) $40,000 of the general fund--state appropriation for fiscal year 2008 and $40,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for distribution to the Island county associate development organization and is contingent upon the enactment of, and provides specific funding for, Substitute Senate Bill No. 6195 (definition of rural county for economic development purposes). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(65) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of sections 1 through 7 of Engrossed Second Substitute Senate Bill No. 6111 (tidal and wave energy). If these sections of this bill are not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(66) $41,000 of the building code council account--state appropriation is provided solely for implementation of Substitute House Bill No. 2575 (fire sprinkler systems). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(67) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2712 (criminal street gangs). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(68) $207,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2815 (greenhouse gas emissions). The amount provided in this subsection includes $50,000 for the analysis under section 9(3)(b) of the bill. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(69) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Substitute House Bill No. 3120 (construction tax incentive). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(70) $350,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Second Substitute Senate Bill No. 6483 (local farms and healthy kids). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(71) $134,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Engrossed Second Substitute House Bill No. 2844 (urban forestry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(72) $250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a grant to the Lucy Lopez center for "the good citizen" bilingual radio programming pilot project.

(73) $400,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a grant to the pacific science center to support the "Lucy of Laetoli" exhibit.

(74) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a grant to the local organizing committee of 2008 Skate America to support the international skating union grand prix series at the Everett events center in October, 2008.

(75) $225,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for development of the Lewis county watershed planning and economic development demonstration project. The purpose of the project is to identify lands and resources suitable for economic development within Lewis county and outside of the floodplains of Chehalis and Cowlitz river watersheds. It is the intent of the legislature that $725,000 to complete this project will be provided in the 2009-11 fiscal biennium.

(a) Of this amount, the department shall provide $75,000 each to the department of fish and wildlife and the department of ecology to develop a watershed characterization and to conduct a local habitat assessment, develop recommendations, and provide technical assistance in support of a demonstration watershed planning and economic development project in Lewis county.

(b) $75,000 of the amount provided in this subsection is provided solely for a grant to Lewis county to fund development of a subarea plan, consistent with the provisions of chapter 36.70A RCW, for rural economic development that is based on the watershed characterization and local habitat assessment funded in (a) of this subsection. The department may retain no more than thirty percent for grant administration and technical assistance.

(c) The subarea plan to be funded shall be developed by a broad-based local stakeholder group with state agency technical assistance, and shall include the following:

(i) Defined area or areas for future economic development outside the 100-year floodplain. Areas planned for economic development requiring urban levels of service must be designated on the land use map as an urban growth area consistent with RCW 36.70A.110;

(ii) Defined area or areas of designated agricultural, forestry, wildlife habitat, and other critical area lands;

(iii) Mechanisms to achieve long-term conservation of important aquatic and terrestrial resources in the subarea;

(iv) Defined mitigation and restoration areas;

(v) Identification of capital facility improvements needed to implement the plan, and a plan to finance such capital facilities within projected funding capacities;

(vi) Discussion of the relationship between the plan and other existing, adopted plans and regulations including but not limited to county and city comprehensive plans, as appropriate, critical areas and shoreline regulations, transportation, salmon recovery, watershed, and water resource inventory area plans;

(vii) A plan for monitoring and adaptive management; and

(viii) Adoption by the local government affected as an amendment to its comprehensive plan pursuant to chapter 36.70A RCW, after review and recommendations on the plan by a broad-based local stakeholder group.

(76) $21,000 of the general fund--state appropriation for fiscal year 2008 and $54,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to conduct a study of the provision of personal products (nonfoodstuffs) to low income residents of Washington. These items include, but are not limited to, hygiene products, cleaning supplies, and clothing. The study shall include: (a) An assessment of current services, including acquisition, donation, distribution, and delivery of personal products to those in need; (b) compilation of information of similar programs in other states; (c) identification and evaluation of options for improving efficiency of current services and expansion of programs to those not currently served; and (d) recommendations for consideration in the 2009-11 fiscal biennium. The department shall assemble an advisory group to guide the conduct of the study. The department shall provide a report of the study findings to the governor and the appropriate committees of the legislature by December 15, 2008.

(77) $306,000 of the manufacturing innovation and modernization account--state appropriation is provided solely to implement Substitute Senate Bill No. 6510 (manufacturing extension services). $75,000 of this amount shall be to develop a rural manufacturer export outreach program in collaboration with the small business export finance assistance center and to contract with the center to provide outreach services to rural manufacturing businesses in Washington to inform them of the importance of, and opportunities in, international trade and to inform them of the export assistance programs available to assist these

businesses to become exporters. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(78) $120,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the regional visitor/media pavilion at the 2010 Olympic games in Vancouver, British Columbia.

(79) $200,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a grant to HistoryLink to develop Alaska-Yukon-Pacific exposition commemoration exhibits and programs.

(80) $126,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed House Bill No. 3142 (rapid response loan program). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(81) $100,000 of the prostitution prevention and intervention account--nonappropriated is for distribution as grants by the office of crime victims advocacy. The grants shall be prioritized to law enforcement training including law enforcement training regarding the availability of services for minors under chapter 13.32A RCW, community outreach and education and treatment and services to address the problems of minors who have a history of engaging in sexual conduct for a fee or who are victims of commercial sexual abuse of a minor or both, including but not limited to mental health and chemical dependency services, parenting services, housing assistance, education and vocational training, or intensive case management services.

(82) $5,000 of the general fund--state appropriation for fiscal year 2008 and $20,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant for tourism promotion in Keystone.

(83) $5,000 of the general fund--state appropriation for fiscal year 2008 and $20,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant for tourism promotion in Port Townsend.

(84) $126,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement sections 1 through 13, 43, and 44 of Engrossed Substitute Senate Bill No. 5959 (transitional housing). If these sections of this bill are not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(85) $317,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement Engrossed Substitute Senate

Bill No. 6580 (climate change), including sections 2 and 3 of the bill. If the bill and sections 2 and 3 are not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 126.** 2007 c 522 s 128 (uncodified) is amended to read as follows:

**FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$608,000~~))
$726,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$631,000~~))
$827,000

TOTAL APPROPRIATION . . . . . ((~~$1,239,000~~))
$1,553,000

The appropriations in this section are subject to the following conditions and limitations: The economic and revenue forecast council, in its quarterly revenue forecasts, shall forecast the total revenue for the state general fund and near general fund, as those funds are determined by the legislative evaluation and accountability program committee.

**Sec. 127.** 2007 c 522 s 129 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$24,175,000~~))
$24,110,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$23,323,000~~))
$35,290,000

General Fund--Federal Appropriation . . . . . ((~~$23,588,000~~))
$23,934,000

General Fund--Private/Local Appropriation . . . . . ((~~$1,270,000~~))
$1,269,000

State Auditing Services Revolving Account--State
Appropriation . . . . . $25,000

Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2008) . . . . . $123,000

Violence Reduction and Drug Enforcement Account--
State Appropriation (FY 2009) . . . . . $123,000

Economic Development Strategic Reserve Account--

State Appropriation . . . . . $175,000

TOTAL APPROPRIATION . . . . . ((~~$72,627,000~~)) $85,049,000

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

(1) ((~~$75,000~~)) $33,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$75,000~~)) $58,000 of the general fund--state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to continue the agricultural pilot programs that identify projects to enhance farm income and improve natural resource protection. Specific work will include project outreach and refinement, stakeholder support, staffing the oversight committee, seeking federal and private match funding, and further refining the list of projects to be recommended for funding.

(2) ((~~$175,000~~)) $155,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$175,000~~)) $254,000 of the general fund--state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to fund "proof-of-concept" model and projects recommended by the oversight committee, as provided in subsection (1) of this section.

(3) $580,000 of the general fund--state appropriation for fiscal year 2008 and $580,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the association of Washington cities and the Washington state association of counties for improving project permitting and mitigation processes.

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

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

(6) ((~~$165,000~~)) $190,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$115,000~~)) $90,000 of the general fund--state appropriation for fiscal year 2009 are provided solely ((~~for a study to develop~~)) to implement chapter 139, Laws of 2007 (student transportation funding) which requires development of two options for a new K-12 pupil transportation funding formula. ((~~The office of financial management shall contract with consultants with expertise in both pupil transportation and K-12 finance formulas. The office of financial management and the contractors shall consult with the legislative fiscal committees and the office of the superintendent of public instruction. The office of financial management shall submit a final report to the governor, the house of representatives appropriations committee, and senate ways and means committee by November 15, 2008.~~))

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

(8) ((~~$810,000~~)) $474,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$495,000~~)) $831,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of sections 50 through 57 (health resources strategy) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(9) $300,000 of the general fund--state appropriation for fiscal year 2008 and $54,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement section 3 of

Substitute Senate Bill No. 5248 (preserving the viability of agricultural lands). Funds are provided for a contract with the Ruckelshaus center to examine conflicts between agriculture activities and critical areas ordinances. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

(11) Within the appropriations in this section, specific funding is provided to implement Engrossed Second Substitute House Bill No. 2631 (regulatory assistance office).

(12) The department shall track all expenditures and FTE utilization in state government related to work on Initiative Measure No. 960 requirements, and shall provide a report to the fiscal committees of the legislature by November 1, 2008.

(13) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the office of financial management to establish and provide staff support for the Washington citizens' work group on health care reform, pursuant to Engrossed Substitute Senate Bill No. 6333.

(14) $11,372,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the development and implementation of the Washington assessment of student learning (WASL) and related activities and is in addition to the funding amounts provided in section 511 of this act. The funding provided in this subsection is subject to the following conditions and limitations: The office of financial management shall develop an interagency agreement with the office of the superintendent of public instruction for the expenditure of these funds based on a quarterly allotment schedule. Before releasing funds to the office of the superintendent of public instruction each quarter, the office of financial management shall ensure compliance with this subsection. Effective with the 2009 administration of the Washington assessment of student learning, while maintaining the reliability and validity of the assessment, the office of the superintendent of public instruction shall redesign the assessment in the content areas of reading, mathematics, and science in

all grades except high school by shortening test administration, reducing the number of short answer and extended response questions, and potentially decreasing the number of items utilized in the assessment, particularly in grades tested under the requirements of the federal no child left behind act. In selecting and developing the new contractual obligations for the assessment contractor beginning in fiscal year 2009, the office of the superintendent of public instruction shall preserve legislative authority to set the student learning assessment policy and potentially make minor or significant changes to that policy in the future with the least amount of adverse fiscal and other impacts to the state as possible. In doing this, the office of the superintendent of public instruction shall advise and consult with the appropriate policy and fiscal committees of the legislature and the Washington assessment of student learning work group created in this subsection. Within the amounts appropriated in this subsection, a legislative work group on the Washington assessment of student learning is established. The work group will consist of a maximum of nine members. Legislative members shall be appointed by the president of the senate and the speaker of the house of representatives and shall represent the two largest caucuses of both the senate and the house of representatives. The purpose of this work group is to review and evaluate the current assessment system by January 1, 2009, and potentially make recommendations to improve it. Of the amount provided in this section, $150,000 is provided solely for costs associated with hiring independent technical experts to advise the Washington assessment of student learning work group created in this subsection.

(15) Through prior legislation, many state activities that protect the general public by safeguarding health, safety, employees, and consumers are supported by fees assessed on items such as licensing, registration, certification, and inspections. Moreover, higher education, workforce training, and a number of other government services are supported at least in part by fees assessed on those who participate in these programs. Therefore, the office of financial management shall conduct a review and analysis of all fees for which the legislature has delegated to state agencies and institutions of higher education the ability to establish and determine the amount, either upon initial establishment or subsequent increases. Fees, as used in this subsection, has the same meaning as used in RCW

43.135.055. The objective of the review and analysis is to document the level of fees paid over the past five years, the cost of those programs over that same time period, and, to the extent available, the effectiveness of the activity in meeting its performance targets. The review and analysis shall include the following information:

(a) Information about the program, including the statutory authority for the program, date enacted, and the parties that benefit from the program; and

(b) Information about the program fees, including name and description of the fees, the parties that bear the cost of the fees, the methodology for determining the fees, and whether the fees directly fund the program; and

(c) Financial related information, including an assessment of the program's fee amount assessed over the past five years, the scope of the program and related costs over the past 5 years, and whether the program's expenditures are subject to appropriation or allotment procedures under chapter 43.88 RCW; and

(d) To the extent available, information on the program activities and related performance measures that may assist in assessing the effectiveness of the program in achieving its goals.

The office of financial management shall report its findings to the governor and the fiscal committees of the legislature by October 1, 2008.

**Sec. 128.** 2007 c 522 s 130 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account--State

Appropriation . . . . . ((~~$33,037,000~~))

$32,703,000

**Sec. 129.** 2007 c 522 s 131 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF PERSONNEL**

General Fund--State Appropriation (FY 2008) . . . . . $96,000

Department of Personnel Service Account--State

Appropriation . . . . . ((~~$30,106,000~~))

$23,618,000

Higher Education Personnel Services Account--State
Appropriation . . . . . ((~~$1,794,000~~))
$1,780,000
TOTAL APPROPRIATION . . . . . ((~~$31,900,000~~))
$25,494,000

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

**Sec. 130.** 2007 c 522 s 132 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE LOTTERY**

Lottery Administrative Account--State
Appropriation . . . . . ((~~$26,382,000~~))
$26,086,000

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

**Sec. 131.** 2007 c 522 s 133 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON HISPANIC AFFAIRS**

General Fund--State Appropriation (FY 2008) . . . . . $261,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$276,000~~))
$422,000
TOTAL APPROPRIATION . . . . . ((~~$537,000~~))
$683,000

The appropriations in this section are subject to the following conditions and limitations: $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the commission to engage a contractor to conduct a detailed analysis of the achievement gap for Hispanic students; recommend a comprehensive plan for closing the achievement gap pursuant to goals under the federal no child left behind act for all groups of students to meet academic standards by 2014; and identify performance measures to monitor adequate yearly progress. The contractor shall conduct the analysis starting with the call to action paper by the multi-ethnic think tank and as guided by the Latino/a educational achievement project and other appropriate groups. The contractor shall submit a study update by September 15, 2008, and submit a final report by December 30, 2008, to the governor, the superintendent of public instruction, the state board of education, the P-20 council, the basic education finance task force, and the education committees of the legislature.

**Sec. 132.** 2007 c 522 s 134 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2008) . . . . . $257,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$266,000~~))
$262,000
TOTAL APPROPRIATION . . . . . ((~~$523,000~~))
$519,000

**Sec. 133.** 2007 c 522 s 135 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

General Fund--State Appropriation (FY 2008) . . . . . $200,000
General Fund--State Appropriation (FY 2009) . . . . . $250,000
Dependent Care Administrative Account--State
Appropriation . . . . . ((~~$448,000~~))
$237,000
Department of Retirement Systems Expense Account--
State Appropriation . . . . . ((~~$48,885,000~~))
$48,556,000
TOTAL APPROPRIATION . . . . . ((~~$49,783,000~~))

$49,243,000

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

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

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

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

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

(5) $315,000 of the department of retirement systems expense account appropriation is provided solely to implement Engrossed House Bill No. 2391 (gainsharing revisions). If neither bill is enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

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

(8) $200,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to design a plan for the operation of a universal voluntary retirement accounts program, and then seek

approval from the federal internal revenue service to offer the plan to workers and employers in Washington on a tax qualified basis. Features of Washington voluntary retirement accounts plan include a defined contribution plan with a limited pre-selected menu of investment options, administration by the department of retirement systems, investment oversight by the state investment board, tax-deferred payroll deductions, retirement account portability between jobs, and a two-tier system with workplace based individual retirement accounts open to all workers, and a deferred compensation 401(k)-type program or SIMPLE IRA-type program open to all employers who choose to participate for their employees. As part of this process, the director shall consult with the department of financial institutions, the state investment board, private sector retirement plan administrators and providers and other relevant sectors of the financial services industry, organizations promoting increased economic opportunities for individuals, employers, workers, and any other individuals or entities that the director determines relevant to the development of an effective and efficient method for implementing and operating the program. As part of this process, the director shall evaluate the most efficient methods for providing this service and ways to avoid competition with existing private sector vehicles. The director shall undertake the legal and development work to determine how to implement a universal voluntary retirement accounts program, managed through the department of retirement systems directly or by contract. By December 1, 2008, the director shall report to the legislature on the program's design and any required changes to state law that are necessary to implement the program.

(9) $81,000 of the department of retirement systems expense account--state appropriation is provided solely for implementation of Engrossed House Bill No. 2887 (judges' service credit purchases). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(10) $51,000 of the department of retirement systems expense account--state appropriation is provided solely for implementation of House Bill No. 3019 (partial year service credit for school district employees). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(11) $40,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to contract with a skilled facilitator to mediate discussions to identify and document all outstanding issues related to the funding of retiree medical benefits in the law enforcement officers' and fire fighters' retirement system plan 1 and for staff resources to be used to conduct research in support of this effort. The stakeholder group shall include representatives of retired members of the law enforcement officers' and fire fighters' retirement system plan 1, local government employers, the department of retirement systems, and other groups as deemed necessary by the director of the department of retirement systems.

**Sec. 134.** 2007 c 522 s 136 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF REVENUE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$97,793,000~~))
$98,150,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$101,158,000~~))
$105,951,000

Timber Tax Distribution Account--State
Appropriation . . . . . ((~~$5,846,000~~))
$5,788,000

Waste Reduction/Recycling/Litter Control--State
Appropriation . . . . . ((~~$130,000~~))
$128,000

Waste Tire Removal Account--State Appropriation . . . . . $2,000

Real Estate Excise Tax Grant Account--State
Appropriation . . . . . $3,900,000

State Toxics Control Account--State Appropriation . . . . ((~~$88,000~~))
$87,000

Oil Spill Prevention Account--State Appropriation . . . . . $16,000

Pension Funding Stabilization Account
Appropriation . . . . . $2,370,000

TOTAL APPROPRIATION . . . . . ((~~$211,303,000~~))
$216,392,000

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

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

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

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

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

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

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

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

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

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

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

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

(4) $1,250,000 of the general fund--state appropriation for fiscal year 2009 is for the implementation of Engrossed Substitute Senate Bill No. 6809 (working families tax exemption). If the bill is not enacted by June 30, 2008, the amounts in this subsection shall lapse. This subsection does not constitute approval of the exemption under section 2, chapter . . . (ESSB 6809), Laws of 2008 or authorize payments of remittances.

(5) $22,000 of the general fund--state appropriation for fiscal year 2009 is for the implementation of Second Substitute House Bill No. 3104 (domestic partnerships). If the bill is not enacted by June 30, 2008, the amounts in this subsection shall lapse.

**Sec. 135.** 2007 c 522 s 137 (uncodified) is amended to read as follows:

**FOR THE STATE INVESTMENT BOARD**

State Investment Board Expense Account--State

Appropriation . . . . . ((~~$19,266,000~~))

$24,333,000

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

(1) $2,500,000 of the state investment board expense account--state appropriation is provided solely for development of an investment data warehouse. This funding is intended to replace existing funding from nonbudgeted funds, with the intent that further expenditures for this project be made only by appropriation.

(2) $1,791,000 of the state investment board expense account is for compensation and incentives for investment officers. Of this amount, $852,000 is provided solely for implementation of Substitute House Bill No. 3149 (state investment board personnel compensation). The state investment board shall include funding for any future salary increases authorized under RCW 43.33A.100 in the agency's budget request submitted in accordance with chapter 43.88 RCW in advance of granting related salary increases. The biennial salary survey required under RCW 43.33A.100 shall also be provided to the office of financial management and to the fiscal committees of the legislature as part of the state investment board's biennial budget submittal.

**Sec. 136.** 2007 c 522 s 138 (uncodified) is amended to read as follows:

**FOR THE BOARD OF TAX APPEALS**

General Fund--State Appropriation (FY 2008) . . . . . $1,502,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,380,000~~))
$1,354,000

TOTAL APPROPRIATION . . . . . ((~~$2,882,000~~))
$2,856,000

**Sec. 137.** 2007 c 522 s 139 (uncodified) is amended to read as follows:

**FOR THE MUNICIPAL RESEARCH COUNCIL**

County Research Services Account--State Appropriation . . . . $847,000

City and Town Research Services--State
Appropriation . . . . . $4,458,000

General Fund--State Appropriation (FY 2008) . . . . . $200,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$200,000~~))
$225,000

TOTAL APPROPRIATION . . . . . ((~~$5,705,000~~))

$5,730,000

The appropriations in this section are subject to the following conditions and limitations: $25,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Substitute House Bill No. 3274 (port district contracting). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 138.** 2007 c 522 s 140 (uncodified) is amended to read as follows:

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

OMWBE Enterprises Account--State Appropriation . . . . ((~~$3,650,000~~))
$3,615,000

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

**Sec. 139.** 2007 c 522 s 141 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$577,000~~))
$591,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$580,000~~))
$590,000

General Fund--Federal Appropriation . . . . . ((~~$3,655,000~~))
$3,651,000

General Administration Service Account--State
Appropriation . . . . . ((~~$34,951,000~~))
$36,929,000

TOTAL APPROPRIATION . . . . . ((~~$39,763,000~~))
$41,761,000

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

((~~(2)~~)) (1) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the temporary emergency food assistance program.

(2) Within the appropriations in this section, specific funding is provided to implement Second Substitute House Bill No. 1332 (affordable housing).

(3) $391,000 of the general administration services account--state appropriation for fiscal year 2009 is provided solely for implementation of costs associated with the planning of agency moves out of the general administration building.

(4) The department shall work with the office of financial management to develop a plan that balances revenues and expenditures for each line of business within the general administration services account. State agency rates developed for the 2009-2011 biennium must equitably and reasonably reflect the actual cost of services provided to state agencies including the appropriate allocation of agency overhead costs. By August 31, 2008, the department shall submit to the office of financial management and the fiscal committees of the legislature financial statements for each line of business that shall inform the basis for agency rate development for the forthcoming biennium.

(5) The department shall submit a report to the office of financial management and the fiscal committees of the legislature that responds to each of the state auditor's motor pool audit recommendations by August 31, 2008. This report shall consist of recommendations that have been adopted by the department, progress made towards achieving those recommendations not yet completed, and justification for why the department is unable to fulfill any of the recommendations in the report.

**Sec. 140.** 2007 c 522 s 142 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF INFORMATION SERVICES**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$5,102,000~~))
$2,762,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,088,000~~))
$4,623,000

General Fund--Federal Appropriation . . . . . ((~~$700,000~~)) $1,920,000

((~~Health Services Account--State Appropriation (FY 2008) . $1,000,000~~
~~Health Services Account--State Appropriation (FY 2009) . $1,000,000~~))

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $695,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . ((~~$705,000~~)) $698,000

Data Processing Revolving Account--State
Appropriation . . . . . ((~~$6,400,000~~)) $6,377,000

TOTAL APPROPRIATION . . . . . ((~~$17,690,000~~)) $17,075,000

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

(1) $2,340,000 of the general fund--state appropriation for fiscal year ((~~2008~~)) 2009 is provided solely to connect eastern state hospital to the integrated hospital information system, which is intended to improve operations and allow greater interactions between the hospital and community clinics, including electronic transmission of inpatient data to outpatient clinics that will provide care following discharge. Connection to this network will allow consultation with specialists and provide access to training for staff. Prior to any purchase of goods or services, a feasibility plan must be approved by the information services board.

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

(3) ((~~$1,000,000 of the health services account appropriation for fiscal year 2008 and $1,000,000 of the health services account appropriation for fiscal year 2009 are provided solely to conduct a pilot project to develop an emergency medical response health management record system. The department shall contract to provide health management record services, such as those developed with patients in Whatcom county, to provide integrated care management that are web-services enabled. The record system developed by the pilot project will begin to provide services to emergency medical personnel~~

~~within two years in at least King, Snohomish, Thurston, and Whatcom counties. The requirements of the pilot project contract shall require the initial development of specific evaluation criteria and a report on the performance of the system according to those criteria no later than June 30, 2009.~~

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

((~~(5)~~)) (4) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for deposit into the data processing revolving account.

(5) $195,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 6438 (internet deployment/adoption), including sections 1 through 5 of the bill. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 141.** 2007 c 522 s 143 (uncodified) is amended to read as follows:

**FOR THE INSURANCE COMMISSIONER**

General Fund--Federal Appropriation . . . . . ((~~$1,574,000~~))
$1,564,000

Insurance Commissioners Regulatory Account--State
Appropriation . . . . . ((~~$45,340,000~~))
$45,442,000

TOTAL APPROPRIATION . . . . . ((~~$46,914,000~~))
$47,006,000

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

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

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

(3) $286,000 of the insurance commissioner's regulatory account--state appropriation for fiscal year 2009 is provided solely for the insurance commissioner to convene a work group of health care providers, carriers, and payers, to identify and develop strategies to achieve savings through streamlining administrative requirements and procedures, as recommended in the report submitted pursuant to section 17, chapter 259, Laws of 2007. By December 1, 2008, the commissioner shall submit a report to the governor and the legislature that identifies the five highest priority goals for achieving significant efficiencies and reducing health care administrative costs, and a plan to accomplish these goals.

**Sec. 142.** 2007 c 522 s 144 (uncodified) is amended to read as follows:

**FOR THE BOARD OF ACCOUNTANCY**

Certified Public Accountants' Account--State

Appropriation . . . . . ((~~$2,596,000~~))

$2,575,000

**Sec. 143.** 2007 c 522 s 146 (uncodified) is amended to read as follows:

**FOR THE HORSE RACING COMMISSION**

Horse Racing Commission Operating Account--State

Appropriation . . . . . ((~~$5,499,000~~))

$5,441,000

The appropriation in this section is subject to the following

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

**Sec. 144.** 2007 c 522 s 147 (uncodified) is amended to read as follows:

**FOR THE LIQUOR CONTROL BOARD**

General Fund--State Appropriation (FY 2008) . . . . . $1,910,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,953,000~~)) $1,912,000

Liquor Control Board Construction and Maintenance Account--State Appropriation . . . . . ((~~$8,517,000~~)) $13,430,000

Liquor Revolving Account--State Appropriation . . . . ((~~$195,858,000~~)) $194,799,000

TOTAL APPROPRIATION . . . . . ((~~$208,238,000~~)) $212,051,000

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

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

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

**Sec. 145.** 2007 c 522 s 148 (uncodified) is amended to read as follows:

**FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

Volunteer Firefighters' and Reserve Officers'
Administrative Account--State Appropriation . . . . ((~~$1,051,000~~))
$1,042,000

The appropriation in this section is subject to the following conditions and limitations: $9,000 of the volunteer firefighters' and reserve officers' administrative account appropriation is provided solely to implement House Bill No. 1475 (additional board members). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**Sec. 146.** 2007 c 522 s 149 (uncodified) is amended to read as follows:

**FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . $160,000
Public Service Revolving Account--State
Appropriation . . . . . ((~~$31,403,000~~))
$31,118,000
Pipeline Safety Account--State Appropriation . . . . . ((~~$3,195,000~~))
$3,167,000
Pipeline Safety Account--Federal Appropriation . . . . . $1,535,000
TOTAL APPROPRIATION . . . . . ((~~$36,293,000~~))
$35,980,000

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

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

(2) In accordance with RCW 81.70.350, it is the policy of the state of Washington that the cost of regulating charter party carrier and excursion service carriers shall be borne by those entities. For each

charter party carrier and excursion service carrier covered by RCW 81.70.350, the commission shall set fees at levels sufficient to fully cover the cost of supervising and regulating such carriers. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the commission may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the cost of the program's supervision and regulation.

(3) The general fund--state appropriation for fiscal year 2008 is provided solely to conduct a survey to identify factors preventing the widespread availability and use of broadband technologies. The survey must collect and interpret reliable geographic, demographic, cultural, and telecommunications technology information to identify broadband disparities in the state. The commission shall consult appropriate stakeholders in designing the survey. The names and identification data of any person, household, or business participating in the survey are exempt from public disclosure under chapter 42.56 RCW. The commission shall report its finding to the appropriate legislative committees by December 31, 2007.

**Sec. 147.** 2007 c 522 s 150 (uncodified) is amended to read as follows:

**FOR THE MILITARY DEPARTMENT**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$11,439,000~~))
$12,430,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$11,812,000~~))
$13,195,000

General Fund--Federal Appropriation . . . . . ((~~$107,611,000~~))
$129,336,000

General Fund--Private/Local Appropriation . . . . . $2,000

Enhanced 911 Account--State Appropriation . . . . . ((~~$42,114,000~~))
$42,293,000

Disaster Response Account--State Appropriation . . . . ((~~$12,852,000~~))
$24,454,000

Disaster Response Account--Federal Appropriation . . . ((~~$55,553,000~~))
$86,757,000

Military Department Rent and Lease Account--State
Appropriation . . . . . ((~~$374,000~~))
$814,000

Worker and Community Right-to-Know Account--State Appropriation . . . . . ((~~$341,000~~)) $337,000

Nisqually Earthquake Account--State Appropriation . . . . . $556,000

Nisqually Earthquake Account--Federal Appropriation . . . . $1,269,000

TOTAL APPROPRIATION . . . . . ((~~$243,923,000~~)) $311,443,000

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

(1) ((~~$12,924,000~~)) $24,454,000 of the disaster response account--state appropriation and ((~~$55,769,000~~)) $86,757,000 of the disaster response account--federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

(2) $556,000 of the Nisqually earthquake account--state appropriation and $1,269,000 of the Nisqually earthquake account--federal appropriation are provided solely for response and recovery costs associated with the February 28, 2001, earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund

balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

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

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

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

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

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

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

(5) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,000,000~~)) $1,750,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the military department to contract with the Washington information network 2-1-1 to operate a statewide 2-1-1 system. The department shall provide the entire amount for 2-1-1 and shall not take any of the funds for administrative purposes.

(6) $200,000 of the enhanced 911 account--state appropriation is provided solely for the department to recommend an appropriate funding mechanism for the implementation of next generation 911. The department shall consult with the utilities and transportation commission, the department of revenue, local governments, and

representatives from companies providing telecommunications services in order to complete the report required under this subsection. The department may also consult with other public safety and medical associations in order to complete the study. The department shall submit the report to the finance committee and the technology, energy, and communications committee of the house of representatives, and the ways and means committee and the water, energy, and telecommunications committee of the senate, by December 1, 2008.

**Sec. 148.** 2007 c 522 s 151 (uncodified) is amended to read as follows:

**FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$3,246,000~~))
$3,247,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$3,353,000~~))
$3,296,000

Department of Personnel Service Account--State
Appropriation . . . . . ((~~$3,315,000~~))
$3,287,000

TOTAL APPROPRIATION . . . . . ((~~$9,914,000~~))
$9,830,000

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

**Sec. 149.** 2007 c 522 s 152 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$1,087,000~~))
$1,114,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,033,000~~))
$1,755,000

General Fund--Federal Appropriation . . . . . ((~~$1,651,000~~))
$1,641,000

General Fund--Private/Local Appropriation . . . . . $14,000
TOTAL APPROPRIATION . . . . . ((~~$3,785,000~~))
$4,524,000

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

(1) $30,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2115 (heritage barn preservation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(2) $571,000 of the general fund--state appropriation for fiscal year 2009 and $500,000 of the nonappropriated skeletal human remains assistance account are provided solely for implementation of Engrossed Second Substitute House Bill No. 2624 (human remains). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(3) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to conduct a preliminary assessment to determine the feasibility of seeking federal heritage area designation for Washington state's maritime regions. The department shall establish an advisory committee for the study. The department shall submit a report of the preliminary assessment findings to the appropriate policy and fiscal committees of the legislature and to the governor by January 1, 2010.

**Sec. 150.** 2007 c 522 s 153 (uncodified) is amended to read as follows:

**FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$1,890,000~~))
$1,893,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,942,000~~))
$1,928,000
TOTAL APPROPRIATION . . . . . ((~~$3,832,000~~))
$3,821,000

**Sec. 151.** 2007 c 522 s 154 (uncodified) is amended to read as follows:

**FOR THE STATE CONVENTION AND TRADE CENTER**

State Convention and Trade Center Account--State Appropriation . . . . . ((~~$36,910,000~~)) <u>$44,773,000</u>

State Convention and Trade Center Operating Account--State Appropriation . . . . . $53,750,000

TOTAL APPROPRIATION . . . . . ((~~$90,660,000~~)) <u>$98,523,000</u>

(End of part)

## PART II
## HUMAN SERVICES

**Sec. 201.** 2007 c 522 s 201 (uncodified) is amended to read as follows:

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

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

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership

(WMIP), the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of ((~~13,000~~)) 6,000 persons, nor expand beyond one county, during the 2007-2009 biennium. The amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot project, times the number of clients enrolled in the pilot project. In implementing the WMIP pilot projects, the department may: (a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

(5)(a) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, 2008, unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2008 among programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year 2008 caseload forecasts and utilization assumptions in the medical assistance, long-term care, foster care, adoption support, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the

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

**Sec. 202.** 2007 c 522 s 202 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$313,898,000~~))
$316,353,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$327,462,000~~))
$345,840,000

General Fund--Federal Appropriation . . . . . ((~~$468,668,000~~))
$489,938,000

General Fund--Private/Local Appropriation . . . . . ((~~$500,000~~))
$2,187,000

Domestic Violence Prevention Account--State
Appropriation . . . . . $1,000,000

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $3,251,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . $3,254,000

Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2008) . . . . . $2,934,000

Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2009) . . . . . $2,934,000

Pension Funding Stabilization Account--State
Appropriation . . . . . $2,298,000

TOTAL APPROPRIATION . . . . . ((~~$1,126,199,000~~))
$1,169,989,000

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

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

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

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

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

(5) The providers for the 31 HOPE beds shall be paid a ((~~$1,000~~)) $1,020 base payment per bed per month, and reimbursed for the remainder of the bed cost only when the beds are occupied.

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

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

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

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

(10) $41,000 of the general fund--state appropriation for fiscal year 2008, ((~~$49,000~~)) $37,000 of the general fund--state appropriation for fiscal year 2009, and ((~~$41,000~~)) $34,000 of the general fund--federal appropriation are provided solely for the implementation of Substitute House Bill No. 1472 (child welfare). ((~~If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.~~))

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

(12) $4,962,000 of the general fund--state appropriation for fiscal year 2008, $4,586,000 of the general fund--state appropriation for

fiscal year 2009, and $9,548,000 of the general fund--federal appropriation are provided solely for development and implementation of a statewide automated child welfare information system.

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

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

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

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

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

of the Washington state institute for public policy may adjust the due date for this project as necessary to efficiently manage workload.

(18) $103,000 of the general fund--state appropriation for fiscal year 2008, ((~~$98,000~~)) $407,000 of the general fund--state appropriation for fiscal year 2009, and ((~~$201,000~~)) $48,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). This includes funding to develop, implement, and administer a program of educational transition planning for youth in foster care as specified in the bill. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

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

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

(22) $49,000 of the general fund--state appropriation for fiscal year 2008, $24,000 of the general fund--state appropriation for fiscal year 2009, and $35,000 of the general fund--federal appropriation are provided solely for the implementation of chapter 384, Laws of 2007.

(23) The department shall work with the exclusive bargaining representative for the children's administration social workers to prioritize social worker tasks and devise methods by which to alleviate

from the social workers' workload lower priority tasks. Discussions on methods shall include the use of contracting services and home support specialists. The department and the bargaining representative shall jointly report their efforts to the appropriate committees of the legislature by submitting a progress report no later than July 1, 2008, and a final report by November 15, 2008.

(24) $10,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department to contract with the largest nonprofit organization in the state conducting education and outreach on RCW 13.34.360, the safety of newborn children law.

(25) $616,000 of the general fund--state appropriation for fiscal year 2009 and $184,000 of the general fund--federal appropriation are provided solely to contract with medical professionals for comprehensive safety assessments of high-risk families. The safety assessments will use validated assessment tools to guide intervention decisions through the identification of additional safety and risk factors. $400,000 of this amount is for comprehensive safety assessments for families receiving in-home child protective services or family voluntary services. $400,000 of this amount is for comprehensive safety assessments of families with an infant age birth to fifteen days where the infant was, at birth, diagnosed as substance exposed and the department received an intake referral related to the infant due to the substance exposure.

(26) $500,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a two-year pilot program in Clark county to develop a screening tool to identify reactive attachment disorder in children and provide them with appropriate and recommended intervention services. The pilot shall be open to children receiving services in Clark county from the department's children and family services division. The division shall contract with a provider currently providing services in Clark county to deliver a comprehensive approach to the assessment, diagnosis, and treatment of reactive attachment disorder. The goal of the pilot project is to develop an intake tool and evidence-based intervention services to permit early recognition and treatment of children with reactive attachment disorder served by the department's children and family services division. If the costs of the pilot exceeds the appropriation, the department shall adjust the eligibility of children participating in the pilot to

conform to the appropriation and shall promptly notify the fiscal committees of the legislature. It is the intent of the legislature to provide additional resources in fiscal year 2010 for the second year of the pilot project.

(27) $1,100,000 of the general fund--state appropriation for fiscal year 2009 and $347,000 of the general fund--federal appropriation are provided solely for the hiring of twenty home support specialists, and respective supervisory and support staff, to be concentrated in counties experiencing an increase in dependency filings above the state average. Starting July 1, 2008, the home support specialists shall be allocated to the following field offices: Three to Bellingham, two to Shelton, eight to Spokane, two to Aberdeen, and five to Tacoma. It is the intent of the legislature for these specialists to be placed in addition to current staff and staff being hired under the department's phase-in of social workers provided in the 2007-09 biennial budget. The department shall not use the staff provided in this subsection to supplant existing staff or staff to be phased in according to the 2007-09 biennial budget. The department shall track the following data monthly within each of the field offices receiving the additional support specialists: (a) Number of case-carrying social workers; (b) number of case-carrying home support specialists; (c) date of hires of social workers and home support specialists; (d) number of families receiving services, where no petition for dependency, at risk youth, child in need of services, or truancy has been filed; and (e) number of families receiving services where a dependency petition has been filed. For a minimum of 10 days in February 2009, the department shall use the workload study tool to measure the social worker workload in these five field offices and compare the results to the February 2007 data. The department shall provide the data and its findings to the appropriate committees of the legislature, with a preliminary report by December 15, 2008, and a final report by June 15, 2009.

(28) $42,000 of the general fund--state appropriation for fiscal year 2009 and $29,000 of the general fund--federal appropriation are provided solely for the department to implement Second Substitute Senate Bill No. 6206 (child fatality). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(29) $857,000 of the general fund--state appropriation for fiscal year 2009 and $140,000 of the general fund--federal appropriation are

provided solely for implementation of Engrossed Second Substitute House Bill No. 3145 (foster parent licensing). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(30) $415,000 of the general fund--state appropriation for fiscal year 2008, $469,000 of the general fund--state appropriation for fiscal year 2009, and $264,000 of the general fund--federal appropriation are provided solely for the hiring of staff to expedite the phase-in of the state's policy of a private and individual face-to-face visit each month with children in out-of-home care and in-home dependencies and their caregivers.

(31) $109,000 of the general fund--state appropriation for fiscal year 2009 and $35,000 of the general fund--federal appropriation are provided solely to implement sections 2 and 3 of Engrossed Second Substitute House Bill No. 3205 (child long-term well-being). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(32) The appropriations in this section provide specific funds to implement Engrossed Substitute Senate Bill No. 6792 (dependency matters).

(33) $70,000 of the general fund--state appropriation for fiscal year 2009 and $38,000 of the general fund--federal appropriation are provided solely for implementation of Substitute House Bill No. 2679 (students in foster care). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(34) $585,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for additional contracted educational advocacy coordinators to provide educational assistance to children in foster care.

(35) $812,000 of the general fund--state appropriation for fiscal year 2009 and $256,000 of the general fund--federal appropriation are provided solely for the department to hire additional staff to perform child health education and tracking screens.

(36) $581,000 of the general fund--state appropriation for fiscal year 2009 and $319,000 of the general fund--federal appropriation are provided solely for a multidimensional treatment foster care program to recruit foster homes to serve children with high behavioral and emotional needs.

(37) $1,829,000 of the general fund--state appropriation for fiscal year 2009 and $578,000 of the general fund--federal appropriation are provided solely for the department to contract with nonprofit organizations to facilitate twice-monthly visits between siblings living apart from each other in out-of-home care.

**Sec. 203.** 2007 c 522 s 203 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$87,795,000~~)) $87,822,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$91,182,000~~)) $88,715,000

General Fund--Federal Appropriation . . . . . ((~~$5,799,000~~)) $5,662,000

General Fund--Private/Local Appropriation . . . . . ((~~$1,098,000~~)) $1,898,000

Reinvesting in Youth--State Appropriation . . . . . $1,414,000

Washington Auto Theft Prevention Authority Account--State Appropriation . . . . . $171,000

Violence Reduction and Drug Enforcement Account--State Appropriation (FY 2008) . . . . . ((~~$21,458,000~~)) $21,975,000

Violence Reduction and Drug Enforcement Account--State Appropriation (FY 2009) . . . . . ((~~$21,568,000~~)) $22,078,000

Juvenile Accountability Incentive Account--Federal Appropriation . . . . . $2,510,000

Pension Funding Stabilization Account--State Appropriation . . . . . $2,200,000

TOTAL APPROPRIATION . . . . . ((~~$235,195,000~~)) $234,445,000

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

(1) $353,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and $353,000 of the violence reduction and drug enforcement account appropriation for fiscal year

2009 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

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

(3) $1,030,000 of the general fund--state appropriation and $2,686,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and $1,030,000 of the general fund--state appropriation and $2,686,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

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

plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

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

(6) $1,287,000 of the general fund--state appropriation for fiscal year 2008 and $1,287,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions and aggression replacement training. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7) The juvenile rehabilitation administration shall provide a block grant, rather than categorical funding, of consolidated juvenile services funds, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition to county juvenile courts, or groups of courts, including the Pierce county juvenile court. The juvenile rehabilitation administration and the family policy council shall jointly write criteria for awarding and administering block grants to county juvenile courts. In developing the criteria, the juvenile

rehabilitation administration and the family policy council shall seek the advice of the Washington state institute for public policy. The criteria shall address, but not be limited to:

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

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

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

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

<u>(9) $165,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to the juvenile rehabilitation administration for the purpose of establishing a single county pilot</u>

program to promote participation in offender programs for juveniles under the jurisdiction of a county juvenile court or the department, and their families. The pilot program shall provide incentives for families for consenting to, and participating in good faith, in a program recommended by the department as appropriate. The pilot location as well as the structure, amount, and disbursement of incentives shall be determined by the department in consultation with the University of Washington school of medicine's department of psychiatry and behavioral sciences division of public behavioral health and justice and the evidence-based program model developers. To be eligible, a county must have imposed the sales and use tax authorized by RCW 82.14.460. The pilot program shall be limited to evidence-based programs identified by the Washington state institute for public policy in its October 2006 report: *"Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates"* which have been identified as having a positive benefit-cost ratio. The pilot program shall be operational by December 1, 2008. The department, in cooperation with the University of Washington, shall evaluate the results of the pilot program, including any reduction in recidivism for a juvenile participating in the pilot program and shall provide a preliminary report to the governor and the legislature on the results of the pilot program by December 1, 2010, and a final report by December 1, 2012.

**Sec. 204.** 2007 c 522 s 204 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 2008) . . . . . ((~~$302,674,000~~))
$305,747,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$312,997,000~~))
$328,783,000

General Fund--Federal Appropriation . . . . . ((~~$380,003,000~~))
$382,032,000

General Fund--Private/Local Appropriation . . . . . ((~~$11,948,000~~))
$16,157,000

TOTAL APPROPRIATION . . . . . ((~~$1,007,622,000~~))

$1,032,719,000

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

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

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

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

(d) From the general fund--state appropriations in this subsection, the secretary of social and health services shall assure that regional

support networks reimburse the aging and disability services administration for the general fund--state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

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

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

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

((~~(h)~~)) (g) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants for innovative mental health service delivery projects. Such projects may

include, but are not limited to, clubhouse programs and projects for integrated health care and behavioral health services for general assistance recipients. These amounts shall supplement, and not supplant, local or other funding currently being used for activities funded under the projects authorized in this subsection.

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

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

((~~(k)~~)) (j) $2,250,000 of the general fund--state appropriation for fiscal year 2008, $2,250,000 of the general fund--state appropriation for fiscal year 2009, and $4,500,000 of the general fund--federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration.

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

((~~(m) $2,979,000~~)) (l) $2,981,000 of the general fund--state appropriation for fiscal year 2008, ((~~$3,249,000~~)) $3,248,000 of the

general fund--state appropriation for fiscal year 2009, and ((~~$2,040,000~~)) $2,016,000 of the general fund--federal appropriation are provided solely to modify the department's proposed new payment rates for medicaid inpatient psychiatric services. Under the department's proposed rate system, effective August 1, 2007, each hospital's inpatient psychiatric payment rate would have been set at a percentage of that hospital's estimated per diem cost for psychiatric inpatient care during the most recent rebasing year. Within the amount provided in this subsection (1)(m), beginning August 1, 2007, each hospital's inpatient psychiatric payment rate shall instead be set at the greater of a percentage of: (i) The hospital's estimated per diem cost for psychiatric inpatient care during the most recent rebasing year; or (ii) the statewide average per diem cost for psychiatric inpatient care during the most recent rebasing year, adjusted for regional wage differences and for differences in medical education costs. At least thirty days prior to implementing adjustments to regional support network medicaid capitation rates and nonmedicaid allocations to account for changes in psychiatric inpatient payment rates, the department shall report on the proposed adjustments to the appropriations committee of the house of representatives and the ways and means committee of the senate.

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

((~~(o) $7,363,000~~)) (n) $7,396,000 of the general fund--state appropriation for fiscal year 2008, ((~~$15,028,000~~)) $15,146,000 of the general fund--state appropriation for fiscal year 2009, and $13,927,000 of the general fund--federal appropriation are provided solely to increase regional support network medicaid capitation rates, or fee-

for-service rates paid instead of those capitation rates, and nonmedicaid allocations by 3.0 percent effective July 1, 2007, and by an additional 3.0 percent effective July 1, 2008. The federal portion of these rate increases is contingent upon federal approval. (i) The legislature intends and expects that regional support networks and community mental health agencies will use at least 67 percent of the amounts provided in this subsection (1)(o) to increase compensation for direct care personnel above and beyond usual and customary wage increases. To this end, regional support networks shall report to the department by October 15, 2007, on planned uses of the rate increases within their network area. The report shall describe the direct care job classifications to which increases are to be provided; the number of full-time equivalent personnel employed in each classification; the annualized dollar and percentage increases to be provided each classification; the annualized dollar value of the direct care compensation increases provided, in total and as a percentage of the total rate increase; and the number of personnel in each job classification covered by a collective bargaining agreement. The department shall summarize and analyze the regional plans, and report findings, options, and recommendations to the legislature by December 1, 2007. (ii) Regional support networks shall maintain documentation of how the rate increases have been applied. Such documentation shall be subject to audit by the department. (iii) For purposes of this subsection (1)(o), "direct care staff" means persons employed by community mental health agencies whose primary responsibility is providing direct treatment and support to people with mental illness, or whose primary responsibility is providing direct support to such staff in areas such as client scheduling, client intake, client reception, client records-keeping, and facilities maintenance. In agencies that provide both mental health and chemical dependency services, nonmedicaid funds may also be used for compensation increases for direct care staff whose primary responsibility is direct care and treatment for people with chemical dependency problems.

((~~(p)~~)) (o) $2,021,000 of the general fund--state appropriation for fiscal year 2008 and $1,683,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1456 (mental health professionals). If the bill is not enacted by June 30, 2007, the

amounts provided in this subsection shall lapse. For purposes of organizing and delivering training as required by the bill, the department may retain up to fifteen percent of the amount appropriated for fiscal year 2008, and up to ten percent of the amount appropriated for fiscal year 2009. The remainders shall be distributed to regional support networks proportional to each network's percentage of the total state population.

(p) $135,000 of the general fund--state appropriation for fiscal year 2008, $3,031,000 of the general fund--state appropriation for fiscal year 2009, and $1,289,000 of the general fund--private/local appropriation are provided solely to enable the department to contract with Pierce county human services for the provision of community mental health services to include crisis triage, evaluation and treatment, and mobile crisis services. The legislature intends this to be one-time funding while a replacement regional support network is being secured. The department is authorized to reserve $402,000 general fund--state and $201,000 general fund--local of these amounts for reasonable costs incurred by Pierce county for the provision of mental health crisis and related services that exceed reimbursement levels contracted by the department. In order to receive these funds, Pierce county must demonstrate to the department that the total cost of mental health services provided by the county in accordance with formal agreements has exceeded the revenues received from the department and third-party payers for these services. The department shall determine the documentation that is required.

(q) $504,000 of the general fund--state appropriation for fiscal year 2008 and $1,529,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

(r) $750,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Spokane regional support network to implement a comprehensive plan for reducing its utilization of eastern state hospital. Key elements of the plan, which shall be developed and implemented in consultation with and with the assistance of the department, may include but shall not be limited to development of additional crisis triage, crisis stabilization, and evaluation and

treatment beds; provision of housing assistance for high-utilizers of hospital and jail services who are at risk of homelessness; implementation of an intensive outpatient treatment team for persons with co-occurring disorders and other special needs; and delivery of respite care to assist elderly individuals avoid or return home after hospitalization.

(s) $6,250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for regional support networks to increase and improve delivery of nonmedicaid services. These funds shall be distributed to regional support networks, other than Spokane and Pierce county, proportional to each network's share of total population among those networks.

(t) $215,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to assist nongovernmental mental health agencies in Pierce county with start-up and other extraordinary administrative costs required by the conversion from a capitated to a unit fee-based service delivery and billing system.

(u) $15,000 of the general fund--state appropriation for fiscal year 2008 and $235,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for one-time grants for emergent financial relief for clubhouses. In order to receive these funds, the clubhouse must be able to demonstrate need to the department. The department shall develop and implement a simplified application form. The clubhouses shall provide financial documentation to the department as requested to support their application. The amounts and quantity of the individual grants shall be at the discretion of the department.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2008) . . . . . ((~~$142,545,000~~))
$138,340,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$139,286,000~~))
$131,973,000

General Fund--Federal Appropriation . . . . . ((~~$146,401,000~~))
$145,602,000

General Fund--Private/Local Appropriation . . . . . ((~~$57,064,000~~))
$66,302,000

Pension Funding Stabilization Account--State
Appropriation . . . . . $7,058,000

TOTAL APPROPRIATION . . . . . ((~~$492,354,000~~))

$489,275,000

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

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

(b) $45,000 of the general fund--state appropriation for fiscal year 2008 and $45,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

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

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

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

(f) $133,000 of the general fund--state appropriation for fiscal year 2008 and $2,145,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to pilot a direct care nurse

staffing plan for two high incident wards at eastern state hospital and four high incident wards at western state hospital. The pilot provides funding to fully staff registered nurses, licensed practical nurses, and mental health technicians in accordance with the state psychiatric hospitals direct care staffing review and recommendations. The department shall have the authority to fill the positions with any mix of these direct care nursing staff so long as a good faith effort is made to first hire and recruit positions in accordance with the direct care nurse staffing plan. The department shall monitor outcomes for improved patient and staff safety and provide a written report to the legislature by October 1, 2009.

(g) $617,000 of the general fund--state appropriation for fiscal year 2008 and $334,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to cover additional operating costs related to the October 11, 2007, laundry fire at western state hospital.

(3) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2008) . . . . . ((~~$1,892,000~~))
$1,917,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,192,000~~))
$2,319,000

General Fund--Federal Appropriation . . . . . ((~~$3,195,000~~))
$3,276,000

TOTAL APPROPRIATION . . . . . ((~~$7,279,000~~))
$7,512,000

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

(a) $877,000 of the general fund--state appropriation for fiscal year 2008, $1,189,000 of the general fund--state appropriation for fiscal year 2009, and $140,000 of the general fund--federal appropriation are provided solely for implementation of sections 4, 7, 10, and other provisions of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Funds are also appropriated in sections 207 and 209 of this act for implementation of 5, 8, and 11 of Second Substitute House Bill No. 1088.

(b) $25,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington institute for mental illness research and training to study whether and the extent to which there is a greater concentration of people with severe and persistent mental illness in counties proximate to state psychiatric hospitals. The institute shall report its findings to the department and the appropriate fiscal and policy committees of the legislature by October 30, 2008. To the extent indicated, the department and the regional support networks shall incorporate the results of the study into revisions of the formula used to allocate state hospital beds among the regional support networks.

(c) $80,000 of the general fund--state appropriation for fiscal year 2009 and $80,000 of the general fund--federal appropriation are provided solely as one-time funding to make available a mental health train the trainer first aid course consisting of twelve hours of instruction based upon a program created by the department of psychiatry, University of Melbourne in Australia. The course will provide training to members of the public related to: (i) Giving appropriate initial help and support to a person suffering from a mental disorder and responding to mental health crisis situations; and (ii) depression, anxiety disorders, psychosis, and substance use disorder, including recognizing symptoms, possible causes or risk factors, and evidenced-based treatment options. Participants in the first aid course will train others to provide the training.

(4) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2008) . . . . . $4,966,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$5,060,000~~))
$5,177,000

General Fund--Federal Appropriation . . . . . ((~~$7,604,000~~))
$7,557,000

TOTAL APPROPRIATION . . . . . ((~~$17,630,000~~))
$17,700,000

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

(a) $125,000 of the general fund--state appropriation for fiscal year 2008, $125,000 of the general fund--state appropriation for fiscal year 2009, and $164,000 of the general fund--federal appropriation are

provided solely for the institute for public policy to continue the longitudinal analysis directed in chapter 334, Laws of 2001 (mental health performance audit), to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders), and to assess program outcomes and cost effectiveness of the children's mental health pilot projects as required by chapter 372, Laws of 2006.

(b) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to (i) implement those recommendations from the 2006 joint stakeholder paperwork reduction project that are permissible within federal and state law; and (ii) conduct a thorough review of community mental health paperwork procedures and requirements to identify opportunities for standardization and improved efficiency. The department shall report progress on these efforts to the appropriate policy and fiscal committees of the legislature by January 15, 2009.

(c) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department to contract with a facilitator to coordinate a review and make recommendations on:

(i) Ward sizes at eastern and western state hospitals and patient case mix by ward;

(ii) Discharge practices for state hospitals to include the child and study treatment center; and

(iii) Community placements to include placements for adults and children.

By October 15, 2008, the department shall provide to the legislature recommendations for system improvement to include a cost/benefit analysis. The department shall include representation from regional support networks in the review and development of recommendations for discharge practices and community placements.

**Sec. 205.** 2007 c 522 s 205 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2008) . . . . . ((~~$346,600,000~~))
$348,327,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$373,776,000~~))

$380,811,000

General Fund--Federal Appropriation . . . . . ((~~$633,258,000~~))

$636,595,000

Health Services Account--State Appropriation (FY 2008) . . . $452,000

Health Services Account--State Appropriation (FY 2009) . . . $452,000

TOTAL APPROPRIATION . . . . . ((~~$1,354,538,000~~))

$1,366,637,000

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

(a) The entire health services account appropriation, $615,000 of the general fund--state appropriation for fiscal year 2008, $892,000 of the general fund--state appropriation for fiscal year 2009, and $2,546,011 of the general fund--federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per participating worker per month shall be no greater than $532.00 in fiscal year 2008 and $585.00 in fiscal year 2009.

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

(c) $4,903,000 of the general fund--state appropriation for fiscal year 2008, $9,295,000 of the general fund--state appropriation for fiscal year 2009, and $15,016,000 of the general fund--federal appropriation are provided solely for community residential and support services. Funding in this subsection shall be prioritized for (i) residents of residential habilitation centers who are able to be adequately cared for in community settings and who choose to live in those community settings; (ii) clients without residential services who are at immediate risk of institutionalization or in crisis; (iii) children who are at risk of institutionalization or who are aging out of other state services; and (iv) current home and community-based waiver program clients who have been assessed as having an immediate need for increased services. First priority shall be given to children who are at risk of institutionalization. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed $300. In order to maximize the number

of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds, provided the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) ((~~$2,799,000~~)) $2,399,000 of the general fund--state appropriation for fiscal year 2008, $5,961,000 of the general fund--state appropriation for fiscal year 2009, and ((~~$9,268,000~~)) $8,849,000 of the general fund--federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed $349 in fiscal year 2008 and $356 in fiscal year 2009. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to

placement, and the actual expenditures for all community services to support these clients.

(e) ((~~$13,598,000~~)) $13,198,000 of the general fund--state appropriation for fiscal year 2008, $16,354,000 of the general fund--state appropriation for fiscal year 2009, and $8,579,000 of the general fund--federal appropriation are provided solely for family support programs for individuals with developmental disabilities. Of the amounts provided in this subsection (e), ((~~$1,096,000~~)) $696,000 of the general fund--state appropriation for fiscal year 2008 and $3,852,000 of the general fund--state appropriation for fiscal year 2009 are for state-only services for individuals with developmental disabilities, as described in Second Substitute Senate Bill No. 5467 (developmental disabilities). By January 1, 2008, and by November 1, 2008, the department shall provide a status report to the appropriate policy and fiscal committees of the legislature on the individual and family services program for people with developmental disabilities, which shall include the following information: The number of applicants for funding; the total number of awards; the number and amount of both annual and one-time awards, broken down by household income levels; and the purpose of the awards.

(f) ((~~$1,577,000~~)) $1,692,000 of the general fund--state appropriation for fiscal year 2008, ((~~$3,480,000~~)) $3,645,000 of the general fund--state appropriation for fiscal year 2009, and ((~~$2,105,000~~)) $2,397,000 of the general fund--federal appropriation are provided solely for employment and day services. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided for both waiver and nonwaiver clients. The legislature finds that some waiver clients are not receiving employment services that are authorized under their waivers. Within the amounts appropriated in this section, waiver clients must receive services as authorized by their waiver, such as pathway to employment, while waiting for paid employment to be developed. The department shall work with the counties to establish a consistent proposed policy for minimum direct service hours for clients, minimum hours of support, time frames for seeking paid employment, and services provided under pathway to employment while paid employment is sought. The department shall

report to the office of financial management and the appropriate committees of the legislature on this proposal by November 1, 2008, including estimated fiscal impacts and an option for making the policy budget neutral for the current level of clients served. In order to maximize the number of clients served, the department may serve additional nonwaiver clients with unspent funds for waiver clients, provided the total projected carry-forward expenditures do not exceed the amounts estimated.

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

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

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

(ii) The department shall implement phase one of full implementation of a seventeen CARE level payment system for community residential providers. Amounts appropriated in this section are sufficient to increase adult family home provider payment rates on average, effective July 1, 2008, including those currently receiving

exceptional care rates, and to adjust adult family home rates for the first phase of a seventeen CARE level payment system. Effective July 1, 2008, the provider payment rate allocation for boarding homes contracted as assisted living shall be the provider's June 30, 2008, payment rate allocation, and the provider payment rate for boarding homes contracted as ARCs and EARCs shall be adjusted to reflect phase one of a seventeen CARE level payment system. This will be in effect until such time as the rates are consistent between adult family homes and boarding homes for delivery of the same patient care levels.

(iii) Amounts provided in this section and in section 206 of this act are sufficient to assist adult family home providers with the cost of paying liability insurance.

(i) $921,000 of the general fund--state appropriation for fiscal year 2009 and $963,000 of the general fund--federal appropriation are provided solely for the development and implementation of a federal home and community-based care waiver to provide intensive behavior support services to up to one hundred children with developmental disabilities who have intense behaviors, and their families.

(i) To receive services under the waiver, the child must have a developmental disability and: (A) Meet an acuity measure, as determined by the department, indicating that the child is at high risk of needing an out-of-home placement; (B) be eligible for developmental disabilities services and a home and community-based care waiver program; (C) reside in his or her family home or temporarily in an out-of-home placement with a plan to return home; and (D) have family that demonstrates the willingness to participate in the services offered through the waiver, and is not subject to a pending child protective services referral.

(ii) The department shall authorize, contract for, and evaluate the provision of intensive in-home services that support the ability of the child to remain at home with their parents or relatives. Intensive behavior support services under the waiver shall be provided directly or by contract, and may include, but are not limited to: (A) Behavior consultation and management, therapies and respite care; (B) minor home or motor vehicle modifications and transportation; (C) specialized nutrition and clothing; (D) training of families and other individuals working with the child; and (E) inclusion in community activities.

(j) $1,000,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the purpose of settling all claims in the *Washington Federation of State Employees, et. al v. State of Washington,* Thurston County Superior Court Cause No. 05-2-02422-4. The expenditure of this appropriation is contingent on the release of all claims in this case, and total settlement costs shall not exceed the appropriation in this subsection (j). If settlement is not executed by June 30, 2008, the appropriation in this subsection (j) shall lapse.

(k) Within the amounts appropriated in this section, the department shall review current infant-toddler early intervention services statewide and report to the office of financial management by November 1, 2008, and the appropriate committees of the legislature on a recommended consistent funding approach per child for the 2009-11 biennium, recognizing the new level of funding anticipated by school district participation. The recommendations must also include a budget neutral option for the current level of clients served.

(l) $325,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for state-only employment services for young adults with developmental disabilities who need employment opportunities and assistance after high school graduation.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2008) . . . . . ((~~$78,765,000~~))
$80,469,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$80,873,000~~))
$80,668,000

General Fund--Federal Appropriation . . . . . ((~~$171,836,000~~))
$172,332,000

General Fund--Private/Local Appropriation . . . . . ((~~$21,613,000~~))
$22,203,000

Pension Funding Stabilization Account--State
Appropriation . . . . . $5,614,000

TOTAL APPROPRIATION . . . . . ((~~$358,701,000~~))
$361,286,000

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

(a) The developmental disabilities program is authorized to use funds appropriated in this section to purchase goods and supplies

through direct contracting with vendors when the program determines it is cost-effective to do so.

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

(c) $642,000 of the general fund--state appropriation for fiscal year 2008 and $721,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2008) . . . . . ((~~$2,273,000~~))
$2,262,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,377,000~~))
$2,328,000

General Fund--Federal Appropriation . . . . . ((~~$2,821,000~~))
$2,812,000

TOTAL APPROPRIATION . . . . . ((~~$7,471,000~~))
$7,402,000

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

(4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2008) . . . . . $17,000

General Fund--State Appropriation (FY 2009) . . . . . $15,000

General Fund--Federal Appropriation . . . . . ((~~$16,843,000~~))

$16,809,000

TOTAL APPROPRIATION . . . . . ((~~$16,875,000~~))
$16,841,000

**Sec. 206.** 2007 c 522 s 206 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$699,089,000~~))
$700,332,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$741,478,000~~))
$753,881,000

General Fund--Federal Appropriation . . . . . ((~~$1,539,010,000~~))
$1,534,175,000

General Fund--Private/Local Appropriation . . . . . ((~~$19,563,000~~))
$19,525,000

Pension Funding Stabilization Account--State Appropriation . . . . . $1,448,000

Health Services Account--State Appropriation (FY 2008) . . $2,444,000

Health Services Account--State Appropriation (FY 2009) . . $2,444,000

Traumatic Brain Injury Account--State Appropriation . . . ((~~$440,000~~))
$1,212,000

TOTAL APPROPRIATION . . . . . ((~~$3,005,916,000~~))
$3,015,461,000

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

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

(2) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed ((~~$158.11~~)) $159.34 for fiscal year 2008 and shall not exceed ((~~$164.18~~)) $165.04

for fiscal year 2009, including the rate add-on described in subsection (9) of this section. For all nursing facilities, the direct care, therapy care, support services, and operations component rates established in accordance with chapter 74.46 RCW shall be adjusted for economic trends and conditions by 3.2 percent effective July 1, 2007. For all nursing facilities, adjustments for economic trends and conditions effective July 1, 2008, shall be as specified in subsection (10)(c) of this section.

(3) In accordance with chapter 74.46 RCW, the department shall issue certificates of capital authorization that result in up to $16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2008; up to $16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2009; and up to $16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2010.

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

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

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

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

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

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

(6) $1,840,000 of the general fund--state appropriation for fiscal year 2008 and $1,877,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for operation of the volunteer chore services program.

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

(8) $125,000 of the general fund--state appropriation for fiscal year 2008, $125,000 of the general fund--state appropriation for fiscal year 2009, and $250,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(9) ((~~$8,755,000~~)) $3,000,000 of the general fund--state appropriation for fiscal year 2009 and $3,134,000 of the general fund--federal appropriation are provided solely to increase compensation for low-wage workers in nursing homes beginning July 1, 2008. Within the funds provided, the department shall provide an add-on per resident day per facility based on the total funding divided by the total number of fiscal year 2009 medicaid patient days as forecasted by the caseload forecast council, not to exceed $1.57. The department may reduce the level of add-on if necessary to fit within this appropriation if the caseload forecasted days increase from the February 2008 forecast. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than $15 in calendar year 2006, according to cost report data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. The department shall implement reporting requirements and a settlement process to ensure that the funds are spent according to this subsection. The department shall adopt rules to implement the terms of this subsection.

(10) $2,115,000 of the general fund--state appropriation for fiscal year 2008, $6,640,000 of the general fund--state appropriation for

fiscal year 2009, and ((~~$9,348,000~~)) $9,152,000 of the general fund--federal appropriation are provided solely to increase nursing facility payment rates.

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

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

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

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

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

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

~~(C) Payment methodologies should be designed to support retention of qualified direct care staff through training, wages, and benefits offered to direct care staff, with special consideration given to nursing homes, boarding homes, and adult family homes that care for a~~

~~disproportionate number of medicaid-eligible residents relative to their peer facilities;~~

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

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

~~(iii) The task force shall:~~

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

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

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

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

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

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

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

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

(a) Of the amounts provided in this subsection, $297,000 of the general fund--state appropriation for fiscal year 2008, $364,000 of the general fund--state appropriation for fiscal year 2009, and $691,000 of the general fund--federal appropriation are provided solely to provide

funding for direct care rates required by Senate Bill No. 6629 (nursing facility payment systems). If the bill is not enacted by June 30, 2008, then the amounts provided in this subsection (10)(a) shall lapse.

(b) Of the amounts provided in this subsection, $1,818,000 of the general fund--state appropriation for fiscal year 2008, $1,552,000 of the general fund--state appropriation for fiscal year 2009, and $3,526,000 of the general fund--federal appropriation are provided solely to fund projected increases in the weighted average nursing facility payment rates for fiscal years 2008 and 2009 due to appeals, client acuity, capital projects, bed changes, and other adjustments to cost projections deemed necessary by the department.

(c) The remaining amounts provided in this subsection of $4,724,000 general fund--state for fiscal year 2009 and $4,935,000 general fund--federal are provided solely for an adjustment for economic trends and conditions of 1.99 percent for direct care, therapy care, support services, and operations effective July 1, 2008.

(11) $180,000 of the general fund--state appropriation for fiscal year 2009 and $170,000 of the general fund--federal appropriation are provided solely for a review of the costs and benefits of a fair rental system to reimburse capital expenditures. The department must report its findings to the fiscal committees of the legislature and the office of financial management by July 1, 2009.

((~~(10)~~)) (12) Within amounts appropriated in this section, the department is authorized to expand the number of boarding homes and adult family homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 100 beds. Effective July 1, 2008, the department shall be authorized to provide adult family homes that specialize in caring for such conditions with exceptional care rates for up to 50 beds. The department will develop standards for adult family homes to qualify for such exceptional care rates in order to enhance consumer choice.

((~~(11)~~)) (13) $500,000 of the general fund--state appropriation for fiscal year 2008, $500,000 of the general fund--state appropriation for fiscal year 2009, and $816,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed

Substitute House Bill No. 2111 (adult family homes). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(12) $440,000~~)) (14) $1,212,000 of the traumatic brain injury account--state appropriation is provided solely for the implementation of Second Substitute House Bill No. 2055 (traumatic brain injury). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

((~~(13)~~)) (15) Within amounts appropriated in this section and in section 205 of this act, the department of social and health services shall:

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

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

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

((~~(14)~~)) (16)(a) Amounts appropriated in this section are sufficient to increase provider payment rates by 6.0 percent for boarding homes, effective July 1, 2007, ((~~and by an additional 2.0 percent, effective July 1, 2008, for boarding homes,~~)) including those currently receiving exceptional care rates; and by 3.2 percent, effective July 1, 2007, ((~~and by an additional 2.0 percent, effective July 1, 2008,~~)) for adult family homes, including those currently receiving exceptional care rates.

(b) The department shall implement phase one of full implementation of a seventeen CARE level payment system for community residential providers. Amounts appropriated in this section are sufficient to increase adult family home provider payment rates on average, effective July 1, 2008, including those currently receiving exceptional care rates, and to adjust adult family home rates for the first phase of a seventeen CARE level payment system. Effective July 1, 2008, the provider payment rate allocation for boarding homes contracted as assisted living shall be the provider's June 30, 2008, payment rate allocation, and the provider payment rate for boarding homes contracted

as ARCs and EARCs shall be adjusted to reflect phase one of a seventeen CARE level payment system. This will be in effect until such time as the rates are consistent between adult family homes and boarding homes for delivery of the same patient care levels.

(c) Amounts provided in this section and in section 205 of this act are sufficient to assist adult family home providers with the cost of paying liability insurance.

((~~(15)~~)) (17) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--federal appropriation are provided solely for the department contract for an evaluation of training requirements for long-term care workers as generally described in Second Substitute House Bill No. 2284 (training of care providers).

(18) The department shall contract for housing with service models, such as cluster care, to create efficiencies in service delivery and responsiveness to unscheduled personal care needs by clustering hours for clients that live in close proximity to each other.

(19) $2,463,000 of the general fund--state appropriation for fiscal year 2009 and $1,002,000 of the general fund--federal appropriation are provided solely to implement sections 4 and 8 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(20) $40,000 of the general fund--state appropriation for fiscal year 2009 and $40,000 of the general fund--federal appropriation are provided solely to implement Second Substitute Senate Bill No. 6220 (nurse delegation) or sections 11 and 12 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs). If neither bill is enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(21) $839,000 of the general fund--state appropriation for fiscal year 2009 and $838,000 of the general fund--federal appropriation are provided solely for the implementation of Substitute House Bill No. 2693 (required basic training and certification of long-term care workers). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(22) Within the funds appropriated in the section, the department shall establish one statewide hourly rate to reimburse home care

agencies for the costs related to state clients for hours worked by direct care workers in receiving mandatory training. The statewide hourly rate shall be based on the hourly wage paid to individual providers plus mandatory taxes plus an adjustment based on the formula created under RCW 74.39A.310.

**Sec. 207.** 2007 c 522 s 207 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$592,774,000~~)) $586,369,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$627,148,000~~)) $619,066,000

General Fund--Federal Appropriation . . . . . ((~~$1,053,264,000~~)) $1,037,038,000

General Fund--Private/Local Appropriation . . . . . ((~~$27,920,000~~)) $30,833,000

Pension Funding Stabilization Account--State Appropriation . . . . . $4,592,000

TOTAL APPROPRIATION . . . . . ((~~$2,305,698,000~~)) $2,277,898,000

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

(1) ((~~$334,377,000~~)) $344,694,000 of the general fund--state appropriation for fiscal year 2008, ((~~$347,597,000~~)) $363,284,000 of the general fund--state appropriation for fiscal year 2009, and ((~~$827,774,000~~)) $733,276,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. Within the amounts provided for the WorkFirst program, the department shall:

(a) Establish a ((~~post-TANF~~)) career services work transition program;

(b) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression

shall be reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. The department shall also report the percentage of families who have returned to temporary assistance for needy families after 12 months, 24 months, and 36 months;

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

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

(e) For fiscal year 2009, increase the temporary assistance for needy families grant standard by three percent to account for increased housing costs.

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

RCW. The department shall report to the appropriate policy and fiscal committees of the legislature by December 1, 2007, on program implementation and outcomes. The department also shall report on implementation of specialized caseloads for clients in sanction status, including average caseload size, referral process and criteria, and expected outcomes for specialized caseloads.

(3) $210,000 of the general fund--state appropriation for fiscal year 2008, $187,000 of the general fund--state appropriation for fiscal year 2009, and $396,000 of the general fund--federal appropriation are provided solely for implementation of section 8 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

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

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

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

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

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

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

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

(12) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute Senate Bill No. 6483 (local food production). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(13) $1,100,000 of the general fund--state appropriation for fiscal year 2009 and $850,000 of the general fund--federal appropriation are provided solely to increase the gross income limits for eligibility for programs authorized under RCW 74.04.500 and 74.08A.120 to 200 percent

of the federal poverty level. The department shall adjust its rules and information technology systems to make the eligibility change effective October 1, 2008.

(14) The department, in conjunction with the House Bill No. 1290 work group, shall identify and analyze barriers preventing city, county, and state referrals of persons potentially eligible for expedited application processing authorized under RCW 74.09.555. The department, in conjunction with the House Bill No. 1290 work group, shall report its findings and recommendations to the appropriate committees of the legislature no later than November 15, 2008.

(15) $656,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to the department to increase immigration and naturalization services. These funds shall not supplant state and federal resources currently provided by the department for this purpose.

**Sec. 208.** 2007 c 522 s 208 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$69,445,000~~))
$69,252,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$69,663,000~~))
$74,467,000

General Fund--Federal Appropriation . . . . . ((~~$138,942,000~~))
$149,196,000

General Fund--Private/Local Appropriation . . . . . ((~~$632,000~~))
$6,083,000

Criminal Justice Treatment Account--State Appropriation((~~$17,752,000~~))
$18,555,000

Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2008) . . . . . ((~~$24,538,000~~))
$22,186,000

Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2009) . . . . . ((~~$24,538,000~~))
$22,186,000

Problem Gambling Account--State
Appropriation . . . . . ((~~$1,567,000~~))

$1,464,000

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . ((~~$1,044,000~~))
$3,396,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . ((~~$1,043,000~~))
$3,395,000

Pension Funding Stabilization Account--State
Appropriation . . . . . $146,000

TOTAL APPROPRIATION . . . . . ((~~$349,310,000~~))
$370,326,000

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

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

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

out-patient); (d) treatment completion rates; (e) funds spent; and (f) where applicable, the estimated cost offsets in medical assistance on a total and per patient basis.

(3) $698,000 of the general fund--state appropriation for fiscal year 2008, ((~~$698,000~~)) $1,060,000 of the general fund--state appropriation for fiscal year 2009, and $154,000 of the general fund--federal appropriation are provided solely for the expansion authorized under the 2005-07 biennial appropriations act of chemical dependency treatment services for minors who are under 200 percent of the federal poverty level. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

(4) $250,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$250,000~~)) $145,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to contract for the following: ((~~(a) A pilot program in Pierce county for family therapeutic court services that include chemical dependency treatment with use of the prometa protocol; and (b) an independent evaluator to evaluate the efficacy of the treatment with the prometa protocol under the pilot program as compared to other drug treatment and to no treatment~~)) (a) To continue an existing pilot program in Pierce county limited to individuals who began chemical dependency treatment using the prometa protocol prior to March 11, 2008; and (b) to contract with an independent evaluator who will, to the extent possible, evaluate the Pierce county pilot, as well as summarize other research on the efficacy of the prometa protocol.

(5) $4,449,000 of the general fund--state appropriation for fiscal year 2009 and $1,000,000 of the criminal justice treatment account appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 6665 (crisis response), to continue existing pilot programs and to expand the intensive crisis response pilot to Spokane county. The continuation and expansion of the pilot programs expires June 30, 2009. If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

**Sec. 209.** 2007 c 522 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE PROGRAM**

General Fund--State Appropriation (FY 2008) . . . . ((~~$1,589,266,000~~)) $1,602,827,000

General Fund--State Appropriation (FY 2009) . . . . ((~~$1,665,304,000~~)) $1,669,581,000

General Fund--Federal Appropriation . . . . . ((~~$4,305,197,000~~)) $4,344,748,000

General Fund--Private/Local Appropriation . . . . . $2,000,000

Emergency Medical Services and Trauma Care Systems Trust Account--State Appropriation . . . . . $15,076,000

Health Services Account--State Appropriation (FY 2008)((~~$350,259,000~~)) $388,946,000

Health Services Account--State Appropriation (FY 2009)((~~$385,215,000~~)) $421,762,000

Tobacco Prevention and Control Account--State Appropriation . . . . . $1,883,000

Pension Funding Stabilization Account--State Appropriation . . . . . $646,000

TOTAL APPROPRIATION . . . . . ((~~$8,312,963,000~~)) $8,447,469,000

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

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

(2) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

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

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

(5) In accordance with RCW 74.46.625, $6,000,000 of the general fund--federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the department's discretion. During either the interim cost settlement or the final cost settlement, the department shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The department shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

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

(7) $10,546,000 of the health services account appropriation for fiscal year 2008, $10,546,000 of the health services account--state appropriation for fiscal year 2009, and $19,725,000 of the general

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

(8) The department shall continue the inpatient hospital certified public expenditures program for the 2007-2009 biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The department shall submit ((~~a~~)) report<u>s</u> to the governor and legislature by November 1, 2007, <u>and by November 1, 2008,</u> that evaluate((~~s~~)) whether savings continue to exceed costs for this program. If the certified public expenditures <u>(CPE)</u> program in its current form is no longer cost-effective to maintain, the department shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2008 and fiscal year 2009, hospitals in the program shall be paid and shall retain (a) one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance; and (b) one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount ((~~that is the total of (a) the total payment for claims for services rendered during the fiscal year calculated according to the methodology employed by the legislature in the omnibus appropriations act for implementation in fiscal year 2008~~)). <u>The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program,</u> and (b) disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 that pertain to fiscal year 2005. If payments during the fiscal year exceed the hospital's baseline

amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and ((~~is~~)) distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim ((~~cost~~)) settlement within eleven months after the end of the fiscal year. A final ((~~cost~~)) settlement shall be performed within two years after the end of the related fiscal year. To the extent that ((~~a final cost~~)) either settlement determines that a hospital has received funds in excess of what it would have received ((~~under the methodology in place in fiscal year 2008~~)) as described in this subsection, the hospital must repay ((~~these~~)) the excess amounts to the state when requested. ((~~$74,066,000~~)) $61,728,000 of the general fund--state appropriation for fiscal year 2008, of which $6,570,000 is appropriated in section 204(1) of this act and the balance in this section, and ((~~$59,776,000~~)) $57,894,000 of the general fund--state appropriation for fiscal year 2009, of which $6,570,000 is appropriated in section 204(1) of this act and the balance in this section, are provided solely for state grants for the participating hospitals.

(9) ((~~$7,314,000~~)) $4,399,000 of the general fund--state appropriation for fiscal year 2008, ((~~$7,800,000~~)) $6,391,000 of the general fund--state appropriation for fiscal year 2009, and ((~~$48,995,000~~)) $55,384,000 of the general fund--federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system. The amounts are conditioned on the department satisfying the requirements of section 902 of this act.

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

(11) The department is authorized to use funds appropriated in this

section to purchase goods and supplies through direct contracting with vendors when the department determines it is cost-effective to do so.

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

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

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

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

(16) ((~~$6,529,000~~)) $6,728,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$6,651,000~~)) $8,563,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to provide full benefit dual eligible beneficiaries with medicare part D prescription drug copayment coverage in accordance with chapter 3, Laws of 2007 (part D copayment drug program).

(17) The department shall conduct a study to determine the financial impact associated with continuing to cover brand name medications versus the same medication in its generic form. The study shall account for all rebates paid to the state on each product studied up until the point where the generic form is less expensive, net of federally required rebates. The department shall submit its report to the legislative fiscal committees by December 1, 2007.

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

(19) ((~~$2,450,000~~)) $1,529,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,950,000~~)) $2,871,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for development and implementation of an outreach program as provided in chapter 5, Laws of 2007 (Second Substitute Senate Bill No. 5093, health services for children).

(a) By December 15, 2007, the department shall provide a report to the appropriate committees of the legislature on the progress of implementing the following activities:

((~~(a)~~)) (i) Feasibility study and implementation plan to develop

online application capability that is integrated with the department's automated client eligibility system;

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

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

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

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

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

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

(b)(i) Within the amounts provided under this subsection (19), sufficient funding is provided to the department to develop and implement in conjunction with the employment security department a plan that would:

(A) Allow applicants and recipients of unemployment insurance to request assistance with obtaining health coverage for household members; and

(B) Authorize the exchange of information between the employment security department and the department of social and health services to more efficiently determine eligibility for health coverage under chapter 74.09 RCW.

(ii) The plan developed in (b)(i) of this subsection should address permissible uses of federal employment security funding and infrastructure, identification of any necessary statutory changes, and cost information. The department shall submit the plan in a report to the governor and the appropriate committees of the legislature by November 15, 2008.

(20) $640,000 of the general fund--state appropriation for fiscal

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

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

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

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

(21) <u>The department may not transition to managed care delivery any population that has been primarily served under fee-for-service delivery unless the department first conducts a cost-effectiveness evaluation of the transition, including an evaluation of historical data on utilization patterns, and finds that the transition would result in a more effective and cost-efficient form of service delivery, pursuant to RCW 74.09.470. Any such finding must be provided to the governor and the legislature no less than ninety days before the transition begins.</u>

<u>(22)</u> $756,000 of the general fund--state appropriation for fiscal year 2008, $1,193,000 of the general fund--state appropriation for fiscal year 2009, $1,261,000 of the health services account--state

appropriation for fiscal year 2009, and $2,448,000 of the general fund--federal appropriation are provided solely to implement sections 5, 7, 8, and 11 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(22)~~)) (23) $288,000 of the general fund--state appropriation for fiscal year 2008, $277,000 of the general fund--state appropriation for fiscal year 2009, and $566,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon comm/health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(23) $150,000~~)) (24) $45,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the department of social and health services, in consultation with the health care authority and the employment security department, to prepare and submit a report and recommendations to the governor and the legislature related to coverage of low-wage workers enrolled on state plans who are employed by employers with more than fifty employees. The report shall address multiple approaches, including but not limited to the proposal included in House Bill No. 2094 (taxpayer health care fairness act). The discussion of each approach included in the report should identify how the approach would further the goal of shared responsibility for coverage of low-wage workers, obstacles to implementation and options to address them, and estimated implementation costs. The report shall be submitted on or before November 15, 2007. The agencies shall establish a workgroup, which shall be closely involved and consulted in the development of the report and recommendations under this subsection. The workgroup shall include the following participants: Persons or organizations representing large employers in the retail, agricultural and grocery trades, other large employers, organizations representing employees of large employers, organizations representing low-wage employees of large employers, state and local governmental entities as employers, and organizations representing employees of state and local governmental entities. In addition, the workgroup shall include three members from each of the two largest caucuses of the house of representatives,

appointed by the speaker, and three members from each of the two largest caucuses of the senate, appointed by the president of the senate.

(25) $1,883,000 of the tobacco prevention and control account--state appropriation and $1,742,000 of the general fund--federal appropriation are for the provision of smoking cessation benefits pursuant to Senate Bill No. 6421 (smoking cessation). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(26) As part of the five-year plan on state purchasing to improve health care quality under chapter 259, Laws of 2007, the department, in collaboration with the department of health, shall provide a report to the appropriate committees of the legislature outlining a strategy to improve immunization rates for all children in the state, including but not limited to vaccine administration fee increases and pay-for-performance incentives. The department shall submit the report to the governor and the health policy and fiscal committees of the legislature by November 1, 2008.

(27) Within existing funds, the department shall evaluate the fiscal impact of the federal upper limits on medicaid reimbursement to pharmacies implemented under the federal deficit reduction act, and report its findings to the legislature by December 1, 2008.

(28)(a) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a feasibility study to examine processes and systems that would expeditiously link persons released from confinement in state and local correctional facilities and institutions for mental diseases to medical assistance benefits for which they qualify. The study shall present an analysis of the costs and benefits associated with:

(i) Suspending eligibility for persons who were receiving medical assistance at the time their confinement began, such that upon the person's release from confinement, medical assistance benefits would immediately resume without the filing of a new application. In the evaluation of eligibility suspension, the department shall examine process modifications that would allow confined persons to recertify eligibility before or immediately after release from confinement;

(ii) Improving the efficiency and expanding the scope of the expedited medical assistance reinstatement and eligibility

determination process established under RCW 74.09.555, including extending the process to persons other than those with mental disorders, both for persons who had been previously eligible before confinement and for persons who had not been eligible before confinement;

(iii) Providing medical and mental health evaluations to determine disability for purposes of the medical assistance program before the person's release from confinement; and

(iv) Notifying the department in a timely manner when a person who has been enrolled in medical assistance is confined in a state correctional institution or institution for mental diseases or is released from confinement.

(b) In conducting the study, the department shall collaborate with the Washington association of sheriffs and police chiefs, the department of corrections, the regional support networks, department field offices, institutions for mental diseases, and correctional institutions. The department shall submit the study to the governor and the legislature by November 15, 2008.

(29) $165,000 of the general fund--state appropriation for fiscal year 2009, $269,000 of the health services account--state appropriation for fiscal year 2009, and $425,000 of the general fund--federal appropriation are provided solely for lead blood level assessments under chapter 74.09 RCW for any eligible children younger than twenty-one years old in accordance with early and periodic screening and diagnostic treatment services as defined in section 1905 of Title XIX of the federal social security act and its implementing regulations and guidelines.

(30) $50,000 of the general fund--state appropriation for fiscal year 2009 and $50,000 of the general fund--federal appropriation are provided solely for implementation of the agency's responsibilities in Engrossed Second Substitute House Bill No. 2549 (patient-centered primary care). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(31) $50,000 of the general fund--state appropriation for fiscal year 2009 and $50,000 of the general fund--federal appropriation are provided solely for the senior dental access project pursuant to Engrossed Second Substitute House Bill No. 2668 (long term care

programs). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

**Sec. 210.** 2007 c 522 s 210 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$12,986,000~~)) $11,543,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$14,336,000~~)) $12,323,000

General Fund--Federal Appropriation . . . . . ((~~$90,886,000~~)) $92,975,000

Telecommunications Devices for the Hearing and Speech Impaired--State Appropriation . . . . . ((~~$1,793,000~~)) $1,975,000

Pension Funding Stabilization Account--State Appropriation . . . . . $116,000

TOTAL APPROPRIATION . . . . . ((~~$120,117,000~~)) $118,932,000

**Sec. 211.** 2007 c 522 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT PROGRAM**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$51,103,000~~)) $52,506,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$54,219,000~~)) $54,549,000

TOTAL APPROPRIATION . . . . . ((~~$105,322,000~~)) $107,055,000

The appropriations in this section are subject to the following conditions and limitations: $83,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Substitute House Bill No. 2756 (commitment center calls). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 212.** 2007 c 522 s 212 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$35,438,000~~)) $40,502,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$36,504,000~~)) $41,125,000

General Fund--Federal Appropriation . . . . . ((~~$64,730,000~~)) $64,805,000

General Fund--Private/Local Appropriation . . . . . ((~~$810,000~~)) $1,526,000

Public Safety and Education Account--State Appropriation (FY 2008) . . . . . ((~~$1,226,000~~)) $700,000

Public Safety and Education Account--State Appropriation (FY 2009) . . . . . ((~~$1,226,000~~)) $1,752,000

Pension Funding Stabilization Account--State Appropriation . . . . . $1,408,000

Violence Reduction and Drug Enforcement Account--State Appropriation (FY 2008) . . . . . $913,000

Violence Reduction and Drug Enforcement Account--State Appropriation (FY 2009) . . . . . ((~~$926,000~~)) $917,000

TOTAL APPROPRIATION . . . . . ((~~$143,181,000~~)) $153,648,000

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

(1) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the expansion of the Washington state mentors program, which provides technical assistance and training to mentoring programs that serve at-risk youth.

(2) $1,750,000 of the general fund--state appropriation for fiscal year 2008 and $1,750,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington council for

prevention of child abuse and neglect to expand its home visitation program.

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

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

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

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

(7) ((~~$144,000~~)) $95,000 of the general fund--state appropriation for fiscal year 2008, ((~~$111,000~~)) $87,000 of the general fund--state appropriation for fiscal year 2009, and ((~~$136,000~~)) $101,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422

(incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(8) $12,000 of the general fund--state appropriation for fiscal year 2009 and $7,000 of the general fund--federal appropriation are provided solely for the implementation of chapter 465, Laws of 2007.

(9) $196,000 of the general fund--state appropriation for fiscal year 2008, $804,000 of the general fund--state appropriation for fiscal year 2009, and $581,000 of the general fund--federal appropriation are provided solely for the development of a project plan, time line, and budget plan for a more flexible payment system for independent home care providers and others who collectively bargain for wages and benefits. The legislature finds the amounts provided are sufficient to fund the following related to a timely and expeditious transition to a more flexible provider payroll system: (a) An appropriate request for proposal; and (b) collection of the information necessary to develop the budget proposal needed to seek budget authority for the system.

(10) $49,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the family policy council to establish a new network in Skagit county.

**Sec. 213.** 2007 c 522 s 213 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . ((~~$59,460,000~~))
$59,085,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$59,497,000~~))
$60,121,000

General Fund--Federal Appropriation . . . . . ((~~$57,255,000~~))
$57,438,000

TOTAL APPROPRIATION . . . . . ((~~$176,212,000~~))
$176,644,000

The appropriations in this section are subject to the following conditions and limitations: $235,000 of the general fund--state appropriation for fiscal year 2009 and $111,000 of the general fund--federal appropriation are provided solely to implement sections 2 and 3 of Engrossed Second Substitute House Bill No. 3205 (child long-term

well-being). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

**Sec. 214.** 2007 c 522 s 214 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$500,000~~)) $1,000,000

((~~General Fund--State Appropriation (FY 2009) . . . . . $500,000~~))

General Fund--Federal Appropriation . . . . . ((~~$4,885,000~~)) $4,937,000

State Health Care Authority Administrative Account--State Appropriation . . . . . ((~~$56,074,000~~)) $41,543,000

State Health Care Authority Administrative Account--Private/Local Appropriation . . . . . $100,000

Medical Aid Account--State Appropriation . . . . . ((~~$529,000~~)) $527,000

Health Services Account--State Appropriation (FY 2008) . . . . . ((~~$274,666,000~~)) $271,478,000

Health Services Account--State Appropriation (FY 2009) . . . . . ((~~$300,580,000~~)) $302,832,000

TOTAL APPROPRIATION . . . . . ((~~$637,734,000~~)) $622,417,000

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

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

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

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

(4) ((~~$1,984,000 of the health services account--state appropriation for fiscal year 2008 and $6,315,000~~)) $4,062,000 of the health services account--state appropriation for fiscal year 2009 ((~~are~~)) is provided solely for additional enrollment in the basic health plan. If available basic health plan slots are exceeded, the authority shall maintain a waiting list and provide for notification when slots become available.

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

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

(7) $784,000 of the health services account--state appropriation for fiscal year 2008, $1,676,000 of the health service account--state appropriation for fiscal year 2009, $540,000 of the general fund--federal appropriation, and ((~~$22,480,000~~)) $8,200,000 of the state health care authority administrative account--state appropriation are provided for the development of a new benefits administration and insurance accounting system.

(8) $2,000,000 of the health services account--state appropriation for fiscal year 2009 is provided solely for the authority to provide one-time competitive grants to community health centers to increase the number of adults served on an ongoing basis. Each clinic receiving grant funding shall report annually, beginning December 2008, on key adult access indicators established by the authority, including but not limited to increases in the number of low-income adults served.

((~~(8) $2,137,000~~)) (9) $1,639,000 of the health services account--state appropriation for fiscal year 2008 and ((~~$1,000,000~~)) $2,988,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for section 5 of Engrossed Second Substitute House Bill No. 1569 (health insurance partnership board) and related provisions of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). An additional $750,000 of the health services account--state appropriation for fiscal year 2009 is provided solely for premium subsidies to low-income employees of small employers participating in the health insurance partnership, as generally described in Second Substitute House Bill No. 2537 (modifications to the health insurance partnership).

((~~(9)~~)) (10) $664,000 of the health services account--state appropriation for fiscal year 2008 and $664,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for the implementation of the Washington quality forum, pursuant to section 9 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

((~~(10)~~)) (11) $600,000 of the state health care authority administrative account--state appropriation is provided solely for the implementation of the state employee health pilot, pursuant to section 41 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon

commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

((~~(11)~~)) (12) $250,000 of the health services account--state appropriation for fiscal year 2008 and $250,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for continuation of the community health collaborative grant program in accordance with chapter 67, Laws of 2006 (E2SSB 6459). The applicant organizations must assure measurable improvements in health access within their service region, demonstrate active collaboration with key community partners, and provide two dollars in matching funds for each grant dollar awarded.

((~~(12)~~)) (13) $731,000 of the health services account--state appropriation for fiscal year 2008 and $977,000 of the health services account--state appropriation for fiscal year 2009 are provided solely for the dental residency program, including maintenance of the existing residency positions and the establishment of six additional resident positions in fiscal year 2008 (four in eastern Washington and two in the Seattle area), and five additional positions in fiscal year 2009.

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

(15) $100,000 of the health services account--state appropriation for fiscal year 2009 is provided solely for implementation of the agency's responsibilities in Engrossed Second Substitute House Bill No. 2549 (patient-centered primary care). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 215.** 2007 c 522 s 215 (uncodified) is amended to read as follows:

**FOR THE HUMAN RIGHTS COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$3,444,000~~))
$3,377,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$3,350,000~~))
$3,699,000

General Fund--Federal Appropriation . . . . . ((~~$1,345,000~~))
$1,523,000

TOTAL APPROPRIATION . . . . . ((~~$8,139,000~~))

$8,599,000

The appropriations in this section are subject to the following conditions and limitations: $115,000 of the general fund--state appropriation for fiscal year 2008 and $190,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute Senate Bill No. 6776 (whistleblower protections). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

**Sec. 216.** 2007 c 522 s 216 (uncodified) is amended to read as follows:

**FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

Worker and Community Right-to-Know Account--State Appropriation . . . . . $20,000

Accident Account--State Appropriation . . . . . ((~~$18,123,000~~)) $18,330,000

Medical Aid Account--State Appropriation . . . . . ((~~$18,124,000~~)) $18,331,000

TOTAL APPROPRIATION . . . . . ((~~$36,267,000~~)) $36,681,000

The appropriations in this section are subject to the following conditions and limitations: $364,000 of the accident account--state appropriation and $364,000 of the medical aid account--state appropriation are provided solely for the payment of benefits required by Second Substitute House Bill No. 3139 (industrial insurance orders). If the bill is not enacted by June 30, 2008, or if additional benefits are not required under the bill, the amounts provided in this subsection shall lapse.

**Sec. 217.** 2007 c 522 s 217 (uncodified) is amended to read as follows:

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

General Fund--State Appropriation (FY 2009) . . . . . $306,000

Public Safety and Education Account--State Appropriation (FY 2008) . . . . . ((~~$15,537,000~~)) $15,680,000

Public Safety and Education Account--State Appropriation (FY 2009) . . . . . ((~~$14,340,000~~))

$21,464,000

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

Municipal Criminal Justice Assistance Account--
State Appropriation . . . . . $460,000

Washington Auto Theft Prevention Authority Account--
State Appropriation . . . . . $12,322,000

TOTAL APPROPRIATION . . . . . ((~~$42,807,000~~))
$50,380,000

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

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

(2) $2,390,000 of the public safety and education account--state appropriation for fiscal year 2008 and ((~~$956,000~~)) $1,809,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely for ten additional basic law enforcement academies in fiscal year 2008 and ((~~four~~)) nine additional basic law enforcement academies in fiscal year 2009. ((~~Continued funding for these additional academies is contingent upon the result of an office of financial management forecast for future student demand for basic law enforcement academies at the criminal justice training centers in Burien and Spokane.~~))

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

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

(5) $5,400,000 of the Washington auto theft prevention authority account--state appropriation for fiscal year 2008 and $6,922,000 of the

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

(6) $150,000 of the public safety and education account--state appropriation for fiscal year 2008 and $150,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely ((~~for the implementation of Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse~~)) to deliver multi-disciplinary team training sessions aimed at improving the coordination of, and communication between, agencies involved in the investigation of child fatality, child sexual abuse, child physical abuse, and criminal neglect cases.

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

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

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

(10) $5,000,000 of the public safety and education account--state appropriation for fiscal year 2009 is provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of all registered sex offenders and kidnapping offenders under RCW 9A.44.130. The Washington association of sheriffs and police chiefs shall:

(a) Enter into performance-based agreements with units of local government to ensure that registered offender address and residency are verified:

(A) For level I offenders, every twelve months;

(B) For level II offenders, every six months; and

(C) For level III offenders, every three months.

For the purposes of this subsection, unclassified offenders and kidnapping offenders shall be considered at risk level I unless in the opinion of the local jurisdiction a higher classification is in the interest of public safety.

(b) Collect performance data from all participating jurisdictions sufficient to evaluate the efficiency and effectiveness of the address and residency verification program.

(c) Submit a report on the effectiveness of the address and residency verification program to the governor and the appropriate committees of the house of representatives and senate by September 1, 2009.

The Washington association of sheriffs and police chiefs may retain up to three percent of the amount provided in this subsection for the cost of administration. Any funds not disbursed for address and residency verification or retained for administration may be allocated to local prosecutors for the prosecution costs associated with failing to register offenses.

(11) $750,000 of the public safety and education fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2712 (criminal street gangs). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(12) $306,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a grant program to pay for the costs of local law enforcement agencies participating in specialized crisis intervention training.

**Sec. 218.** 2007 c 522 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$8,711,000~~))
$8,716,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$8,879,000~~))
$9,314,000
General Fund--Federal Appropriation . . . . . $100,000
Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . ((~~$15,386,000~~))
$15,393,000
Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . ((~~$16,607,000~~))
$16,525,000
Public Safety and Education Account--Federal
Appropriation . . . . . $10,000,000
Asbestos Account--State Appropriation . . . . . ((~~$923,000~~))
$908,000
Electrical License Account--State Appropriation . . . ((~~$40,718,000~~))
$41,104,000
Farm Labor Revolving Account--Private/Local
Appropriation . . . . . $28,000
Worker and Community Right-to-Know Account--State
Appropriation . . . . . ((~~$1,961,000~~))
$1,941,000
Public Works Administration Account--State
Appropriation . . . . . ((~~$3,996,000~~))
$3,948,000
Manufactured Home Installation Training Account--
State Appropriation . . . . . $192,000
Accident Account--State Appropriation . . . . . ((~~$228,998,000~~))
$232,730,000
Accident Account--Federal Appropriation . . . . . $13,622,000
Medical Aid Account--State Appropriation . . . . . ((~~$239,248,000~~))
$235,880,000
Medical Aid Account--Federal Appropriation . . . . . $3,186,000
Plumbing Certificate Account--State Appropriation . . . ((~~$1,653,000~~))
$2,002,000
Pressure Systems Safety Account--State
Appropriation . . . . . ((~~$3,667,000~~))
$3,646,000
TOTAL APPROPRIATION . . . . . ((~~$597,875,000~~))
$599,235,000

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

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

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

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

(4) $8,000,000 of the medical aid account--state appropriation is provided solely to establish a program of safety and health as authorized by RCW 49.17.210 to be administered under rules adopted pursuant to chapter 34.05 RCW, provided that projects funded involve workplaces insured by the medical aid fund, and that priority is given to projects fostering accident prevention through cooperation between employers and employees or their representatives.

(5) $600,000 of the medical aid account--state appropriation is provided solely for the department to contract with one or more independent experts to evaluate and recommend improvements to the rating plan under chapter 51.18 RCW, including analyzing how risks are pooled, the effect of including worker premium contributions in adjustment calculations, incentives for accident and illness

prevention, return-to-work practices, and other sound risk-management strategies that are consistent with recognized insurance principles.

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

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

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

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

(10) $437,000 of the accident account--state appropriation and $437,000 of the medical aid account--state appropriation are provided solely for implementation of Substitute Senate Bill No. 5053 (industrial insurance ombudsman). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

(12) $605,000 of the accident account--state appropriation for fiscal year 2008 is provided solely for a study of the incidence of permanent total disability pensions in the state's workers'

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

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

(14) $100,000 of the general fund--federal appropriation and $192,000 of the manufactured home installation training account--state appropriation are provided solely for Substitute House Bill No. 2118 (mobile/manufactured homes). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) $107,000 of the accident account--state appropriation and $107,000 of the medical aid account--state appropriation are provided solely to implement Senate Bill No. 6839 (workers' compensation coverage). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(16) $224,000 of the general fund--state appropriation for fiscal year 2009, $741,000 of the accident account--state appropriation, and $741,000 of the medical aid account--state appropriation are provided solely for implementation of Second Substitute Senate Bill No. 6732

(construction industry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(17) $408,000 of the accident account--state appropriation and $72,000 of the medical aid account--state appropriation are provided solely to implement Substitute House Bill No. 2602 (victims' employment leave). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(18) $3,000 of the public safety and education account--state appropriation for fiscal year 2008 and $3,000 of the public safety and education account--state appropriation for fiscal year 2009 are provided solely to implement Substitute Senate Bill No. 6246 (industrial insurance claims). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(19) $368,000 of the plumbing certificate account--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5831 (HVAC and refrigeration). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(20) $256,000 of the accident account--state appropriation and $256,000 of the medical aid account--state appropriation are provided solely for the payment of benefits required by Second Substitute House Bill No. 3139 (industrial insurance orders). If the bill is not enacted by June 30, 2008, or if additional benefits are not required under the bill, the amounts provided in this subsection shall lapse.

(21) $40,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department to conduct a review of the need for regulation of general and specialty contractors involved in the repair, alteration, or construction of single-family homes using the public interest criteria set forth in RCW 18.118.010 and as generally described in Second Substitute House Bill No. 3349 (residential contractors). By October 1, 2008, the department and the department of licensing shall report their findings to the appropriate committees of the legislature.

(22) The department of labor and industries shall enter into an interagency agreement with the employment security department to expend funds from the family leave insurance account for the implementation of the family leave insurance program.

(23) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees as necessary to meet the actual costs of conducting business and the appropriation levels in this section and by not more than 5.53 percent in fiscal year 2008: Boiler inspection permits and fees; boiler permit fees; plumbers' continuing education; and plumbers' licensing and examination fees.

**Sec. 219.** 2007 c 522 s 219 (uncodified) is amended to read as follows:

**FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

General Fund--State Appropriation (FY 2008) . . . . . $1,876,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,907,000~~))
$2,012,000
TOTAL APPROPRIATION . . . . . ((~~$3,783,000~~))
$3,888,000

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

**Sec. 220.** 2007 c 522 s 220 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2008) . . . . . $2,124,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,183,000~~))
$2,142,000
Charitable, Educational, Penal, and Reformatory
Institutions Account--State Appropriation . . . . . $10,000
((~~Veterans Innovations Program Account~~
~~Appropriation . . . . . $1,437,000~~))
TOTAL APPROPRIATION . . . . . ((~~$5,754,000~~))
$4,276,000

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2008) . . . . . ((~~$5,126,000~~))

$5,264,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$5,249,000~~))
$5,593,000
General Fund--Federal Appropriation . . . . . ((~~$972,000~~))
$1,025,000
General Fund--Private/Local Appropriation . . . . . ((~~$2,987,000~~))
$3,317,000
Veterans Innovations Program Account Appropriation . . . . $1,437,000
Veteran Estate Management Account--Private/Local
Appropriation . . . . . $1,062,000
TOTAL APPROPRIATION . . . . . ((~~$15,396,000~~))
$17,698,000

The appropriations in this subsection are subject to the following conditions and limitations: $440,000 of the general fund--state appropriation for fiscal year 2008 and $560,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5164 (veterans' conservation corps). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) INSTITUTIONAL SERVICES
General Fund--State Appropriation (FY 2008) . . . . . ((~~$8,340,000~~))
$7,948,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$8,894,000~~))
$5,984,000
General Fund--Federal Appropriation . . . . . ((~~$41,333,000~~))
$43,126,000
General Fund--Private/Local Appropriation . . . . . ((~~$30,197,000~~))
$31,574,000
TOTAL APPROPRIATION . . . . . ((~~$88,764,000~~))
$88,632,000

**Sec. 221.** 2007 c 522 s 221 (uncodified) is amended to read as follows:

**FOR THE HOME CARE QUALITY AUTHORITY**
General Fund--State Appropriation (FY 2008) . . . . . $1,721,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,740,000~~))
$1,731,000
TOTAL APPROPRIATION . . . . . ((~~$3,461,000~~))

$3,452,000

**Sec. 222.** 2007 c 522 s 222 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF HEALTH**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$81,288,000~~)) $81,352,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$78,032,000~~)) $86,258,000

General Fund--Federal Appropriation . . . . . ((~~$480,735,000~~)) $477,072,000

General Fund--Private/Local Appropriation . . . . . ((~~$111,257,000~~)) $119,919,000

Hospital Commission Account--State Appropriation . . . ((~~$1,247,000~~)) $144,000

Health Professions Account--State Appropriation . . . ((~~$62,419,000~~)) $68,877,000

Aquatic Lands Enhancement Account--State Appropriation . . . . . $600,000

Emergency Medical Services and Trauma Care Systems Trust Account--State Appropriation . . . . . ((~~$12,610,000~~)) $12,606,000

Safe Drinking Water Account--State Appropriation . . . ((~~$3,064,000~~)) $3,041,000

Public Health Services Account--State Appropriation . . . . $1,000,000

Drinking Water Assistance Account--Federal Appropriation . . . . . ((~~$16,991,000~~)) $19,027,000

Waterworks Operator Certification--State Appropriation . . . . . ((~~$1,518,000~~)) $1,513,000

Drinking Water Assistance Administrative Account--State Appropriation . . . . . $326,000

Water Quality Account--State Appropriation (FY 2008) . . . . . $1,975,000

Water Quality Account--State Appropriation (FY 2009) . . . . . ((~~$2,013,000~~)) $1,983,000

State Toxics Control Account--State Appropriation . . . ((~~$3,415,000~~))
$3,460,000
Medical Test Site Licensure Account--State
Appropriation . . . . . ((~~$2,068,000~~))
$2,057,000
Youth Tobacco Prevention Account--State Appropriation . . . $1,512,000
Public Health Supplemental Account--Private/Local
Appropriation . . . . . ((~~$2,482,000~~))
$3,918,000
Accident Account--State Appropriation . . . . . ((~~$294,000~~))
$291,000
Medical Aid Account--State Appropriation . . . . . $48,000
Health Services Account--State
Appropriation (FY 2008) . . . . . $42,122,000
Health Services Account--State
Appropriation (FY 2009) . . . . . ((~~$46,663,000~~))
$51,429,000
Tobacco Prevention and Control Account--State
Appropriation . . . . . ((~~$52,870,000~~))
$52,846,000
TOTAL APPROPRIATION . . . . . ((~~$1,005,773,000~~))
$1,033,376,000

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

(1) The department is authorized to raise existing fees charged for its fee-supported programs in excess of the fiscal growth factor pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section. Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is further authorized to increase fees in its fee-supported programs as necessary to meet the actual costs of conducting business and the appropriation levels in this section, as specifically authorized in LEAP Document DOH-2008, as developed by the legislative evaluation and accountability program on March 11, 2008.

(2) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not

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

(3) $877,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1099 (dental professions). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

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

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

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

(8) $201,000 of the general fund--private/local appropriation is

provided solely for the implementation of Substitute House Bill No. 2087 (health care facilities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

(10) $101,000 of the general fund--state appropriation for fiscal year 2008, $81,000 of the general fund--state appropriation for fiscal year 2009, and $6,000 of the general fund--private/local appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1414 (ambulatory surgical facilities). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

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

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

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

(14) $571,000 of the general fund--state appropriation for fiscal year 2008 and $458,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second

Substitute House Bill No. 1106 (hospital acquired infections). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) $4,000,000 of the general fund--state appropriation for fiscal year 2008 ((~~and $1,000,000~~)), $5,000,000 of the general fund--state appropriation for fiscal year 2009, and $1,000,000 of the public health services account--state appropriation are provided solely for department of health-funded family planning clinics to increase the capacity of the clinics to provide family planning and reproductive health services to low-income men and women who are not otherwise eligible for services through the department of social and health services medical assistance program and for clinical or other health services associated with sexually transmitted disease testing through the infertility prevention project. Funds appropriated and expended under this subsection for fiscal year 2009 shall be distributed in a manner that allocates funding to department of health-funded family planning clinics based upon the percentage of medical assistance family planning waiver clients in calendar year 2005 who received services from a provider located in the geographic area served by the department of health-funded clinic. Of these amounts, the department is authorized to expend up to $1,000,000 of its general fund--state appropriation for fiscal year 2009 for services provided in fiscal year 2008, if necessary, to offset reductions in federal funding.

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

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

(18) $550,000 of the general fund--state appropriation for fiscal

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

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

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

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

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

(b) Prioritize its December 2006 recommendations and develop an implementation plan for the highest priorities. The plan should detail how systems will coordinate to improve service and avoid duplication between state agencies including the department of social and health services, department of health, office of superintendent of public instruction, as well as school districts, autism centers, and local partners and providers. The plan shall also estimate the costs of the highest priority recommendations and report to the legislature and governor by December 1, 2007;

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

(d) Monitor the federal combating autism act and its funding availability and make recommendations on applying for grants to assist in implementation of the 2006 task force recommendations. The

department of health shall be the lead agency in providing staff for the task force. The department may seek additional staff assistance from the office of the superintendent of public instruction and the committee staff of the legislature. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses.

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

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

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

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

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

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

(28) $1,721,000 of the health professions account appropriation is provided solely for the implementation of sections 11 and 12 (medical

information) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the sections are not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

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

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

(b) For the purposes of this subsection:

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

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

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

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

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

(31) $147,000 of the health professions account--state appropriation is provided solely for the department of health to convene a work group to develop recommendations regarding the need to regulate those individuals currently registered with the department of health as counselors. The department of health shall submit recommendations of the work group to the legislature and governor by November 15, 2007. Based on the recommendations of the work group, the department of health shall draft credentialing guidelines for all registered counselors by January 1, 2008. Guidelines shall include education in risk assessment, ethics, professional standards, and deadlines for compliance.

(32) $680,000 of the health services account--state appropriation for fiscal year 2009 is provided solely for the prescription monitoring program under chapter 70.225 RCW to monitor the prescribing and dispensing of drugs to reduce the likelihood of adverse drug effects,

particularly for senior citizens taking multiple medications. The attorney general shall deposit to the health services account at least $680,000 from the *cy pres* monetary portion of the consent decree in settlement of the consumer protection act litigation against Caremark Rx, LLC (King county superior court cause no. 08-2-06098-5). The amount provided in this subsection may be expended only to the extent that the attorney general deposits these moneys to the health services account, to be expended consistent with the terms of the consent decree.

(33) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Second Substitute Senate Bill No. 6483 (local food production). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(34) $400,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the senior falls prevention pilot program, pursuant to section 7 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs).

(35) $585,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state breast and cervical health program to increase the provider reimbursement rate for digital mammographies to the medicare equivalent rate.

(36) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the child death review program. The program shall be transferred from the community and family health division to the injury prevention division within the department.

(37) $155,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Kitsap county health district's home visits for newborns program. In order to receive these funds, the county health district must commit an equal amount of funding for this purpose.

(38) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the northwest sickle cell collaborative program.

(39) $77,000 of the general fund--state appropriation for fiscal year 2008 and $154,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the restoration of

maxillofacial/cleft palate teams in Yakima, Spokane, Seattle, and Tacoma.

(40) $17,000 of the health professions account--state appropriation is provided solely to implement Second Substitute Senate Bill No. 6220 (nurse delegation) or sections 11 and 12 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs). If neither bill is enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(41) $11,000 of the health professions account--state appropriation is provided solely to implement Substitute Senate Bill No. 6439 (radiologist assistants). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(42) $115,000 of the general fund--state appropriation for fiscal year 2009 and $4,261,000 of the health professions account--state appropriation are provided solely for implementation of Fourth Substitute House Bill No. 1103 (health professions). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(43) $558,000 of the health professions account--state appropriation is provided solely for implementation of Second Substitute House Bill No. 2674 (counselor credentialing). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(44) The department of licensing and the department of health shall jointly review and report to the appropriate policy committees of the legislature by December 1, 2008, recommendations for implementing a process of holding in abeyance for up to six months following the conclusion of active duty service the expiration of, and currency requirements for, professional licenses and certificates for individuals who have been called to active duty military service.

(45) The higher education coordinating board, the department of licensing, and the department of health shall jointly review and report to appropriate policy committees of the legislature by December 1, 2008, on barriers and opportunities for increasing the extent to which veterans separating from duty are able to apply skills sets and education required while in service to certification, licensure, and degree requirements.

(46) $120,000 of the general fund--state appropriation for fiscal year 2008 and $275,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for continued development and implementation of the outbreak disease information network toolkit at the department and other local government health departments.

(47) $35,000 of the general fund--state appropriation for fiscal year 2009 and $80,000 of the state toxics control account--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 2647 (children's safe products). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(48) $26,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Substitute House Bill No. 2431 (cord blood banking). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(49) $143,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6340 (water system program). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(50) $309,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Engrossed Second Substitute House Bill No. 2549 (patient-centered care). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(51) $200,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department's efforts to prevent the spread of methicillin resistant staphylococcus aureus and other multidrug resistant organisms by providing hospitals with support for their activities relating to surveillance, outbreak investigation, and lab testing. Of this amount, $100,000 is for the department to pay for genetic testing of methicillin resistant staphylococcus aureus and other multidrug resistant organisms for hospitals investigating outbreaks.

(52) $96,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 2881 (practice of dentistry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(53) $80,000 of the health professions account--state appropriation

is provided solely for the implementation of Engrossed Substitute House Bill No. 2693 (long-term care workers). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(54) $130,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. There shall be no change to the current annual fees for new or renewed licenses for the midwifery program. The department shall convene the midwifery advisory committee on a quarterly basis to address issues related to licensed midwifery.

NEW SECTION. **Sec. 223.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS.** (1) The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified herein. However, after May 1, 2008, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2008 between programs. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds and not federal funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(2) The department may transfer up to $15,000,000 of the general fund--state appropriation for fiscal year 2009 into fiscal year 2008, if deemed necessary by the department and approved in advance by the director of financial management. The director of financial management shall notify the fiscal committees of the legislature in writing seven days prior to approving a transfer under this subsection. The written notification shall include a narrative explanation and justification of

the transfer including allotment detail by program, budget object, and budget unit for both fiscal years, both before and after any transfers.

**Sec. 224.** 2007 c 522 s 223 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund--State Appropriation (FY 2008) . . . . . ((~~$57,968,000~~)) $57,545,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$52,911,000~~)) $52,652,000

Washington Auto Theft Prevention Authority Account--State Appropriation . . . . . $169,000

Violence Reduction and Drug Enforcement Account--State Appropriation (FY 2008) . . . . . $13,000

Violence Reduction and Drug Enforcement Account--State Appropriation (FY 2009) . . . . . $13,000

Public Safety and Education Account--State Appropriation (FY 2008) . . . . . $1,467,000

Public Safety and Education Account--State Appropriation (FY 2009) . . . . . ((~~$1,504,000~~)) $1,481,000

Pension Funding Stabilization Account--State Appropriation . . . . . $1,280,000

TOTAL APPROPRIATION . . . . . ((~~$115,325,000~~)) $114,620,000

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

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

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

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

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

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

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

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

<u>(g) $32,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Substitute Senate Bill No. 6244 (conversion of facilities to house violators of community supervision). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.</u>

<u>(h)(i) The secretary shall establish an advisory committee, to be known as the offenders in families advisory committee.</u>

(ii) The advisory committee shall be advisory to the secretary.

(iii) Committee membership shall not exceed ten persons and shall be representative of the characteristics of the populations of offenders under the jurisdiction of the department, including representing offender geographic, racial, and ethnic diversity. At least five members of the advisory committee shall be family members of offenders currently or formerly under the jurisdiction of the department.

(iv) All committee members shall serve on a volunteer basis.

(v) The purpose of the advisory committee shall be to provide advice on aspects of the administration and application of department rules, policies, and programs in order to assist in:

(A) Strengthening procedures and practices which lessen the possibility of adverse outcomes on the health, safety, welfare, and rehabilitation of offenders;

(B) Providing information regarding the corrections system to offenders and their families;

(C) Identifying issues and potential responses regarding the corrections system for the department, governor, and legislature to consider; and

(D) Providing information to interested members of the public regarding the state's correctional system, including information on the rights and responsibilities of offenders and their family members.

(i) Within the amounts provided in this section the department of corrections, with assistance from the department of social and health services, shall identify and evaluate alternatives for closure of the McNeil Island corrections center. The evaluation shall include capital and operating costs for ten years. Alternatives shall include, but may not be limited to:

(i) Continued operation of McNeil Island corrections center and the special commitment center, assuming no change in capacity at either institution;

(ii) Construct or acquire and operate correctional institution facilities to replace the offender capacity at McNeil Island corrections center; and

(iii) Closure of McNeil Island corrections center. The department of social and health services would assume sole responsibility for

providing the transportation, operations, utilities, and other infrastructure associated with continued operation of the special commitment center on McNeil Island.

The department shall report to the office of financial management and legislative fiscal committees by December 31, 2008.

(j) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement Engrossed Second Substitute House Bill No. 2712 (criminal street gangs). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2008) . . . . . ((~~$617,042,000~~))
$601,402,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$664,710,000~~))
$647,718,000

General Fund--Federal Appropriation . . . . . ((~~$3,490,000~~))
$4,157,000

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $1,050,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . $1,350,000

Washington Auto Theft Prevention Authority Account--
State Appropriation . . . . . $1,338,000

Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2008) . . . . . $1,492,000

Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2009) . . . . . $1,492,000

Pension Funding Stabilization Account--State
Appropriation . . . . . $11,800,000

TOTAL APPROPRIATION . . . . . ((~~$1,301,364,000~~))
$1,271,799,000

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

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

revenue generated by such agreements and shall be treated as a recovery of costs.

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

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

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

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

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

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

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

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

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

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

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

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

(iv) If the appropriation in this subsection is not sufficient for

this program, the department shall prioritize the use of available funds.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2008) . . . . . ((~~$129,063,000~~)) $133,157,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$140,462,000~~)) $145,956,000

General Fund--Federal Appropriation . . . . . $416,000

Public Safety and Education Account--State Appropriation (FY 2008) . . . . . ((~~$9,317,000~~)) $9,319,000

Public Safety and Education Account--State Appropriation (FY 2009) . . . . . ((~~$9,680,000~~)) $9,370,000

Pension Funding Stabilization Account--State Appropriation . . . . . $2,800,000

TOTAL APPROPRIATION . . . . . ((~~$291,322,000~~)) $301,018,000

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

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

(b) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase work release beds in facilities throughout the state for $8,561,000.

(c) $1,167,000 of the general fund--state appropriation for fiscal year 2008 and $2,295,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the establishment and operation of community justice centers by the department as generally

described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). At a minimum, a community justice center shall include:

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

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

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

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

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

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2008) . . . . . ((~~$987,000~~))
$1,001,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,347,000~~))
$2,357,000

TOTAL APPROPRIATION . . . . . ((~~$3,334,000~~))
$3,358,000

The appropriations in this subsection are subject to the following conditions and limitations: ((~~$110,000~~)) $124,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$110,000~~)) $132,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2008) . . . . . ((~~$35,026,000~~)) $35,036,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$35,175,000~~)) $35,192,000

TOTAL APPROPRIATION . . . . . ((~~$70,201,000~~)) $70,228,000

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

**Sec. 225.** 2007 c 522 s 224 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . $2,566,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,636,000~~)) $2,608,000

General Fund--Federal Appropriation . . . . . ((~~$17,702,000~~)) $17,584,000

General Fund--Private/Local Appropriation . . . . . $20,000

TOTAL APPROPRIATION . . . . . ((~~$22,924,000~~)) $22,778,000

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

**Sec. 226.** 2007 c 522 s 225 (uncodified) is amended to read as follows:

**FOR THE SENTENCING GUIDELINES COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . $937,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$959,000~~))

$1,233,000

TOTAL APPROPRIATION . . . . . ((~~$1,896,000~~))
$2,170,000

The appropriations in this section are subject to the following conditions and limitations: $295,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Substitute Senate Bill No. 6596 (sex offender policy board). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 227.** 2007 c 522 s 226 (uncodified) is amended to read as follows:

**FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund--State Appropriation (FY 2008) . . . . . $60,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$60,000~~))
$282,000
General Fund--Federal Appropriation . . . . . ((~~$265,906,000~~))
$265,114,000
General Fund--Private/Local Appropriation . . . . . ((~~$33,877,000~~))
$33,578,000
Unemployment Compensation Administration Account--
Federal Appropriation . . . . . ((~~$253,644,000~~))
$252,925,000
Administrative Contingency Account--State
Appropriation . . . . . ((~~$31,273,000~~))
$26,131,000
Employment Service Administrative Account--State
Appropriation . . . . . ((~~$32,055,000~~))
$33,843,000
Family Leave Insurance Account--State Appropriation . . . . $6,218,000
TOTAL APPROPRIATION . . . . . ((~~$616,875,000~~))
$618,151,000

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

(1) $4,578,000 of the unemployment compensation administration account--federal appropriation is provided from funds made available to the state by section 903(d) of the social security act (Reed Act).

These funds are authorized to provide direct services to unemployment insurance claimants and providing job search review.

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

(3) ((~~$12,348,000~~)) $23,162,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to continue current unemployment insurance functions and department services to employers and job seekers.

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

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

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

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

(8) $183,000 of the unemployment compensation administration account--federal appropriation is provided from the amounts made available to the state by section 903(d) of the social security act

(Reed Act). This amount is authorized to conduct a feasibility study to integrate job search data systems.

(9) $2,331,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized for hardware and software to ensure the ongoing, reliable operation of the telecenters.

(10) $488,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized for the relocation of the WorkSource office in Lakewood.

(11) $6,218,000 of the family leave insurance account--state appropriation is provided solely for implementation of the family leave insurance program.

(a) The amount provided in this subsection assumes that, in developing the information technology systems to support the payment of benefits, the department will incorporate the claim filing and benefit payment efficiencies recommended by the joint legislative task force on family leave insurance in Part III of its final report dated January 23, 2008, including:

(i) Eliminating the option for awarding attorney fees and costs for administrative hearings;

(ii) Authorizing claims for benefits to be filed in the six-week period beginning on the first day of the calendar week in which the individual is on family leave;

(iii) Not requiring claimants to verify the birth of a child or the placement of a child for adoption;

(iv) Including an attestation from the claimant that written notice has been provided to the employer of the intention to take family leave; and

(v) Not deducting and withholding federal income taxes from benefit payments.

(b) In addition, the department shall incorporate the following claim filing and benefit payment efficiencies:

(i) Define "qualifying year" to mean the first four of the last five completed calendar quarters or, if eligibility is not established,

the last four completed calendar immediately preceding the first day of the application year;

(ii) Allow individuals to file a claim for benefits in the six-week period beginning on the first day of the calendar year in which the individual is on family leave; and

(iii) After an initial family leave insurance benefit is paid, subsequent payments must be made biweekly, rather than semimonthly, thereafter.

(12) $222,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement Engrossed Second Substitute House Bill No. 2815 (greenhouse gas emissions). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(13) $155,000 of the unemployment compensation administration account--federal appropriation is provided solely to implement Second Substitute Senate Bill No. 6732 (construction industry). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(End of part)

## PART III
## NATURAL RESOURCES

**Sec. 301.** 2007 c 522 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . $524,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$548,000~~))
$537,000
General Fund--Federal Appropriation . . . . . $9,000
General Fund--Private/Local Appropriation . . . . . ((~~$1,056,000~~))
$1,045,000
TOTAL APPROPRIATION . . . . . ((~~$2,137,000~~))
$2,115,000

**Sec. 302.** 2007 c 522 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$50,030,000~~))
$50,109,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$49,941,000~~))
$51,827,000
General Fund--Federal Appropriation . . . . . ((~~$83,365,000~~))
$83,017,000
General Fund--Private/Local Appropriation . . . . . ((~~$13,648,000~~))
$13,618,000
Special Grass Seed Burning Research
Account--State Appropriation . . . . . $14,000
Reclamation Account--State Appropriation . . . . . ((~~$4,073,000~~))
$4,207,000
Flood Control Assistance Account--State Appropriation . ((~~$3,961,000~~))
$4,151,000
Aquatic Lands Enhancement Account--State Appropriation . . . $400,000
State Emergency Water Projects Revolving
Account--State Appropriation . . . . . $390,000
Waste Reduction/Recycling/Litter

Control--State Appropriation . . . . . ((~~$19,701,000~~))
$19,607,000

State Drought Preparedness--State Appropriation . . . . . ((~~$117,000~~))
$115,000

State and Local Improvements Revolving Account
(Water Supply Facilities)--State Appropriation . . . ((~~$425,000~~))
$421,000

Vessel Response Account--State Appropriation . . . . . ((~~$1,438,000~~))
$1,649,000

Freshwater Aquatic Algae Control Account--State
Appropriation . . . . . $509,000

Site Closure Account--State Appropriation . . . . . ((~~$702,000~~))
$694,000

Water Quality Account--State Appropriation
(FY 2008) . . . . . ((~~$16,490,000~~))
$15,137,000

Water Quality Account--State Appropriation
(FY 2009) . . . . . ((~~$15,894,000~~))
$17,086,000

Wood Stove Education and Enforcement Account--State
Appropriation . . . . . ((~~$373,000~~))
$370,000

Worker and Community Right-to-Know Account--State
Appropriation . . . . . ((~~$2,269,000~~))
$2,247,000

State Toxics Control Account--State Appropriation . . ((~~$98,184,000~~))
$99,383,000

State Toxics Control Account--Private/Local
Appropriation . . . . . $381,000

Local Toxics Control Account--State Appropriation . . ((~~$19,154,000~~))
$20,952,000

Water Quality Permit Account--State Appropriation . . ((~~$38,900,000~~))
$37,101,000

Underground Storage Tank Account--State Appropriation . ((~~$3,777,000~~))
$3,750,000

((~~Environmental Excellence Account--State Appropriation . . $504,000~~))

Biosolids Permit Account--State Appropriation . . . . . ((~~$1,410,000~~))
$1,396,000

Hazardous Waste Assistance Account--State Appropriation . . . . . ((~~$5,902,000~~)) $5,834,000

Air Pollution Control Account--State Appropriation . . ((~~$6,328,000~~)) $6,306,000

Oil Spill Prevention Account--State Appropriation . . ((~~$12,614,000~~)) $12,519,000

Air Operating Permit Account--State Appropriation . . . ((~~$3,266,000~~)) $2,780,000

Freshwater Aquatic Weeds Account--State Appropriation . ((~~$1,697,000~~)) $1,690,000

Oil Spill Response Account--State Appropriation . . . . . $7,078,000

Metals Mining Account--State Appropriation . . . . . $14,000

Water Pollution Control Revolving Account--State Appropriation . . . . . ((~~$469,000~~)) $464,000

Water Pollution Control Revolving Account--Federal Appropriation . . . . . ((~~$2,297,000~~)) $2,271,000

Columbia River Water Delivery Account--State Appropriation . . . . . $2,150,000

TOTAL APPROPRIATION . . . . . ((~~$465,315,000~~)) $469,637,000

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

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

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

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

(4) Fees approved by the department of ecology in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055. Pursuant to RCW 43.135.055, the department is further authorized to increase the following fees in fiscal year 2009 as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Wastewater discharge permit, not more than 5.57 percent; dam periodic inspection permit, not more than 5.57 percent; dam construction permit, not more than 5.57 percent; and mixed waste management, not more than 14.14 percent.

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

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

(7) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a pilot project to provide grants to two local government jurisdictions located in the Puget Sound

area to improve compliance with existing environmental laws. Grant funds shall be used for providing information on existing requirements, providing technical assistance necessary to comply on a voluntary basis, and taking enforcement action.

(8) $1,257,000 of the reclamation account--state appropriation is provided solely to implement Substitute Senate Bill No. 5881 (water power license fees). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(9) $694,000 of the underground storage tank account--state appropriation is provided solely to implement Substitute Senate Bill No. 5475 (underground storage tanks). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(10) $2,026,000 of the local toxics control account--state appropriation is provided solely for local governments located near hazardous waste clean-up sites, including Duwamish Waterway, Commencement Bay, and Bellingham Bay, to work with small businesses and citizens to safely manage hazardous and solid wastes to prevent the contamination.

(11) $876,000 of the state toxics control account and $876,000 of the local toxics control account are provided solely for public participation grants related to toxic cleanup sites within and around Puget Sound.

(12) ((~~$1,000,000~~)) $831,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,000,000~~)) $1,169,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement watershed plans. Of this amount, ((~~$110,000~~)) $313,650 of the general fund--state appropriation for fiscal year 2008 and ((~~$160,000~~)) $646,350 of the general fund--state appropriation for fiscal year 2009 are provided solely to support the implementation of the WRIA 1 watershed plan and the Bertrand watershed improvement district plan, including but not limited to implementation of the Nooksack River basin stream gauging program, study of the feasibility of a public utility district pipeline in the Bertrand watershed ((~~and $250,000 of the general fund--state appropriation for fiscal year 2008 and $350,000 of the general fund-- state appropriation for fiscal year 2009 are provided solely to study water storage and augmentation in the Bertrand watershed and $90,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for plan preparation and~~

~~development in the Fishtrap watershed~~)), study and construction of water storage and augmentation in the Bertrand watershed, and preparation and development of the next subbasin watershed plan agreed to by the Bertrand instream flow policy group.

(13) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop, by rule, guidelines for the appropriate siting and operation of geoduck aquaculture operations to be included in any master program under the shorelines management act. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) $15,000 of the general fund--state appropriation for fiscal year 2008 and $15,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for convening a stakeholder group to recommend establishing a sustainable statewide regional CBRNE/Hazmat response capability.

(15) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement key recommendations and actions identified in the "Washington's Ocean Action Plan: Enhancing Management of Washington State's Ocean and Outer Coast". The department shall provide a progress report on implementing this plan to the appropriate policy committees of the legislature by December 31, 2008.

(16) ((~~$300,000~~)) $464,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$300,000~~)) $136,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 6001 (climate change). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to oversee beach seaweed removal in the west Seattle Fauntleroy community. The department may spend up to $25,000 of this amount for its cost of administration.

(18) ((~~$405,000~~)) $693,000 of the state toxics control account is provided solely for implementation of Senate Bill No. 5421 (environmental covenants). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(19) $99,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a marshland study of key areas of salmon habitat along the Snohomish river estuary.

(20) $196,000 of the general fund--state appropriation for fiscal year 2008, $132,000 of the general fund--state appropriation for fiscal year 2009, and $19,000 of the oil spill prevention account appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(21) $150,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the department to contract with the U.S. institute for environmental conflict resolution, a federal agency, to develop a pilot water management process with three federally recognized treaty Indian tribes. $50,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the northwest Indian fisheries commission to help establish the pathway for the process in federal agencies.

(22) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to continue the pilot water pathways project through the remainder of the biennium. The department will work with the northwest Indian fisheries commission and the U.S. institute on environmental conflict resolution to find resolution on persistent water policy issues between tribes and nontribal entities.

(23) $319,000 of the general fund--state appropriation for fiscal year 2008 and $241,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6117 (reclaimed water). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(23)~~)) (24) $53,000 of the oil spill prevention account--state

appropriation is provided solely for the implementation of Senate Bill No. 5552 (penalties for oil spills). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

((~~(24)~~)) (25) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department to convene a shellfish aquaculture regulatory committee, composed of a balanced representation from interested state regulatory agencies, Native American tribes, local governments and the environmental and shellfish farming communities. The group will be facilitated by the office of regulatory assistance and will address federal, state, and local regulatory issues related to shellfish farming.

(26) Within the appropriations provided in this section for the development of water supplies in the Columbia river basin, the department shall assist county governments located east of the crest of the Cascade mountain range that: Have an international border; or border a county with an international boundary and a county with four hundred thousand or more residents, to identify water supply projects to compete for funding from the Columbia river basin water management program. The department shall provide technical assistance as needed to further refine priority projects identified by these counties. The department shall consider and balance regional water supply needs in its funding allocation decisions made as a part of this program.

(27) $261,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department to prepare, by June 30, 2009, a data gap analysis that includes a summary of historic and current monitoring of groundwater levels and water quality within each water resource inventory area (WRIA); an evaluation of the completeness and quality of the data and conclusions produced from such monitoring; priorities for enhanced groundwater monitoring where water levels and water quality are of concern; recommendations regarding quality controls and other protocols associated with data collection; a summary and compilation of existing studies of groundwater levels, water quality, and monitoring activities; and recommendations of components necessary to establish a comprehensive, statewide groundwater monitoring and assessment program and the funding necessary to implement the program.

(28) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for coordinating with the University of Washington to assess the current energy profile of Washington state pulp and paper mills. The energy consumption and energy generation capability will be determined for both steam and electrical power. In addition, the sources and types of fuels used in various boilers will be assessed.

(29) $195,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to support a collaborative process to design a proposed comprehensive water management structure for the Walla Walla river basin. The proposed structure should address the allocation of functions, authorities, resource requirements, and issues associated with interstate watershed management of the basin. Invited participants should include but not be limited to the confederated tribes of the Umatilla Indian reservation; appropriate state agencies; and Walla Walla basin interests such as municipalities, irrigation districts, conservation districts, fisheries, agriculture, economic development, and environmental representatives. A report outlining the proposed governance and water management structure shall be submitted to the governor and the appropriate committees of the legislature by November 15, 2008.

(30) $333,000 of the state toxics control account--state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2647 (children's safe products). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(31) $256,000 of the general fund--state appropriation for fiscal year 2008 and $1,027,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Engrossed Second Substitute House Bill No. 2815 (reducing greenhouse gases emissions in the Washington economy). In participating in the western climate initiative under Engrossed Second Substitute House Bill No. 2815, the director of the department shall seek to ensure that the design for a regional multisector market-based system confers equitable economic benefits and opportunities to electric utilities operating in Washington by having that system recognize at least the following: (a) Voluntary investments made by Washington utilities in energy efficiency measures; (b) emission reduction benefits that other state and

provincial participants in the western climate initiative derive from consuming renewable energy generated in Washington; and (c) adverse impacts that climate change uniquely has upon the capabilities of hydroelectric power generation. Washington state's representatives to the western climate initiative process shall advocate for a regional multisector market-based design that addresses competitive disadvantages that could be experienced by in-region industries as compared to industries in states or countries that do not have greenhouse gas reduction programs that are substantively equivalent to the system designed under the western climate initiative process. If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(32) $250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute House Bill No. 3186 (beach management districts). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(33) The appropriations in this section provide specific funds to implement Second Substitute House Bill No. 3227 (Hood Canal water quality).

(34) Within the appropriations provided in this section the department shall ensure that standard statewide protocols for surface water monitoring are developed and included in status and trends monitoring to utilize information from other entities, including other state agencies, local governments, and volunteer groups.

(35)(a) $2,000,000 of the Columbia river water delivery account appropriation is provided solely for distribution to affected counties as defined in Engrossed Second Substitute Senate Bill No. 6874 (Columbia river water) to mitigate for negative impacts caused by releases of Lake Roosevelt water for the purposes described in that bill. The criteria for allocating these funds shall be developed by the department in consultation with affected local governments.

(b) $150,000 of the Columbia river water delivery account appropriation is provided solely for the department to retain a contractor to perform an independent analysis of legislative options to protect rural communities in northeast Washington from disproportionate economic, agricultural, and environmental impacts when upstream water rights are purchased and transferred for use, or idled and used as

mitigation, in a downstream watershed or county. Before retaining a contractor, the department shall consult with affected counties as defined in Engrossed Second Substitute Senate Bill No. 6874 (Columbia river water). The contractor selected shall conduct the independent analysis and develop a report describing options and recommended actions. The department of ecology shall provide the report to the appropriate committees of the legislature by December 1, 2008.

(c) If Engrossed Second Substitute Senate Bill No. 6874 (Columbia river water delivery) is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(36) $210,000 of the local toxics control account--state appropriation is provided solely to clean up naturally occurring asbestos from Swift Creek.

(37) $85,000 of the state toxics control account--state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 6502 (release of mercury). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(38) $80,000 of the state toxics control account--state appropriation is provided solely for the department to create a stakeholder advisory committee to review and develop recommendations to help businesses achieve a fifty percent toxics reduction use goal. The committee shall: (a) Review and make recommendations to improve the effectiveness and delivery of technical assistance in pollution prevention planning; (b) develop recommendations for strategies to encourage moving away from "end-of-pipe" pollution reduction approaches to increase hazardous waste prevention throughout the state; and (c) review and make recommendations on revising the hazardous waste planning fee under RCW 70.95E.030, including opportunities to provide incentives that reward businesses for toxic use reduction successes in meeting a fifty percent toxics use reduction goal. The committee shall report its findings and recommendations to the fiscal and policy committees of the senate and house of representatives by November 1, 2008.

(39) $108,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Engrossed Substitute Senate Bill No. 6308 (relating to climate change research, preparation, and

adaptation). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(40) $70,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6805 (relating to promoting farm and forest land preservation and environmental restoration through conservation markets). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 303.** 2007 c 522 s 303 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$48,365,000~~))
$48,970,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$50,166,000~~))
$49,187,000

General Fund--Federal Appropriation . . . . . ((~~$4,545,000~~))
$5,731,000

General Fund--Private/Local Appropriation . . . . . $73,000

Winter Recreation Program Account--State
Appropriation . . . . . ((~~$1,116,000~~))
$1,559,000

Off-Road Vehicle Account--State Appropriation . . . . . ((~~$238,000~~))
$234,000

Snowmobile Account--State Appropriation . . . . . ((~~$4,839,000~~))
$4,829,000

Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$365,000~~))
$363,000

Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $23,000

Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . $24,000

Parks Renewal and Stewardship Account--State
Appropriation . . . . . ((~~$36,606,000~~))
$36,534,000

Parks Renewal and Stewardship Account--Private/Local
Appropriation . . . . . $300,000

TOTAL APPROPRIATION . . . . . ((~~$146,660,000~~))
$147,827,000

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

(1) Fees approved by the state parks and recreation commission in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) $79,000 of the general fund--state appropriation for fiscal year 2008 and $79,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a grant for the operation of the Northwest avalanche center.

(3) $300,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for project scoping and cost estimating for the agency's 2009-11 capital budget submittal.

(4) $2,255,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for costs associated with relocating the commission's Tumwater headquarters office.

(5) $272,000 of the general fund--state appropriation for fiscal year 2008 and $271,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for costs associated with relocating the commission's eastern Washington regional headquarters office.

(6) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for replacing vehicles and equipment.

(7) $1,611,000 of the general fund--state appropriation for fiscal year 2008 and $1,428,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for planned and emergency maintenance of park facilities.

(8) $1,700,000 of the general fund--federal appropriation for fiscal year 2009 is provided solely for the recreational boating safety program.

(9) $954,000 of the general fund--state appropriation for fiscal year 2008 and $1,007,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operations of Cama Beach state park.

(10) $25,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5219 (weather and avalanche center). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $9,000 of the general fund--state appropriation for fiscal year 2008 and $9,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) ((~~$42,000~~)) $9,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$42,000~~)) $9,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(13) $264,000 of the general fund--state appropriation for fiscal year 2008 and $217,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to establish a pilot lifeguard program at Lake Sammamish and Nolte state parks. The department shall complete a comprehensive risk analysis to determine if expansion of the lifeguard program or other drowning risk reduction measures should be implemented. The department shall report its findings to the office of financial management and the appropriate committees of the legislature by July 1, 2009.

(14) ((~~$232,000~~)) $455,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$233,000~~)) $10,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the development of a long-range plan for Fort Worden state park, including architectural and site design guidelines, business and operations implementation, site and facilities use plan, and for the department to convene a task force to recommend alternative governance structures for the park.

(15) $1,600,000 of the parks renewal stewardship account--state appropriation is provided solely for operating state parks, developing and renovating park facilities, undertaking deferred maintenance,

enhancing park stewardship and other state park purposes, pursuant to Substitute House Bill No. 2275 (raising funds for state parks). Expenditures from the amount provided in this subsection shall not exceed actual revenues received under Substitute House Bill No. 2275. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) $40,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2514 (orca whale protection). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(17) $58,000 of the general fund--state appropriation for fiscal year 2008 and $73,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for one-time financial assistance to the northwest weather and avalanche center, administered by the United States forest service, to keep the center operational through the remainder of the biennium.

(18) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for grants to the Mount Tahoma trails association to assist with purchase of snow equipment.

(19) $120,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5010 (foster home pass). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 304.** 2007 c 522 s 304 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2008) . . . . . $1,557,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,600,000~~))
$1,592,000

General Fund--Federal Appropriation . . . . . ((~~$18,409,000~~))
$18,382,000

General Fund--Private/Local Appropriation . . . . . $250,000

Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$277,000~~))
$275,000

Water Quality Account--State Appropriation (FY 2008) . . . . $100,000
Water Quality Account--State Appropriation (FY 2009) . . . . $100,000
Firearms Range Account--State Appropriation . . . . . $37,000
Recreation Resources Account--State Appropriation . . . ((~~$2,819,000~~)) $2,773,000
Nonhighway and Off-Road Vehicles Activities Program Account--State Appropriation . . . . . $1,004,000
Boating Activities Account--State Appropriation . . . . . $2,000,000
TOTAL APPROPRIATION . . . . . ((~~$28,153,000~~)) $28,070,000

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

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

(2) $22,000 of the general fund--state appropriation for fiscal year 2008 and $22,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(3) $2,000,000 of the boating activities account--state appropriation is provided solely to implement Substitute House Bill No. 1651 (boating activities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**Sec. 305.** 2007 c 522 s 305 (uncodified) is amended to read as follows:

**FOR THE ENVIRONMENTAL HEARINGS OFFICE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$1,134,000~~)) $1,144,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,161,000~~)) $1,142,000
TOTAL APPROPRIATION . . . . . ((~~$2,295,000~~)) $2,286,000

The appropriations in this section are subject to the following condition and limitation: $10,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for employee retirement buyout costs.

**Sec. 306.** 2007 c 522 s 306 (uncodified) is amended to read as follows:

**FOR THE CONSERVATION COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . $2,889,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,913,000~~))
$3,107,000
General Fund--Federal Appropriation . . . . . $1,178,000
Water Quality Account--State Appropriation (FY 2008) . ((~~$7,301,000~~))
$5,301,000
Water Quality Account--State Appropriation (FY 2009) . ((~~$7,326,000~~))
$5,316,000
TOTAL APPROPRIATION . . . . . ((~~$21,607,000~~))
$17,791,000

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

(1) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for supplementary basic funding grants to the state's lowest-income conservation districts. The supplementary grant process shall be structured to aid recipients in becoming financially self-sufficient in the future.

(2) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Substitute Senate Bill No. 5108 (office of farmland preservation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the pioneers in conservation program to provide grants through a competitive process to agricultural landowners for projects that benefit fish and wildlife restoration and farm operations. Grants must be matched by an equal amount or more

from nonstate sources with priority for projects identified in the Puget Sound Chinook salmon recovery plan and the Puget Sound partnership strategy.

(4) $78,000 of the general fund--state appropriation for fiscal year 2008 and $72,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(5) $250,000 of the water quality account--state appropriation for fiscal year 2009 is provided solely for livestock nutrient program cost share for the poultry industry.

(6) $35,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for support of conservation resource management.

(7) $174,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Substitute Senate Bill No. 6805 (conservation markets). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 307.** 2007 c 522 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$55,453,000~~))
$56,158,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$52,743,000~~))
$54,319,000

General Fund--Federal Appropriation . . . . . ((~~$52,666,000~~))
$52,273,000

General Fund--Private/Local Appropriation . . . . . ((~~$37,447,000~~))
$37,189,000

Off-Road Vehicle Account--State Appropriation . . . . . ((~~$416,000~~))
$413,000

Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$6,070,000~~))
$6,022,000

Public Safety and Education Account--State

Appropriation (FY 2008) . . . . . $268,000

Public Safety and Education Account--State Appropriation (FY 2009) . . . . . ((~~$325,000~~)) $323,000

Recreational Fisheries Enhancement--State Appropriation . . . . . ((~~$3,628,000~~)) $3,600,000

Warm Water Game Fish Account--State Appropriation . . . ((~~$3,024,000~~)) $2,992,000

Eastern Washington Pheasant Enhancement Account--State Appropriation . . . . . ((~~$754,000~~)) $753,000

Aquatic Invasive Species Enforcement Account--State Appropriation . . . . . $204,000

Aquatic Invasive Species Prevention Account--State Appropriation . . . . . $842,000

Wildlife Account--State Appropriation . . . . . ((~~$66,508,000~~)) $63,589,000

Wildlife Account--Federal Appropriation . . . . . ((~~$34,552,000~~)) $34,279,000

Wildlife Account--Private/Local Appropriation . . . . ((~~$13,288,000~~)) $13,187,000

Game Special Wildlife Account--State Appropriation . . ((~~$1,991,000~~)) $2,478,000

Game Special Wildlife Account--Federal Appropriation . ((~~$8,923,000~~)) $8,911,000

Game Special Wildlife Account--Private/Local Appropriation . . . . . ((~~$486,000~~)) $483,000

Water Quality Account--State Appropriation (FY 2008) . . . . $160,000

Water Quality Account--State Appropriation (FY 2009) . . . . $160,000

((~~Environmental Excellence Account--State Appropriation . . $15,000~~))

Regional Fisheries Salmonid Recovery Account--Federal Appropriation . . . . . ((~~$2,751,000~~)) $5,001,000

Oil Spill Prevention Account--State Appropriation . . . ((~~$1,104,000~~)) $1,093,000

Oyster Reserve Land Account--State Appropriation . . . . ((~~$417,000~~))

$416,000

Wildlife Rehabilitation Account--State Appropriation . . ((~~$352,000~~))

$270,000

TOTAL APPROPRIATION . . . . . ((~~$344,547,000~~))

$345,383,000

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

(1) The department shall use the department of printing for printing needs. Funds provided in this section may not be used to staff or fund a stand-alone printing operation.

(2) $175,000 of the general fund--state appropriation for fiscal year 2008 and $175,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

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

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

(5) $400,000 of the general fund--state appropriation for fiscal year 2008 and $400,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(6) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(7) $634,000 of the general fund--state appropriation for fiscal

year 2008 is provided solely for operations and fish production costs at department-operated Mitchell act hatchery facilities.

(8) ((~~Within the amount provided for the agency, the department shall implement a joint management and collaborative enforcement agreement with the confederated tribes of the Colville and the Spokane tribe.~~)) $609,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department to implement a pilot project with the Confederated Tribes of the Colville Reservation to develop expanded recreational fishing opportunities on Lake Rufus Woods and its northern shoreline and to conduct joint enforcement of lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to state and tribal intergovernmental agreements developed under the Columbia River water supply program.

(a) For the purposes of the pilot project:

(i) A fishing permit issued to a nontribal member by the Colville Tribes shall satisfy the license requirement of RCW 77.32.010 on the waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

(ii) The Colville Tribes have agreed to provide to holders of its nontribal member fishing permits a means to demonstrate that fish in their possession were lawfully taken in Lake Rufus Woods;

(iii) A Colville tribal member identification card shall satisfy the license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

(iv) The department and the Colville Tribes shall jointly designate fishing areas on the north shore of Lake Rufus Woods for the purposes of enhancing access to the recreational fisheries on the lake; and

(v) The Colville Tribes have agreed to recognize a fishing license issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal member fishing permit requirements of Colville tribal law on the reservation portion of the waters of Lake Rufus Woods and at designated fishing areas on the north shore of Lake Rufus Woods;

(b) The director, in collaboration with the Colville Tribes, shall provide an interim report to the office of financial management and the appropriate committees of the legislature by December 31, 2008. The report shall describe the status of the pilot project, and make recommendations as needed to fully implement the project, pursuant to the state and tribal agreement on Lake Rufus Woods.

(9) $182,000 of the general fund--state appropriation for fiscal year 2008 and $182,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to continue the ballast water management program in Puget Sound and expand the program to include the Columbia river and coastal ports.

(10) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for hatchery facility maintenance improvements.

(11) $440,000 of the general fund--state appropriation for fiscal year 2008 and $409,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for estimates of juvenile abundance of federally listed salmon and steelhead populations. The department shall report to the office of financial management and the appropriate fiscal committees of the legislature with a letter stating the use and measurable results of activities that are supported by these funds.

(12) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the strategic budget and accountability program.

(13) $113,000 of the general fund--state appropriation for fiscal year 2008 and $113,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(14) Prior to submitting its 2009-11 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The

department shall provide a copy of the HSRG review to the office of financial management and the appropriate legislative committees by October 1, 2008.

(15) $43,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5447 (coastal Dungeness crab). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(16) $4,000 of the general fund--state appropriation for fiscal year 2008 and $4,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) $89,000 of the general fund--state appropriation for fiscal year 2008 and $89,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) $204,000 of the aquatic invasive species enforcement account--state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5923 (aquatic invasive species). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(19) ((~~$42,000 of the general fund--state appropriation for fiscal year 2008 and $42,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.~~

~~(20)~~)) $352,000 of the wildlife rehabilitation account is provided solely for the implementation of Senate Bill No. 5188 (wildlife rehabilitation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(21)~~)) (20) $77,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department of fish and

wildlife to participate in the upper Columbia salmon recovery plan implementation, habitat conservation plan hatchery committees, and the priest rapids salmon and steelhead agreement hatchery technical committee.

((~~(22)~~)) (21)(a) Within existing funds, the department of fish and wildlife shall sell the upper 20-acre parcel of the Beebe springs property.

(b) Proceeds from the sale are to be used to develop the Beebe springs natural interpretive site. Up to $300,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the development of the Beebe springs natural interpretive site. The department shall not expend more than the amount received from the sale proceeds.

((~~(25)~~)) (22) $50,000 of the general fund--state appropriation for fiscal year 2008 and $49,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2049 (marine resource committees). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(26)~~)) (23) $35,000 of the general fund--state appropriation for fiscal year 2008 and $35,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a study of introducing oxygen to the waters of Hood Canal. The study shall propose a location in a small marine area where a large number of bottom-dwelling fish species exist, and analyze the impact of injected dissolved oxygen on aquatic life. The department shall report to the appropriate committees of the legislature on the results of the study and recommend whether to proceed with a project to inject oxygen into Hood Canal.

((~~(27)~~)) (24) $1,310,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to replace state wildlife account funds for the engineering program and ((~~$1,190,000~~)) $610,000 of the general fund--state appropriation for fiscal year 2008 are provided solely to replace state wildlife account funds for the hydraulic project permitting program, including the development of a permit fee schedule for the hydraulic project approval program to make the program self supporting. Fees may be based on factors relating to the complexity of the permit issuance. The fees received by the department must be deposited into the state wildlife account and shall be expended exclusively for the purposes of the hydraulic project

permitting program. By December 1, 2008, the department shall provide a permit fee schedule for the hydraulic project approval program to the office of financial management and the appropriate committees of the legislature.

((~~(28)~~)) (25) $245,000 of the general fund--state appropriation for fiscal year 2008 and $245,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the department to work in cooperation with the department of natural resources to assist with the implementation of the wild horse coordinated resource management plan. Implementation may include providing grant funding to other state and nonstate entities as needed.

((~~(29)~~)) (26) $270,000 of the general fund--state appropriation for fiscal year 2008 and $270,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to develop siting guidelines for power generation facilities, provide technical assistance for permitting, support voluntary compliance with the guidelines, and to conduct bird and wildlife assessments on state lands most eligible for wind power leases.

((~~(31)~~)) (27) $50,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop and maintain an electronic database for aquatic farmer registration. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(28) During the 2007-09 biennium, the department shall not make a permanent closure of any hatchery facility currently in operation.

(29) Within existing funds, the department shall continue implementing its capital program action plan dated September 1, 2007, including the purchase of the necessary maintenance and support costs for the capital programs and engineering tools. The department shall report to the office of financial management and the appropriate committees of the legislature, its progress in implementing the plan, including improvements instituted in its capital program, by September 30, 2008.

(30) $46,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2514 (orca whale protection). If the bill is not

enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(31) $24,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of House Bill No. 3186 (beach management districts). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(32) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for compensation for damage to livestock by wildlife.

(33) The department shall complete an inventory of department purchased or leased lands acquired for mixed agriculture and fish and wildlife habitat and provide for each purchase or lease agreement the cost and date of the agreement, the previous use of the land, any agreement or deed specifying continuing use of the land, and the current management cost and status of each parcel of purchased or leased lands. The department shall provide the inventory to the appropriate committees of the legislature by December 1, 2008.

(34) $289,000 of the general fund--state appropriation for fiscal year 2008 and $301,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for selective fisheries.

(35) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for removal of derelict gear in Washington waters.

(36) $135,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a review of the effectiveness of the department's existing hydraulic project approval process and environmental outcomes.

(37) $75,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement the 2008 Wiley Slough restoration project report to the legislature recommendation to establish a private farmland, public recreation partnership that would provide farmland preservation, waterfowl management, and public recreational access.

(38) $95,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Ebey Island property management costs.

(39)(a) A work group on Electron dam salmon passage is established, with members as provided in this subsection.

(i) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

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

(iii) The department of fish and wildlife shall appoint at least one representative from each of the following entities: The department of fish and wildlife, Puyallup Tribe of Indians, and Puget Sound energy.

(b) The department of fish and wildlife shall provide staff support to the work group.

(c) The work group shall study possible enhancements for improving outbound juvenile salmon passage at Electron dam on the Puyallup river.

(d) Legislative members of the work group shall 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.

(e) The expenses of the work group, other than travel expenses of legislative members, shall be paid within existing funds from the department of fish and wildlife.

(f) The work group shall present its findings and recommendations to the appropriate committees of the legislature by January 1, 2009.

(g) This subsection expires January 1, 2009.

(40) As part of its 2009-11 biennial budget request, the department shall submit a report detailing the methodology for determining the value of payment in lieu of taxes as provided in RCW 79.70.130. At a minimum, the report will show the number of acres subject to the payment in lieu of taxes, the tax rates assumed by each affected county, and the resulting value of the state general fund obligation.

(41) Within the appropriations in this section, specific funding is provided to implement Engrossed Senate Bill No. 6821 (fish and wildlife information).

(42) $250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Second Substitute Senate Bill No. 6227 (outer coast marine resources committees). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(43) $115,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6231 (marine protected areas). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(44) $46,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6307 (Puget Sound marine managed areas). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 308.** 2007 c 522 s 308 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$48,497,000~~))
$50,328,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$50,818,000~~))
$51,345,000

General Fund--Federal Appropriation . . . . . ((~~$25,235,000~~))
$27,855,000

General Fund--Private/Local Appropriation . . . . . ((~~$1,413,000~~))
$1,408,000

Forest Development Account--State Appropriation . . . ((~~$58,165,000~~))
$57,616,000

Off-Road Vehicle Account--State Appropriation . . . . . ((~~$4,318,000~~))
$4,196,000

Surveys and Maps Account--State Appropriation . . . . . ((~~$2,536,000~~))
$2,524,000

Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$7,773,000~~))
$7,899,000

Resources Management Cost Account--State
Appropriation . . . . . ((~~$96,177,000~~))
$95,326,000

Surface Mining Reclamation Account--State
Appropriation . . . . . ((~~$3,295,000~~))
$3,280,000

Disaster Response Account--State Appropriation . . . . . $5,000,000

Forest and Fish Support Account--State Appropriation . ((~~$4,000,000~~))
$7,000,000

Water Quality Account--State Appropriation (FY 2008) . . . $1,348,000
Water Quality Account--State Appropriation (FY 2009) . ((~~$1,360,000~~)) $1,349,000
Aquatic Land Dredged Material Disposal Site Account--State Appropriation . . . . . ((~~$1,337,000~~)) $1,335,000
Natural Resources Conservation Areas Stewardship Account--State Appropriation . . . . . $34,000
State Toxics Control Account--State Appropriation . . . . . $80,000
Air Pollution Control Account--State Appropriation . . . ((~~$570,000~~)) $567,000
Nonhighway and Off-Road Vehicle Activities Program Account--State Appropriation . . . . . $982,000
Derelict Vessel Removal Account--State Appropriation . ((~~$3,652,000~~)) $3,650,000
Agricultural College Trust Management Account--State Appropriation . . . . . ((~~$2,064,000~~)) $2,047,000
TOTAL APPROPRIATION . . . . . ((~~$318,654,000~~)) $325,169,000

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

(1) ((~~$122,000~~)) $1,021,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$162,000~~)) $1,043,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) ((~~$11,463,000~~)) $13,920,000 of the general fund--state appropriation for fiscal year 2008, ((~~$13,792,000~~)) $13,542,000 of the general fund--state appropriation for fiscal year 2009, and $5,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations.

(3) Fees approved by the department of natural resources and the board of natural resources in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(4) $198,000 of the general fund--state appropriation for fiscal year 2008 and $199,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to work with appropriate stakeholders and state agencies in determining how privately owned lands, in combination with other land ownership such as public and tribal lands, contribute to wildlife habitat. The assessment will also determine how commercial forests, forest lands on the urban fringe, and small privately-owned forest lands that are managed according to Washington's forest and fish prescriptions, in combination with other forest management activities, function as wildlife habitat now and in the future.

(5) ((~~$2,500,000~~)) $5,000,000 of the forest and fish support account--state appropriation is provided solely for adaptive management, monitoring, and participation grants to tribes. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse. The department shall compile the outcomes of these grants annually and submit them to the office of financial management by September 1 of 2008 and 2009.

(6) $400,000 of the forest and fish support account--state appropriation is provided solely for adaptive management, monitoring, and participation grants to the departments of ecology and fish and wildlife. If federal funding for this purpose is reinstated, this subsection shall lapse.

(7) The department shall prepare a feasibility study that analyzes applicable business processes and develops the scope, requirements, and alternatives for replacement of the department's current suite of payroll-support systems. The department shall use an independent consultant to assist with the study, and shall submit the completed analysis to the office of financial management, the department of personnel, and the department of information services by August 1, 2008.

(8) $600,000 of the general fund--state appropriation for fiscal year 2008 and $600,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to continue interagency agreements

with the department of fish and wildlife and the department of ecology for forest and fish report field implementation tasks.

(9) All department staff serving as recreation-management trail stewards shall be noncommissioned.

(10) $112,000 of the aquatic lands enhancement account--state appropriation is provided solely for spartina eradication efforts. The department may enter into agreements with federal agencies to eradicate spartina from private lands that may provide a source of reinfestation to public lands.

(11) $40,000 of the general fund--state appropriation for fiscal year 2008 and $40,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to convene and staff a work group to study issues related to wildfire prevention and protection. The work group shall be composed of members representing rural counties in eastern and western Washington, fire districts, environmental protection organizations, industrial forest landowners, the agricultural community, the beef industry, small forest landowners, the building industry, realtors, the governor or a designee, the insurance commissioner or a designee, the office of financial management, the state fire marshal or a designee, the state building code council, and the commissioner or public lands or a designee. The work group shall issue a report of findings and recommendations to the appropriate committees of the legislature by August 1, 2008.

(12) $249,000 of the aquatic lands enhancement account--state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(13) $2,000,000 of the derelict vessel removal account--state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6044 (derelict vessels). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(14) ((~~$42,000~~)) $34,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$42,000~~)) $34,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the

implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) $14,000 of the forest development account--state appropriation and $52,000 of the resources management cost account--state appropriation are provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) ((~~$1,000,000~~)) $100,000 of the general fund--state appropriation for fiscal year 2008 ((~~is~~)) and $900,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the removal of one or two large floating dry docks off Lake Washington near the Port Quendall site in north Renton.

(17) $547,000 of the general fund--state appropriation for fiscal year 2008 and $726,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) $22,000 of the surface mining reclamation account--state appropriation and $22,000 of the resources management cost account--state appropriation are provided solely for the implementation of Substitute Senate Bill No. 5972 (surface mining reclamation). If the bill is not enacted by June 30, 2007, the amounts in this subsection shall lapse.

(19) $125,000 of the general fund--state appropriation for fiscal year 2008, $125,000 of the general fund--state appropriation for fiscal year 2009, and $250,000 of the resource management cost account--state appropriation are provided solely to extend the 2005-2007 contract with the University of Washington college of forestry resources for additional research and technical assistance on the future of Washington forests. Reports shall be submitted by June 30, 2009, to the appropriate committees of the legislature on the following topics:

(a) An exploration of the potential markets for renewable energy from biomass from Washington forests, especially from material removed from eastern Washington forests as part of forest health improvement efforts. This exploration shall assess the feasibility of converting

large amounts of underutilized forest biomass into useful products and green energy by providing required analyses needed to efficiently collect and deliver forest biomass to green energy end users. The role of transportation and processing infrastructure in developing markets for such material for both clean energy and value-added products shall be included in the exploration. The college shall coordinate with Washington State University efforts to identify what new biological, chemical, and engineering technologies are emerging for converting forest biomass to clean and efficient energy.

(b) Recommendations for the college's northwest environmental forum for retaining the highest valued working forest lands at risk of conversion to nonforest uses. These recommendations should include an examination of means to enhance biodiversity through strategic retention of certain lands, as well as economic incentives for landowners to retain lands as working forests and provide ecosystem services. The recommendations shall consider the health and value of the forest lands, the rate of loss of working forest lands in the area, the risk to timber processing infrastructure from continued loss of working forest lands, and the multiple benefits derived from retaining working forest lands. The recommendations shall prioritize forest lands in the Cascade foothills, which include the area generally encompassing the nonurbanized lands within the Cascade mountain range and drainages lying between three hundred and three thousand feet above mean sea level, and located within Whatcom, Skagit, Snohomish, King, Pierce, Thurston, and Lewis counties.

(20) $25,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Chelan county, as the chair of the Stemilt partnership, to perform the following:

(a) Work with private and public land management entities to identify and evaluate land ownership possibilities;

(b) Allocate up to $10,000 to the department of fish and wildlife to perform technical studies, baseline assessments, environmental review, due diligence, and similar real estate evaluations; and

(c) Implement real estate transactions based on the results of the studies.

(21) $15,000 of the general fund--state appropriation for fiscal

year 2008 and $15,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for health benefits to Washington conservation corps employees.

(22) $300,000 of the general fund--state appropriation for fiscal year 2008 and $300,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for staff support for the natural heritage program to integrate, analyze, and provide bird area information, and for state designations and mapping support, among other activities.

(23) $48,000 of the resource management cost account--state appropriation is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall participate in a shellfish aquaculture regulatory committee, convened by the department of ecology. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) $150,000 of the general fund--private/local appropriation is provided solely for the implementation of Substitute Senate Bill No. 5445 (cost-reimbursement agreements). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(25) $191,000 of the aquatic lands enhancement account--state appropriation is provided solely for the department to coordinate with the Puget Sound partnership to complete a final habitat conservation plan for state-owned aquatic lands and an environmental impact statement by June 2009.

(26) $251,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2844 (urban forestry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(27) $20,000 of the resource management cost account--state appropriation is provided solely for implementation of House Bill No. 3186 (beach management districts). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(28) $80,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to complete maps of lower Hood Canal, including subsurface geologic layers, lithology, digital layers, and maps to identify liquifiable sediments for hazard mitigation. The

department shall provide a report to the appropriate committees of the legislature on maps that were produced by December 1, 2008.

(29) As part of its 2009-11 biennial budget request, the department shall submit a report detailing the methodology for determining the value of payment in lieu of taxes as provided in RCW 79.70.130. At a minimum, the report will show the number of acres subject to the payment in lieu of taxes, the tax rates assumed by each affected county, and the resulting value of the state general fund obligation.

(30) $200,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to supplement other available funds for an analysis of whether forest practices rules (including rules for harvest on potentially unstable slopes, road construction and maintenance, and post-harvest slash treatment) effectively protect public resources and public safety from landslides, and other storm-related impacts. The analysis is to be accomplished using the forest practices board adaptive management process. The cooperative monitoring, evaluation, and research (CMER) committee of the adaptive management program shall submit a report of its preliminary analysis and conclusions to the appropriate committees of the legislature by December 1, 2008. The forest practices board shall submit a complete report of the CMER study on the effectiveness of current prescriptions and practices by June 30, 2009. This amount is ongoing solely to make improvements to the state's geological survey.

(31) $26,000 of the general fund--state appropriation for fiscal year 2008 and $71,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2472 (recreational opportunities).

**Sec. 309.** 2007 c 522 s 309 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF AGRICULTURE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$14,071,000~~))
$14,073,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$14,152,000~~))
$14,555,000

General Fund--Federal Appropriation . . . . . ((~~$11,441,000~~))
$11,329,000

General Fund--Private/Local Appropriation . . . . . ((~~$422,000~~))

$420,000

Aquatic Lands Enhancement Account--State Appropriation . . . . . ((~~$2,062,000~~)) $2,052,000

Energy Freedom Account--State Appropriation . . . . . $500,000

Water Quality Account--State Appropriation (FY 2008) . . . . $604,000

Water Quality Account--State Appropriation (FY 2009) . . ((~~$618,000~~)) $605,000

State Toxics Control Account--State Appropriation . . . ((~~$4,120,000~~)) $4,100,000

Water Quality Permit Account--State Appropriation . . . . ((~~$61,000~~)) $59,000

TOTAL APPROPRIATION . . . . . ((~~$48,051,000~~)) $48,297,000

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

(1) Fees and assessments approved by the department in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055. Pursuant to RCW 43.135.055, during fiscal year 2009 the department is further authorized to increase the apple pest certification assessment by up to $0.015 per hundredweight of fruit.

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

(3) $78,000 of the general fund--state appropriation for fiscal year 2008 and $72,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(4) $62,000 of the general fund--state appropriation for fiscal year 2008 and $63,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a study to evaluate the use of sugar beets for the production of biofuels.

(5) $275,000 of the general fund--state appropriation for fiscal year 2008 and $275,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for direct allocation, without deduction, to the Washington tree fruit research commission, established under chapter 15.26 RCW, for development and implementation of a pest management transition program to reduce the use by the tree fruit industry of certain organophosphate insecticides.

(6) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for distribution to counties with weed boards to control invasive weeds. Of this amount, $150,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to control Japanese knotweed in counties with weed boards.

(7) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for pass through funding to the nonprofit opportunities industrialization center to provide training to agricultural workers related to farm skills, English as a second language, and other skills.

(8) $65,000 of the general fund--state appropriation for fiscal year 2009 and $35,000 of the aquatic lands enhancement account appropriation are provided solely for funding to the Pacific county noxious weed control board to continue its planning and implementation of spartina eradication activities.

(9) $290,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute Senate Bill No. 6483 (local food production). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(10) $57,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2815 (greenhouse gases emissions). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 310.** 2007 c 522 s 310 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM**

Pollution Liability Insurance Program Trust

Account--State Appropriation . . . . . ((~~$799,000~~)) $737,000

**Sec. 311.** 2007 c 522 s 311 (uncodified) is amended to read as follows:

**FOR THE PUGET SOUND PARTNERSHIP**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$500,000~~)) $370,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$500,000~~)) $654,000

General Fund--Federal Appropriation . . . . . ((~~$1,155,000~~)) $2,655,000

General Fund--Private/Local Appropriation . . . . . $2,500,000

Aquatic Lands Enhancement Account--State Appropriation . . . $500,000

Water Quality Account--State Appropriation (FY 2008) . ((~~$3,458,000~~)) $3,660,000

Water Quality Account--State Appropriation (FY 2009) . ((~~$3,459,000~~)) $4,098,000

State Toxics Account--State Appropriation . . . . . $1,710,000

TOTAL APPROPRIATION . . . . . ((~~$12,072,000~~)) $16,147,000

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

(1) ((~~$1,000,000~~)) $600,000 of the water quality account--state appropriation for fiscal year 2008, ((~~$1,000,000~~)) $1,400,000 of the water quality account--state appropriation for fiscal year 2009, and $2,500,000 of the general fund--private/local appropriation are provided solely for the education of citizens through attracting and utilizing volunteers to engage in activities that result in environmental benefits.

(2) $2,208,000 of the water quality account--state appropriation for fiscal year 2008, $2,209,000 of the water quality account--state appropriation for fiscal year 2009, ((~~$500,000~~)) $370,000 of the general fund--state appropriation for fiscal year 2008, ((~~$500,000~~)) $630,000 of the general fund--state appropriation for fiscal year 2009, and $1,155,000 of the general fund--federal appropriation are provided solely to implement Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, then

$2,208,000 of the water quality account--state appropriation for fiscal year 2008, $2,209,000 of the water quality account--state appropriation for fiscal year 2009, $1,155,000 of the general fund--federal appropriation, $500,000 of the general fund--state appropriation for fiscal year 2008, and $500,000 of the general fund--state appropriation for fiscal year 2009 are appropriated to the office of the governor for operation of the Puget Sound action team.

(3) To implement the 2007-09 Puget Sound biennial plan required by Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership), funding is provided solely for Puget Sound recovery activities in the budgets of selected agencies and institutions of higher education, including the department of agriculture, department of community, trade and economic development, conservation commission, department of ecology, department of fish and wildlife, department of health, interagency committee for outdoor recreation, department of natural resources, state parks and recreation commission, the Puget Sound partnership, University of Washington, and Washington State University. During the 2007-09 biennium, moneys are provided solely for these agencies and institutions of higher education as provided for in LEAP document PSAT-2007.

(4) $305,000 of the water quality account--state appropriation for fiscal year 2009 and $305,000 of the general fund--federal appropriation are provided solely for an outcome monitoring program first for Puget Sound and Washington's coastline and then across the remaining salmon recovery regions across the state.

(5) $24,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6307 (Puget Sound marine managed areas). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(6) $852,000 of the water quality account--state appropriation for fiscal year 2008, $231,000 of the water quality account--state appropriation for fiscal year 2009, and $900,000 of the state toxics control account appropriation are provided solely for development and implementation of the 2020 action agenda.

(End of part)

## PART IV
## TRANSPORTATION

**Sec. 401.** 2007 c 522 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$1,727,000~~)) $1,730,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,000,000~~)) $2,055,000

Architects' License Account--State Appropriation . . . . ((~~$762,000~~)) $754,000

Cemetery Account--State Appropriation . . . . . ((~~$240,000~~)) $237,000

Professional Engineers' Account--State Appropriation . ((~~$3,484,000~~)) $3,457,000

Real Estate Commission Account--State Appropriation . . ((~~$8,883,000~~)) $9,163,000

Master License Account--State Appropriation . . . . . ((~~$14,072,000~~)) $14,311,000

Uniform Commercial Code Account--State Appropriation . ((~~$3,086,000~~)) $3,063,000

Real Estate Education Account--State Appropriation . . . . . $276,000

Real Estate Appraiser Commission Account--State Appropriation . . . . . ((~~$1,684,000~~)) $1,667,000

Business and Professions Account--State Appropriation ((~~$10,190,000~~)) $11,680,000

Real Estate Research Account--State Appropriation . . . . . $320,000

Funeral Directors And Embalmers Account--State Appropriation . . . . . ((~~$597,000~~)) $588,000

Geologists' Account--State Appropriation . . . . . ((~~$57,000~~)) $56,000

Data Processing Revolving Account--State Appropriation . . . . $29,000

Derelict Vessel Removal Account--State Appropriation . . . . . $31,000

TOTAL APPROPRIATION . . . . . ((~~$47,438,000~~))
$49,417,000

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

(1) In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2007-09 fiscal biennium. Pursuant to RCW 43.135.055, during the 2007-09 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs. Pursuant to RCW 43.135.055 and 43.24.086, the department is further authorized to increase the following fees as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Real estate appraiser certification, by not more than $30 in fiscal year 2009; real estate appraiser certification, original via reciprocity, by not more than $30 in fiscal year 2009; security guard license, original, by not more than $30 in fiscal year 2009; security guard license, renewal, by not more than $30 in 2009; and skills testing fee, a new fee may be established of not more than $100 for most drivers and $75 for nonprofit ECEAP or head start program.

(2) $230,000 of the master license account--state appropriation is provided solely for Engrossed Second Substitute House Bill No. 1461 (manufactured/mobile home dispute resolution). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) $64,000 of the business and professions account--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 6437 (bail bond agents). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(4) $210,000 of the business and professions account--state appropriation is provided solely to implement Engrossed Substitute

Senate Bill No. 6606 (home inspectors). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(5) $87,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department to conduct a review of the need for regulation of general and specialty contractors involved in the repair, alteration, or construction of single-family homes using the public interest criteria set forth in RCW 18.118.010 and as generally described in Second Substitute House Bill No. 3349 (residential contractors). By October 1, 2008, the department and the department of labor and industries shall report their findings to the appropriate committees of the legislature.

(6) The department of licensing and the department of health shall jointly review and report to the appropriate policy committees of the legislature by December 1, 2008, recommendations for implementing a process of holding in abeyance for up to six months following the conclusion of active duty service the expiration of, and currency requirements for, professional licenses and certificates for individuals who have been called to active duty military service.

(7) The higher education coordinating board, the department of licensing, and the department of health shall jointly review and report to the appropriate policy committees of the legislature by December 1, 2008, on barriers and opportunities for increasing the extent to which veterans separating from duty are able to apply skills sets and education required while in service to certification, licensure, and degree requirements.

**Sec. 402.** 2007 c 522 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$38,903,000~~))
$38,968,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$37,102,000~~))
$31,262,000

General Fund--Federal Appropriation . . . . . $5,629,000

General Fund--Private/Local Appropriation . . . . . $1,223,000

Death Investigations Account--State Appropriation . . . ((~~$5,510,000~~))
$5,680,000

Public Safety and Education Account--State

Appropriation (FY 2008) . . . . . $1,476,000
Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . ((~~$1,532,000~~))
$2,687,000
Enhanced 911 Account--State Appropriation . . . . . $572,000
County Criminal Justice Assistance Account--State
Appropriation . . . . . ((~~$3,155,000~~))
$3,133,000
Municipal Criminal Justice Assistance
Account--State Appropriation . . . . . ((~~$1,244,000~~))
$1,222,000
Fire Service Trust Account--State Appropriation . . . . . $131,000
Disaster Response Account--State Appropriation . . . . . $2,000
Fire Service Training Account--State Appropriation . . ((~~$7,936,000~~))
$8,010,000
Aquatic Invasive Species Enforcement
Account--State Appropriation . . . . . $54,000
State Toxics Control Account--State Appropriation . . . . ((~~$502,000~~))
$495,000
Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2008) . . . . . $3,007,000
Violence Reduction and Drug Enforcement
Account--State Appropriation (FY 2009) . . . . . $4,429,000
Fingerprint Identification Account--State
Appropriation . . . . . ((~~$6,928,000~~))
$10,057,000
TOTAL APPROPRIATION . . . . . ((~~$119,505,000~~))
$118,037,000

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

(1) $233,000 of the general fund--state appropriation for fiscal year 2008, $282,000 of the general fund--state appropriation for fiscal year 2009, and $357,000 of the fingerprint identification account--state appropriation are provided solely for workload associated with implementation of the federal Adam Walsh Act -- the Children's Safety and Violent Crime Reduction Act of 2006.

(2) In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform and charge fees for

criminal history and background checks for state and local agencies, and nonprofit and other private entities and disseminate the records. It is the policy of the state of Washington that the fees cover, as nearly as practicable, the direct and indirect costs of performing criminal history and background checks activities. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the direct and indirect cost of the criminal history and background check activities.

(3) $200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(4) ((~~$250,000~~)) $350,000 of the fire service training account--state appropriation is provided solely to implement the provisions of Senate Bill No. 6119 (firefighter apprenticeship training program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) $200,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for efforts to reduce the number of convicted offender biological samples awaiting DNA analysis.

(6) Within the appropriations in this section, specific funding is provided to implement Second Substitute Senate Bill No. 5642 (cigarette ignition).

(End of part)

## PART V
## EDUCATION

**Sec. 501.** 2007 c 522 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2008) . . . . . ((~~$21,815,000~~)) $22,161,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$22,147,000~~)) $25,223,000

General Fund--Federal Appropriation . . . . . ((~~$21,551,000~~)) $21,292,000

TOTAL APPROPRIATION . . . . . ((~~$65,513,000~~)) $68,676,000

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

(a) $11,920,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$12,362,000~~)) $12,019,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) $1,080,000 of the general fund--state appropriation for fiscal year 2008 and $815,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation and expenses of

the state board of education, including basic education assistance activities. Within the amounts provided, the board shall implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) for which it is responsible, including: (i) Develop a comprehensive set of recommendations for an accountability system; (ii) adopt high school graduation requirements aligned with international performance standards in mathematics and science and, in conjunction with the office of the superintendent of public instruction, identify no more than three curricula that are aligned with these standards; and (iii) review all requirements related to the high school diploma as directed by section 405, chapter 263, Laws of 2006.

(c) $4,779,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$6,033,000~~)) <u>$6,248,000</u> of the general fund--state appropriation for fiscal year 2009 are provided solely to the professional educator standards board for the following:

(i) $930,000 in fiscal year 2008 and ((~~$1,070,000~~)) <u>$1,284,000</u> in fiscal year 2009 are for the operation and expenses of the Washington professional educator standards board, including administering the alternative routes to certification program, pipeline for paraeducators conditional scholarship loan program, and the retooling to teach math conditional loan program. Within the amounts provided in this subsection (1)(d)(i), the professional educator standards board shall: (A) Revise the teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies; (B) review teacher preparation requirements in cultural understanding and make recommendations for strengthening these standards; (C) create a new professional level teacher assessment; (D) expand the alternative routes to teacher certification program for business professionals and instructional assistants who will teach math and science; ((~~and~~)) (E) revise requirements for college and university teacher preparation programs to match a new knowledge- and skill-based performance system; <u>and (F) test implementation of a revised teacher preparation program approach that is classroom experience-intensive and performance-based;</u>

(ii) $3,269,000 of the general fund--state appropriation for fiscal year 2008 and $4,289,000 of the general fund--state appropriation for fiscal year 2009 are for conditional scholarship loans and mentor

stipends provided through the alternative routes to certification program administered by the professional educator standards board. Of the amounts provided in this subsection (1)(d)(ii):

(A) $500,000 each year is provided solely for conditional scholarships to candidates seeking an endorsement in special education, math, science, or bilingual education;

(B) $2,210,000 for fiscal year 2008 and $3,230,000 for fiscal year 2009 are for the expansion of conditional scholarship loans and mentor stipends for individuals enrolled in alternative route state partnership programs and seeking endorsements in math, science, special education or bilingual education as follows: (I) For route one interns (those currently holding associates of arts degrees), in fiscal year 2008, 120 interns seeking endorsements in the specified subject areas and for fiscal year 2009, an additional 120 interns in the specified subject areas; and (II) for all other routes, funding is provided each year for 140 interns seeking endorsements in the specified subject areas;

(C) Remaining amounts in this subsection (1)(d)(ii) shall be used to continue existing alternative routes to certification programs; and

(D) Candidates seeking math and science endorsements under (A) and (B) of this subsection shall receive priority for funding;

(iii) $236,000 of the general fund--state appropriation for fiscal year 2008 and $231,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the recruiting Washington teachers program established in Second Substitute Senate Bill No. 5955 (educator preparation, professional development, and compensation)((~~.~~));

(iv) $100,000 of the general fund--state appropriation for fiscal year 2008 and $200,000 of the general fund--state appropriation for fiscal year 2009 provided in this subsection (1)(d) are for $4,000 conditional loan stipends for paraeducators participating in the pipeline for paraeducators established in Second Substitute House Bill No. 1906 (improving mathematics and science education); and

(v) $244,000 of the general fund--state appropriation for fiscal year 2008 and $244,000 of the general fund--state appropriation for fiscal year 2009 are for conditional stipends for certificated teachers pursuing a mathematics or science endorsement under the retooling to teach mathematics or science program established in Second Substitute

House Bill No. 1906 (improving mathematics and science education). The conditional stipends shall be for endorsement exam fees as well as stipends for teachers who must also complete coursework.

(d) $555,000 of the general fund--state appropriation for fiscal year 2008 ((~~is~~)) and $867,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for increased attorney general fees related to education litigation.

(e) $67,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the professional educator standards board (PESB) to convene a work group to develop recommendations for increasing teacher knowledge, skills, and competencies to address the needs of English language learner students, pursuant to Second Substitute Senate Bill No. 6673 (student learning opportunities). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(f) ((~~$300,000~~)) $425,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$300,000~~)) $1,975,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for replacement of the apportionment system, which includes the processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

((~~(f)~~)) (g) $78,000 of the general fund--state appropriation for fiscal year 2008 and $78,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to provide direct services and support to schools around an integrated, interdisciplinary approach to instruction in conservation, natural resources, sustainability, and human adaptation to the environment. Specific integration efforts will focus on science, math, and the social sciences. Integration between basic education and career and technical education, particularly agricultural and natural sciences education, is to be a major element.

((~~(g)~~)) (h) $1,336,000 of the general fund--state appropriation for fiscal year 2008 and $1,227,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902 of this act.

((~~(h)~~)) (i) $325,000 of the general fund--state appropriation for fiscal year 2008 and $325,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for comprehensive cultural competence and anti-bias education programs for educators and students. The office of superintendent of public instruction shall administer grants to school districts with the assistance and input of groups such as the anti-defamation league and the Jewish federation of Seattle.

((~~(i)~~)) (j) $50,000 of the general fund--state appropriation for fiscal year 2008 and $50,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

((~~(j)~~)) (k) $204,000 of the general fund--state appropriation for fiscal year 2008 and $66,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5843 (regarding educational data and data systems). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(k)~~)) (l) $114,000 of the general fund--state appropriation for fiscal year 2008 and $114,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1052 (legislative youth advisory council). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(l)~~)) (m) $162,000 of the general fund--state appropriation for fiscal year 2008 and $31,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422 (children and families of incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(m)~~)) (n) $28,000 of the general fund--state appropriation for fiscal year 2008 and $27,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5098 (Washington college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(n)~~)) (o) $46,000 of the general fund--state appropriation for fiscal year 2008 and $3,000 of the general fund--state appropriation

for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5297 (regarding providing medically and scientifically accurate sexual health education in schools). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

((~~(o)~~)) (p) $45,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the office of superintendent of public instruction to convene a workgroup to develop school food allergy guidelines and policies for school district implementation. The workgroup shall complete the development of the food allergy guidelines and policies by March 31, 2008, in order to allow for school district implementation in the 2008-2009 school year. The guidelines developed shall incorporate state and federal laws that impact management of food allergies in school settings.

((~~(p)~~)) (q) $42,000 of the general fund--state appropriation for fiscal year 2008 and $42,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support a program to recognize the work of outstanding classified staff in school districts throughout the state.

((~~(q)~~)) (r) $96,000 of the general fund--state appropriation for fiscal year 2008 and $98,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support a full-time director of skills centers within the office of the superintendent of public instruction.

((~~(r)~~)) (s) $555,000 of the general fund--state appropriation for fiscal year 2008 and $475,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction to contract with the northwest educational research laboratory (NWREL) to conduct two educational studies. Specifically, NWREL shall:

(i) Conduct a study regarding teacher preparation, training, and coordinated instructional support strategies for English language learners, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the appropriate

early learning, education, and fiscal committees of the legislature; and

(ii) Conduct a study of the effectiveness of the K-3 demonstration projects as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the appropriate early learning, education, and fiscal committees of the legislature.

((~~(s)~~)) (t) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction to contract with Washington State University social and economic sciences research center (WSU-SESRC) to conduct to educational research studies. The WSU-SESRC shall:

(i) Conduct a study which reviews chapter 207, Laws of 2002 (bullying in schools), evaluate the outcomes resulting from the legislation, and to make recommendations for continued improvement. The study shall, at a minimum, determine: (A) Whether the policies have been developed and implemented in all elementary, middle, and high schools; (B) whether there has been any measurable improvement in the safety and civility of schools' climate and environment as a result of the legislation; (C) whether there are still issues that need to be addressed in light of the original intent of the legislation; and (D) recommended actions to be taken at the school, district, and state level to address the identified issues. Additionally, WSU-SESRC shall research and identify effective programs and the components of effective programs. A report shall be submitted to the education committees of the legislature and the office of the superintendent of public instruction by September 1, 2008.

(ii) Conduct an evaluation of the mathematics and science instructional coach program as described in Second Substitute House Bill No. 1906 (improving mathematics and science education). Findings shall include an evaluation of the coach development institute, coaching support seminars, and other coach support activities; recommendations with regard to the characteristics required of the coaches; identification of changes in teacher instruction related to coaching activities; and identification of the satisfaction level with

coaching activities as experienced by classroom teachers and administrators. An interim report is due November 1, 2008. The final report is due December 1, 2009. Both the interim and final report shall be presented to the governor, the office of the superintendent of public instruction, and the education and fiscal committees of the legislature.

(u) $150,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for additional costs incurred by the state board of education in reviewing proposed math standards and curriculum.

(v) During the 2007-09 biennium, to the maximum extent possible, in adopting new agency rules or making any changes to existing rules or policies related to the fiscal provisions in the administration of part V of this act, the office of the superintendent of public instruction shall attempt to request approval through the normal legislative budget process.

(w) $142,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the conducting of a comprehensive analysis of math and science teacher supply and demand issues by the professional educator standards board. By December 1, 2008, the professional educator standards board shall submit a final report to the governor and appropriate policy and fiscal committees of the legislature, that includes, but is not limited to: (i) Specific information on the current number of math and science teachers assigned to teach mathematics and science both with and without appropriate certification in those subjects by region and statewide; (ii) projected demand information by detailing the number of K-12 mathematics and science teachers needed by the 2010-11 school year by region and statewide; (iii) specific recommendations on how the demand will be met through recruitment programs, alternative route certification programs, potential financial incentives, retention strategies, and other efforts; and (iv) identification of strategies, based on best practices, to improve the rigor and productivity of state-funded mathematics and science teacher preparation programs. As part of the final report, the professional educator standards board and the Washington state institute for public policy shall provide information from a study of differential pay for teachers in high-demand subject

areas such as mathematics and science, including the design, successes, and limitations of differential pay programs in other states. In order for the professional educator standards board to quantify demand, each school district shall provide to the board, by a date and in a format specified by the board, the number of teachers assigned to teach mathematics and science, both with and without appropriate certification and endorsement in those subjects, and the number of mathematics and science teaching vacancies needing to be filled, and the board shall include this data, by district, in its analysis.

(x) $45,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Substitute Senate Bill No. 6556 (anaphylactic policy). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(y) $44,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Substitute Senate Bill No. 6742 (guidelines for students with autism) and Substitute Senate Bill No. 6743 (training for students with autism). If neither bill is enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(z) Within the appropriations in this section, specific funding is provided for the implementation of Second Engrossed Substitute Senate Bill No. 5100 (health insurance information for students).

(aa) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2722 (achievement gap for African-American students). The center for the improvement of student learning will convene an advisory committee to conduct a detailed analysis of the achievement gap for African-American students; recommend a comprehensive plan for closing the gap pursuant to goals under the federal no child left behind act for all groups of students to meet academic standards by 2014; and identify performance measures to monitor adequate yearly progress. A study update shall be submitted by September 15, 2008, and the committee's final report shall be submitted by December 30, 2008, to the superintendent of public instruction, the state board of education, the governor, the P-20 council, the basic education finance task force, and the education committees of the legislature. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(bb) Within the appropriations in this section specific funding is provided to implement Second Substitute House Bill No. 2598 (online mathematics curriculum).

(cc) Within the appropriations in this section specific funding is provided to implement Second Substitute House Bill No. 2635 (school district boundaries and organization).

(dd) Within the appropriations in this section specific funding is provided to implement Second Substitute House Bill No. 3129 (online learning programs for high school students to earn college credit).

(ee) $136,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the office of superintendent of public instruction to assign at least one full-time equivalent staff position to serve as the world language supervisor.

(2) STATEWIDE PROGRAMS

General Fund--State Appropriation (FY 2008) . . . . . ((~~$14,783,000~~))
$14,283,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$16,459,000~~))
$16,128,000

General Fund--Federal Appropriation . . . . . $55,890,000

TOTAL APPROPRIATION . . . . . ((~~$87,132,000~~))
$86,301,000

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

(a) HEALTH AND SAFETY

(i) $2,541,000 of the general fund--state appropriation for fiscal year 2008 and $2,541,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) $96,000 of the general fund--state appropriation for fiscal year 2008 and $96,000 of the general fund-- state appropriation for fiscal year 2009 are provided solely for the school safety center in the office of the superintendent of public instruction subject to the following conditions and limitations:

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

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

(iii) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a school safety training program provided by the criminal justice training commission. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(iv) $40,000 of the general fund--state appropriation for fiscal year 2008 and $40,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

(v) $10,344,000 of the general fund--federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies.

(vi) $271,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$271,000~~)) $396,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide ((~~a request for proposal process, with up to 80 percent funding, for~~)) nonviolence

leadership workshops including in-school, weekend, and school break programming serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(vii) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a pilot youth suicide prevention and information program. The office of superintendent of public instruction will work with selected school districts and community agencies in identifying effective strategies for preventing youth suicide.

(viii) $800,000 of the general fund--state appropriation for fiscal year 2008 and $800,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for programs to improve safety and emergency preparedness and planning in public schools, as generally described in Substitute Senate Bill No. 5097. The superintendent of public instruction shall design and implement the grant program in consultation with the educational service districts, the school safety advisory committee, and the Washington association of sheriffs and police chiefs. The funding shall support grants to school districts for the development and updating of comprehensive safe school plans, school safety training, and the conducting of safety-related drills. As a condition of receiving these funds, school districts must ensure that schools (A) conduct at least one lockdown and one shelter in place safety drill each school year, and (B) send updated school mapping database information on an annual basis to the Washington association of sheriffs and police chiefs.

(ix) $40,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state school directors' association to mediate and facilitate a school disciplinary action task force to review and make recommendations on a model policy regarding the use of physical force in schools. The model policy shall be submitted to the appropriate policy committees of the legislature by November 1, 2008.

(x) $180,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2712 (concerning criminal street gangs). If the bill is

not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(b) TECHNOLOGY

(i) $1,939,000 of the general fund--state appropriation for fiscal year 2008 and $1,939,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(ii) The office of the superintendent of public instruction shall coordinate, in collaboration with educational service districts, a system of outreach to school districts not currently maximizing their eligibility for federal e-rate funding through the schools and libraries program administered by the federal communications commission. By December 15, 2008, the office of the superintendent of public instruction shall issue a report to the fiscal committees of the legislature identifying school districts that were eligible but did not apply for e-rate funding for the last two years, and an estimate of the amounts for which they were eligible in those years. The report shall also include recommendations for following-up on the findings relative to the e-rate program contained in the state auditor's performance audit of educational service districts completed September, 2007.

(c) GRANTS AND ALLOCATIONS

(i) $652,000 of the general fund--state appropriation for fiscal year 2008 and $1,329,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to expand the special services pilot project to include up to seven participating districts. The office of the superintendent of public instruction shall allocate these funds to the district or districts participating in the pilot program according to the provisions of RCW ((~~28A.630.015~~)) 28A.630.016. Of the amounts provided, $11,000 of the general fund--state appropriation for fiscal year 2008 and $11,000 of the general fund--state appropriation for fiscal year 2009 are provided for the office of the superintendent of public instruction to conduct a study of the expanded special services pilot.

(ii) $31,000 of the general fund--state appropriation for fiscal year 2008 and $31,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operation of the Cispus environmental learning center.

(iii) $97,000 of the general fund--state appropriation for fiscal year 2008 and $97,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support vocational student leadership organizations.

(iv) $146,000 of the general fund--state appropriation for fiscal year 2008 and $146,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington civil liberties education program.

(v) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(vi) $294,000 of the general fund--state appropriation for fiscal year 2008 and $294,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Lorraine Wojahn dyslexia pilot reading program in up to five school districts.

(vii) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for developing and disseminating curriculum and other materials documenting women's role in World War II.

(viii) $175,000 of the general fund--state appropriation for fiscal year 2008 and $175,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for incentive grants for districts <u>and pilot projects</u> to develop preapprenticeship programs. <u>Incentive g</u>rant awards up to $10,000 each shall be used to support the program's design, school/business/labor agreement negotiations, and recruiting high school students for preapprenticeship programs in the building trades and crafts.

(ix) $3,220,000 of the general fund--state appropriation for fiscal year 2008 and $3,220,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the dissemination of the

Navigation 101 curriculum to all districts, including disseminating electronic student planning tools and software for analyzing the impact of the implementation of Navigation 101 on student performance, and grants to at least one hundred school districts each year for the implementation of the Navigation 101 program. The implementation grants will be limited to a maximum of two years and the school districts selected shall represent various regions of the state and reflect differences in school district size and enrollment characteristics.

(x) $36,000 of the general fund--state appropriation for fiscal year 2008 and $36,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the enhancement of civics education. Of this amount, $25,000 each year is provided solely for competitive grants to school districts for curriculum alignment, development of innovative civics projects, and other activities that support the civics assessment established in chapter 113, Laws of 2006.

(xi) $2,500,000 of the general fund--state appropriation for fiscal year 2008 and $2,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute House Bill No. 1573 (authorizing a statewide program for comprehensive dropout prevention, intervention, and retrieval). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(xii) $25,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the communities in school program in Pierce county.

(xiii) ((~~$500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the office of superintendent of public instruction to contract with a company to develop and implement a pilot program for providing indigenous learning curriculum and standards specific online learning programs based on the recommended standards in chapter 205, Laws of 2005 (Washington's tribal history). The specific content areas covered by the pilot program will include social studies and science. The contractor selected will have experience in developing and implementing indigenous learning curricula and if possible will be affiliated with a recognized Washington state~~

~~tribe. The pilot program will be implemented in a minimum of three school districts in collaboration with Washington tribes and school districts. To the extent possible and appropriate, the pilot program will involve organizations including, the University of Washington's mathematics science and engineering achievement, the digital learning commons, the virtual possibilities network, the museum of arts and culture in Spokane, Eastern Washington University, and Washington State University.~~

~~(xiv)~~)) $70,000 of the general fund--state appropriation for fiscal year 2008 and $70,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support and expand the mentoring advanced placement program in current operation in southwest Washington.

((~~(xv) $1,000,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement House Bill No. 1051 (expanding high school completion programs). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.~~

~~(xvi)~~)) (xiv) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for program initiatives to address the educational needs of Latino students and families. Using the full amounts of the appropriations under this subsection, the office of the superintendent of public instruction shall contract with the Seattle community coalition of compana quetzal to provide for three initiatives: (A) Early childhood education; (B) parent leadership training; and (C) high school success and college preparation programs. Campana quetzal shall report to the office of the superintendent of public instruction by June 30, 2009, regarding impact of the programs on addressing the academic achievement gap, including high school drop-out rates and college readiness rates, for Latino students.

(xv) $264,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a pilot program in two school districts to provide sequentially articulated Spanish and Chinese language instruction in elementary schools.

(xvi) $300,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for reimbursement to school districts for costs associated with offering the preliminary scholastic aptitude test

(PSAT) to tenth grade students outlined in Second Substitute Senate Bill No. 6673 (student learning opportunities). The office of the superintendent of public instruction shall provide payment for these tests consistent with established procedures with the appropriate testing companies. Within the amount provided in this subsection, the office of the superintendent of public instruction shall pay for as many tests as the available funding allows, ensure equitable funding across districts, and first provide payments for tenth grade students eligible for free or reduced price lunch that take the preliminary scholastic aptitude test. To the extent funding remains after providing for this reimbursement for students eligible for free or reduced price lunch, the office of the superintendent of public instruction may make payments for other students.

(xvii) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2870 (professional development for instructional assistants). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(xviii) $10,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the superintendent of public instruction to convene a work group that includes representatives from dual credit programs including representatives from high schools, the tech prep program, the state board for community and technical colleges, the public four-year institutions of higher education, the workforce training and education coordinating board, the higher education coordinating board, and the council of presidents to develop a strategic plan for statewide coordination of dual credit programs including but not limited to running start, college in the high school, tech prep, advanced placement, and international baccalaureate. The plan shall clearly articulate the purpose and definition of each program, the goals associated with each program, the personnel required both to administer and teach each program, the benefits to students, and the barriers to access. The work group must provide the plan to the appropriate committees of the legislature by December 1, 2008.

(xix) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for a pilot project to encourage bilingual high school students to pursue public school teaching as a profession. Using the full amounts of the appropriation under this subsection, the

office of the superintendent of public instruction shall contract with the Latino/a educational achievement project (LEAP) to work with school districts to identify and mentor not fewer than fifty bilingual students in their junior year of high school, encouraging them to become bilingual instructors in schools with high English language learner populations. Students shall be mentored by bilingual teachers and complete a curriculum developed and approved by the participating districts.

**Sec. 502.** 2007 c 522 s 502 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**

General Fund--State Appropriation (FY 2008) . . . . ((~~$4,448,333,000~~))
$4,436,719,000

General Fund--State Appropriation (FY 2009) . . . . ((~~$4,474,199,000~~))
$4,477,998,000

Education Legacy Trust Account--State
Appropriation . . . . . ((~~$9,387,000~~))
$9,373,000

Pension Funding Stabilization Account Appropriation . . . $341,624,000

TOTAL APPROPRIATION . . . . . ((~~$9,273,543,000~~))
$9,265,714,000

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

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

(2) Allocations for certificated staff salaries for the 2007-08 and 2008-09 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (e) through (g) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

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

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

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

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

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

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

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

(C) Any district maintaining a ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-

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

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2008-09 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support; and

(iii) Indirect cost charges by a school district to vocational-secondary programs shall not exceed 15 percent of the combined basic education and vocational enhancement allocations of state funds;

(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small

school plants within any school district which have been judged to be remote and necessary by the state board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

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

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

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

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

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time

equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

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

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

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

(3) Allocations for classified salaries for the 2007-08 and 2008-09 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(e) through (i) of this section, one classified staff unit for each ((~~2.95~~)) 2.94 certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each ((~~fifty-nine~~)) 58.75 average annual full-time equivalent students; and

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

(4) Fringe benefit allocations shall be calculated at a rate of ((~~14.13~~)) 14.11 percent in the 2007-08 school year and ((~~16.69~~)) 16.75 percent in the 2008-09 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of ((~~17.06~~)) 17.04 percent in the 2007-08 school year and ((~~18.74~~)) 18.72 percent in

the 2008-09 school year for classified salary allocations provided under subsection (3) of this section.

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

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

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of $9,703 per certificated staff unit in the 2007-08 school year and a maximum of ((~~$9,907~~)) $10,178 per certificated staff unit in the 2008-09 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of $23,831 per certificated staff unit in the 2007-08 school year and a maximum of ((~~$24,331~~)) $24,999 per certificated staff unit in the 2008-09 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of $18,489 per certificated staff unit in the 2007-08 school year and a maximum of ((~~$18,877~~)) $19,395 per certificated staff unit in the 2008-09 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of $555.20 for the 2007-08 and 2008-09 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and

the number of actual basic education certificated instructional staff reported statewide for the prior school year.

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

(9) $1,870,000 of the general fund--state appropriation for fiscal year 2008 and $2,421,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to implement Engrossed Second Substitute House Bill No. 1432 (granting service credit to educational staff associates for nonschool employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) The superintendent may distribute a maximum of ((~~$16,622,000~~)) $16,620,000 outside the basic education formula during fiscal years 2008 and 2009 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of $547,000 may be expended in fiscal year 2008 and a maximum of ((~~$558,000~~)) $567,000 may be expended in fiscal year 2009;

(b) For summer vocational programs at skills centers, a maximum of $2,385,000 may be expended for the 2008 fiscal year and a maximum of $2,385,000 for the 2009 fiscal year. 20 percent of each fiscal year amount may carry over from one year to the next;

(c) A maximum of ((~~$390,000~~)) $393,000 may be expended for school district emergencies;

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

(e) ((~~$9,387,000~~)) $9,373,000 of the education legacy trust account appropriation is provided solely for allocations for equipment replacement in vocational programs and skills centers. Each year of the biennium, the funding shall be allocated based on $75 per full-time equivalent vocational student and $125 per full-time equivalent skills center student.

(f) $2,991,000 of the general fund--state appropriation for fiscal year 2008 and $4,403,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5790 (regarding skills centers). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.7 percent from the 2006-07 school year to the 2007-08 school year and ((~~5.1~~)) 6.0 percent from the 2007-08 school year to the 2008-09 school year.

(12) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (h) of this section, the following shall apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

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

(13) The appropriation levels in part V of this act assume implementation of the reimbursement provisions of Senate Bill No. 6450 (school district reimbursement of performance audits).

**Sec. 503.** 2007 c 522 s 503 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following calculations determine the

salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502 of this act:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP Document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on ((~~March 24, 2007, at 07:29~~)) March 9, 2008, at 15:09 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on ((~~April 19, 2007, at 06:03~~)) March 9, 2008, at 15:09 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of ((~~14.13~~)) 14.11 percent for school year 2007-08 and ((~~16.69~~)) 16.75 percent for school year 2008-09 for certificated staff and for classified staff ((~~17.06~~)) 17.04 percent for school year 2007-08 and ((~~18.74~~)) 18.72 percent for the 2008-09 school year.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2007-08 School Year

| Years of Service | BA | BA+15 | BA+30 | BA+45 | BA+90 | BA+135 | MA | MA+45 | MA+90 or PHD |
|---|---|---|---|---|---|---|---|---|---|
| 0 | 32,746 | 33,630 | 34,547 | 35,465 | 38,412 | 40,310 | 39,260 | 42,207 | 44,107 |
| 1 | 33,187 | 34,083 | 35,011 | 35,970 | 38,948 | 40,836 | 39,696 | 42,674 | 44,560 |
| 2 | 33,607 | 34,512 | 35,450 | 36,483 | 39,452 | 41,359 | 40,135 | 43,104 | 45,012 |
| 3 | 34,039 | 34,953 | 35,901 | 36,967 | 39,930 | 41,884 | 40,552 | 43,513 | 45,468 |
| 4 | 34,464 | 35,418 | 36,372 | 37,474 | 40,455 | 42,423 | 40,988 | 43,969 | 45,938 |
| 5 | 34,902 | 35,861 | 36,824 | 37,988 | 40,958 | 42,965 | 41,432 | 44,403 | 46,410 |
| 6 | 35,353 | 36,291 | 37,287 | 38,508 | 41,464 | 43,482 | 41,887 | 44,843 | 46,860 |
| 7 | 36,145 | 37,097 | 38,106 | 39,394 | 42,393 | 44,467 | 42,739 | 45,737 | 47,812 |
| 8 | 37,304 | 38,308 | 39,340 | 40,735 | 43,775 | 45,925 | 44,079 | 47,120 | 49,269 |
| 9 | | 39,562 | 40,646 | 42,091 | 45,202 | 47,425 | 45,434 | 48,547 | 50,770 |
| 10 | | | 41,967 | 43,516 | 46,669 | 48,966 | 46,861 | 50,014 | 52,310 |
| 11 | | | | 44,984 | 48,204 | 50,547 | 48,328 | 51,550 | 53,891 |
| 12 | | | | 46,404 | 49,781 | 52,194 | 49,853 | 53,126 | 55,540 |
| 13 | | | | | 51,397 | 53,882 | 51,431 | 54,741 | 57,226 |
| 14 | | | | | 53,020 | 55,632 | 53,056 | 56,471 | 58,977 |
| 15 | | | | | 54,400 | 57,080 | 54,435 | 57,939 | 60,511 |
| 16 or more | | | | | 55,487 | 58,220 | 55,523 | 59,097 | 61,720 |

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2008-09 School Year

((~~Years of Service~~

| ~~BA~~ | ~~BA+15~~ | ~~BA+30~~ | ~~BA+45~~ | ~~BA+90~~ | ~~BA+135~~ | ~~MA~~ | ~~MA+45~~ | ~~MA+90 or PHD~~ |
|---|---|---|---|---|---|---|---|---|
| ~~0~~ | ~~33,898~~ | ~~34,814~~ | ~~35,762~~ | ~~36,713~~ | ~~39,763~~ | ~~41,728~~ | ~~40,641~~ | ~~43,691~~ | ~~45,658~~ |
| ~~1~~ | ~~34,354~~ | ~~35,282~~ | ~~36,243~~ | ~~37,236~~ | ~~40,318~~ | ~~42,272~~ | ~~41,093~~ | ~~44,175~~ | ~~46,128~~ |
| ~~2~~ | ~~34,789~~ | ~~35,726~~ | ~~36,697~~ | ~~37,766~~ | ~~40,840~~ | ~~42,814~~ | ~~41,547~~ | ~~44,621~~ | ~~46,596~~ |
| ~~3~~ | ~~35,237~~ | ~~36,183~~ | ~~37,164~~ | ~~38,267~~ | ~~41,335~~ | ~~43,357~~ | ~~41,979~~ | ~~45,044~~ | ~~47,067~~ |
| ~~4~~ | ~~35,676~~ | ~~36,664~~ | ~~37,651~~ | ~~38,793~~ | ~~41,878~~ | ~~43,915~~ | ~~42,430~~ | ~~45,516~~ | ~~47,554~~ |
| ~~5~~ | ~~36,130~~ | ~~37,123~~ | ~~38,120~~ | ~~39,324~~ | ~~42,399~~ | ~~44,476~~ | ~~42,890~~ | ~~45,965~~ | ~~48,043~~ |
| ~~6~~ | ~~36,597~~ | ~~37,567~~ | ~~38,598~~ | ~~39,863~~ | ~~42,923~~ | ~~45,011~~ | ~~43,361~~ | ~~46,421~~ | ~~48,508~~ |
| ~~7~~ | ~~37,416~~ | ~~38,402~~ | ~~39,446~~ | ~~40,780~~ | ~~43,885~~ | ~~46,031~~ | ~~44,243~~ | ~~47,346~~ | ~~49,494~~ |
| ~~8~~ | ~~38,616~~ | ~~39,655~~ | ~~40,724~~ | ~~42,168~~ | ~~45,315~~ | ~~47,541~~ | ~~45,630~~ | ~~48,778~~ | ~~51,002~~ |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| ~~9~~ | | ~~40,954~~ | ~~42,076~~ | ~~43,572~~ | ~~46,792~~ | ~~49,093~~ | ~~47,032~~ | ~~50,255~~ | ~~52,556~~ |
| ~~10~~ | | | ~~43,443~~ | ~~45,047~~ | ~~48,310~~ | ~~50,688~~ | ~~48,509~~ | ~~51,773~~ | ~~54,150~~ |
| ~~11~~ | | | | ~~46,566~~ | ~~49,900~~ | ~~52,326~~ | ~~50,028~~ | ~~53,363~~ | ~~55,787~~ |
| ~~12~~ | | | | ~~48,036~~ | ~~51,533~~ | ~~54,030~~ | ~~51,606~~ | ~~54,995~~ | ~~57,493~~ |
| ~~13~~ | | | | | ~~53,205~~ | ~~55,777~~ | ~~53,240~~ | ~~56,667~~ | ~~59,239~~ |
| ~~14~~ | | | | | ~~54,885~~ | ~~57,589~~ | ~~54,922~~ | ~~58,457~~ | ~~61,052~~ |
| ~~15~~ | | | | | ~~56,313~~ | ~~59,088~~ | ~~56,350~~ | ~~59,977~~ | ~~62,639~~ |
| ~~16 or more~~ | | | | | ~~57,439~~ | ~~60,269~~ | ~~57,476~~ | ~~61,176~~ | ~~63,892~~)) |

| Years of Service | BA | BA+15 | BA+30 | BA+45 | BA+90 | BA+135 | MA | MA+45 | MA+90 or PHD |
|---|---|---|---|---|---|---|---|---|---|
| 0 | 34,426 | 35,356 | 36,319 | 37,285 | 40,383 | 42,378 | 41,274 | 44,372 | 46,369 |
| 1 | 34,889 | 35,832 | 36,808 | 37,816 | 40,946 | 42,931 | 41,733 | 44,863 | 46,847 |
| 2 | 35,331 | 36,283 | 37,269 | 38,354 | 41,476 | 43,481 | 42,195 | 45,316 | 47,321 |
| 3 | 35,786 | 36,747 | 37,743 | 38,864 | 41,979 | 44,033 | 42,632 | 45,746 | 47,801 |
| 4 | 36,232 | 37,235 | 38,238 | 39,397 | 42,531 | 44,599 | 43,091 | 46,225 | 48,295 |
| 5 | 36,693 | 37,701 | 38,713 | 39,937 | 43,059 | 45,169 | 43,558 | 46,681 | 48,791 |
| 6 | 37,167 | 38,153 | 39,200 | 40,484 | 43,591 | 45,713 | 44,036 | 47,144 | 49,264 |
| 7 | 37,999 | 39,000 | 40,061 | 41,415 | 44,568 | 46,748 | 44,932 | 48,084 | 50,265 |
| 8 | 39,218 | 40,273 | 41,359 | 42,825 | 46,021 | 48,281 | 46,341 | 49,538 | 51,797 |
| 9 | | 41,591 | 42,731 | 44,250 | 47,521 | 49,858 | 47,765 | 51,038 | 53,374 |
| 10 | | | 44,120 | 45,749 | 49,063 | 51,478 | 49,265 | 52,580 | 54,993 |
| 11 | | | | 47,291 | 50,677 | 53,141 | 50,807 | 54,194 | 56,656 |
| 12 | | | | 48,784 | 52,335 | 54,872 | 52,410 | 55,851 | 58,389 |
| 13 | | | | | 54,034 | 56,646 | 54,069 | 57,550 | 60,162 |
| 14 | | | | | 55,740 | 58,486 | 55,778 | 59,368 | 62,003 |
| 15 | | | | | 57,191 | 60,008 | 57,227 | 60,911 | 63,615 |
| 16 or more | | | | | 58,334 | 61,207 | 58,372 | 62,129 | 64,887 |

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

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

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

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

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

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

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

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this act, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The certificated instructional staff base salary specified for each district in LEAP Document 2 and the salary schedules in subsection (4)(a) of this section include two learning improvement days. A school district is eligible for the learning improvement day funds only if the learning improvement days have been added to the 180- day contract year. If fewer days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional days shall be limited to specific activities identified in the state required school improvement plan related to improving student learning that are consistent with education reform implementation, and shall not be considered part of basic education. The principal in each school shall assure that the days are used to provide the necessary school- wide, all staff professional development that is tied directly to the school improvement plan. The school principal and the district superintendent shall maintain documentation as to their approval of these activities. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of

public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

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

**Sec. 504.** 2007 c 522 s 504 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$161,665,000~~)) $161,280,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$348,871,000~~)) $405,228,000

General Fund--Federal Appropriation . . . . . ((~~$243,000~~)) $275,000

TOTAL APPROPRIATION . . . . . ((~~$510,779,000~~)) $566,783,000

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

(1) ((~~$444,366,000~~)) $500,195,000 is provided solely for the following:

(a) A cost of living adjustment of 3.7 percent effective September 1, 2007, and another ((~~2.8~~)) 3.9 percent effective September 1, 2008, pursuant to Initiative Measure No. 732.

(b) An additional .5 percent cost of living adjustment is provided above the amount required by Initiative Measure No. 732, effective September 1, 2008.

(c) Additional salary increases as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. Allocations for these salary increases shall be provided to all 262 districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule. These additional salary increases will result in a decrease in the number of

grandfathered districts from the current thirty-four to twenty-four in the 2007-08 school year and to ((~~thirteen~~)) twelve in the 2008-09 school year.

((~~(c)~~)) (d) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases shall ensure a minimum salary allocation for certificated administrative staff of $54,405 in the 2007-08 school year and ((~~$57,097~~)) $57,986 in the 2008-09 school year.

((~~(d)~~)) (e) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases ensure a minimum salary allocation for classified staff of $30,111 in the 2007-08 school year and ((~~$31,376~~)) $31,865 in the 2008-09 school year.

((~~(e)~~)) (f) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at rates ((~~13.49~~)) 13.47 percent for the 2007-08 school year and ((~~16.05~~)) 16.11 percent for the 2008-09 school year for certificated staff and ((~~13.56~~)) 13.54 percent for the 2007-08 school year and ((~~15.24~~)) 15.22 percent for the 2008-09 school year for classified staff.

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

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

| | School Year | |
|---|---|---|
| | 2007-08 | 2008-09 |
| Pupil Transportation (per weighted pupil mile) | $1.08 | ((~~$2.04~~)) $2.46 |
| Highly Capable (per formula student) | $11.13 | ((~~$20.98~~)) $25.51 |
| Transitional Bilingual Education (per eligible bilingual student) | ((~~$29.81~~)) $29.80 | ((~~$56.19~~)) $68.33 |
| Learning Assistance (per formula student) | $7.00 | ((~~$13.20~~)) $18.86 |

((~~(h)~~)) (i) The appropriations in this section include $925,000 for fiscal year 2008 and ((~~$1,940,000~~)) $2,314,000 for fiscal year 2009 for salary increase adjustments for substitute teachers.

(2) ((~~$66,415,000~~)) $66,591,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is $682.54 per month for the 2007-08 and 2008-09 school years. The appropriations in this section provide for a rate increase to $707.00 per month for the 2007-08 school year and $732.00 per month for the 2008-09 school year. The adjustments to health insurance benefit allocations are at the following rates:

| | School Year | |
|---|---|---|
| | 2007-08 | 2008-09 |
| Pupil Transportation (per weighted pupil mile) | $0.22 | $0.45 |
| Highly Capable (per formula student) | ((~~$1.49~~)) $1.50 | $3.05 |
| Transitional Bilingual Education (per eligible bilingual student) | ((~~$3.97~~)) $3.96 | $8.01 |
| Learning Assistance (per formula student) | $0.86 | ((~~$1.75~~)) $2.05 |

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

**Sec. 505.** 2007 c 522 s 505 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$262,728,000~~)) $273,409,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$264,700,000~~)) $276,510,000

Education Legacy Trust Account--State Appropriation . . . . . $25,000,000

TOTAL APPROPRIATION . . . . . ((~~$552,428,000~~)) $574,919,000

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

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

(2) A maximum of $848,000 of this fiscal year 2008 appropriation and a maximum of ((~~$866,000~~)) $878,000 of the fiscal year 2009 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) $5,000 of the fiscal year 2008 appropriation and $5,000 of the fiscal year 2009 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(4) Allocations for transportation of students shall be based on reimbursement rates of $44.84 per weighted mile in the 2007-08 school year and ((~~$45.48~~)) $45.68 per weighted mile in the 2008-09 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based

on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

(5) $25,000,000 of the education legacy trust account--state appropriation is provided solely for temporary assistance to school districts for pupil transportation programs. The office of the superintendent of public instruction, in consultation with the joint legislative audit and review committee, will develop a method of allocating these funds to school districts. The allocation method shall be based primarily on the findings and analysis from the joint legislative and audit review committee's K-12 pupil transportation study completed in December 2006.

(6) The office of the superintendent of public instruction shall provide reimbursement funding to a school district only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(7) The superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

**Sec. 506.** 2007 c 522 s 507 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$532,192,000~~))
$543,469,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$566,174,000~~))
$581,925,000

General Fund--Federal Appropriation . . . . . ((~~$435,735,000~~))
$435,692,000

Education Legacy Trust Account--State
Appropriation . . . . . $14,561,000

TOTAL APPROPRIATION . . . . . ((~~$1,548,662,000~~))
$1,575,647,000

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

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

(2)(a) The superintendent of public instruction shall ensure that:

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

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

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

(b) The superintendent of public instruction shall adopt the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006, and ensure that all school districts adopt the method beginning in the 2007-08 school year.

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

(4) The superintendent of public instruction shall distribute state funds to school districts based on two categories: (a) The first category includes (i) children birth through age two who are eligible for the optional program for special education eligible developmentally delayed infants and toddlers, and (ii) students eligible for the mandatory special education program and who are age three or four, or five and not yet enrolled in kindergarten; and (b) the second category includes students who are eligible for the mandatory special education program and who are age five and enrolled in kindergarten and students age six through 21.

(5)(a) For the 2007-08 and 2008-09 school years, the superintendent shall make allocations to each district based on the sum of:

(i) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten, as defined in subsection (4) of this section, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

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

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

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

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age four enrollment and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

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

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

average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) To the extent necessary, ((~~$30,690,000~~)) $53,926,000 of the general fund--state appropriation and $29,574,000 of the general fund--federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (5) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the ((~~amount appropriated~~)) federal appropriation in this subsection (8) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state and federal revenues related to services for special education-eligible students. Awards associated with (b) and (c) of this subsection shall not exceed the total of a district's specific determination of need.

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

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services. The safety net awards to school districts shall be adjusted to reflect amounts awarded under (b) of this subsection.

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

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

(f) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent in accordance with chapter 318, Laws of 1999. The state safety net oversight committee shall ensure that safety net documentation and awards are based on current medicaid revenue amounts.

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

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

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

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) The office of the superintendent of public instruction shall review and streamline the application process to access safety net funds, provide technical assistance to school districts, and annually survey school districts regarding improvement to the process.

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

(13) A maximum of $1,000,000 of the general fund--federal appropriation is provided for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful

transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(14) $50,000 of the general fund--state appropriation for fiscal year 2008, $50,000 of the general fund--state appropriation for fiscal 2009, and $100,000 of the general fund--federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction. The purpose of the program is to provide support to parents, guardians, educators, and students with disabilities. The program will provide information to help families and educators understand state laws, rules, and regulations, and access training and support, technical information services, and mediation services. The ombudsman program will provide data, information, and appropriate recommendations to the office of superintendent of public instruction, school districts, educational service districts, state need projects, and the parent and teacher information center. Within the appropriations in this section there is sufficient funding provided to also provide at least a half-time support staff position for the special education ombudsman program.

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

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

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

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

(19) $262,000 of the general fund--state appropriation for fiscal year 2008 and $251,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

**Sec. 507.** 2007 c 522 s 508 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$7,520,000~~))
$7,519,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$8,527,000~~))
$10,248,000

TOTAL APPROPRIATION . . . . . ((~~$16,047,000~~))
$17,767,000

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

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

(2) $1,662,000 of the general fund--state appropriation in fiscal year 2008 and $3,355,000 of the general fund--state appropriation in fiscal year 2009 are provided solely for regional professional development related to mathematics and science curriculum and instructional strategies. For each educational service district, $184,933 is provided in fiscal year 2008 for professional development activities related to mathematics curriculum and instruction and $372,357 is provided in fiscal year 2009 for professional development activities related to mathematics and science curriculum and instruction. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support. The office of superintendent of public instruction shall also allocate to each educational service district additional amounts provided in section 504 of this act for compensation increases associated with the salary amounts and staffing provided in this subsection (2).

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

(4) $876,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6673 (student learning opportunities) to establish reading improvement specialist positions in each of the nine educational service districts. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(5) $592,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6673 (student learning opportunities) for educational service district outreach to community-based programs and organizations within the district that are serving non-English speaking segments of the population as well as those programs that target subgroups of students that may be struggling academically. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(6) $250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Substitute House Bill No. 2679 (educational outcomes for students in foster care). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 508.** 2007 c 522 s 509 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$202,394,000~~))
$203,555,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$212,310,000~~))
$220,100,000

TOTAL APPROPRIATION . . . . . ((~~$414,704,000~~))

$423,655,000

**Sec. 509.** 2007 c 522 s 510 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$18,301,000~~)) $19,105,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$18,513,000~~)) $19,764,000

TOTAL APPROPRIATION . . . . . ((~~$36,814,000~~)) $38,869,000

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

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

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

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

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

(5) ((~~$196,000~~)) $187,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$196,000~~)) $133,797 of the general fund--state appropriation for fiscal year 2009 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled

juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

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

**Sec. 510.** 2007 c 522 s 511 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$8,396,000~~)) $8,383,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$8,779,000~~)) $8,788,000

TOTAL APPROPRIATION . . . . . ((~~$17,175,000~~)) $17,171,000

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

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

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of ((~~$372.19~~)) $372.15 per funded student for the 2007-08 school year and ((~~$378.17~~)) $378.13 per funded student for the 2008-09 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of 2.314 percent of each district's full-time equivalent basic education enrollment.

(3) $170,000 of the fiscal year 2008 appropriation and $170,000 of the fiscal year 2009 appropriation are provided for the centrum program at Fort Worden state park.

(4) $90,000 of the fiscal year 2008 appropriation and $90,000 of the fiscal year 2009 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

**Sec. 511.** 2007 c 522 s 513 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$66,278,000~~)) $66,272,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$73,567,000~~)) $89,985,000

Education Legacy Trust Account--State Appropriation . . . . . ((~~$125,325,000~~)) $120,790,000

General Fund--Federal Appropriation . . . . . ((~~$152,616,000~~)) $152,568,000

TOTAL APPROPRIATION . . . . . ((~~$417,786,000~~)) $429,615,000

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

(1) ((~~$19,966,000~~)) $19,716,000 of the general fund--state appropriation for fiscal year 2008, ((~~$19,946,000~~)) $21,996,000 of the general fund--state appropriation for fiscal year 2009, $1,350,000 of the education legacy trust account--state appropriation, and $15,870,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL; and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year. In addition to the amounts provided for the Washington assessments of student learning in this subsection, $11,372,000 is also included in the appropriations to the office of financial management in this act for an interagency agreement with the office of superintendent of public instruction for the expenditure of those funds based on compliance with certain requirements.

(2) $3,249,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Substitute House Bill No. 3166 (design of the state assessment system and the Washington assessment of student learning), including section 3 of the act providing for end-of-course tests in math. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

((~~$250,000 of the general fund--state appropriation for fiscal year 2008, $250,000 of the general fund--state appropriation for fiscal year 2009, and $10,750,000 of the education legacy trust account--state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments), including section 2 and section 5 of that act. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Additionally, the funding provided in this subsection is subject to the following conditions and limitations:~~

~~(a) The funding may be spent on reviewing, developing, and implementing approved alternative assessments authorized in Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).~~

~~(b) The funding may also be used for reviewing, developing, and implementing end-of-course examinations pursuant to Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).~~

~~(c) The funding may be used for increased costs associated with additional full-time equivalent students directly resulting from additional course-taking requirements specified in Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).~~

~~(d) $4,900,000 of the funds provided in this subsection are provided solely for allocations for school districts to purchase diagnostic assessments as specified in Engrossed Substitute Senate Bill No. 6023. By September 1, 2007, the office of the superintendent of public instruction shall: (i) Negotiate an agreement with an assessment vendor or vendors to secure competitive pricing for school districts for high quality diagnostic assessment tools, and (ii) provide quality comparison information to school districts regarding various diagnostic assessment tools available. Of the funding provided, a maximum of $100,000 may be spent by the office of the superintendent of public instruction for administrative support.~~

~~(e) Beginning on September 1, 2007, the office of the superintendent of public instruction shall submit quarterly reports to~~

~~the office of financial management and the appropriate policy and fiscal committees of the legislature detailing the actions taken pursuant to Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments) and amounts spent of each aspect of the legislation.~~))

(3) $250,000 of the general fund--state appropriation for fiscal year 2008, $250,000 of the general fund--state appropriation for fiscal year 2009, and $4,400,000 of the education legacy trust account--state appropriation is provided solely for the development and implementation of diagnostic assessments, subject to the following terms and conditions:

(a) A maximum of $2,540,000 of the funding provided in this subsection shall support the development and implementation of voluntary classroom-based diagnostic assessments and progress monitoring tools for all subject areas included in the WASL by the office of the superintendent of public instruction; and

(b) $2,360,000 of the funding provided in this subsection is for allocations to school districts to purchase assessment tools which supplement the system of diagnostic tests developed by the office of the superintendent of public instruction as described in (a) of this subsection.

(4) $70,000 of the general fund--state appropriation for fiscal year 2008 and $70,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the second grade assessments.

((~~(4)~~)) (5) $1,414,000 of the general fund--state appropriation for fiscal year 2008 and $1,414,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for (a) the tenth grade mathematics assessment tool that: (i) Presents the mathematics essential learnings in segments for assessment; (ii) is comparable in content and rigor to the tenth grade mathematics WASL when all segments are considered together; (iii) is reliable and valid; and (iv) can be used to determine a student's academic performance level; (b) tenth grade mathematics knowledge and skill learning modules to teach middle and high school students specific skills that have been identified as areas of difficulty for tenth grade students; and (c) making the modules available on-line.

((~~(5)~~)) (6) $2,267,000 of the general fund--state appropriation for fiscal year 2009 and $2,367,000 of the education legacy trust account

appropriation are provided solely to develop a system of mathematics and science standards and instructional materials that are internationally competitive and consistent with emerging best practices research. Funding in this subsection shall fund all of the following specific projects:

(a) The office of the superintendent of public instruction shall adopt revised state standards in mathematics as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education). Activities include conducting research at the request of the state board of education, engaging one or more national experts in mathematics selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in mathematics.

(b) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic mathematics curricula as well as diagnostic and supplemental instructional materials for elementary, middle, and high school grade spans that align with the revised mathematics standards.

(c) The office of the superintendent of public instruction shall adopt revised state standards in science as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education. Activities include conducting research at the request of the state board of education, engaging one or more national experts in science selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in science.

(d) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic science curricula as well as diagnostic and supplemental instructional materials for elementary, middle, and high school grade spans that align with the revised science standards.

(e) The office of the superintendent of public instruction shall evaluate science textbooks, instructional materials, and diagnostic tools to determine the extent to which they are aligned with the revised science standards. Once the evaluations have been conducted,

results will be shared with science teachers, other educators, and community members.

(f) Funding is provided for the office of the superintendent of public instruction to develop WASL knowledge and skill learning modules to assist students performing at tenth grade level 1 and level 2 in science.

(g) Of the amounts provided in this subsection, $300,000 is provided solely to the state board of education to increase capacity to implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) and Engrossed Second Substitute Senate Bill No. 6023 (regarding alternative assessments).

((~~(6)~~)) (7) $8,950,000 of the education legacy trust account appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of two additional professional development days each school year for fourth and fifth grade teachers. The allocations shall be made based on the calculations of certificated instructional staff units for fourth and fifth grade provided in section 502 of this act and on the calculations of compensation provided in sections 503 and 504 of this act. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. In the 2007-08 school year, the professional development activities funded by this subsection shall be focused on development of mathematics knowledge and instructional skills and on improving instruction in science. In the 2008-09 school year, the additional professional development shall focus on skills related to implementing the new international mathematics and science standards and curriculum. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development.

((~~(7)~~)) (8) $13,058,000 of the education legacy trust fund appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of three additional professional development days for middle and high school math teachers and the equivalent of three additional professional development days for middle and high school science teachers. The office of the superintendent of public instruction shall develop rules to determine

the number of math and science teachers in middle and high schools within each district. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development, consistent with the following:

(a) For middle school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on development of basic mathematics knowledge and instructional skills and the additional science professional development shall focus on examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For middle school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

(b) For high school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on skills related to implementing state math learning modules, the segmented math class/assessment program, the collection of evidence alternative assessment, and basic mathematics knowledge and instructional skills, and the additional science professional development shall focus on skills related to examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For high school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

((~~(8)~~)) (9) $17,491,000 of the education legacy trust fund appropriation is provided solely for allocations to districts for specialized professional development in math for one math teacher and one science teacher in each middle school and one math teacher and one

science teacher in each high school. The allocations shall be based on five additional professional development days per teacher and an additional allocation per teacher of $1,500 for training costs. In order to generate an allocation under this subsection, a teacher must participate in specialized professional development that leads to the implementation of mathematics and science courses that add new rigor to the math and science course offerings in the school. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008.

((~~(9)~~)) (10) $5,376,000 of the education legacy trust account--state appropriation is provided solely for a math and science instructional coaches program pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). Funding shall be used to provide grants to schools and districts to provide salaries, benefits, and professional development activities to twenty-five instructional coaches in middle and high school math in the 2007-08 and 2008-09 school years and twenty-five instructional coaches in middle and high school science in the 2008-09 school years; and up to $300,000 may be used by the office of the superintendent of public instruction to administer and coordinate the program. Each instructional coach will receive five days of training at a coaching institute prior to being assigned to serve two schools each. These coaches will attend meetings during the year to further their training and assist with coordinating statewide trainings on math and science.

((~~(10)~~)) (11) ((~~$1,500,000~~)) $1,133,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,500,000~~)) $1,133,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to allow approved middle and junior high school career and technical education programs to receive enhanced vocational funding pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. The office of the superintendent of public instruction shall provide allocations to districts for middle and junior high school students in accordance with the funding formulas provided in section 502 of this act. Although the allocations are formula-driven, the office of the

superintendent shall consider the funding provided in this subsection as a fixed amount, and shall adjust funding to stay within the amounts provided in this subsection.

((~~(11)~~)) (12) $143,000 of the general fund--state appropriation for fiscal year 2008 and $139,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of $2,500 to provide twenty middle and high school teachers each year professional development training for implementing integrated math, science, technology, and engineering program in their schools.

((~~(12)~~)) (13) $5,303,000 of the general fund--state appropriation for fiscal year 2008 and $5,303,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for in-service training and educational programs conducted by the Pacific science center and for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific science center.

((~~(13) $675,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to support state college readiness assessment fees for eleventh grade students. The office of the superintendent of public instruction shall allocate funds for this purpose to school districts based on the number of eleventh grade students who complete the college readiness exam. School districts shall use these funds to reimburse institutions of higher education for the assessments students take and report to the office of the superintendent of public instruction on the number of assessments provided.~~))

(14) ((~~$51,236,000~~)) $51,701,000 of the education legacy trust account--state appropriation is provided solely for grants for voluntary full-day kindergarten at the highest poverty schools, as provided in Engrossed Second Substitute Senate Bill 5841 (enhancing student learning opportunities and achievement). The office of the superintendent of public instruction shall provide allocations to districts for recipient schools in accordance with the funding formulas provided in section 502 of this act. Each kindergarten student who enrolls for the voluntary full-day program in a recipient school shall

count as one-half of one full-time equivalent student for the purpose of making allocations under this subsection. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall limit the number of recipient schools so as to stay within the amounts appropriated each fiscal year in this subsection. The funding provided in this subsection is estimated to provide full-day kindergarten programs for 10 percent of kindergarten enrollment in the 2007-08 school year and 20 percent of kindergarten enrollment in the 2008-09 school year. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced priced lunch eligibility rates in each school. Additionally, as a condition of funding, school districts must agree to provide the full-day program to the children of parents who request it in each eligible school. For the purposes of calculating a school district levy base, funding provided in this subsection shall be considered a state block grant program under RCW 84.52.0531.

(a) Of the amounts provided in this subsection, a maximum of $272,000 may be used for administrative support of the full-day kindergarten program within the office of the superintendent of public instruction.

(b) Student enrollment pursuant to this program shall not be included in the determination of a school district's overall K-12 FTE for the allocation of student achievement programs and other funding formulas unless specifically stated.

(15) $65,000 of the general fund--state appropriation for fiscal year 2008 and $65,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support a full-day kindergarten "lighthouse" resource program at the Bremerton school district, as provided in Engrossed Second Senate Bill No. 5841 (enhancing student learning opportunities and achievement). The purpose of the program is to provide technical assistance to districts in the initial stages of implementing a high quality full-day kindergarten program.

(16) $3,047,000 of the education legacy trust account--state appropriation is provided solely for grants for three demonstration projects for kindergarten through grade three. The purpose of the grants is to implement best practices in developmental learning in

kindergarten through third grade pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement).

(17) $300,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to design, field test, and implement a state-of-the-art education leadership academy that will be accessible throughout the state. Initial development of the content of the academy activities shall be supported by private funds. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners, with varying roles, shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(18) $661,000 of the general fund--state appropriation for fiscal year 2008 and $684,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to school districts to implement emerging best practices activities in support of classroom teachers' instruction of students, with a first language other than English, who struggle with acquiring academic English skills, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). Best practices shall focus on professional development for classroom teachers and support of instruction for English language learners in regular classrooms. School districts qualifying for these grants shall serve a student population that reflects many different first languages among their students. The Northwest educational research laboratory (NWREL) shall evaluate the effectiveness of the practices supported by the grants as provided in section 501 of this act. Recipients of these grants shall cooperate with NWREL in the collection of program data.

(19) $548,000 of the fiscal year 2008 general fund--state appropriation and $548,000 of the fiscal year 2009 general fund--state

appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(20) $2,348,000 of the general fund--state appropriation for fiscal year 2008 and $2,348,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to $200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(21) $705,000 of the general fund--state appropriation for fiscal year 2008 and $705,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(22) ((~~$98,761,000~~)) $105,765,000 of the general fund--federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

(23)(a) $488,000 of the general fund--state appropriation for fiscal year 2008 and $488,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (i) Development of an individualized professional growth plan for a new principal or principal candidate; and (ii) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, $25,000 per year shall be used to support additional participation of secondary principals.

(b) $3,046,000 of the general fund--state appropriation for fiscal year 2008 and $3,046,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct

educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit and the community. Each educational audit shall include recommendations for best practices and ways to address identified needs and shall be presented to the community in a public meeting to seek input on ways to implement the audit and its recommendations.

(24) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a high school and school district improvement program modeled after the office of the superintendent of public instruction's existing focused assistance program in subsection (25)(b) of this section. The state funding for this improvement program will match an equal amount committed by a nonprofit foundation in furtherance of a jointly funded program.

(25) A maximum of $375,000 of the general fund--state appropriation for fiscal year 2008 and a maximum of $500,000 of the general fund--state appropriation for fiscal year 2009 are provided for summer accountability institutes offered by the superintendent of public instruction. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, social studies, including civics, and guidance and counseling. The superintendent of public instruction shall offer at least one institute specifically for improving instruction in mathematics in fiscal years 2008 and 2009 and at least one institute specifically for improving instruction in science in fiscal year 2009.

(26) $515,000 of the general fund--state appropriation for fiscal year 2008 and $515,000 of the general fund--state appropriation for fiscal year 2009 are provided for the evaluation of mathematics textbooks, other instructional materials, and diagnostic tools to determine the extent to which they are aligned with the state standards. Once the evaluations have been conducted, results will be shared with math teachers, other educators, and community members for the purposes of validating the conclusions and then selecting up to three curricula, supporting materials, and diagnostic instruments as

those best able to assist students to learn and teachers to teach the content of international standards. In addition, the office of the superintendent shall continue to provide support and information on essential components of comprehensive, school-based reading programs.

(27) $1,764,000 of the general fund--state appropriation for fiscal year 2008 and $1,764,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the mathematics helping corps subject to the following conditions and limitations:

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

(b) The school improvement specialists shall provide the following:

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

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

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

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

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

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

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

(28) $125,000 of the general fund--state appropriation for fiscal year 2008 and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the improvement of reading achievement and implementation of research-based reading models. The superintendent shall evaluate reading curriculum programs and other

instructional materials to determine the extent to which they are aligned with state standards. A report of the analyses shall be made available to school districts. The superintendent shall report to districts the assessments that are available to screen and diagnose reading difficulties, and shall provide training on how to implement a reading assessment system. Resources may also be used to disseminate grade level expectations and develop professional development modules and web-based materials.

(29) ((~~$30,401,000~~)) $30,706,000 of the general fund--federal appropriation is provided for the reading first program under Title I of the no child left behind act.

(a) $500,000 of the general fund--state appropriation for fiscal year 2008 ((~~and $500,000 of the general fund--state appropriation for fiscal year 2009 are~~)) is provided solely for the office of the superintendent of public instruction to award five grants to parent, community, and school district partnership programs that will meet the unique needs of different groups of students in closing the achievement gap. The legislature intends that the pilot programs will help students meet state learning standards, achieve the skills and knowledge necessary for college or the workplace, reduce the achievement gap, prevent dropouts, and improve graduation rates.

(b) The pilot programs shall be designed in such a way as to be supplemental to educational services provided in the district and shall utilize a community partnership based approach to helping students and their parents.

(c) The grant recipients shall work in collaboration with the office of the superintendent of public instruction to develop measurable goals and evaluation methodologies for the pilot programs. $25,000 of this appropriation may be used by the office of the superintendent of public instruction to hold a statewide meeting to disseminate successful strategies developed by the grantees.

(d) The office of the superintendent of public instruction shall issue a report to the legislature in the 2009 session on the progress of each of the pilot programs.

(30) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the office of the superintendent of public instruction to support and award Washington

community learning center program grants pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(31) ((~~$1,629,000~~)) $1,643,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$1,638,000~~)) $1,667,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to eliminate the lunch co-pay for students in grades kindergarten through third grade that are eligible for reduced price lunch.

(32) $400,000 of the education legacy trust account--state appropriation is provided solely for the development of mathematics support activities provided by community organizations in after school programs. Pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education), the office of the superintendent of public instruction shall administer grants to community organizations that partner with school districts to provide these activities and develop a mechanism to report program and student success.

(33) $5,222,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$5,222,000~~)) $5,285,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for: (a) The meals for kids program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-pay for students eligible for reduced price lunch; and (c) for additional assistance for school districts initiating a summer food service program.

(34) $1,056,000 of the general fund--state appropriation for fiscal year 2008 and $1,056,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs. Grants provided under this section may be used by school districts for expenditures from September 2007 through August 31, 2009.

(35) $3,594,000 of the general fund--state appropriation for fiscal year 2008 and $3,594,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for grants to school districts to provide a continuum of care for children and families to help children

become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(36) $1,959,000 of the general fund--state appropriation for fiscal year 2008 and $1,959,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(37) $126,000 of the general fund--state appropriation for fiscal year 2008 and $126,000 of the general fund--state appropriation for fiscal year 2009 are provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

(38) $333,000 of the general fund--state appropriation for fiscal year 2008 and $333,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the operation of the center for the improvement of student learning pursuant to RCW 28A.300.130.

(39) $12,400,000 of the education legacy trust account--state appropriation is provided solely for one-time allocations for technology upgrades and improvements. The funding shall be allocated based on $3,000 for each elementary school, $6,000 for each middle or junior high school, and $11,000 for each high school. In cases where

a particular school's grade span or configuration does not fall into these categories, the office of superintendent of public instruction will develop an allocation to that school that recognizes the unique characteristics but maintains the proportionate allocation identified in this subsection.

(40) $250,000 of the education legacy trust account--state appropriation is provided solely for costs associated with office of the superintendent of public instruction establishing a statewide director of technology position pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(41)(a) ((~~$9,150,000~~)) $9,747,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$12,447,000~~)) $16,624,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of $5,000 per teacher in fiscal year 2008 and adjusted for inflation in fiscal year 2009. Beginning in the 2007-2008 school year and thereafter, national board certified teachers who become public school principals shall continue to receive this bonus for as long as they are principals and maintain the national board certification;

(ii) During the 2007-2008 school year, for national board certified teachers who teach in schools where at least 70 percent of student headcount enrollment is eligible for the federal free or reduced price lunch program, an additional $5,000 annual bonus to be paid in one lump sum. Beginning in the 2008-2009 school year and thereafter, an additional $5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced price lunch; and

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a pro-rated manner.

(b) Included in the amounts provided in this subsection are amounts for mandatory fringe benefits. Unless Senate Bill No. 6657 (salary bonuses for individuals certified by the national board for professional teaching standards) is enacted by June 30, 2008, the annual bonus shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(c) For purposes of this subsection, "((~~schools where at least 70~~)) the percent of the student headcount enrollment ((~~is~~)) eligible for the federal free or reduced price lunch program" shall be defined as: (i) For the 2007-08 and the 2008-09 school years, schools in which the prior year percentage of students eligible for the federal free and reduced price lunch program ((~~was at least 70 percent~~)) meets the criteria specified in subsection (41)(a)(ii) of this section; and (ii) in the 2008-09 school year, any school that met the criterion in (c)(i) of this subsection in the 2007-08 school year.

(d) Within the amounts appropriated in this subsection, the office of superintendent of public instruction shall revise rules to allow teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching at the Washington school for the deaf or Washington school for the blind, to receive the annual bonus amounts specified in this subsection if they are otherwise eligible.

(42) $2,750,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Second Substitute Senate Bill No. 6377 (career and technical education). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(43) $4,000,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for an allocation of four dollars and nine cents per full-time equivalent student, or as much as the funding in this subsection will allow, to maintain and improve library materials, collections, and services. The funding provided in this subsection shall be used to augment current funding for librarian programs provided through basic education and other existing funding mechanisms.

In order to receive allocations under this section, school districts must agree that to the maximum extent possible they will ensure that library programs and services are equitably provided throughout the district.

(44) $600,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Second Substitute Senate Bill No. 6483 (local farms-healthy kids and communities). Of the amount provided in subsection, up to $30,000 is provided for administrative costs associated with implementing the legislation and at least $570,000 is provided for grants to school districts associated with implementing the legislation. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(45) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6673 (student learning opportunities) which requires the office of the superintendent of public instruction to explore online curriculum support in languages other than English. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(46) $500,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the summer programs for middle and high school students to explore career opportunities rich in math, science, and technology using career and technical education as the delivery model, pursuant to Second Substitute Senate Bill No. 6673 (student learning opportunities). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(47) $250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for grants to five skills centers to develop and plan for implementation of integrated English language development/career skills programs that pair English language development teachers with career/technical education instructors in the classroom. The office of the superintendent of public instruction and skill center staff shall work with the state board for community and technical colleges I-BEST program staff and local community and technical college program staff to develop the program to assure critical program elements are included and that the skill center programs provide a seamless transition for high school students to the

community and technical college programs for students choosing that pathway. The request for proposal or grant application shall be issued no later than May 1, 2008, so that grant recipients can begin program planning and development efforts on July 1, 2008. The superintendent of public instruction shall provide the resulting implementation plans to the governor and the appropriate committees of the legislature by November 1, 2008.

(48) $70,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to support the Chinese exchange program at the Peninsula school district. The funding shall support scholarships, educational programs, and travel costs for students facing financial obstacles to participation in the program.

(49) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to support public high schools' participation in the FIRST robotics program. The office of the superintendent of public instruction shall issue grants not to exceed $10,000 per school to be used for teacher stipends, registration fees, equipment, and other costs associated with direct participation in the program. High-poverty schools and schools starting up robotics programs shall be given priority in funding.

**Sec. 512.** 2007 c 522 s 514 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$65,320,000~~))
$65,595,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$69,217,000~~))
$69,560,000

General Fund--Federal Appropriation . . . . . $45,243,000

TOTAL APPROPRIATION . . . . . ((~~$179,780,000~~))
$180,398,000

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

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

(2) The superintendent shall distribute a maximum of ((~~$824.24~~)) $824.12 per eligible bilingual student in the 2007-08 school year and ((~~$840.25~~)) $840.64 in the 2008-09 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

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

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

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

(6) Pursuant to RCW 28A.150.260, during the 2007-09 biennium, the office of the superintendent of public instruction shall not make exit of the transitional bilingual program contingent on passing both the Washington language proficiency test and the Washington assessment of student learning without prior legislative approval.

**Sec. 513.** 2007 c 522 s 515 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$70,792,000~~)) $68,381,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$73,156,000~~)) $84,654,000

General Fund--Federal Appropriation . . . . . $360,660,000

Education Legacy Trust Account--State Appropriation . . . . . 45,953,000

TOTAL APPROPRIATION . . . . . ((~~$550,561,000~~)) $559,648,000

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

(1) The general fund--state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) Funding for school district learning assistance programs shall be allocated at maximum rates of ((~~$220.37~~)) $220.34 per funded student for the 2007-08 school year and ((~~$224.73~~)) $265.08 per funded student for the 2008-09 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:

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

(ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.

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

(e) If Second Substitute Senate Bill No. 6673 (student learning opportunities) is enacted by June 30, 2008, in addition to the amounts allocated in (b), (c), and (d) of this subsection, an additional amount shall be allocated to school districts with high concentrations of poverty and English language learner students beginning in the 2008-2009 school year, subject to the following rules and conditions:

(i) To qualify for additional funding under this subsection, a district's October headcount enrollment in grades kindergarten through grade twelve must have at least twenty percent enrolled in the

transitional bilingual instruction program based on an average of the program headcount taken in October and May of the prior school year; and must also have at least forty percent eligible for free or reduced price lunch based on October headcount enrollment in grades kindergarten through twelve in the prior school year.

(ii) Districts meeting the specifications in (e)(i) of this subsection shall receive additional funded students for the learning assistance program at the rates specified in subsection (1)(b) of this section. The number of additional funded student units shall be calculated by subtracting twenty percent from the district's percent transitional bilingual instruction program enrollment as defined in (e)(i) of this subsection, and the resulting percent shall be multiplied by the district's kindergarten through twelve annual average full-time equivalent enrollment for the prior school year.

(2) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(3) Small school districts are encouraged to make the most efficient use of the funding provided by using regional educational service district cooperatives to hire staff, provide professional development activities, and implement reading and mathematics programs consistent with research-based guidelines provided by the office of the superintendent of public instruction.

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

(5) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

(6) $15,065,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6673 (student learning opportunities) which establishes the extended learning program to provide additional instructional services for eligible students in grades eight, eleven, and twelve during the regular school day, evenings, on weekends, or at other times in order to meet the needs of these students. This funding

is in addition to the estimated $986,000 of associated compensation increases associated with this legislation in section 504 of this act. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

**Sec. 514.** 2007 c 522 s 516 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--PROMOTING ACADEMIC SUCCESS**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$23,820,000~~))
$12,108,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$25,177,000~~))
$4,759,000

TOTAL APPROPRIATION . . . . . ((~~$48,997,000~~))
$16,867,000

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

(1) ((~~The~~)) Except as provided in subsection (4) of this section, the amounts appropriated in this section are provided solely for remediation for students who have not met standard in one or more content areas of the Washington assessment of student learning in the spring of their tenth grade year or on a subsequent retake. The funds may be used for extended learning activities, including summer school, before and after school, Saturday classes, skill seminars, assessment preparation, and in-school or out-of-school tutoring. Extended learning activities may occur on the school campus, via the internet, or at other locations and times that meet student needs. Funds allocated under this section shall not be considered basic education funding. Amounts allocated under this section shall fund new extended learning opportunities, and shall not supplant funding for existing programs and services.

(2) School district allocations for promoting academic success programs shall be calculated as follows:

(a) Allocations shall be made to districts only for students actually served in a promoting academic success program.

(b) A portion of the district's annual student units shall be the number of content area assessments (reading, writing, and mathematics)

on which eleventh and twelfth grade students were more than one standard error of measurement from meeting standard on the WASL in their most recent attempt to pass the WASL.

(c) The other portion of the district's annual student units shall be the number of content area assessments (reading, writing, and mathematics) on which eleventh and twelfth grade students were less than one standard error of measurement from meeting standard but did not meet standard on the WASL in their most recent attempt to pass the WASL.

(d) Districts with at least one but less than 20 student units combining the student units generated from (b) and (c) of this subsection shall be counted as having 20 student units for the purposes of the allocations in (e) and (f)(i) of this subsection.

(e) Allocations for certificated instructional staff salaries and benefits shall be determined using formula-generated staff units calculated pursuant to this subsection. Ninety-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (a) of this subsection and thirty-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (b) of this subsection. Allocations for salaries and benefits for the staff units calculated under this subsection shall be calculated in the same manner as provided under section 503 of this act. Salary and benefit increase funding for staff units generated under this section is included in section 504 of this act.

(f) The following additional allocations are provided per student unit, as calculated in (a) and (b) of this subsection:

(i) $12.80 in school year 2007-08 ((~~and $13.07 in school year 2008-09~~)) for maintenance, operations, and transportation;

(ii) $12.29 in school year 2007-08 ((~~and $12.55 in school year 2008-09~~)) for pre- and post-remediation assessments;

(iii) $17.41 in school year 2007-08 ((~~and $17.77 in school year 2008-09~~)) per reading remediation student unit;

(iv) $8.19 in school year 2007-08 ((~~and $8.36 in school year 2008-09~~)) per mathematics remediation student unit; and

(v) $8.19 in school year 2007-08 ((~~and $8.36 in school year 2008-09~~)) per writing remediation student unit.

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

(3) By November 15th of each year, the office of the superintendent of public instruction shall report to the appropriate committees of the legislature and to the office of financial management on the use of these funds in the prior school year, including the types of assistance selected by students, the number of students receiving each type of assistance, and the impact on WASL test scores. The office of the superintendent for public instruction shall complete its review and make adjustments to district reporting procedures to ensure consistency of reporting categories and minimize district administrative workload.

(4) School districts may carry over from one year to the next up to 20 percent of funds allocated under this program((~~; however,~~)). Carryover funds shall be expended for ((~~promoting academic success programs~~)) extended learning activities as described in subsection (1) of this section. Carryover funds may be expended for students eligible for the promoting academic success program as described in subsection (1) of this section or for ninth and tenth grade students determined to be at risk of not passing one or more content areas of the WASL based on eighth grade assessment scores.

(5) After the 2007-2008 school year, funding for the promoting academic success program is discontinued.

**Sec. 515.** 2007 c 522 s 517 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

Student Achievement Account--State Appropriation

(FY 2008) . . . . . ((~~$423,414,000~~))
$423,369,000

Student Achievement Account--State Appropriation

(FY 2009) . . . . . ((~~$446,357,000~~))
$444,970,000

TOTAL APPROPRIATION . . . . . ((~~$869,771,000~~))
$868,339,000

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

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of $450.00 per FTE student for the 2007-08 school year and (($~~459.45~~)) $458.10 per FTE student for the 2008-09 school year. For the purposes of this section, FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

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

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

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

**Sec. 516.** 2007 c 522 s 519 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION.** (1) Appropriations made in this act to the office of superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (2) of this section.

(2) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, 2008, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year 2008 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; and learning assistance programs.

(3) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

NEW SECTION. **Sec. 517.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION--PENSION CONTRIBUTIONS RATES FOR NATIONAL BOARD CERTIFICATION.** $2,144,000 of the general fund--state appropriations for fiscal year 2009 in part V of this act are provided solely for the implementation of Senate Bill No. 6657 (salary bonuses for individuals certified by the national board for professional teaching standards). If the bill is not enacted by June 30, 2008, the amounts provided in part V of this act for this purpose shall lapse and the office of superintendent of public instruction, in consultation with the office of financial management and the office of state actuary, shall adjust the appropriate formula allocation factors and rates in part V of this act to reflect the adjusted employer pension contribution rates for the teachers' retirement system. The office of superintendent of public instruction

shall notify school districts of any rate adjustments and formula allocation changes under this section as soon as possible, but no later than July 1, 2008.

(End of part)

## PART VI
## HIGHER EDUCATION

**Sec. 601.** 2007 c 522 s 601 (uncodified) is amended to read as follows:

The appropriations in sections 603 through 609 of this act, and sections 605 through 611 of this 2008 act, are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act and sections 605 through 611 of this 2008 act.

(2)(a) The salary increases provided or referenced in this subsection and described in section 603 and part IX of this act and section 605 of this 2008 act shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW.

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

(c) Each institution of higher education receiving appropriations for salary increases under sections 604 through 609 of this act, and sections 605 through 611 of this 2008 act may provide additional salary increases from other sources to instructional and research faculty, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under ((~~RCW 28B.16.015~~)) chapter 41.80 RCW. Any additional salary increase granted under the authority of this subsection (2)(c) shall not be included in an institution's salary base for future state funding. It is the intent of the legislature that general fund--state support for an

institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (2)(c).

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

(e) By January 1, 2008, the office of financial management shall work with the institutions of higher education, and with staff from the legislative fiscal committees and the legislative evaluation and accountability program, to identify ways in which the office's "compensation impact model" should be revised or replaced to make the system less costly for institutions to maintain, and more transparent, informative, and useful to the legislature and institutions, while providing information needed to accurately and efficiently negotiate and budget employee compensation changes.

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

(4) The tuition fees, as defined in chapter 28B.15 RCW, charged to full-time students at the state's institutions of higher education for the 2007-08 and 2008-09 academic years, other than the summer term, shall be adjusted by the governing boards of the state universities, regional universities, The Evergreen State College, and the state board for community and technical colleges. Tuition fees may be increased in excess of the fiscal growth factor under RCW 43.135.055.

For the 2007-08 academic year, the governing boards of the research universities may implement an increase no greater than seven percent over tuition fees charged to full-time resident undergraduate students for the 2006-07 academic year. The regional universities and The Evergreen State College may implement an increase no greater than five

percent over tuition fees charged to full-time resident undergraduate students for the 2006-07 academic year. The state board for community and technical colleges may implement an increase no greater than an average of two percent over tuition and fees charged to ((~~full-time~~)) resident students for the 2006-07 academic year. The board may increase tuition and fees differentially according to quarterly credit hour load, provided the overall increase in average tuition revenue per resident student does not exceed 2.0 percent.

((~~For the 2008-09 academic year, the governing boards of the research universities may implement an increase no greater than seven percent over tuition fees charged to full-time resident undergraduate students for the 2007-08 academic year. The regional universities and The Evergreen State College may implement an increase no greater than five percent over tuition fees charged to full-time resident undergraduate students for the 2007-08 academic year. The state board for community and technical colleges may implement an increase no greater than two percent over tuition and fees charged to full-time resident students for the 2007-08 academic year.~~))

In addition to the tuition authorization provided under this subsection and section 603 of this act, amounts appropriated in this budget provide an amount approximately equal to a one percent tuition increase per academic year for the state board for community and technical colleges.

(5) For the 2007-09 biennium, the governing boards and the state board may adjust full-time operating fees for factors that may include time of day and day of week, as well as delivery method and campus, to encourage full use of the state's educational facilities and resources.

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

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

(8) Pursuant to RCW 43.135.055, institutions of higher education receiving appropriations under sections 603 through 609 of this act, and under sections 605 through 611 of this 2008 act, are authorized to

increase summer term tuition in excess of the fiscal growth factor during the 2007-09 biennium. Tuition levels increased pursuant to this subsection shall not exceed the per credit hour rate calculated from the academic year tuition levels adopted under this act.

(9) Pursuant to RCW 43.135.055, community and technical colleges are authorized to increase services and activities fee charges in excess of the fiscal growth factor during the 2007-09 biennium. The services and activities fee charges increased pursuant to this subsection shall not exceed the maximum level authorized by the state board for community and technical colleges.

(10) From within the appropriations in sections 603 through 609 of this act, <u>and in sections 605 through 611 of this 2008 act,</u> institutions of higher education shall increase compensation for nonrepresented employees in accordance with the following:

(a) Across the Board Adjustments.

(i) Appropriations are provided for a 3.2 percent salary increase effective September 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(ii) Appropriations are provided for a 2.0 percent salary increase effective September 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

<u>(iii) No salary increase may be paid under this subsection to any person whose salary has been Y-rated pursuant to rules adopted by the director of personnel.</u>

(b) Salary Survey.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's 2006 salary survey, for job classes more than 25 percent below market rates and affected classes.

(c) Classification Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's phase 4 job class consolidation and revisions under chapter 41.80 RCW.

(d) Agency Request Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's agency request job class consolidation and reclassification plan. This implementation fully satisfies the conditions specified in the settlement agreement of *WPEA v State/Shroll v State*.

(e) Additional Pay Step.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for a new pay step L for those who have been in step K for at least one year.

(f) Retain Fiscal Year 2007 Pay Increase.

For all classified state employees, except those represented by a bargaining unit under chapter 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, funding is provided for continuation of the 1.6 percent salary increase that was provided during fiscal year 2007. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(g) The appropriations are also sufficient for the research and the regional higher education institutions to (i) continue the 1.6 percent salary increase that was provided during fiscal year 2007; and (ii) provide average salary increases of 3.2 percent effective September 1, 2007, and of 2.0 percent effective September 1, 2008, for faculty, exempt administrative and professional staff, graduate assistants, and for all other nonclassified employees.

(11) The appropriations in sections 605 through 611 of this act include specific funds to implement Substitute Senate Bill No. 6328 (campus safety).

NEW SECTION. **Sec. 602.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**PUBLIC BACCALAUREATE INSTITUTIONS.** The tuition fees, as defined in RCW 28B.15.020, charged to students at the state's institutions of higher education may be adjusted by the governing boards of the state universities, regional universities, and The Evergreen State College for the 2007-08 and 2008-09 academic years, including summer sessions, subject to the limitations set forth in this section.

Additionally, the fees charged students at the institutions of higher education for enrollment in self-supporting degree programs including summer school, authorized by RCW 28B.15.031, and all other fees authorized by RCW 28B.15.031, may be adjusted by the governing boards of the state universities, regional universities, and The Evergreen State College for the 2007-08 and 2008-09 academic years, subject to the limitations set forth as follows:

(1) For the 2008-09 academic year, the governing boards of the research universities may implement an increase no greater than seven percent over tuition fees charged to resident undergraduate students for the 2007-08 academic year. The regional universities and The Evergreen State College may implement an increase no greater than five percent over tuition fees charged to resident undergraduate students for the 2007-08 academic year.

(2) For the 2008-09 academic year, each of the governing boards of the public four-year institutions is authorized to raise nonresident undergraduate and resident and nonresident graduate and professional tuition pursuant to RCW 28B.15.067.

(3) For the 2008-09 academic year, each of the governing boards of the public four-year institutions is authorized to raise summer quarter or semester enrollment fees for resident and nonresident undergraduate, graduate, and professional students pursuant to RCW 28B.15.067.

(4) For the 2008-09 academic year, each of the governing boards of the public four-year institutions is authorized to increase fees for fee-based degree programs; fee-based credit courses; fee-based

noncredit workshops and courses; and fee-based special contract courses.

(5) For the 2008-09 academic year, each of the governing boards of the public four-year institutions is authorized to increase services and activities fees for all categories of students by the amounts authorized in RCW 28B.15.069.

(6) For the 2008-09 academic year, each of the governing boards of the public four-year institutions is authorized to adopt or increase technology fees as provided in RCW 28B.15.051.

(7) For the 2008-09 academic year each of the governing boards of the public four-year institutions may adopt or increase all other fees included in RCW 28B.15.031.

NEW SECTION. **Sec. 603.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES.** (1) For the 2008-09 academic year, the state board for community and technical colleges may increase tuition and fees by no more than two percent over tuition and fees charged to resident and nonresident students for the 2007-08 academic year. For the 2007-2009 biennium, the state board for community and technical colleges may increase tuition fees under this subsection differentially based on student credit hour load at their discretion, provided that the overall increase in average tuition revenue per student does not exceed two percent.

(2) The state board for community and technical colleges may increase tuition and fees by no more than five percent over tuition and fees charged for upper division courses in applied baccalaureate programs in the 2007-08 academic year.

(3) For the 2008-09 academic year, the technical colleges may increase operating fees by no more than two percent over operating fees charged to full-time resident and nonresident students for the 2007-08 academic year, to conform with the percentage increase in community college operating fees.

(4) For the 2008-09 academic year, technical colleges may increase their building fee by three cents per clock hour and by forty-five cents per credit hour. The purpose of these fee increases is to progress towards parity with the community colleges.

(5) The state board for community and technical colleges may increase the maximum allowable services and activities fee up to two percent in the 2008-09 academic year. Pursuant to RCW 43.135.055, community and technical colleges are authorized to increase services and activities fee charges up to the maximum level authorized by the state board for community and technical colleges.

(6) During fiscal years 2008 and 2009, the community and technical colleges may increase fees as follows:

(a) Administrative fees (FY 2008 and FY 2009), up to 5.57% per fiscal year;

(b) Application fees (FY 2008 and FY 2009), up to 5.57% per fiscal year;

(c) Graduation fees (FY 2008 and FY 2009), up to 5.57% per fiscal year;

(d) Lab and class fees (FY 2008 and FY 2009), up to 5.57% per fiscal year;

(e) Testing fees (FY 2008 and FY 2009), up to 5.57% per fiscal year;

(f) Transcript fees (FY 2008 and FY 2009), up to 5.57% per fiscal year;

(g) 2-D and 3-D design lab fee (FY 2009), community and technical colleges may establish a new fee of up to $20;

(h) Student health insurance fee (FY 2009), community and technical colleges may establish a new fee of up to $25;

(i) Arts field trip fee (FY 2008), community and technical colleges may establish a new fee of up to $10;

(j) Computer lab fee (FY 2009), community and technical colleges may establish a new fee of up to $45;

(k) Credit for prior experiential learning (FY 2009), community and technical colleges may establish a new fee of up to $40;

(l) Early childhood education practicum fee (FY 2009), community and technical colleges may establish a new fee of up to $25;

(m) Electronic lab fee (FY 2009), community and technical colleges may establish a new fee of up to $95;

(n) E-portfolio fee (FY 2009), community and technical colleges may establish a new fee of up to $35;

(o) Fire science lab fee (FY 2009), community and technical colleges may establish a new fee of up to $21.20;

(p) LPN test (FY 2009), community and technical colleges may establish a new fee of up to $327;

(q) Mac studio (FY 2009), community and technical colleges may establish a new fee of up to $66.50;

(r) Materials fee A (FY 2009), community and technical colleges may establish a new fee of up to $25;

(s) Materials fee B (FY 2009), community and technical colleges may establish a new fee of up to $50;

(t) Materials fee C (FY 2009), community and technical colleges may establish a new fee of up to $75;

(u) Materials fee D (FY 2009), community and technical colleges may establish a new fee of up to $100;

(v) Math course fee (FY 2009), community and technical colleges may establish a new fee of up to $10;

(w) Media production fee (FY 2009), community and technical colleges may establish a new fee of up to $30;

(x) Patient care tech fee (FY 2009), community and technical colleges may establish a new fee of up to $66.10;

(y) Payment plan fee (FY 2009), community and technical colleges may establish a new fee of up to $25;

(z) Photography deposit (FY 2009), community and technical colleges may establish a new fee of up to $150;

(aa) Printing fee A (FY 2009), community and technical colleges may establish a new fee of up to $20;

(bb) Printing fee B (FY 2009), community and technical colleges may establish a new fee of up to $40;

(cc) Printing fee C (FY 2009), community and technical colleges may establish a new fee of up to $60;

(dd) Printing fee D (FY 2009), community and technical colleges may establish a new fee of up to $80;

(ee) Respiratory care data ARC fee (FY 2009), community and technical colleges may establish a new fee of up to $60;

(ff) Respiratory care testing fee (FY 2009), community and technical colleges may establish a new fee of up to $40;

(gg) RN test (FY 2009), community and technical colleges may establish a new fee of up to $360;

(hh) Selective admission fee (FY 2009), community and technical colleges may establish a new fee of up to $40;

(ii) Surgical tech preassessment (FY 2008), community and technical colleges may establish a new fee of up to $35;

(jj) Survey course fee (FY 2009), community and technical colleges may establish a new fee of up to $25;

(kk) University center test proctor fee (FY 2009), community and technical colleges may establish a new fee of up to $25;

(ll) College level examination program (FY 2008 and FY 2009), community and technical colleges may establish a new fee of up to $25;

(mm) Course management software (FY 2009), community and technical colleges may establish a new fee of up to $1.00.

**Sec. 604.** 2007 c 522 s 602 (uncodified) is amended to read as follows:

(1) The appropriations in sections 603 through 609 of this act<u>, and sections 605 through 611 of this 2008 act,</u> provide state support for full-time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institutions assumed in this act.

| 2007-08 Annual Average | 2008-09 Annual Average |
|---|---|
| 33,782 | 34,197 |
| 1,760 | 1,980 |
| 2,109 | 2,349 |
| | |
| | |
| 19,112 | 19,272 |
| 800 | 865 |
| 1,888 | 2,113 |
| | |
| 8,952 | 9,322 |
| 8,996 | 9,184 |
| 4,165 | 4,213 |
| 12,022 | 12,175 |

| | |
|---|---|
| ((~~136,022~~)) | ((~~138,977~~)) |
| 136, 102 | 139, 237 |

(2) For the state universities, the number of full-time equivalent student enrollments enumerated in this section for the Bothell, Tacoma, Tri-Cities, and Vancouver campuses are the minimum levels at which the universities should seek to enroll students for those campuses. At the start of an academic year, the governing board of a state university may transfer full-time equivalent student enrollments among campuses. Intent notice shall be provided to the office of financial management and reassignment of funded enrollment is contingent upon satisfying data needed by the forecast division for tracking and monitoring state-supported college enrollment.

**Sec. 605.** 2007 c 522 s 603 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$638,521,000~~))
$617,805,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$654,446,000~~))
$665,052,000

Education Legacy Trust Account--State
Appropriation . . . . . $105,432,000

Pension Funding Stabilization Account
Appropriation . . . . . $49,800,000

Administrative Contingencies Account--State
Appropriation . . . . . $2,950,000

TOTAL APPROPRIATION . . . . . ((~~$1,448,199,000~~))
$1,441,039,000

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

(1) $5,040,000 of the education legacy trust account--state appropriation and $10,920,000 of the general fund--state appropriation for fiscal year 2009 are to expand general enrollments by 900 student FTEs in academic year 2008 and by an additional 1,050 student FTEs in academic year 2009.

(2) $5,720,000 of the education legacy trust account--state appropriation and $11,440,000 of the general fund--state appropriation

for fiscal year 2009 are to expand high-demand enrollments by 650 student FTEs in fiscal year 2008 and by an additional 650 student FTEs in fiscal year 2009. The programs expanded shall include, but are not limited to, mathematics and health sciences. The state board shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $1,960,000 of the education legacy trust account--state appropriation is to expand early childhood education programs with a focus on early math and science awareness by 100 student FTEs in fiscal year 2008 and by an additional 150 student FTEs in 2009. The board shall provide data to the office of financial management regarding math and science enrollments, graduations, and employment of college graduates related to state investments in math and science programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) $28,761,000 of the general fund--state appropriation for fiscal year 2008 and $28,761,000 of the general fund--state appropriation for fiscal year 2009 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support up to 6,200 full-time equivalent students in each fiscal year.

(5) $3,813,000 of the education legacy trust account--state appropriation and $7,625,000 of the general fund--state appropriation for fiscal year 2009 are for basic skills education enrollments at community and technical colleges. Budgeted enrollment levels shall increase by 625 student FTEs each year.

(6) $3,750,000 of the general fund--state appropriation for fiscal year 2008 and $7,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to increase salaries and related benefits for part-time faculty. It is intended that part-time faculty salaries will increase relative to full-time faculty salaries after all salary increases are collectively bargained.

(7) $7,350,000 of the education legacy trust account appropriation is to increase enrollment levels in the integrated basic education, skills, and language program (I-BEST) by 250 student FTEs per year. Each student participating on a full-time basis is budgeted and shall be reported as a single FTE for purposes of this expansion.

(8) $375,000 of the general fund--state appropriation for fiscal year 2008 and $375,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the transitions math project. This phase of work shall include the establishment of a single math placement test to be used at colleges and universities statewide.

(9) $2,835,000 of the education legacy trust account appropriation is to increase enrollment in apprenticeship training programs by 150 student FTEs in each fiscal year.

(10) $4,000,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the community and technical college system by 1,700 students each year. TRIO eligible students include low-income, first-generation, and college students with disabilities. The state board for community and technical colleges shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 65 percent for TRIO students and other low-income and first-generation students served through this appropriation.

(11)(a) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures and targets in 2006. By July 31, 2007, the state board for community and technical colleges and the higher education coordinating board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

(b) The targets previously agreed by the state board and the higher education coordinating board are enumerated as follows:

(i) Increase the percentage and number of academic students who are eligible to transfer to baccalaureate institutions to 18,700;

(ii) Increase the percentage and number of students prepared for work to 23,490; and

(iii) Increase the percentage and number of basic skills students who demonstrate substantive skill gain by 22,850.

The state board for community and technical colleges shall report their progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(12) $452,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for start-up and planning funds for two applied baccalaureate degree programs at community and technical colleges, of which one degree program must be at a technical college. The applied baccalaureate degrees shall be specifically designed for individuals who hold associate of applied science degrees, or equivalent, in order to maximize application of their technical course credits toward the applied baccalaureate degree.

(13) $2,502,000 of the general fund--state appropriation for fiscal year 2008 and $5,024,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for faculty salary increments and associated benefits and may be used in combination with salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount. The state board shall determine the method of allocating to the community and technical colleges the appropriations granted for academic employee increments, provided that the amount of the appropriation attributable to the proportionate share of the part-time faculty salary base shall only be accessible for part-time faculty.

(14) $50,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$50,000~~)) $550,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(15) $2,725,000 of the general fund--state appropriation for fiscal year 2008 and $2,725,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for administration and customized training contracts through the job skills program. The state board

shall make an annual report by January 1st of each year to the governor and to appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(16) $504,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for 80 student FTEs in the existing four applied baccalaureate degree programs at community and technical colleges as authorized in chapter 28B.50 RCW.

(17) $4,000,000 of the general fund--state appropriation for fiscal year 2008, $4,000,000 of the general fund--state appropriation for fiscal year 2009, and $15,000,000 of the education legacy trust account--state appropriation are provided solely for implementation of Second Substitute House Bill No. 1096 (postsecondary opportunities). The state board shall seek additional private sector involvement and support for the opportunity grants program. If the bill is not enacted by June 30, 2007, the education legacy trust account--state appropriation shall lapse. Remaining amounts in this subsection shall be used for an opportunity grant program to provide grants covering community and technical college tuition and fees for up to 45 credits and books or other materials to be awarded to eligible students. Program participants will earn credentials or certificates in industry-defined occupations with a need for skilled employees.

(18) From within the funds appropriated in this section, community and technical colleges shall increase salaries for employees subject to the provisions of Initiative Measure No. 732 by an average of 3.7 percent effective July 1, 2007, and by an average of ((~~2.8~~)) 3.9 percent effective July 1, 2008.

(19) $1,717,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for increasing salaries for employees who are subject to the provisions of Initiative Measure No. 732 by an average of one-half of one percent effective July 1, 2008.

(20) From within the funds appropriated in this section, community and technical colleges shall increase salaries for exempt professional staff by an average of 3.2 percent effective September 1, 2007, and by an average of 2.0 percent effective September 1, 2008.

(21) $1,500,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for competitive grants to labor, management, and college partnerships to develop or expand and evaluate innovative training programs for incumbent hospital workers that lead to careers in nursing and other high-demand health care fields. The board shall report to appropriate policy and fiscal committees of the legislature by November 1, 2008, on the initial implementation of the program, including components of the program created, the program sites, and program enrollments including student background and early progress. By November 2009, the board shall provide a follow up report that additionally includes information on student progress and outcomes.

(22) $75,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the gateway center pilot project at Highline community college for coaching and managing student participants in the pilot program. The coach will be responsible for credentials interpretation, evaluating prior learning experience, ensuring licensure guidance, providing academic advising and translation services, and helping establish employer relationships.

(23) $115,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the state board to (a) convene a one-day summit to inform the public, adult literacy instructional personnel, and local, state, and community leaders about the status of adult literacy and adult literacy education; and (b) conduct a media campaign to increase public awareness about the availability of adult, family, and workforce literacy services and resources.

(24) $750,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to support online library resources throughout the community and technical college system. Funds shall be used to purchase licenses for specialized periodicals, journals, and books and to increase student access to library materials.

(25) $3,000,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the design, development, training, and related expenses associated with a joint labor/management apprenticeship program established under the auspices of an international union representing aerospace workers, which will include but not be limited to training in composite technology. Of this amount, $2,150,000 may be used for program development, curriculum

development and equipment, training, and related expenses; and $850,000 shall be used to support 130 enrollment slots at no more than three community and technical colleges with at least one college being located east of the Cascade mountains, for related supplemental instruction and related expenses. The state board for community and technical colleges shall select the colleges using a joint selection process between the state board and the joint labor/management apprenticeship program.

(26) $1,178,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to Edmonds community college for operating expenses related to leasing the employment resource center.

(27) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Renton technical college to implement workplace-based instructional programs that will enable low-wage working immigrants to improve their English language and work-related skills.

(28) $500,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to convert classes taught by faculty employed in part-time positions to classes taught by faculty employed in full-time, tenure-track positions. Particular emphasis shall be placed upon increasing the number of full-time faculty in the departments of mathematics, science, adult basic education, early childhood education, and English. The state board shall determine the distribution of these funds among the colleges in consultation with representatives of faculty unions.

(29) The appropriations in this section include specific funding to implement Substitute Senate Bill No. 5104 (applied baccalaureate degrees).

**Sec. 606.** 2007 c 522 s 604 (uncodified) is amended to read as follows:

**FOR THE UNIVERSITY OF WASHINGTON**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$373,680,000~~))
$373,726,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$390,058,000~~))
$375,998,000

General Fund--Private/Local Appropriation . . . . . $300,000

Education Legacy Trust Account--State

Appropriation . . . . . $43,181,000

Accident Account--State Appropriation . . . . . ((~~$6,621,000~~))
$6,513,000

Medical Aid Account--State Appropriation . . . . . ((~~$6,448,000~~))
$6,371,000

TOTAL APPROPRIATION . . . . . ((~~$820,288,000~~))
$806,089,000

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

(1) $15,744,000 of the education legacy trust account--state appropriation is to expand general enrollments by 625 student FTEs in fiscal year 2008 and by an additional 625 student FTEs in fiscal year 2009. Of these, 165 FTEs in 2008 and 165 FTEs in 2009 are expected to be graduate student FTEs.

(2) $6,975,000 of the education legacy trust account--state appropriation is to expand math and science undergraduate enrollments by 250 student FTEs in each fiscal year. The programs expanded shall include mathematics, engineering, and the physical sciences. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in math and science programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $85,000 of the general fund--state appropriation for fiscal year 2008 and $85,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support of the Washington state academy of sciences, authorized by chapter 70.220 RCW.

(4) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support of the William D. Ruckelshaus center.

(5) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at the University of Washington by 250 students each year. TRIO students include low-income, first-generation, and college students with

disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(6) $84,000 of the general fund--state appropriation for fiscal year 2008 and $84,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to establish the state climatologist position.

(7) $25,000 of the general fund--state appropriation for fiscal year 2008 ((~~is~~)) and $125,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by October 31, 2007. Work will continue after the submission of the initial report, to include continuing research and the development of financial and policy options and a progress report on fact finding efforts and stakeholder positions due December 1, 2008.

(8) $3,830,000 of the education legacy trust account--state appropriation is provided solely to expand health sciences capacity at the University of Washington. Consistent with the medical and dental school extension program appropriations at Washington State University and Eastern Washington University, funding is provided to expand classes at the University of Washington. Medical and dental students shall take the first year of courses for this program at the Riverpoint campus in Spokane and the second year of courses at the University of Washington in Seattle.

(9) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09

appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the University of Washington are enumerated as follows:

(a) Increase the combined number of baccalaureate degrees conferred per year at all campuses to 8,850;

(b) Increase the combined number of high-demand baccalaureate degrees conferred at all campuses per year to 1,380;

(c) Increase the combined number of advanced degrees conferred per year at all campuses to 3,610;

(d) Improve the six-year graduation rate for baccalaureate students to 74.7 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 76.0 percent;

(f) Improve the freshman retention rate to 93.0 percent;

(g) Improve time to degree for baccalaureate students to 92 percent at the Seattle campus and 92.5 percent at the Bothell and Tacoma campuses, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this subsection.

The University of Washington shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(10) $750,000 of the education legacy trust account appropriation is provided solely to increase participation in international learning opportunities, particularly for students with lower incomes who would otherwise not have the chance to study, work, or volunteer outside the United States.

(11) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for forestry research by the Olympic natural resources center.

(12) $25,000 of the general fund--state appropriation for fiscal year 2008 and $25,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for coastal marine research by the Olympic natural resources center.

(13) $95,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for increased education, training, and support services for the families of children with autism, and for the production and distribution of digital video discs in both English and Spanish about strategies for working with people with autism.

(14) $2,900,000 of the general fund--state appropriation for fiscal year 2008 and $3,400,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support for the department of global health.

(15) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(16) $150,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the rural technology initiative (initiative) at the University of Washington and the transportation research group (group) at the Washington State University to conduct an economic analysis of the costs to safely provide log hauling services. The initiative will be the lead investigator and administer the project. Neither the University of Washington nor the Washington State University may make a deduction for administrative costs. The project shall rely upon the Washington state patrol for determination of basic safe characteristics, consistent with applicable state and federal law. The analysis shall include:

(a) An estimate of log haulers' cost to operate and maintain a basic and safe log truck without operator including:

(i) Variable costs such as fuel, etc;

(ii) Quasi-variable costs such as:

(A) Tires, brakes, wrappers, and other safety related equipment;

(B) Vehicle insurance, taxes, fees, etc;

(C) Maintenance costs such as oil, lubrication, and minor repairs; and

(D) Depreciation and replacement costs;

(b) The source of these cost estimates where possible should be independent vendors of equipment and services or already existing studies;

(c) A calculation of costs for safe operation expressed as per mile, hour or load volume including consideration for regional differences as well as off-road vs. on-road;

(d) An evaluation of comparable trucking services; and

(e) A review of log truck safety statistics in Washington state.

In conducting the analysis, the initiative shall consult with the northwest log truckers cooperative, the Washington trucking association, the Washington contract loggers association, the Washington farm forestry association, and the Washington forest protection association. By June 30, 2008, the initiative shall provide a report of its findings to the legislature and governor and distribute the findings to interested industry groups.

(17) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the Burke museum to support science and social science educational programs including public outreach programs, new educational programs and resources, web-based interactive learning experiences, teacher training, and traveling educational opportunities.

(18) $150,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$150,000~~)) $300,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to the institute for learning and brain sciences.

(19) $30,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the University of Washington to gather data and conduct research associated with preparing the basin-wide assessment and to solicit nominations for review and submittal to the Washington academy of sciences for the creation of the Puget Sound science panel pursuant to Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership).

(20)(a) $500,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the University of Washington school of law loan repayment assistance program endowment fund. The University of Washington shall conduct fund-raising activities to

increase private sector support of the endowment program and $250,000 of the appropriation in this subsection is contingent on a private sector match. Funds in the law school repayment assistance program endowment fund shall be used to provide graduates who pursue careers in public interest legal positions with payment assistance toward their student loan debt.

(b) The University of Washington law school shall report to the legislature by December 1, 2010, information about the loan repayment assistance program. The report shall contain at least the following information:

(i) A financial summary of the endowment program;

(ii) The number of individuals receiving assistance from the program and information related to the positions in which these individuals are working;

(iii) Any available information regarding the effect of the loan repayment assistance program on student recruitment and enrollment; and

(iv) Other information the school of law deems relevant to the evaluation of the program.

(c) In its rules for administering the program, the school of law must make provision for cases of hardship or exceptional circumstances, as defined by the school of law. Examples of such circumstances include, but are not limited to, family leave, medical leave, illness or disability, and loss of employment.

(d) The loan repayment assistance program must be available to otherwise eligible graduates of the law school who work in positions with nonprofit organizations or government agencies. Such positions must be located within Washington state. Government agencies shall include the various branches of the military.

(21) $54,000 of the general fund--state appropriation for fiscal year 2008 and $54,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the University of Washington geriatric education center to develop a voluntary adult family home certification program. In addition to the minimum qualifications required under RCW 70.128.120, individuals participating in the voluntary adult family home certification program shall complete fifty-two hours of class requirements as established by the University of Washington geriatric education center. Individuals completing the requirements of RCW 70.128.120 and the voluntary adult family home

certification program shall be issued a certified adult family home license by the department of social and health services. The department of social and health services shall adopt rules implementing the provisions of this subsection.

(22) $22,000 of the general fund--state appropriation for fiscal year 2008 and $97,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the William D. Ruckelshaus center for implementation of section 5 of Engrossed Second Substitute House Bill No. 3123 (nurse staffing). If section 5 of the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(23) $88,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the university to increase mental health professional staff by one full-time equivalent employee.

(24) $200,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the marine sciences program to continue studying the impacts to biota in Hood Canal from low dissolved oxygen.

(25) $1,000,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to establish an e-Science institute that will provide infrastructure and consulting expertise to university researchers in advanced computational techniques needed to capture, store, organize, access, mine, visualize, and interpret massive data sets.

(26) $135,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to enable five undergraduate or graduate students to work as fellows in overseas international trade offices.

(27) $65,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to expand the work of the office of the state climatologist in areas such as preparing, publishing, and disseminating climate summaries for individuals and organizations whose activities are related to the welfare of the state; supplying information needed to implement the state's drought contingency response plan; conducting and reporting on studies of climate and weather phenomena of significant socioeconomic impact to the state; and evaluating the impact of natural and man-made changes on the climate.

(28) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for incentive grants to support medical

research or medical training projects focused upon improvement of services to persons with developmental disabilities. The university shall report to appropriate committees of the legislature by December 1, 2008, on incentive grants awarded, and other efforts to improve training for medical students in treating persons with developmental disabilities.

**Sec. 607.** 2007 c 522 s 605 (uncodified) is amended to read as follows:

**FOR WASHINGTON STATE UNIVERSITY**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$231,382,000~~)) $232,201,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$240,898,000~~)) $235,108,000

Education Legacy Trust Account--State Appropriation . . . . . $33,884,000

Pension Funding Stabilization Account Appropriation . . . . . $2,450,000

TOTAL APPROPRIATION . . . . . ((~~$508,614,000~~)) $503,643,000

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

(1) $5,315,000 of the education legacy trust account--state appropriation is to expand general enrollments by 290 student FTEs in fiscal year 2008 and by an additional 300 student FTEs in fiscal year 2009.

(2) $3,525,000 of the education legacy trust account--state appropriation is to expand math and science enrollments by 65 student FTEs in fiscal year 2008, and by an additional 90 FTE students in fiscal year 2009, of which 15 FTEs in each fiscal year are expected to be graduate enrollments. The programs expanded shall include mathematics, engineering, and the physical sciences. Fifty student FTEs in each year will be shifted from general enrollments to high-demand, high-cost fields, and thus do not affect the enrollment levels listed in section 602 of this act. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and the employment of college graduates related to state investments in math and science programs. Data may be

provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $2,356,000 of the education legacy trust account appropriation is to expand bachelors-level, masters-level, and PhD enrollment at the Tri-Cities and Spokane campuses by 45 FTE students in fiscal year 2008, and by an additional 40 FTEs in fiscal year 2009.

(4) $2,000,000 of the general fund--state appropriation for fiscal year 2008 and $2,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for research and commercialization in bio-products and bio-fuels. Of this amount, $2,000,000 shall be targeted at the development of new crops to be used in the bio-products facility at WSU-Tri-Cities. The remainder shall be used for research into new bio-products created from agricultural waste to be conducted in the Tri-Cities in a joint program between Washington State University and Pacific Northwest national laboratories.

(5) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Washington State University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(6) $1,500,000 of the general fund--state appropriation for fiscal year 2008 and $1,500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to promote the development of the Spokane-based applied sciences laboratory into a strong, self-sustaining research organization. The state funds shall be used to recruit and retain at least three senior research scientists; to employ business development and administrative personnel; and to establish and equip facilities for computational modeling and for materials and optical characterization.

(7) $85,000 of the general fund--state appropriation for fiscal year 2008 and $85,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for operating support of the Washington state academy of sciences, under chapter 70.220 RCW.

(8) $100,000 of the general fund--state appropriation for fiscal year 2008 and $100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for operating support of the William D. Ruckelshaus center.

(9) $25,000 of the general fund--state appropriation for fiscal year 2008 ((~~is~~)) and $175,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by October 31, 2007. Work will continue after the submission of the initial report, to include continuing research and the development of financial and policy options and a progress report on fact finding efforts and stakeholder positions due December 1, 2008.

(10) $6,360,000 of the education legacy trust account--state appropriation is provided solely to expand health sciences offerings in Spokane. The university shall enroll 20 student FTEs in fiscal year 2009 in a University of Washington medical school extension program at the Riverpoint campus of WSU in Spokane. Students shall take the first year of courses for this program at the Riverpoint campus in Spokane, and shall do their clinical rotations and other upper level training in the inland northwest.

(11) $1,000,000 of the general fund--state appropriation for fiscal year 2008 and $1,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for start-up and ongoing operation of the Vancouver campus-based electrical engineering program.

(12) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable

data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Washington State University are enumerated as follows:

(a) Increase the combined number of baccalaureate degrees conferred per year at all campuses to 4,170;

(b) Increase the combined number of high-demand baccalaureate degrees conferred at all campuses per year to 630;

(c) Increase the combined number of advanced degrees conferred per year at all campuses to 1,090;

(d) Improve the six-year graduation rate for baccalaureate students to 63.2 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 65.4 percent;

(f) Improve the freshman retention rate to 84.8 percent;

(g) Improve time to degree for baccalaureate students to 92 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

The Washington State University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(13) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(14) $3,000,000 of the general fund--state appropriation for fiscal year 2008 and $3,000,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to support the unified agriculture initiative at Washington State University. Funds are provided for competitive agriculture grant funds, of which $400,000 is provided for biological intensive and organic agriculture grants; for operating and program support for the university's research and extension centers, of which $735,000 is for maintenance and operations support for the Mount

Vernon research facility; and for positions to fill research gaps in the development of value-added agricultural products and economically and environmentally sustainable food production.

(15) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for support of basic operations and research at the university's grizzly bear study center.

(16) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the energy development center to establish certification standards and to process applications for renewable energy cost recovery incentives, as provided in chapters 300 and 301, Laws of 2005.

(17) $30,000 of the general fund--state appropriation for fiscal year 2008 and $30,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for Washington State University to gather data and conduct research associated with preparing the basin-wide assessment and to solicit nominations for review and submittal to the Washington academy of sciences for the creation of the Puget Sound science panel pursuant to Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership).

(18) $10,000 of the general fund--state appropriation for fiscal year 2008 and $40,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the William D. Ruckelshaus center for implementation of section 5 of Engrossed Second Substitute House Bill No. 3123 (nurse staffing). If section 5 of the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(19) $77,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the university to increase mental health professional staff by one full-time equivalent employee.

(20) $160,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for administrative resources and personnel necessary for the implementation of Substitute House Bill No. 2963 (WSU collective bargaining). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(21) $200,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement a teacher preparation program

at Washington State University-Vancouver that will prepare currently-licensed teachers to more effectively educate K-12 students who are deaf or hearing-impaired. The program will use a variety of distance learning instructional methods and delivery formats in order to reach teachers throughout the state.

(22) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to expand services at the Renton small business development center.

(23) $145,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington State University urban integrated pest management program to provide technical assistance to school districts implementing integrated pesticide management programs. The program shall also assist the Washington state school directors' association in developing a statewide model policy for integrated pest management.

(24) $500,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of section 6 of Senate Bill No. 6438 (high speed internet deployment). If section 6 of Senate Bill No. 6438 is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(25) The appropriations in this section include specific funding to implement Senate Bill No. 6187 (food animal veterinarians).

**Sec. 608.** 2007 c 522 s 606 (uncodified) is amended to read as follows:

**FOR EASTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$48,907,000~~))
$48,911,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$50,736,000~~))
$48,959,000

Education Legacy Trust Account--State
Appropriation . . . . . $14,753,000

Pension Funding Stabilization Account
Appropriation . . . . . $4,758,000

TOTAL APPROPRIATION . . . . . ((~~$119,154,000~~))
$117,381,000

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

(1) $930,000 of the education legacy trust account--state appropriation is to expand general enrollments by 130 student FTEs in fiscal year 2009. Of these, 30 FTEs in 2009 are expected to be graduate student FTEs.

(2) $1,170,000 of the education legacy trust account--state appropriation is to expand high-demand undergraduate enrollments by 50 student FTEs in each fiscal year. The programs expanded shall include, but are not limited to, mathematics, engineering, and health sciences. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Eastern Washington University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(4) $1,021,000 of the education legacy trust account--state appropriation is provided solely for the RIDE program. The program shall enroll eight student FTEs in the University of Washington school of dentistry in fiscal year 2009. Students shall take the first year of courses for this program at the Riverpoint campus in Spokane, and their second and third years at the University of Washington school of dentistry.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09

appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Eastern Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2035;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 405;

(c) Increase the number of advanced degrees conferred per year at all campuses to 550;

(d) Improve the six-year graduation rate for baccalaureate students to 50.0 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 61.0 percent;

(f) Improve the freshman retention rate to 76.0 percent;

(g) Improve time to degree for baccalaureate students to 81.0 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Eastern Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

<u>(7) $80,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the university to increase mental health professional staff by one full-time equivalent employee.</u>

<u>(8) $62,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the institute for public policy and economic analysis to conduct an assessment of the likely medical,</u>

health care delivery, and economic consequences of the proposed sale of a major eastern Washington health care delivery system.

(9) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the northwest autism center to increase child diagnostic services and teacher training services.

**Sec. 609.** 2007 c 522 s 607 (uncodified) is amended to read as follows:

**FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$47,326,000~~)) $47,691,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$49,539,000~~)) $47,978,000

Education Legacy Trust Account--State Appropriation . . . . . $16,219,000

Pension Funding Stabilization Account Appropriation . . . . . $4,330,000

TOTAL APPROPRIATION . . . . . ((~~$117,414,000~~)) $116,218,000

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

(1) $2,474,000 of the education legacy trust account--state appropriation is to increase general enrollments by 70 FTE students in fiscal year 2008 and by an additional 211 FTE enrollments in fiscal year 2009. At least 30 of the additional fiscal year 2009 enrollments are expected to be graduate students.

(2) $1,816,000 of the education legacy trust account--state appropriation for fiscal year 2008 is to increase math and science enrollments by 105 FTE students in fiscal year 2008 and by an additional 89 FTE students in fiscal year 2009. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and employment of college graduates related to state investments in math and science enrollment programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) $1,801,000 of the education legacy trust account--state appropriation is to increase high-demand undergraduate enrollments by

85 student FTEs in fiscal year 2008 and by an additional 70 FTE students in fiscal year 2009. The programs expanded shall include, but are not limited to, bilingual education and information technology. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Central Washington University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Central Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2,050;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 49;

(c) Increase the number of advanced degrees conferred per year at all campuses to 196;

(d) Improve the six-year graduation rate for baccalaureate students to 51.1 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 72.3 percent;

(f) Improve the freshman retention rate to 78.2 percent;

(g) Improve time to degree for baccalaureate students to 86.6 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Central Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) $500,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Substitute House Bill No. 1497 (Central Washington University operating fee waivers). If the bill is not enacted by June 30, 2007, this appropriation shall lapse.

(7) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(8) $80,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the university to increase mental health professional staff by one full-time equivalent employee.

**Sec. 610.** 2007 c 522 s 608 (uncodified) is amended to read as follows:

**FOR THE EVERGREEN STATE COLLEGE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$29,744,000~~))
$29,747,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$30,057,000~~))
$29,403,000

Education Legacy Trust Account--State
Appropriation . . . . . $4,758,000

TOTAL APPROPRIATION . . . . . ((~~$64,559,000~~))
$63,908,000

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

(1) $562,000 of the education legacy trust account--state appropriation is to expand upper division math and science enrollments by 22 student FTEs in fiscal year 2008 and by an additional 28 student FTEs in fiscal year 2009.

(2) $260,000 of the education legacy trust account--state appropriation for fiscal year 2009 is for 20 student FTE graduate enrollments in the masters in education program.

(3) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at The Evergreen State College by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 80 percent for students served in this program, with a goal of reaching a retention rate in excess of 85 percent.

(4) $614,000 of the education legacy trust account appropriation is provided solely to increase the number and value of tuition waivers awarded to state-supported students.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the college and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and The Evergreen State College are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 1182;

(b) Increase the number of advanced degrees conferred per year at all campuses to 92;

(c) Improve the six-year graduation rate for baccalaureate students to 57.0 percent;

(d) Improve the three-year graduation rate for students who transfer with an associates degree to 72.8 percent;

(e) Improve the freshman retention rate to 73.9 percent;

(f) Improve time to degree for baccalaureate students to 97.0 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(g) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

The Evergreen State College shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(7) $435,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the Washington state institute for public policy (WSIPP) to assist the joint task force on basic education finance created pursuant to Engrossed Second Substitute Senate Bill No. 5627 (requiring a review and development of basic education funding). The institute shall assist the joint task force in a review of the definition of basic education and the development of options for a new funding structure for K-12 public schools. ((~~If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.~~)) The task force on basic education as created in chapter 399, Laws of 2007 shall consider the ruling of the King County Superior Court in the matter of *Federal Way School District v. The State of Washington* in developing recommendations for a new basic education school finance formula. The recommendations should include proposals that directly address the issue of equity in salary allocations in the new school finance formula.

(8) $180,000 of the general fund--state appropriation for fiscal year 2008 and $180,000 of the general fund--state appropriation for

fiscal year 2009 are provided solely for the Washington state institute for public policy to study the program effectiveness and cost-benefit of state-funded programs that meet the criteria of evidence-based programs and practices, and emerging best practice/promising practice, as defined in RCW 71.24.025 (12) and (13) for adult offenders in the department of corrections, and juvenile offenders under state and local juvenile authority.

(9) $75,000 of the general fund--state appropriation for fiscal year 2008 and $75,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the Washington state institute for public policy to evaluate the effectiveness of current methods for screening and treating depression in women who receive temporary assistance for needy families (TANF), and to make recommendations for their improvement.

(10) $133,000 of the general fund--state appropriation for fiscal year 2008 is provided solely to implement Substitute House Bill No. 1472 (child welfare). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(11) Notwithstanding other provisions in this section, the Washington state institute for public policy may adjust due dates for projects included on the institute's 2007-09 workplan as necessary to efficiently manage workload.

(12) $19,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state institute for public policy (WSIPP) to (a) conduct a national review of state programs for youth transitioning out of foster care and analyze state policies on eligibility requirements for continued foster care, age thresholds for transition services, types of services provided, and use of state funds to supplement federal moneys; and (b) survey foster youth and foster parents in Washington regarding how well current services are meeting the needs of youth transitioning out of foster care to independence. The institute shall issue a preliminary report by September 1, 2008, with a final report by December 31, 2008.

(13) $85,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the college to increase mental health professional staff by one full-time equivalent employee.

(14) $46,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state institute for

public policy (WSIPP) for implementation of Second Substitute Senate Bill No. 6732 (construction industry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(15) $69,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state institute for public policy to study the status of adult literacy education in Washington. The study shall include an analysis of literacy rates by county; a review of the research literature; a description of literacy-related services provided by state agencies and community-based organizations; and an analysis of the characteristics of persons receiving those services. The institute shall report its findings to the governor, appropriate committees of the legislature, and to the state board for community and technical colleges by December 1, 2008.

(16) $23,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to implement the evaluation required by Senate Bill No. 6665 (crisis response programs). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(17) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state institute for public policy to conduct a review of research on service and support programs for children and adults with developmental disabilities, excluding special education, and an economic analysis of net program costs and benefits. The institute shall submit a preliminary report of findings by January 1, 2009, and a final report by June 30, 2009.

(18) $50,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state institute for public policy to examine data gathered through the address verification activities funded in section 217(10) of this act and through interviews with selected law enforcement jurisdictions who receive the funding to assess the prevalence of sex offenders who register as homeless as a means to avoid disclosing their residence. The institute shall report its findings and estimates to appropriate policy committees of the legislature by December 1, 2008.

(19) $70,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state institute for public policy to analyze local practices regarding RCW 28A.225.020, 28A.225.025, and 28A.225.030.

(a) The institute shall: (i) Sample school districts' and superior courts' expenditures in fiscal years 2005, 2006, 2007, and 2008 used to comply with RCW 28A.225.020, 28A.225.025, and 28A.225.030; (ii) evaluate evidence-based, research-based, promising, and consensus-based truancy intervention and prevention programs and report on local practices that could be designated as such; (iii) survey school district truancy petition and intervention programs and services currently available and report on any gaps in accessing services; (iv) survey the districts' definitions of "absence" and "unexcused absence"; (v) survey the courts' frequency of use of contempt proceedings and barriers to the use of proceedings; and (vi) analyze the academic impact of RCW 28A.225.030 by sampling school districts' student academic records to ascertain the students' post-petition attendance rate, grade progression, and high school graduation for students where the school district filed a truancy petition in superior court.

(b) In conducting its analysis, the institute may consult with employees and access data systems of the office of the superintendent of public instruction and any educational service district or school district and the administrative office of the courts, each of which shall provide the institute with access to necessary data and administrative systems.

**Sec. 611.** 2007 c 522 s 609 (uncodified) is amended to read as follows:

**FOR WESTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$66,716,000~~))
$66,774,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$69,917,000~~))
$68,085,000

Education Legacy Trust Account--State
Appropriation . . . . . $11,845,000

TOTAL APPROPRIATION . . . . . ((~~$148,478,000~~))
$146,704,000

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

(1) $281,000 of the education legacy trust account--state appropriation is to expand math and science enrollments by 8 student FTEs in fiscal year 2008 and by an additional 8 student FTEs in fiscal

year 2009. Programs expanded include cell and molecular biology. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and the employment of college graduates related to state investments in math and science enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(2) $4,013,000 of the education legacy trust account--state appropriation is to expand general enrollments by 235 student FTEs in fiscal year 2008 and by an additional 130 student FTEs in fiscal year 2009. Of these, 24 FTEs in each fiscal year are expected to be graduate student FTEs.

(3) $920,000 of the education legacy trust account--state appropriation is to expand high demand enrollments by 50 FTE students in fiscal year 2008 and by an additional 15 FTE students in fiscal year 2009. Programs expanded include early childhood education and teaching English as a second language. The university shall provide data to the office of financial management regarding high-demand enrollments, graduations, and employment of college graduates related to state investments in high demand enrollment programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) $500,000 of the education legacy trust account--state appropriation is provided solely to expand the number of low-income and first-generation students served in the student outreach services program at Western Washington University by 500 students over the biennium. The student outreach services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 80 percent for students served in this program, with a goal of reaching a retention rate in excess of 85 percent.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By

July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Western Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2,968;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 371;

(c) Increase the number of advanced degrees conferred per year at all campuses to 375;

(d) Improve the six-year graduation rate for baccalaureate students to 62.8 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 61.4 percent;

(f) Improve the freshman retention rate to 85.0 percent;

(g) Improve time to degree for baccalaureate students to 95.6 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Western Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, the university shall report progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations to the higher education coordinating board by October 1st of each year.

(7) $1,169,000 of the education legacy trust account appropriation is for the advanced materials science and engineering program. The program shall develop the advanced materials science and engineering center for research, teaching, and development which will offer a minor degree in materials science and engineering beginning in the fall 2009.

(8) $444,000 of the general fund--state appropriation for fiscal year 2008 and $611,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for development of the biomedical research activities in neuroscience (BRAIN) program. The program shall link biology and chemistry curriculum to prepare students for biomedical research positions in academia and industry.

(9) $250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state campus compact to increase the number of college and university students mentoring students in eighth through twelfth grades.

(10) $62,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the university to increase mental health professional staff by one full-time equivalent employee.

**Sec. 612.** 2007 c 522 s 610 (uncodified) is amended to read as follows:

**FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND ADMINISTRATION**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$6,922,000~~))
$7,008,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$6,954,000~~))
$7,231,000

General Fund--Federal Appropriation . . . . . ((~~$4,342,000~~))
$4,333,000

TOTAL APPROPRIATION . . . . . ((~~$18,218,000~~))
$18,572,000

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

(1) $87,000 of the general fund--state appropriation for fiscal year 2008 and $169,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to maintain and update a scholarship clearinghouse that lists every public and private scholarship available to Washington students. The higher education coordinating board shall develop a web-based interface for students and families as well as a common application for these scholarships.

(2) $339,000 of the general fund--state appropriation for fiscal year 2008 and $330,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Second

Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) $200,000 of the general fund--state appropriation for fiscal year 2008 and $150,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute House Bill No. 1131 (the passport to college promise). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(4) $152,000 of the general fund--state appropriation for fiscal year 2008 and $191,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for administration of conditional scholarships.

(5) Except for moneys provided in this section for specific purposes, and to the extent that the executive director finds that the agency will not require the full amount appropriated for a fiscal year in this section, the unexpended appropriation shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes of fulfilling unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.

(6) $200,000 of the general fund--state appropriation is provided solely to implement a capital facility and technology capacity study which will compare the 10-year enrollment projections with the capital facility requirements and technology application and hardware capacity needed to deliver higher education programs for the period 2009-2019. The ((~~joint legislative audit and review committee~~)) higher education coordinating board shall:

(a) Develop the study in collaboration with the state board for community and technical colleges, ((~~the higher education coordinating board,~~)) four-year universities, and the Washington independent colleges;

(b) Determine the 10-year capital facilities and technology application and hardware investment needed by location to deliver higher education programs to additional student FTE;

(c) Estimate operational and capital costs of the additional capacity; and

(d) Report findings to the legislature on October 1, 2008.

(7) $85,000 of the general fund--state appropriation for fiscal year 2008 and $127,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the board to prepare a program and operating plan for a higher education center in the Kitsap county area. The plan shall be developed in consultation with an advisory committee of civic, business, and educational leaders from Clallam, Jefferson, Kitsap, and Mason counties. It shall include a projection of lower and upper division and graduate enrollment trends in the study area; a review of assessments of employer needs; an inventory of existing and needed postsecondary programs; recommended strategies for promoting active program participation in and extensive program offerings at the center by public and private baccalaureate institutions; and an estimate of operating and capital costs for the creation and operation of the center. The board shall submit its findings and recommendations to the governor and legislature by December 1, 2008.

(8) $30,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2783 (education transfer articulation). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(9) $14,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the higher education coordinating board to convene a work group to: (a) Assess current institutional practices in accepting prior learning credits; and (b) make recommendations on implementation of the work group's findings. A report is due to the legislature by December 1, 2008.

(10) $60,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed House Bill No. 2641 (education performance agreements). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(11) The higher education coordinating board, the department of licensing, and the department of health shall jointly review and report to appropriate policy committees of the legislature by December 1, 2008, on barriers and opportunities for increasing the extent to which veterans separating from duty are able to apply skills sets and

education required while in service to certification, licensure, and degree requirements.

(12) $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the higher education coordinating board to convene interested parties from Snohomish, Island, and Skagit counties to consider the November 2007 site options and recommendations for a new campus of the University of Washington in Snohomish county. The three local communities shall develop a consensus recommendation on a single preferred site and present the recommendation to the higher education coordinating board. The higher education coordinating board shall then present the single preferred site recommendation to the appropriate legislative fiscal and policy committees by December 1, 2008.

**Sec. 613.** 2007 c 522 s 611 (uncodified) is amended to read as follows:

**FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT PROGRAMS**

General Fund--State Appropriation (FY 2008) . . . . . $163,286,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$187,252,000~~))
$188,998,000
General Fund--Federal Appropriation . . . . . ((~~$13,122,000~~))
$13,113,000
Education Legacy Trust Account--State
Appropriation . . . . . $108,188,000
TOTAL APPROPRIATION . . . . . ((~~$471,848,000~~))
$473,585,000

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

(1) ((~~$154,837,000~~)) $154,760,000 of the general fund--state appropriation for fiscal year 2008, ((~~$177,863,000~~)) $178,707,000 of the general fund--state appropriation for fiscal year 2009, $49,902,000 of the education legacy trust account appropriation for fiscal year 2008, $40,050,000 of the education legacy trust account appropriation for fiscal year 2009, and $2,886,000 of the general fund--federal appropriation are provided solely for student financial aid payments under the state need grant; the state work study program including a four percent administrative allowance; the Washington scholars program;

and the Washington award for vocational excellence. All four programs shall increase grant awards sufficiently to offset the full cost of the resident undergraduate tuition increases authorized under this act.

(2) Within the funds appropriated in this section, eligibility for the state need grant shall be expanded to include students with family incomes at or below 70 percent of the state median family income, adjusted for family size. Awards for students with incomes between 66 percent and 70 percent of the state median shall be 50 percent of the award amount granted to those with incomes below 51 percent of the median.

(3) To the extent that the executive director determines that the agency will not award the full amount appropriated in subsection (1) of this section for a fiscal year, unexpended funds shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes first of fulfilling the unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.

(4) $7,400,000 of the education legacy trust account appropriation is provided solely for investment to fulfill the scholarship commitments that the state incurs in accordance with Second Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) $2,500,000 of the education legacy trust account--state appropriation is provided solely to expand the gaining early awareness and readiness for undergraduate programs project to at least 25 additional school districts.

(6) $1,000,000 of the education legacy trust account--state appropriation is provided solely to encourage more students to teach secondary mathematics and science. $500,000 of this amount is provided to increase the future teacher scholarship and conditional loan program by at least 35 students per year. $500,000 of this amount is provided to support state work study positions for students to intern in secondary math and science classrooms.

(7) $2,336,000 of the education legacy trust account--state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). Funds are provided for student scholarships, and for incentive payments to the colleges they attend for individualized

student support services which may include, but are not limited to, college and career advising, counseling, tutoring, costs incurred for students while school is not in session, personal expenses, health insurance, and emergency services. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) $246,000 of the general fund--state appropriation for fiscal year 2008 and $246,000 of the general fund--state appropriation for fiscal year 2009 are for community scholarship matching grants and its administration. To be eligible for the matching grant, nonprofit groups organized under section 501(c)(3) of the federal internal revenue code must demonstrate they have raised at least $2,000 in new moneys for college scholarships after the effective date of this section. Groups may receive no more than one $2,000 matching grant per year and preference shall be given to groups affiliated with scholarship America. Up to a total of $46,000 per year of the amount appropriated in this section may be awarded to a nonprofit community organization to administer scholarship matching grants, with preference given to an organization affiliated with scholarship America.

(9) $75,000 of the general fund--state appropriation for fiscal year 2008 and ((~~$75,000~~)) <u>$575,000</u> of the general fund--state appropriation for fiscal year 2009 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(10) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute House Bill No. 1179 (state need grant). State need grants provided to students enrolled in just three to five credit-bearing quarter credits, or the equivalent semester credits, shall not exceed the amounts appropriated in this subsection. By November 1 of each year, the board shall report to the office of financial management and to the operating budget committees of the house of representatives and senate on the number of eligible but unserved students enrolled in just three to five quarterly credits, or the semester equivalent, and the estimated cost of serving them. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) $5,000,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Second Substitute House Bill

No. 1779 (GET ready for math and science). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(12) $1,250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the health professional scholarship and loan program. The funds provided in this subsection (a) shall be prioritized for health care deliver sites demonstrating a commitment to serving the uninsured; and (b) shall be allocated between loan repayments and scholarships proportional to current program allocations.

**Sec. 614.** 2007 c 522 s 612 (uncodified) is amended to read as follows:

**FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund--State Appropriation (FY 2008) . . . . . $1,757,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,772,000~~))
$1,736,000

General Fund--Federal Appropriation . . . . . ((~~$54,011,000~~))
$53,996,000

TOTAL APPROPRIATION . . . . . ((~~$57,540,000~~))
$57,489,000

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

(1) $340,000 of the general fund--state appropriation for fiscal year 2008 and $340,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the board to:

(a) Allocate grants on a competitive basis to establish and support industry skill panels. Grant recipients shall provide an employer match of at least twenty-five percent, and identify work force strategies to benefit employers and workers across the industry; and

(b) Establish industry skill panel standards that identify the expectations for industry skill panel products and services.

(2) $53,000 of the general fund--state appropriation for fiscal year 2008 and $53,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to improve the oversight of private vocational and career schools.

(3) The appropriations in this section include specific funding to implement Substitute Senate Bill No. 5254 (industry skills panels) and Substitute Senate Bill No. 6261 (adult youth).

(4) The appropriations in this section include sufficient funds to implement section 2 of Engrossed Substitute Senate Bill No. 6295 (workplace e-learning).

**Sec. 615.** 2007 c 522 s 613 (uncodified) is amended to read as follows:

**FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

General Fund--State Appropriation (FY 2008) . . . . . $1,718,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,789,000~~))
$1,745,000
TOTAL APPROPRIATION . . . . . ((~~$3,507,000~~))
$3,463,000

**Sec. 616.** 2007 c 522 s 614 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$61,780,000~~))
$62,362,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$72,707,000~~))
$76,304,000
General Fund--Federal Appropriation . . . . . ((~~$192,360,000~~))
$192,192,000
General Fund--Private/Local Appropriation . . . . . $6,000
TOTAL APPROPRIATION . . . . . ((~~$326,853,000~~))
$330,864,000

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

(1) $47,919,000 of the general fund--state appropriation for fiscal year 2008 and $56,437,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for early childhood education and assistance program services.

(a) Of these amounts, $10,284,000 is a portion of the biennial amount of state matching dollars required to receive federal child care and development fund grant dollars.

(b) Within the amounts provided in this subsection (1), the department shall increase the number of children receiving early childhood education and assistance program services by 2,250 slots.

(c) Within the amounts provided in this subsection (1), the department shall increase the minimum provider per slot payment to $6,500 in fiscal year 2008. Any provider receiving slot payments higher than $6,500 shall receive a 2.0 percent vendor rate increase in fiscal year 2008. All providers shall receive a 2.0 percent vendor rate increase in fiscal year 2009.

(2) $775,000 of the general fund--state appropriation for fiscal year 2008 and $4,225,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to: (a) Develop a quality rating and improvement system; and (b) pilot the quality rating and improvement system in multiple locations. Four of the pilot sites are to be located within the following counties: Spokane, Kitsap, King, and Yakima. The department shall analyze and evaluate the pilot sites and report initial findings to the legislature by December 1, 2008. Prior to statewide implementation of the quality rating and improvement system, the department of early learning shall present the system to the legislature and the legislature shall formally approve the implementation of the system through the omnibus appropriations act or by statute or concurrent resolution.

(3) $850,000 of the general fund--state appropriation for fiscal year 2008 and $850,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the department to contract for child care referral services.

(4) $1,200,000 of the general fund--state appropriation for fiscal year 2008 and $800,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers. This includes funding for the department to conduct a random sample survey of parents to determine the types of early learning services and materials parents are interested in receiving from the state. The department shall report the findings to the appropriate policy and fiscal committees of the legislature by October 1, 2008.

(5) $250,000 of the general fund--state appropriation for fiscal year 2008 and $250,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a child care consultation pilot program linking child care providers with evidence-based and best practice resources regarding caring for infants and young children who present behavior concerns.

(6) $500,000 of the general fund--state appropriation for fiscal year 2008 and $500,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to expand the child care career and wage ladder program created by chapter 507, Laws of 2005.

(7) $172,000 of the general fund--state appropriation for fiscal year 2008 is provided solely for the department to purchase licensing capability from the department of social and health services through the statewide automated child welfare information system.

(8) $1,100,000 of the general fund--state appropriation for fiscal year 2008 and $1,100,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for a childcare grant program for public community colleges and public universities. A community college or university that employs collectively bargained staff to operate childcare programs may apply for up to $25,000 per year from the department per each type of the following programs: Head start, childcare, early childhood assistance and education. The funding shall only be provided for salaries for collectively bargained employees.

(9) Beginning October 1, 2007, the department shall be the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to partially fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(10) Prior to the development of an early learning information system, the department shall submit to the education and fiscal committees of the legislature a completed feasibility study and a proposal approved by the department of information systems and the information services board. The department shall ensure that any proposal for the early learning information system includes the cost for modifying the system as a result of licensing rule changes and implementation of the quality rating and improvement system.

<u>(11) $250,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 3168 (Washington head start program). If the bill is</u>

not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(12) The department, in conjunction with the early learning advisory council, shall report by June 30, 2009, to the governor and the appropriate committees of the legislature regarding the following:

(a) Administration of the state training and registry system, including annual expenditures, participants, and average hours of training provided per participant; and

(b) An evaluation of the child care resource and referral network in providing information to parents and training and technical assistance to child care providers.

(13) The department shall use child care development fund money to satisfy the federal audit requirement of the improper payments act (IPIA) of 2002. In accordance with the IPIA's rules, the money spent on the audits will not count against the five percent state limit on administrative expenditures.

(14) $150,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the department of early learning to work with the office of the superintendent of public instruction, and collaborate with thrive by five Washington, to study and make recommendations regarding the implementation of a statewide kindergarten entry assessment. The department and the office of the superintendent of public instruction shall jointly submit a report with recommendations for implementing the kindergarten entry assessment to the governor and the appropriate committees of the legislature by December 15, 2008. In the study and development of the recommendations, the department shall:

(a) Consult with early learning experts, including research and educator associations, early learning and kindergarten teachers, and Washington Indian tribes;

(b) Identify a preferred kindergarten entry assessment based on research and examples of other assessments, and which is sensitive to cultural and socioeconomic differences influencing the development of young children;

(c) Recommend a plan for the use of the assessment in a pilot phase and a voluntary use phase, and recommend a time certain when school districts must offer the assessment;

(d) Recommend how to report the results of the assessment to parents, the office of the superintendent of public instruction, and the department of early learning in a common format, and for a methodology for conducting the assessments;

(e) Analyze how the assessment could be used to improve instruction for individual students entering kindergarten and identify whether and how the assessment results could be used to improve the early learning and K-12 systems, including the transition between the systems;

(f) Identify the costs of the assessment, including the time required to administer the assessment; and

(g) Recommend how to ensure that the assessment shall not be used to screen or otherwise preclude children from entering kindergarten if they are otherwise eligible.

(15) $120,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for encouraging private match investment for innovative, existing local early learning coalitions to achieve one or more of the following:

(a) Increase communities' abilities to implement their business plans for comprehensive local and regional early learning systems;

(b) Involve parents in their children's education;

(c) Enhance coordination between the early childhood and K-12 system; or

(d) Improve training and support for raising the level of child care givers' professional skills to ensure that children are healthy and ready to succeed in school and life.

**Sec. 617.** 2007 c 522 s 615 (uncodified) is amended to read as follows:

**FOR THE STATE SCHOOL FOR THE BLIND**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$5,958,000~~))
$5,969,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$6,186,000~~))
$6,105,000

General Fund--Private/Local Appropriation . . . . . ((~~$1,600,000~~))
$1,561,000

TOTAL APPROPRIATION . . . . . ((~~$13,744,000~~))
$13,635,000

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

(1) $10,000 of the general fund--state appropriation for fiscal year 2008 and $40,000 of the general fund--state appropriation for fiscal year 2009 are provided solely to defend the state's interpretive position in the case of *Delyria & Koch v. Washington State School for the Blind*.

(2) $5,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for increasing salaries for certificated instructional staff by an average of one-half of one percent effective July 1, 2008.

**Sec. 618.** 2007 c 522 s 616 (uncodified) is amended to read as follows:

**FOR THE STATE SCHOOL FOR THE DEAF**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$8,731,000~~))
$8,858,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$9,015,000~~))
$8,915,000

General Fund--Private/Local Appropriation . . . . . ((~~$232,000~~))
$316,000

TOTAL APPROPRIATION . . . . . ((~~$17,978,000~~))
$18,089,000

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

(1) $84,000 of the general fund--private/local appropriation for fiscal year 2009 is provided solely for the operation of the shared reading video outreach program. The school for the deaf shall provide this service to the extent it is funded by contracts with school districts and educational service districts.

(2) $9,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for increasing salaries for certificated instructional staff by an average of one-half of one percent effective July 1, 2008.

**Sec. 619.** 2007 c 522 s 617 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund--State Appropriation (FY 2008) . . . . . $2,548,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,578,000~~))

$2,541,000

General Fund--Federal Appropriation . . . . . $1,382,000

General Fund--Private/Local Appropriation . . . . . $154,000

TOTAL APPROPRIATION . . . . . ((~~$6,662,000~~))

$6,625,000

**Sec. 620.** 2007 c 522 s 618 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2008) . . . . . $3,558,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$3,609,000~~))

$3,798,000

TOTAL APPROPRIATION . . . . . ((~~$7,167,000~~))

$7,356,000

The appropriations in this section are subject to the following conditions and limitations: $255,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for the Washington state Holocaust education resource center for the purposes of preserving Washington's historical connection to the Holocaust and expanding understanding of the Holocaust and genocide. Grant moneys may be used to develop and disseminate education and multimedia curriculum resources; provide teacher training; acquire and maintain primary source materials and Holocaust artifacts; collect and preserve oral accounts from Washington state Holocaust survivors, liberators, and witnesses; and build organizational capacity.

**Sec. 621.** 2007 c 522 s 619 (uncodified) is amended to read as follows:

**FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2008) . . . . . $1,918,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$2,046,000~~))

$2,069,000

TOTAL APPROPRIATION . . . . . ((~~$3,964,000~~))

$3,987,000

The appropriations in this section are subject to the following conditions and limitations: $88,000 of the general fund--state appropriation for fiscal year 2009 is provided solely to catalog the American Indian collection.

(End of part)

## PART VII
## SPECIAL APPROPRIATIONS

**Sec. 701.** 2007 c 522 s 701 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$724,362,000~~))
$823,274,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$764,561,000~~))
$696,324,000

State Building Construction Account--State
Appropriation . . . . . ((~~$8,970,000~~))
$11,970,000

Columbia River Basin Water Supply Development
Account--State Appropriation . . . . . $148,000

Hood Canal Aquatic Rehabilitation Bond
Account--State Appropriation . . . . . $23,000

State Taxable Building Construction
Account--State Appropriation . . . . . ((~~$168,000~~))
$513,000

Gardner-Evans Higher Education Construction
Account--State Appropriation . . . . . ((~~$1,790,000~~))
$1,902,000

Debt-Limit Reimbursable Bond Retire
Account--State Appropriation . . . . . ((~~$2,624,000~~))
$2,589,000

TOTAL APPROPRIATION . . . . . ((~~$1,502,646,000~~))
$1,536,743,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for ((~~deposit~~)) expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2008 shall be expended into the debt-limit general fund bond retirement account by June 30, 2008.

**Sec. 702.** 2007 c 522 s 702 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account--State Appropriation . . . . . ((~~$22,553,000~~)) $22,535,000

Accident Account--State Appropriation . . . . . ((~~$5,204,000~~)) $5,135,000

Medical Aid Account--State Appropriation . . . . . ((~~$5,204,000~~)) $5,135,000

TOTAL APPROPRIATION . . . . . ((~~$32,961,000~~)) $32,805,000

**Sec. 703.** 2007 c 522 s 703 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$27,068,000~~)) $26,848,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$27,825,000~~)) $27,728,000

Nondebt-Limit Reimbursable Bond Retirement Account--State Appropriation . . . . . ((~~$136,332,000~~)) $135,967,000

TOTAL APPROPRIATION . . . . . ((~~$191,225,000~~)) $190,543,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for ((~~deposit~~)) expenditure into the nondebt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2008 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2008.

**Sec. 704.** 2007 c 522 s 704 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund--State Appropriation (FY 2008) . . . . . ((~~$1,357,000~~))
$750,000

General Fund--State Appropriation (FY 2009) . . . . . ((~~$1,357,000~~))
$750,000

State Building Construction Account--State
Appropriation . . . . . $1,546,000

Columbia River Basin Water Supply Development
Account--State Appropriation . . . . . $17,000

Hood Canal Aquatic Rehabilitation Bond
Account--State Appropriation . . . . . $3,000

State Taxable Building Construction
Account--State Appropriation . . . . . $122,000

Gardner-Evans Higher Education Construction
Account--State Appropriation . . . . . $452,000

TOTAL APPROPRIATION . . . . . ((~~$4,854,000~~))
$3,640,000

**Sec. 705.** 2007 c 522 s 705 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL**

Disaster Response Account--State Appropriation . . . . ((~~$4,000,000~~))
$8,500,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is for the purpose of making allocations to the Washington state patrol for ((~~fire mobilizations costs or to the department of natural resources for fire suppression costs~~)) any Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 and 43.43.964.

**Sec. 706.** 2007 c 522 s 706 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY**

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

$6,500,000

General Fund--State Appropriation (FY 2009) . . . . . $2,000,000

TOTAL APPROPRIATION . . . . . ((~~$4,000,000~~))

$8,500,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account for the purposes specified in section 705 of this act.

NEW SECTION. **Sec. 707.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of financial management, except as otherwise provided, as follows:

(1) Reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110:

(a) George E. Linkenhoker, claim number SCJ 2008-01 . . . $24,628

(b) Charles A. Gardner, claim number SCJ 2008-02 . . . . . $ 2,715

(c) Judd Hurst, claim number SCJ 2008-03 . . . . . $ 2,000

(d) Thomas J. Nelson, claim number SCJ 2008-04 . . . . . $ 5,000

(e) William R. Sauters, Jr., claim number SCJ 2008-05 . . . . . $11,408

(f) Michael E. Greene, claim number SCJ 2008-06 . . . . . $ 1,500

(g) Jeffery A. Cobb, claim number SCJ 2008-08 . . . . . $ 7,600

(h) Robert R. Park, claim number SCJ 2008-09 . . . . . $26,385

(i) Donald Willett, claim number SCJ 2008-11 . . . . . $6,600

**Sec. 708.** 2007 c 522 s 716 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--WATER QUALITY CAPITAL ACCOUNT**

Water Quality Account--State Appropriation (FY 2008) . . . . . ((~~$25,135,000~~))

$19,274,000

Water Quality Account--State Appropriation (FY 2009) . . . . . $3,000,000

TOTAL APPROPRIATION . . . . . $22,274,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the water quality capital account. ((~~If House Bill No. 1137 (water quality capital account) is not enacted by June 30, 2007, the appropriation in this section shall lapse.~~))

**Sec. 709.** 2007 c 522 s 718 (uncodified) is amended to read as follows:

**INCENTIVE SAVINGS--FY 2008.** The sum of one hundred twenty-five million dollars or so much thereof as may be available on June 30, 2008, from the total amount of unspent fiscal year 2008 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed ((~~seventy-five~~)) one hundred million dollars, is appropriated to the education savings account.

**Sec. 710.** 2007 c 522 s 719 (uncodified) is amended to read as follows:

**INCENTIVE SAVINGS--FY 2009.** The sum of one hundred twenty-five million dollars or so much thereof as may be available on June 30, 2009, from the total amount of unspent fiscal year 2009 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed ((~~seventy-five~~)) one hundred million dollars, is appropriated to the education savings account.

**Sec. 711.** 2007 c 522 s 722 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--COUNTY SUBSTANCE ABUSE PROGRAMS**

General Fund--State Appropriation (FY 2008) . . . . . $600,000
General Fund--State Appropriation (FY 2009) . . . . . ((~~$600,000~~)) $800,000
TOTAL APPROPRIATION . . . . . ((~~$1,200,000~~)) $1,400,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for allocation to counties that are eligible for funding for chemical dependency or substance abuse treatment programs pursuant to RCW 70.96A.325.

NEW SECTION. **Sec. 712.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--FEDERAL REIMBURSEMENT FOR HEALTH INSURANCE TRANSFERS**

General Fund--State Appropriation (FY 2008) . . . . . $11,000,000

The appropriation in this section is subject to the following conditions and limitations: The United States department of health and human services has determined that a portion of funds transferred from the public employees' and retirees' insurance account in fiscal years 2006 and 2007, made pursuant to sections 805 and 806, chapter 372, Laws of 2006, contained federal funds that were not authorized to be included in the transfer. The appropriation in this section is provided solely to reimburse the United States department of health and human services in accordance with their determination letter that the federal funds transferred from the public employees' and retirees' insurance account were transferred in error and must be reimbursed to the United States Treasury.

**Sec. 713.** 2007 c 522 s 1621 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--TECHNOLOGY FUNDING**

General Fund--State Appropriation (FY 2007) . . . . . $26,277,000

Special Technology Funding Revolving Account

Appropriation ((~~(FY 2008)~~)) . . . . . ((~~$37,964,000~~)) $35,222,000

TOTAL APPROPRIATION . . . . . ((~~$64,241,000~~)) $61,499,000

The appropriations in this section are provided solely for deposit to and expenditure from the data processing revolving account and are subject to the following conditions and limitations:

(1) The appropriations in this section, for expenditure to the data processing revolving account, are to be known as the "information technology funding pool" and are under the joint control of the department of information services and the office of financial management. The department of information services shall review information technology proposals and work jointly with the office of financial management to determine the projects to be funded and the amounts and timing of release of funds. To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special technology funding revolving account, hereby created in the state treasury, in accordance with schedules provided by the office of financial management pursuant to LEAP Document ((~~ITA-2007~~)) ITA-2008 as developed by the legislative evaluation and program committee on ((~~April 20, 2007, at 13:01 hours~~)) February 26, 2008, at 16:00 hours.

(2) In exercising this authority, the department of information services and the office of financial management shall:

(a) Seek opportunities to reduce costs and achieve economies of scale by leveraging statewide investments in systems and data and other common or enterprise-wide solutions within and across state agencies that include standard software, hardware, and other information technology systems infrastructure, and common data definitions and data stores that promote the sharing of information across agencies whenever possible;

(b) Ensure agencies incorporate project management best practices and consider lessons learned from other information technology projects; and

(c) Develop criteria for the evaluation of information technology project funding proposals to include the determination of where common or coordinated technology or data solutions may be established, and identification of projects that cross fiscal biennia or are dependent on other prior, current, or future related investments.

(3) In allocating funds for the routine replacement of software and hardware, the information services board and office of financial management shall presume that agencies should have sufficient funding in their base allocation to pay for such replacement and that any allocations out of these funds are for extraordinary maintenance costs.

((~~(5)~~)) (4) Funds in the 2007-09 biennium may only be expended on the projects listed on LEAP Document ((~~IT-2007~~)) IT-2008, as generated by the legislative evaluation and accountability program committee on ((~~April 20, 2007, at 13:01 hours~~)) February 26, 2008, at 16:00 hours. Future biennia allocations from the information technology funding pool shall be determined jointly by the department of information services and the office of financial management.

((~~(6)~~)) (5) Beginning December 1, 2008, and every biennium thereafter, the department of information services shall submit a statewide information technology plan to the office of financial management and the legislative evaluation and accountability program committee that supports a consolidated funding request. In alternate years, a plan addendum shall be submitted that reflects any modified funding pool request requiring action in the ensuing supplemental budget session.

((~~(7)~~)) (6) The department of information services shall report to the office of financial management and the legislative evaluation and accountability program committee by October 1, 2007, and annually thereafter, the status of planned allocations from funds appropriated in this section.

((~~(8)~~)) (7) State agencies shall report project performance in consistent and comparable terms using common methodologies to calculate project performance by measuring work accomplished (scope and schedule) against work planned and project cost against planned budget. The

department of information services shall provide implementation guidelines and oversight of project performance reporting.

((~~(9)~~)) (8) The information services board shall require all agencies receiving funds appropriated in this section to account for project expenses included in an information technology portfolio report submitted annually to the department of information services, the office of financial management, and the legislative evaluation and accountability program committee by October 1st of each year. The department of information services, with the advice and approval of the office of financial management, shall establish criteria for complete and consistent reporting of expenditures from these funds and project staffing levels.

((~~(10)~~)) (9) In consultation with the legislative evaluation and accountability program committee, the department of information services shall develop criteria for evaluating requests for these funds and shall report annually to the office of financial management and the legislative evaluation and accountability program committee by November 1st the status of distributions and expenditures from this pool.

NEW SECTION. **Sec. 714.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--HEALTH CARE AUTHORITY ADMINISTRATIVE ACCOUNT**

General Fund--State Appropriation (FY 2008) . . . . . $2,618,000
General Fund--State Appropriation (FY 2009) . . . . . $1,993,000
Public Safety and Education Account--State
Appropriation (FY 2008) . . . . . $13,000
Public Safety and Education Account--State
Appropriation (FY 2009) . . . . . $13,000
Water Quality Account--State Appropriation (FY 2008) . . . . . $4,000
Water Quality Account--State Appropriation (FY 2009) . . . . . $4,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2008) . . . . . $1,000
Violence Reduction and Drug Enforcement Account--State
Appropriation (FY 2009) . . . . . $1,000
Health Services Account--State Appropriation (FY 2008) . . . . $7,000
Health Services Account--State Appropriation (FY 2009) . . . . $7,000
Dedicated Funds and Accounts Appropriation . . . . . $640,000

TOTAL APPROPRIATION . . . . . $5,301,000

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

(1) The appropriations are provided solely for expenditure into the health care authority administrative account.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the office of financial management shall transfer or direct the transfer of sufficient moneys from each dedicated fund or account, including local funds of state agencies and institutions of higher education, to the health care authority administrative account in accordance with LEAP document number C04-2008, dated March 10, 2008. Agencies and institutions of higher education with local funds will deposit sufficient money to the health care authority administrative account.

**Sec. 715.** 2007 c 522 s 728 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMMUNITY PRESERVATION <u>AND DEVELOPMENT</u> ACCOUNT**

General Fund--State Appropriation (FY 2008) . . . . . $350,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the community preservation <u>and development authority</u> account. If Substitute Senate Bill No. 6156 (community preservation authorities) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

<u>NEW SECTION.</u> **Sec. 716.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM ACCOUNT**

General Fund--State Appropriation (FY 2008) . . . . . $500,000

General Fund--State Appropriation (FY 2009) . . . . . $500,000

TOTAL APPROPRIATION . . . . . $1,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the individual development account program account.

NEW SECTION. **Sec. 717.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--SKELETAL HUMAN REMAINS ASSISTANCE ACCOUNT**

General Fund--State Appropriation (FY 2008) . . . . . $500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the skeletal human remains assistance account for purposes of Engrossed Second Substitute House Bill No. 2624 (human remains). If the bill is not enacted by June 30, 2008, the amount provided in this section shall lapse.

NEW SECTION. **Sec. 718.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--MANUFACTURING INNOVATION AND MODERNIZATION ACCOUNT**

General Fund--State Appropriation (FY 2009) . . . . . $306,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the manufacturing innovation and modernization account.

NEW SECTION. **Sec. 719.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--COLUMBIA RIVER WATER DELIVERY ACCOUNT**

General Fund--State Appropriation (FY 2009) . . . . . $2,150,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the Columbia river water delivery account pursuant to Engrossed Second Substitute Senate Bill No. 6874 (Columbia river water). If the bill is not enacted by June 30, 2008, the amount provided in this section shall lapse.

NEW SECTION. **Sec. 720.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--FAMILY LEAVE INSURANCE ACCOUNT**
General Fund--State Appropriation (FY 2008) . . . . . $6,218,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the family leave insurance account.

NEW SECTION. **Sec. 721.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE COSTS**
General Fund--State Appropriation (FY 2008) . . . . . $189,000

The appropriation in this section is subject to the following conditions and limitations: The director of financial management shall distribute $48,000 to Klickitat county and $141,000 to Yakima county for extraordinary criminal justice costs.

NEW SECTION. **Sec. 722.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--DEVELOPMENTAL DISABILITIES ENDOWMENT TRUST FUND**
General Fund--State Appropriation (FY 2009) . . . . . $100,000

The appropriation in this section is subject to the following conditions and limitations: $100,000 of the general fund--state appropriation for fiscal year 2009 is provided solely for expenditure into the developmental disabilities endowment trust fund.

NEW SECTION. **Sec. 723.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--SMART HOMEOWNERSHIP CHOICES PROGRAM ACCOUNT**
General Fund--State Appropriation (FY 2008) . . . . . $250,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the smart homeownership choices program account for purposes of Substitute Senate Bill No. 6711 (smart homeownership choices). If the bill is not enacted by June 30, 2008, the amount

provided in this subsection shall lapse.

NEW SECTION. **Sec. 724.** 2007 c 522 s 713 (uncodified) is repealed.

(End of part)

## PART VIII
## OTHER TRANSFERS AND APPROPRIATIONS

**Sec. 801.** 2007 c 522 s 801 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance premium distributions . . . . . ((~~$7,325,000~~)) $7,654,000

General Fund Appropriation for public utility district excise tax distributions . . . . . ((~~$49,656,000~~)) $47,557,000

General Fund Appropriation for prosecuting attorney distributions. Of this amount, $903,000 is provided solely for the implementation of Substitute Senate Bill No. 6297 (prosecuting attorney salaries). If the bill is not enacted by June 30, 2008, the amount provided shall lapse. . . . . ((~~$3,999,000~~)) $4,902,000

General Fund Appropriation for boating safety and education distributions . . . . . ((~~$4,833,000~~)) $4,400,000

General Fund Appropriation for other tax distributions . . . . . ((~~$42,000~~)) $48,000

General Fund Appropriation for habitat conservation program distributions . . . . . $1,245,000

Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation. This amount is provided solely for implementation of Engrossed Substitute Senate Bill No. 6874 (Columbia River water delivery). If the bill is not enacted by June 30, 2008, this amount

shall lapse. . . . . $3,775,000

Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians. This amount is provided solely for implementation of Engrossed Substitute Senate Bill No. 6874 (Columbia River water delivery). If the bill is not enacted by June 30, 2008, this amount shall lapse. . . . . $2,250,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . . $2,192,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . . $148,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties . . . . . ((~~$89,346,000~~)) $77,753,000

County Criminal Justice Assistance Appropriation . . . ((~~$58,906,000~~)) $62,127,000

Municipal Criminal Justice Assistance Appropriation . . . . . ((~~$23,359,000~~)) $24,636,000

Liquor Excise Tax Account Appropriation for liquor excise tax distribution . . . . . ((~~$45,472,000~~)) $49,397,000

Liquor Revolving Account Appropriation for liquor profits distribution . . . . . ((~~$93,399,000~~)) $82,148,000

City-County Assistance Account Appropriation for local government financial assistance distribution~~;~~ PROVIDED: That the legislature, in making this appropriation for distribution under the formula prescribed in RCW 43.08.290 for the 2007-09 biennium, ratifies and approves the prior distributions, as certified by the department of revenue to the state treasurer, made for the 2005-07 biennium from the appropriation in section 801, chapter 372, Laws of 2006 as amended

by section 1701, chapter 522, Laws of 2007 . . . . ((~~$31,272,000~~)) $29,865,000

Streamline Sales and Use Tax Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes . . . . . $31,600,000

TOTAL APPROPRIATION . . . . . ((~~$441,549,000~~)) $431,697,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**Sec. 802.** 2007 c 522 s 805 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--TRANSFERS.**

State Treasurer's Service Account: For transfer to the state general fund, $10,000,000 for fiscal year 2008 and ((~~$10,000,000~~)) $21,000,000 for fiscal year 2009 . . . . . ((~~$20,000,000~~)) $31,000,000

Education Legacy Trust Account: For transfer to the state general fund for fiscal year 2009 . . . . . $67,000,000

Pension Funding Stabilization Account: For transfer to the state general fund for fiscal year 2009 . . . . . $10,000,000

Economic Development Strategic Reserve Account: For transfer to the state general fund for fiscal year 2009 . . . . . $4,000,000

State Convention and Trade Center Operations Account: For transfer to the state general fund on June 30, 2009 . . . . . $5,000,000

State Convention and Trade Center Capital Account: For transfer to the state general fund on June 30, 2009 . . . . . $52,000,000

After the transfers in this section are made from the state convention and trade center operations and capital accounts, these accounts will

have sufficient funds for: (1) A ten million dollar requirement for the retrofit of the museum of history and industry; (2) the requirements of RCW 67.40.040(5) and 67.40.040(6); and (3) a sufficient capital reserve. After the transfer is made, the capital reserve may be applicable for payment of debt service or operating shortfalls.

Department of Retirement Systems Expense Account: For transfer to the state general fund for fiscal year 2009 . . . . . $5,000,000

General Fund: For transfer to the water quality account, $12,200,000 for fiscal year 2008 and $12,201,000 for fiscal year 2009 . . . . . $24,401,000

Education Legacy Trust Account: For transfer to the student achievement account for fiscal year 2009 . . . . . $90,800,000

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account, an amount not to exceed . . . . . $25,000,000

Public Works Assistance Account: For transfer to the drinking water assistance account, ((~~$3,600,000~~)) $7,200,000 for fiscal year 2008 and $3,600,000 for fiscal year 2009 . . . . . ((~~$7,200,000~~)) $10,800,000

Public Works Assistance Account: For transfer to the job development account, $25,000,000 for fiscal year 2008 and $25,000,000 for fiscal year 2009 . . . . . $50,000,000

State Toxics Control Account: For transfer to the oil spill prevention account for fiscal year 2009 . . . . . $2,400,000

Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account . . . . . ((~~$165,915,000~~)) $168,111,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual amount of the strategic contribution supplemental payment to the tobacco settlement account . . . . . $70,000,000

Health Services Account: For transfer to the water quality account, $3,942,500 for fiscal year 2008 and $3,942,500 for fiscal year 2009 . . . . . $7,885,000

Health Services Account: For transfer to the violence reduction and drug enforcement account, $3,466,000 for fiscal year 2008 and $3,466,000 for fiscal year 2009 . . . . . $6,932,000

Health Services Account: For transfer to the tobacco prevention and control account, ((~~$10,226,552~~)) $10,523,000 for fiscal year 2008 and ((~~$10,109,109~~)) $10,168,000 for fiscal year 2009 . . . . . ((~~$20,336,000~~)) $20,691,000

General Fund: For transfer to the streamline sales and use tax account for fiscal year 2009 . . . . $31,600,000

((~~If Substitute Senate Bill No. 5089 (streamlined sales tax) is not enacted by June 30, 2009, this transfer shall lapse.~~))

General Fund: For transfer to the health services account for fiscal year 2009 . . . . . $53,000,000

Nisqually Earthquake Account: For transfer to the disaster response account for fiscal year 2008 . . . . $3,000,000

Public Safety and Education Account: For transfer to the state general fund for fiscal year 2009 . . . . . $6,000,000

NEW SECTION. **Sec. 803.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF REVENUE--STATE REVENUE FOR DISTRIBUTION**

General Fund Appropriation for fiscal year 2008 . . . . . $422,012

The appropriation in this section is subject to the following conditions and limitations: Revenues for the general fund are reduced to correct for a prior period distribution shortage of $422,012. This represents one time distributions to Jefferson County in the amount of

$352,196, and Klickitat County in the amount of $89,816, to be used in accordance with RCW 82.14.370.

(End of part)

## PART IX
## MISCELLANEOUS

**Sec. 901.** 2007 c 522 s 910 (uncodified) is amended to read as follows:

**COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS.** Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed ((~~$732~~)) $561 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065, but in no case to increase the actuarial value of the plans offered as compared to the comparable plans offered to enrollees in calendar year 2007.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the

subsidy shall be $164.08. Starting January 1, 2009, the subsidy shall be $182.89 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, $57.71 per month beginning September 1, 2007, and ((~~$65.97~~)) $60.40 beginning September 1, 2008;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, $57.71 each month beginning September 1, 2007, and ((~~$65.97~~)) $60.40 beginning September 1, 2008, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**Sec. 902.** 2007 c 522 s 911 (uncodified) is amended to read as follows:

**COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS.** The appropriations for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, for represented employees outside the super coalition under chapter 41.80 RCW, shall not exceed $707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed ((~~$732~~)) $561 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW

41.05.065, but in no case to increase the actuarial value of the plans offered as compared to the comparable plans offered to enrollees in calendar year 2007.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be $164.08. Starting January 1, 2009, the subsidy shall be $182.89 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, $57.71 per month beginning September 1, 2007, and ((~~$65.97~~)) $60.40 beginning September 1, 2008;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, $57.71 each month beginning September 1, 2007, and ((~~$65.97~~)) $60.40 beginning September 1, 2008, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**Sec. 903.** 2007 c 522 s 912 (uncodified) is amended to read as follows:

**COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION.** Collective

bargaining agreements negotiated as part of the super coalition under chapter 41.80 RCW include employer contributions to health insurance premiums at 88% of the cost. Funding rates at this level are currently $707 per month for fiscal year 2008 and ((~~$732~~)) $561 per month for fiscal year 2009. The agreements also include a one-time payment of $756 for each employee who is eligible for insurance for the month of June 2007 and is covered by a 2007-2009 collective bargaining agreement negotiated pursuant to chapter 41.80 RCW, and the continuation of the salary increases that were negotiated for the twelve-month period beginning July 1, 2006, and scheduled to terminate June 30, 2007.

**Sec. 904.** 2007 c 522 s 913 (uncodified) is amended to read as follows:

**ACROSS THE BOARD SALARY ADJUSTMENTS.** Appropriations for state agency nonrepresented employee compensation adjustments in this act are sufficient for across the board adjustments.

(1) Appropriations are for a 3.2 percent salary increase effective September 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

The appropriations are also sufficient to fund a 3.2 percent salary increase effective September 1, 2007, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(2) Appropriations are for a 2.0 percent salary increase effective September 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of

personnel. The appropriations are also sufficient to fund a 2.0 percent salary increase effective September 1, 2008, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) No salary increase may be paid under this section to any person whose salary has been Y-rated pursuant to rules adopted by the director of personnel.

NEW SECTION. **Sec. 905.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**SUPPLEMENTAL COLLECTIVE BARGAINING AGREEMENT--TEAMSTERS.** Appropriations in this act reflect the supplemental collective bargaining agreement reached between the governor and the brotherhood of teamsters under the provisions of chapter 41.80 RCW. Select classifications will receive wage increases effective July 1, 2008, to address recruitment and retention issues. Select employees covered under this supplemental agreement will receive targeted increases to the base salary and/or increases relating to assignment in a specific geographic work location. These provisions are in addition to the general terms of the collective bargaining agreement effective July 1, 2007.

NEW SECTION. **Sec. 906.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE WASHINGTON STATE GAMBLING COMMISSION--GAMBLING REVOLVING FUND.** Pursuant to RCW 43.88.050, the gambling commission and the office of financial management may address the cash flow of the gambling revolving fund in anticipation of payments of forfeiture revenue from the federal government.

NEW SECTION. **Sec. 907.** A new section is added to 2007 c 522 (uncodified) to read as follows:

**COLLECTIVE BARGAINING AGREEMENT--CENTRAL WASHINGTON UNIVERSITY, PSE.** Funding is provided for a collective bargaining agreement that may be reached between Central Washington University and the public school employees of Washington. Funding provided is sufficient for the

2.0% salary increase to be effective July 1, 2008, rather than September 1, 2008. If an agreement is not reached by June 30, 2008, the funding shall lapse.

**Sec. 908.** RCW 28B.105.110 and 2007 c 214 s 11 are each amended to read as follows:

(1) The GET ready for math and science scholarship account is created in the custody of the state treasurer.

(2) The board shall deposit into the account all money received for the GET ready for math and science scholarship program from appropriations and private sources. The account shall be self-sustaining.

(3) Expenditures from the account shall be used for scholarships to eligible students and for purchases of GET units. Purchased GET units shall be owned and held in trust by the board. Expenditures from the account shall be an equal match of state appropriations and private funds raised by the program administrator. <u>During the 2007-09 fiscal biennium, expenditures from the account not to exceed five percent may be used by the program administrator to carry out the provisions of RCW 28B.105.090.</u>

(4) With the exception of the operating costs associated with the management of the account by the treasurer's office as authorized in chapter 43.79A RCW, the account shall be credited with all investment income earned by the account.

(5) Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW.

(6) Disbursements from the account shall be made only on the authorization of the board.

**Sec. 909.** RCW 38.52.106 and 2003 1st sp.s. c 25 s 913 are each amended to read as follows:

The Nisqually earthquake account is created in the state treasury. Moneys may be placed in the account from tax revenues, budget transfers or appropriations, federal appropriations, gifts, or any other lawful source. Moneys in the account may be spent only after appropriation. Moneys in the account shall be used only to support state and local government disaster response and recovery efforts associated with the Nisqually earthquake. During the 2003-2005 fiscal biennium, the

legislature may transfer moneys from the Nisqually earthquake account to the disaster response account for fire suppression and mobilization costs. During the 2007-2009 fiscal biennium, moneys in the account may also be used to support disaster response and recovery efforts associated with flood and storm damage.

**Sec. 910.** RCW 41.45.230 and 2006 c 56 s 1 are each amended to read as follows:

The pension funding stabilization account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for payment of state government employer contributions for members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the public safety employees' retirement system. During the 2007-09 fiscal biennium, expenditures from the account may also be used for payment of the retirement and annuity plans for higher education employees and for transfer into the general fund. The account may not be used to pay for any new benefit or for any benefit increase that takes effect after July 1, 2005. An increase that is provided in accordance with a formula that is in existence on July 1, 2005, is not considered a benefit increase for this purpose. Moneys in the account shall be for the exclusive use of the specified retirement systems and invested by the state investment board pursuant to RCW 43.33A.030 and 43.33A.170. For purposes of RCW 43.135.035, expenditures from the pension funding stabilization account shall not be considered a state program cost shift from the state general fund to another account.

**Sec. 911.** RCW 41.50.110 and 2005 c 518 s 923 are each amended to read as follows:

(1) Except as provided by RCW 41.50.255 and subsection (6) of this section, all expenses of the administration of the department, the expenses of administration of the retirement systems, and the expenses of the administration of the office of the state actuary created in chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43, and 44.44 RCW shall be paid from the department of retirement systems expense fund.

(2) In order to reimburse the department of retirement systems expense fund on an equitable basis the department shall ascertain and report to each employer, as defined in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its proportional share of the entire expense of the administration of the retirement system that the employer participates in during the ensuing biennium or fiscal year whichever may be required. Such sum is to be computed in an amount directly proportional to the estimated entire expense of the administration as the ratio of monthly salaries of the employer's members bears to the total salaries of all members in the entire system. It shall then be the duty of all such employers to include in their budgets or otherwise provide the amounts so required.

(3) The department shall compute and bill each employer, as defined in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the end of each month for the amount due for that month to the department of retirement systems expense fund and the same shall be paid as are its other obligations. Such computation as to each employer shall be made on a percentage rate of salary established by the department. However, the department may at its discretion establish a system of billing based upon calendar year quarters in which event the said billing shall be at the end of each such quarter.

(4) The director may adjust the expense fund contribution rate for each system at any time when necessary to reflect unanticipated costs or savings in administering the department.

(5) An employer who fails to submit timely and accurate reports to the department may be assessed an additional fee related to the increased costs incurred by the department in processing the deficient reports. Fees paid under this subsection shall be deposited in the retirement system expense fund.

(a) Every six months the department shall determine the amount of an employer's fee by reviewing the timeliness and accuracy of the reports submitted by the employer in the preceding six months. If those reports were not both timely and accurate the department may prospectively assess an additional fee under this subsection.

(b) An additional fee assessed by the department under this subsection shall not exceed fifty percent of the standard fee.

(c) The department shall adopt rules implementing this section.

(6) Expenses other than those under RCW 41.34.060(3) shall be paid pursuant to subsection (1) of this section.

(7) During the ((~~2005-2007~~)) 2007-2009 fiscal biennium, the legislature may transfer from the department of retirement systems' expense fund to the state general fund such amounts as reflect the excess fund balance of the fund.

**Sec. 912.** RCW 43.08.190 and 2005 c 518 s 925 are each amended to read as follows:

There is hereby created a fund within the state treasury to be known as the "state treasurer's service fund." Such fund shall be used solely for the payment of costs and expenses incurred in the operation and administration of the state treasurer's office.

Moneys shall be allocated monthly and placed in the state treasurer's service fund equivalent to a maximum of one percent of the trust and treasury average daily cash balances from the earnings generated under the authority of RCW 43.79A.040 and 43.84.080 other than earnings generated from investment of balances in funds and accounts specified in RCW 43.79A.040 or 43.84.092(4)((~~(b)~~)). The allocation shall precede the distribution of the remaining earnings as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a uniform allocation rate based on the appropriations for the treasurer's office.

During the ((~~2005-2007~~)) 2007-2009 fiscal biennium, the legislature may transfer from the state treasurer's service fund to the state general fund such amounts as reflect the excess fund balance of the fund.

**Sec. 913.** RCW 43.08.250 and 2007 c 522 s 950 are each amended to read as follows:

(1) The money received by the state treasurer from fees, fines, forfeitures, penalties, reimbursements or assessments by any court organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be deposited in the public safety and education account which is hereby created in the state treasury. The legislature shall appropriate the funds in the account to promote traffic safety education, highway safety, criminal justice training, crime victims' compensation, judicial education, the judicial information system, civil

representation of indigent persons under RCW 2.53.030, winter recreation parking, drug court operations, and state game programs. Through the fiscal biennium ending June 30, 2009, the legislature may appropriate moneys from the public safety and education account for purposes of appellate indigent defense and other operations of the office of public defense, the criminal litigation unit of the attorney general's office, the treatment alternatives to street crimes program, crime victims advocacy programs, justice information network telecommunication planning, treatment for supplemental security income clients, sexual assault treatment, operations of the administrative office of the courts, security in the common schools, alternative school start-up grants, programs for disruptive students, criminal justice data collection, Washington state patrol criminal justice activities, drug court operations, unified family courts, local court backlog assistance, financial assistance to local jurisdictions for extraordinary costs incurred in the adjudication of criminal cases, domestic violence treatment and related services, the department of corrections' costs in implementing chapter 196, Laws of 1999, reimbursement of local governments for costs associated with implementing criminal and civil justice legislation, the replacement of the department of corrections' offender-based tracking system, secure and semi-secure crisis residential centers, HOPE beds, the family policy council and community public health and safety networks, the street youth program, public notification about registered sex offenders, and narcotics or methamphetamine-related enforcement, education, training, and drug and alcohol treatment services. <u>During the 2007-2009 fiscal biennium, the legislature may transfer from the public safety and education account to the state general fund such amounts as to reflect the excess fund balance of the fund.</u>

(2)(a) The equal justice subaccount is created as a subaccount of the public safety and education account. The money received by the state treasurer from the increase in fees imposed by sections 9, 10, 12, 13, 14, 17, and 19, chapter 457, Laws of 2005 shall be deposited in the equal justice subaccount and shall be appropriated only for:

(i) Criminal indigent defense assistance and enhancement at the trial court level, including a criminal indigent defense pilot program;

(ii) Representation of parents in dependency and termination proceedings;

(iii) Civil legal representation of indigent persons; and

(iv) Contribution to district court judges' salaries and to eligible elected municipal court judges' salaries.

(b) For the 2005-07 fiscal biennium, an amount equal to twenty-five percent of revenues to the equal justice subaccount, less one million dollars, shall be appropriated from the equal justice subaccount to the administrator for the courts for purposes of (a)(iv) of this subsection. For the 2007-09 fiscal biennium and subsequent fiscal biennia, an amount equal to fifty percent of revenues to the equal justice subaccount shall be appropriated from the equal justice subaccount to the administrator for the courts for the purposes of (a)(iv) of this subsection.

**Sec. 914.** RCW 43.330.250 and 2005 c 427 s 1 are each amended to read as follows:

(1) The economic development strategic reserve account is created in the state treasury to be used only for the purposes of this section.

(2) Only the governor, with the recommendation of the director of the department of community, trade, and economic development and the economic development commission, may authorize expenditures from the account.

(3) Expenditures from the account shall be made in an amount sufficient to fund a minimum of one staff position for the economic development commission and to cover any other operational costs of the commission.

(4) <u>During the 2007-2009 fiscal biennium, moneys in the account may also be transferred into the state general fund.</u>

<u>(5)</u> Expenditures from the account may be made to prevent closure of a business or facility, to prevent relocation of a business or facility in the state to a location outside the state, or to recruit a business or facility to the state. Expenditures may be authorized for:

(a) Workforce development;

(b) Public infrastructure needed to support or sustain the operations of the business or facility; and

(c) Other lawfully provided assistance, including, but not limited to, technical assistance, environmental analysis, relocation assistance, and planning assistance. Funding may be provided for such assistance only when it is in the public interest and may only be

provided under a contractual arrangement ensuring that the state will receive appropriate consideration, such as an assurance of job creation or retention.

((~~(5)~~)) (6) The funds shall not be expended from the account unless:

(a) The circumstances are such that time does not permit the director of the department of community, trade, and economic development or the business or facility to secure funding from other state sources;

(b) The business or facility produces or will produce significant long-term economic benefits to the state, a region of the state, or a particular community in the state;

(c) The business or facility does not require continuing state support;

(d) The expenditure will result in new jobs, job retention, or higher incomes for citizens of the state;

(e) The expenditure will not supplant private investment; and

(f) The expenditure is accompanied by private investment.

((~~(6)~~)) (7) No more than three million dollars per year may be expended from the account for the purpose of assisting an individual business or facility pursuant to the authority specified in this section.

((~~(7)~~)) (8) If the account balance in the strategic reserve account exceeds fifteen million dollars at any time, the amount in excess of fifteen million dollars shall be transferred to the education construction account.

**Sec. 915.** RCW 50.16.010 and 2007 c 327 s 4 are each amended to read as follows:

(1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund, an administrative contingency fund, and a federal interest payment fund, which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.

(2)(a) The unemployment compensation fund shall consist of:

(i) All contributions collected under RCW 50.24.010 and payments in

lieu of contributions collected pursuant to the provisions of this title;

(ii) Any property or securities acquired through the use of moneys belonging to the fund;

(iii) All earnings of such property or securities;

(iv) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;

(v) All money recovered on official bonds for losses sustained by the fund;

(vi) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;

(vii) All money received from the federal government as reimbursement pursuant to section 204 of the federal-state extended compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

(viii) All moneys received for the fund from any other source.

(b) All moneys in the unemployment compensation fund shall be commingled and undivided.

(3)(a) Except as provided in (b) of this subsection, the administrative contingency fund shall consist of:

(i) All interest on delinquent contributions collected pursuant to this title;

(ii) All fines and penalties collected pursuant to the provisions of this title;

(iii) All sums recovered on official bonds for losses sustained by the fund; and

(iv) Revenue received under RCW 50.24.014.

(b) All fees, fines, forfeitures, and penalties collected or assessed by a district court because of the violation of this title or rules adopted under this title shall be remitted as provided in chapter 3.62 RCW.

(c) <u>During the 2007-2009 biennium, m</u>oneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended <u>as appropriated by the legislature for the (i) cost of the job skills program at the community and technical colleges, and (ii) reemployment services such as business and project development assistance, local</u>

economic development capacity building, and local economic development financial assistance at the department of community, trade, and economic development, and the remaining appropriation upon the direction of the commissioner, with the approval of the governor, whenever it appears to him or her that such expenditure is necessary solely for:

(i) The proper administration of this title and that insufficient federal funds are available for the specific purpose to which such expenditure is to be made, provided, the moneys are not substituted for appropriations from federal funds which, in the absence of such moneys, would be made available.

(ii) The proper administration of this title for which purpose appropriations from federal funds have been requested but not yet received, provided, the administrative contingency fund will be reimbursed upon receipt of the requested federal appropriation.

(iii) The proper administration of this title for which compliance and audit issues have been identified that establish federal claims requiring the expenditure of state resources in resolution. Claims must be resolved in the following priority: First priority is to provide services to eligible participants within the state; second priority is to provide substitute services or program support; and last priority is the direct payment of funds to the federal government.

Money in the special account created under RCW 50.24.014(1)(a) may only be expended, after appropriation, for the purposes specified in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

**Sec. 916.** RCW 67.40.025 and 1988 ex.s. c 1 s 2 are each amended to read as follows:

All operating revenues received by the corporation formed under RCW 67.40.020 shall be deposited in the state convention and trade center operations account, hereby created in the state treasury. Moneys in the account, including unanticipated revenues under RCW 43.79.270, may be spent only after appropriation by statute, and may be used only for operation and promotion of the center. During the 2007-2009 fiscal biennium, moneys in the account may also be transferred to the state general fund.

Subject to approval by the office of financial management under RCW 43.88.260, the corporation may expend moneys for operational purposes in excess of the balance in the account, to the extent the corporation receives or will receive additional operating revenues.

As used in this section, "operating revenues" does not include any moneys required to be deposited in the state convention and trade center account.

**Sec. 917.** 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<u>, and during the 2007-2009 biennium, the legislature may transfer from the state convention and trade center account to the general fund such amounts as reflect the excess fund balance in the account</u>;

(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. 918.** RCW 70.96A.350 and 2003 c 379 s 11 are each amended to read as follows:

(1) The criminal justice treatment account is created in the state treasury. Moneys in the account may be expended solely for: (a) Substance abuse treatment and treatment support services for offenders with an addiction or a substance abuse problem that, if not treated, would result in addiction, against whom charges are filed by a prosecuting attorney in Washington state; ((~~and~~)) (b) the provision of drug and alcohol treatment services and treatment support services for nonviolent offenders within a drug court program<u>; and (c) during the 2007-2009 biennium, operation of the integrated crisis response and intensive case management pilots contracted with the department of social and health services division of alcohol and substance abuse</u>. Moneys in the account may be spent only after appropriation.

(2) For purposes of this section:

(a) "Treatment" means services that are critical to a participant's successful completion of his or her substance abuse treatment program, but does not include the following services: Housing other than that

provided as part of an inpatient substance abuse treatment program, vocational training, and mental health counseling; and

(b) "Treatment support" means transportation to or from inpatient or outpatient treatment services when no viable alternative exists, and child care services that are necessary to ensure a participant's ability to attend outpatient treatment sessions.

(3) Revenues to the criminal justice treatment account consist of: (a) Funds transferred to the account pursuant to this section; and (b) any other revenues appropriated to or deposited in the account.

(4)(a) For the fiscal biennium beginning July 1, 2003, the state treasurer shall transfer eight million nine hundred fifty thousand dollars from the general fund into the criminal justice treatment account, divided into eight equal quarterly payments. For the fiscal year beginning July 1, 2005, and each subsequent fiscal year, the state treasurer shall transfer eight million two hundred fifty thousand dollars from the general fund to the criminal justice treatment account, divided into four equal quarterly payments. For the fiscal year beginning July 1, 2006, and each subsequent fiscal year, the amount transferred shall be increased on an annual basis by the implicit price deflator as published by the federal bureau of labor statistics.

(b) For the fiscal biennium beginning July 1, 2003, and each biennium thereafter, the state treasurer shall transfer two million nine hundred eighty-four thousand dollars from the general fund into the violence reduction and drug enforcement account, divided into eight quarterly payments. The amounts transferred pursuant to this subsection (4)(b) shall be used solely for providing drug and alcohol treatment services to offenders confined in a state correctional facility who are assessed with an addiction or a substance abuse problem that if not treated would result in addiction.

(c) In each odd-numbered year, the legislature shall appropriate the amount transferred to the criminal justice treatment account in (a) of this subsection to the division of alcohol and substance abuse for the purposes of subsection (5) of this section.

(5) Moneys appropriated to the division of alcohol and substance abuse from the criminal justice treatment account shall be distributed as specified in this subsection. The department shall serve as the fiscal agent for purposes of distribution. Until July 1, 2004, the

department may not use moneys appropriated from the criminal justice treatment account for administrative expenses and shall distribute all amounts appropriated under subsection (4)(c) of this section in accordance with this subsection. Beginning in July 1, 2004, the department may retain up to three percent of the amount appropriated under subsection (4)(c) of this section for its administrative costs.

(a) Seventy percent of amounts appropriated to the division from the account shall be distributed to counties pursuant to the distribution formula adopted under this section. The division of alcohol and substance abuse, in consultation with the department of corrections, the sentencing guidelines commission, the Washington state association of counties, the Washington state association of drug court professionals, the superior court judges' association, the Washington association of prosecuting attorneys, representatives of the criminal defense bar, representatives of substance abuse treatment providers, and any other person deemed by the division to be necessary, shall establish a fair and reasonable methodology for distribution to counties of moneys in the criminal justice treatment account. County or regional plans submitted for the expenditure of formula funds must be approved by the panel established in (b) of this subsection.

(b) Thirty percent of the amounts appropriated to the division from the account shall be distributed as grants for purposes of treating offenders against whom charges are filed by a county prosecuting attorney. The division shall appoint a panel of representatives from the Washington association of prosecuting attorneys, the Washington association of sheriffs and police chiefs, the superior court judges' association, the Washington state association of counties, the Washington defender's association or the Washington association of criminal defense lawyers, the department of corrections, the Washington state association of drug court professionals, substance abuse treatment providers, and the division. The panel shall review county or regional plans for funding under (a) of this subsection and grants approved under this subsection. The panel shall attempt to ensure that treatment as funded by the grants is available to offenders statewide.

(6) The county alcohol and drug coordinator, county prosecutor, county sheriff, county superior court, a substance abuse treatment provider appointed by the county legislative authority, a member of the criminal defense bar appointed by the county legislative authority,

and, in counties with a drug court, a representative of the drug court shall jointly submit a plan, approved by the county legislative authority or authorities, to the panel established in subsection (5)(b) of this section, for disposition of all the funds provided from the criminal justice treatment account within that county. The funds shall be used solely to provide approved alcohol and substance abuse treatment pursuant to RCW 70.96A.090 and treatment support services. No more than ten percent of the total moneys received under subsections (4) and (5) of this section by a county or group of counties participating in a regional agreement shall be spent for treatment support services.

(7) Counties are encouraged to consider regional agreements and submit regional plans for the efficient delivery of treatment under this section.

(8) Moneys allocated under this section shall be used to supplement, not supplant, other federal, state, and local funds used for substance abuse treatment.

(9) Counties must meet the criteria established in RCW 2.28.170(3)(b).

**Sec. 919.** RCW 70.105D.070 and 2007 c 341 s 30 are each amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;

(vii) Hazardous materials emergency response training;

(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; and

(xii) Development and demonstration of alternative management technologies designed to carry out the top two hazardous waste management priorities of RCW 70.105.150.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority:

(i) Remedial actions;

(ii) Hazardous waste plans and programs under chapter 70.105 RCW;

(iii) Solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(iv) Funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and

(v) Cleanup and disposal of hazardous substances from abandoned or derelict vessels, 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.

(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.

<u>(8) During the 2007-2009 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay.</u>

**Sec. 920.** RCW 70.105D.070 and 2007 c 446 s 2 are each amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning,

management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;

(vii) Hazardous materials emergency response training;

(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; and

(xii) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not

to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from abandoned or derelict vessels that pose a threat to human health or the environment. For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel. Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During the 1999-2001 fiscal biennium, moneys in the account may also be used for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2005-2007 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as specified in the omnibus capital budget bill. During the 2005-2007 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(b) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.

(c) 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.

(7) The department shall adopt rules for grant or loan issuance and performance.

(8) During the 2005-2007 fiscal biennium, the legislature may transfer from the state toxics control account to the water quality account such amounts as reflect the excess fund balance of the fund.

<u>(9) During the 2007-2009 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay.</u>

**Sec. 921.** RCW 70.105D.070 and 2007 c 522 s 954 and 2007 c 520 s 6033 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 top two hazardous waste management priorities of RCW 70.105.150.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from abandoned or derelict vessels that pose a threat to human health or the environment. For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel. Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During the 1999-2001 fiscal biennium, moneys in the account may also be used for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2005-2007 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as specified in the omnibus capital budget bill. During the 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(b) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) One percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in lobbying activities, and applicants may not be awarded grants if their cumulative grant awards under this section exceed two hundred thousand dollars. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation.

(7) The department shall adopt rules for grant or loan issuance and performance.

<u>(8) During the 2007-2009 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay.</u>

**Sec. 922.** RCW 74.08A.340 and 2007 c 522 s 957 are each amended to read as follows:

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.200 through 74.08A.330, 43.330.145, ((~~74.13.0903~~)) <u>43.215.545,</u> and 74.25.040, and chapter 74.12 RCW within the following constraints:

(1) The full amount of the temporary assistance for needy families block grant, plus qualifying state expenditures as appropriated in the biennial operating budget, shall be appropriated to the department each year in the biennial appropriations act to carry out the provisions of the program authorized in RCW 74.08A.200 through 74.08A.330, 43.330.145, ((~~74.13.0903~~)) 43.215.545, and 74.25.040, and chapter 74.12 RCW.

(2)(a) The department may expend funds defined in subsection (1) of this section in any manner that will effectively accomplish the outcome measures defined in RCW 74.08A.410 with the following exception: Beginning with the 2007-2009 biennium, funds that constitute the working connections child care program, child care quality programs, and child care licensing functions.

(b) Beginning in the 2007-2009 fiscal biennium, the legislature shall appropriate and the departments of early learning and social and health services shall expend funds defined in subsection (1) of this section that constitute the working connections child care program, child care quality programs, and child care licensing functions in a manner that is consistent with the outcome measures defined in RCW 74.08A.410.

(c) No more than fifteen percent of the amount provided in subsection (1) of this section may be spent for administrative purposes. For the purpose of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193. The department shall not increase grant levels to recipients of the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW, except as authorized in the omnibus appropriations act for the 2007-2009 biennium.

(3) The department shall implement strategies that accomplish the outcome measures identified in RCW 74.08A.410 that are within the funding constraints in this section. Specifically, the department shall implement strategies that will cause the number of cases in the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW to decrease by at least fifteen percent during the 1997-99 biennium and by at least five percent in the subsequent biennium. The department may transfer appropriation authority between

funding categories within the economic services program in order to carry out the requirements of this subsection.

(4) The department shall monitor expenditures against the appropriation levels provided for in subsection (1) of this section. The department shall quarterly make a determination as to whether expenditure levels will exceed available funding and communicate its finding to the legislature. If the determination indicates that expenditures will exceed funding at the end of the fiscal year, the department shall take all necessary actions to ensure that all services provided under this chapter shall be made available only to the extent of the availability and level of appropriation made by the legislature.

**Sec. 923.** RCW 77.32.010 and 2006 c 57 s 1 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, a recreational license issued by the director is required to hunt for or take wild animals or wild birds, fish for, take, or harvest fish, shellfish, and seaweed. A recreational fishing or shellfish license is not required for carp, smelt, and crawfish, and a hunting license is not required for bullfrogs.

(2) A permit issued by the department is required to park a motor vehicle upon improved department access facilities.

<u>(3) During the 2007-09 fiscal biennium to enable the implementation of the pilot project established in section 307 of this act, a fishing permit issued to a nontribal member by the Colville Tribes shall satisfy the license requirements in subsection (1) of this section on the waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods, and a Colville Tribes tribal member identification card shall satisfy the license requirements in subsection (1) of this section on all waters of Lake Rufus Woods.</u>

**Sec. 924.** RCW 83.100.230 and 2005 c 514 s 1101 are each amended to read as follows:

The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for deposit into the student achievement fund and for expanding access to higher education through funding for new enrollments and financial aid, and other

educational improvement efforts. During the 2007-2009 fiscal biennium, moneys in the account may also be transferred into the state general fund.

**Sec. 925.** RCW 90.48.390 and 1991 sp.s. c 13 s 84 are each amended to read as follows:

The coastal protection fund is established to be used by the department as a revolving fund for carrying out the purposes of restoration of natural resources under this chapter and chapter 90.56 RCW. To this fund there shall be credited penalties, fees, damages, charges received pursuant to the provisions of this chapter and chapter 90.56 RCW, compensation for damages received under this chapter and chapter 90.56 RCW, and an amount equivalent to one cent per gallon from each marine use refund claim under RCW 82.36.330.

Moneys in the fund not needed currently to meet the obligations of the department in the exercise of its powers, duties, and functions under RCW 90.48.142, 90.48.366, 90.48.367, and 90.48.368 shall be deposited with the state treasurer to the credit of the fund. During the 2007-2009 fiscal biennium, the coastal protection fund may also be used for a standby rescue tug at Neah Bay.

**Sec. 926.** RCW 90.71.310 and 2007 c 341 s 13 are each amended to read as follows:

(1) The council shall develop a science-based action agenda that leads to the recovery of Puget Sound by 2020 and achievement of the goals and objectives established in RCW 90.71.300. The action agenda shall:

(a) Address all geographic areas of Puget Sound including upland areas and tributary rivers and streams that affect Puget Sound;

(b) Describe the problems affecting Puget Sound's health using supporting scientific data, and provide a summary of the historical environmental health conditions of Puget Sound so as to determine past levels of pollution and restorative actions that have established the current health conditions of Puget Sound;

(c) Meet the goals and objectives described in RCW 90.71.300, including measurable outcomes for each goal and objective specifically describing what will be achieved, how it will be quantified, and how progress towards outcomes will be measured. The action agenda shall

include near-term and long-term benchmarks designed to ensure continuous progress needed to reach the goals, objectives, and designated outcomes by 2020. The council shall consult with the panel in developing these elements of the plan;

(d) Identify and prioritize the strategies and actions necessary to restore and protect Puget Sound and to achieve the goals and objectives described in RCW 90.71.300;

(e) Identify the agency, entity, or person responsible for completing the necessary strategies and actions, and potential sources of funding;

(f) Include prioritized actions identified through the assembled proposals from each of the seven action areas and the identification and assessment of ecosystem scale programs as provided in RCW 90.71.260;

(g) Include specific actions to address aquatic rehabilitation zone one, as defined in RCW 90.88.010;

(h) Incorporate any additional goals adopted by the council; and

(i) Incorporate appropriate actions to carry out the biennial science work plan created in RCW 90.71.290.

(2) In developing the action agenda and any subsequent revisions, the council shall, when appropriate, incorporate the following:

(a) Water quality, water quantity, sediment quality, watershed, marine resource, and habitat restoration plans created by governmental agencies, watershed groups, and marine and shoreline groups. The council shall consult with the board in incorporating these plans;

(b) Recovery plans for salmon, orca, and other species in Puget Sound listed under the federal endangered species act;

(c) Existing plans and agreements signed by the governor, the commissioner of public lands, other state officials, or by federal agencies;

(d) Appropriate portions of the Puget Sound water quality management plan existing on July 1, 2007.

(3) Until the action agenda is adopted, the existing Puget Sound management plan and the 2007-09 Puget Sound biennial plan shall remain in effect. The existing Puget Sound management plan shall also continue to serve as the comprehensive conservation and management plan for the purposes of the national estuary program described in section

320 of the federal clean water act, until replaced by the action agenda and approved by the United States environmental protection agency as the new comprehensive conservation and management plan.

(4) The council shall adopt the action agenda by ((~~September~~)) December 1, 2008. The council shall revise the action agenda as needed, and revise the implementation strategies every two years using an adaptive management process informed by tracking actions and monitoring results in Puget Sound. In revising the action agenda and the implementation strategies, the council shall consult the panel and the board and provide opportunity for public review and comment. Biennial updates shall:

(a) Contain a detailed description of prioritized actions necessary in the biennium to achieve the goals, objectives, outcomes, and benchmarks of progress identified in the action agenda;

(b) Identify the agency, entity, or person responsible for completing the necessary action; and

(c) Establish biennial benchmarks for near-term actions.

(5) The action agenda shall be organized and maintained in a single document to facilitate public accessibility to the plan.

**Sec. 927.** RCW 90.71.370 and 2007 c 341 s 19 are each amended to read as follows:

(1) By December 1, 2008, and by September 1st of each even-numbered year beginning in ((~~2008~~)) 2010, the council shall provide to the governor and the appropriate fiscal committees of the senate and house of representatives its recommendations for the funding necessary to implement the action agenda in the succeeding biennium. The recommendations shall:

(a) Identify the funding needed by action agenda element;

(b) Address funding responsibilities among local, state, and federal governments, as well as nongovernmental funding; and

(c) Address funding needed to support the work of the partnership, the panel, the ecosystem work group, and entities assisting in coordinating local efforts to implement the plan.

(2) In the 2008 report required under subsection (1) of this section, the council shall include recommendations for projected funding needed through 2020 to implement the action agenda; funding needs for science panel staff; identify methods to secure stable and

sufficient funding to meet these needs; and include proposals for new sources of funding to be dedicated to Puget Sound protection and recovery. In preparing the science panel staffing proposal, the council shall consult with the panel.

(3) By November 1st of each odd-numbered year beginning in 2009, the council shall produce a state of the Sound report that includes, at a minimum:

(a) An assessment of progress by state and nonstate entities in implementing the action agenda, including accomplishments in the use of state funds for action agenda implementation;

(b) A description of actions by implementing entities that are inconsistent with the action agenda and steps taken to remedy the inconsistency;

(c) The comments by the panel on progress in implementing the plan, as well as findings arising from the assessment and monitoring program;

(d) A review of citizen concerns provided to the partnership and the disposition of those concerns;

(e) A review of the expenditures of funds to state agencies for the implementation of programs affecting the protection and recovery of Puget Sound, and an assessment of whether the use of the funds is consistent with the action agenda; and

(f) An identification of all funds provided to the partnership, and recommendations as to how future state expenditures for all entities, including the partnership, could better match the priorities of the action agenda.

(4)(a) The council shall review state programs that fund facilities and activities that may contribute to action agenda implementation. By November 1, 2009, the council shall provide initial recommendations regarding program changes to the governor and appropriate fiscal and policy committees of the senate and house of representatives. By November 1, 2010, the council shall provide final recommendations regarding program changes, including proposed legislation to implement the recommendation, to the governor and appropriate fiscal and policy committees of the senate and house of representatives.

(b) The review in this subsection shall be conducted with the active assistance and collaboration of the agencies administering these programs, and in consultation with local governments and other entities receiving funding from these programs:

(i) The water quality account, chapter 70.146 RCW;

(ii) The water pollution control revolving fund, chapter 90.50A RCW;

(iii) The public works assistance account, chapter 43.155 RCW;

(iv) The aquatic lands enhancement account, RCW 79.105.150;

(v) The state toxics control account and local toxics control account and clean-up program, chapter 70.105D RCW;

(vi) The acquisition of habitat conservation and outdoor recreation land, chapter 79A.15 RCW;

(vii) The salmon recovery funding board, RCW 77.85.110 through 77.85.150;

(viii) The community economic revitalization board, chapter 43.160 RCW;

(ix) Other state financial assistance to water quality-related projects and activities; and

(x) Water quality financial assistance from federal programs administered through state programs or provided directly to local governments in the Puget Sound basin.

(c) The council's review shall include but not be limited to:

(i) Determining the level of funding and types of projects and activities funded through the programs that contribute to implementation of the action agenda;

(ii) Evaluating the procedures and criteria in each program for determining which projects and activities to fund, and their relationship to the goals and priorities of the action agenda;

(iii) Assessing methods for ensuring that the goals and priorities of the action agenda are given priority when program funding decisions are made regarding water quality-related projects and activities in the Puget Sound basin and habitat-related projects and activities in the Puget Sound basin;

(iv) Modifying funding criteria so that projects, programs, and activities that are inconsistent with the action agenda are ineligible for funding;

(v) Assessing ways to incorporate a strategic funding approach for the action agenda within the outcome-focused performance measures required by RCW 43.41.270 in administering natural resource-related and environmentally based grant and loan programs.

NEW SECTION. **Sec. 928.** 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. 929.** 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 2687** - CONF REPT
By Conference Committee

On page 1, line 1 of the title, after "matters;" strike the remainder of the title and insert "amending RCW 28B.105.110, 38.52.106, 41.45.230, 41.50.110, 43.08.190, 43.08.250, 43.330.250, 50.16.010, 67.40.025, 67.40.040, 70.96A.350, 70.105D.070, 70.105D.070, 74.08A.340, 77.32.010, 83.100.230, 90.48.390, 90.71.310, and 90.71.370; reenacting and amending RCW 70.105D.070; amending 2007 c 522 ss 101, 102, 103, 104, 105, 106, 107, 109, 110, 111, 112, 113, 114, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 146, 147, 148, 149, 150, 151, 152, 153, 154, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 507, 508, 509, 510, 511, 513, 514, 515, 516, 517, 519, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 701, 702, 703, 704, 705, 706, 716, 718, 719, 722, 1621, 728, 801, 805, 910, 911, 912, and 913 (uncodified); adding new sections to 2007 c 522 (uncodified); repealing 2007 c 522 s 713 (uncodified); making appropriations; and declaring an emergency."

**--- END ---**

2007
2009
House of Representatives
Office of Program Research