

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 6251

Chapter 283, Laws of 1996

(partial veto)

54th Legislature
1996 Regular Session

OPERATING BUDGET--SUPPLEMENTAL, 1995-1997

EFFECTIVE DATE: 3/30/96

Passed by the Senate March 7, 1996
YEAS 46 NAYS 3

JOEL PRITCHARD

President of the Senate

Passed by the House March 7, 1996
YEAS 72/ NAYS 26

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved March 30, 1996 with the exception of sections 109(4); 109(5); 112(1) beginning with the word "Of" on line 12, and ending with January 1, 1997." On line 26; 112(2); 112(4); 121(25); 132 (lines 19-20); 132(3); 206 (lines 34-35); 213 (lines 24-28); 217(15); 217(16); 218(1)(f); 218(2)(c); 301(11); 503; and 706, which are vetoed.

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6251** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

March 30, 1996 - 4:15 p.m.

**Secretary of State
State of Washington**

1	General Fund Appropriation (FY 1996)	. . . . . \$	23,862,000
2	General Fund Appropriation (FY 1997)	. . . . . \$	23,685,000
3	<u>Water Quality Account Appropriation</u>	. . . . . \$	<u>15,000</u>
4	TOTAL APPROPRIATION	. . . . . \$	((47,547,000))
5			<u>47,562,000</u>

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

8 (1) \$125,000 of the appropriation in this section is for the joint
9 legislative ethics board.

10 (2) The legislature shall establish a medical assistance fiscal
11 study group to analyze health care costs and utilization to seek
12 solutions to the rapid increases in medical assistance expenditures.

13 (3) The legislature shall study the process and information used to
14 determine eligibility for the general assistance-unemployable program
15 administered by the department of social and health services economic
16 services administration. The legislature shall: (a) Seek assistance
17 from medical professionals with experience in assessing physical and
18 mental disabilities; (b) explore options to provide designated training
19 or support services for general assistance-unemployable recipients to
20 enable them to become employable; and (c) propose program changes to
21 meet the funding levels provided in the 1995-97 biennial budget.
22 Findings and proposed program changes shall be reported to the fiscal
23 committees of the legislature no later than December 20, 1995.

24 (4)(a) The respective fiscal committees of the house of
25 representatives and the senate shall evaluate the fiscal notes used by
26 the legislature to inform it of the costs and savings estimated to
27 result from proposed legislation. The evaluation shall identify: (i)
28 Whether the process for developing fiscal notes has adequate controls
29 to ensure that the data and methodologies used are current and
30 reliable, and (ii) how the accuracy, reliability and timeliness of
31 fiscal notes can be improved.

32 (b) The study shall include: (i) A review of fiscal notes on
33 legislation pertaining to a variety of state programs; (ii) a survey of
34 fiscal note requirements, systems, and agencies in other states; (iii)
35 an analysis of methods used in the public and private sectors that
36 could be used to improve the reliability and accuracy and timeliness of
37 fiscal notes; (iv) identification of statutes, policies, and rules that
38 should be changed to improve the reliability and accuracy of fiscal

1 notes; (v) recommendations on when fiscal notes should be required;
2 (vi) recommendations on the appropriate assignment of responsibility
3 for the development of fiscal notes; and (vii) recommendations on how
4 the process for developing fiscal notes can be changed to reduce the
5 time it takes to produce a reliable and accurate fiscal note.

6 (5) Within the funds provided in this section, the legislature
7 shall review and identify state programs or services that may be
8 competitively contracted to produce cost savings or improvements in the
9 quality or level of services without harm to the public good. The
10 review will include an evaluation of results obtained in other states
11 that have competitively contracted for these and other programs or
12 services. The review may include specific information regarding the
13 feasibility of privatizing the construction and operation of
14 correctional institutions and juvenile rehabilitation facilities. A
15 preliminary report shall be completed by January 1, 1996, and a final
16 report by January 1, 1997.

17 (6) The entire water quality account appropriation is provided for
18 a study of lake health issues as provided in Engrossed Substitute
19 Senate Bill No. 6666. If the bill is not enacted by June 30, 1996, the
20 appropriation shall lapse.

21 **Sec. 102.** 1995 2nd sp.s. c 18 s 102 (uncodified) is amended to
22 read as follows:

23 **FOR THE SENATE**

24	General Fund Appropriation (FY 1996)	. . . . . \$	17,397,000
25	General Fund Appropriation (FY 1997)	. . . . . \$	((19,198,000))
26			<u>19,298,000</u>
27	<u>Water Quality Account Appropriation</u>	. . . . . \$	<u>15,000</u>
28	TOTAL APPROPRIATION	. . . . . \$	((36,595,000))
29			<u>36,710,000</u>

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

32 (1) \$125,000 of the appropriation in this section is for the joint
33 legislative ethics board.

34 (2) The legislature shall establish a medical assistance fiscal
35 study group to analyze health care costs and utilization to seek
36 solutions to the rapid increases in medical assistance expenditures.

1 (3) The legislature shall study the process and information used to
2 determine eligibility for the general assistance-unemployable program
3 administered by the department of social and health services economic
4 services administration. The legislature shall: (a) Seek assistance
5 from medical professionals with experience in assessing physical and
6 mental disabilities; (b) explore options to provide designated training
7 or support services for general assistance-unemployable recipients to
8 enable them to become employable; and (c) propose program changes to
9 meet the funding levels provided in the 1995-97 biennial budget.
10 Findings and proposed program changes shall be reported to the fiscal
11 committees of the legislature no later than December 20, 1995.

12 (4)(a) The respective fiscal committees of the house of
13 representatives and the senate shall evaluate the fiscal notes used by
14 the legislature to inform it of the costs and savings estimated to
15 result from proposed legislation. The evaluation shall identify: (i)
16 Whether the process for developing fiscal notes has adequate controls
17 to ensure that the data and methodologies used are current and
18 reliable, and (ii) how the accuracy, reliability and timeliness of
19 fiscal notes can be improved.

20 (b) The study shall include: (i) A review of fiscal notes on
21 legislation pertaining to a variety of state programs; (ii) a survey of
22 fiscal note requirements, systems, and agencies in other states; (iii)
23 an analysis of methods used in the public and private sectors that
24 could be used to improve the reliability and accuracy and timeliness of
25 fiscal notes; (iv) identification of statutes, policies, and rules that
26 should be changed to improve the reliability and accuracy of fiscal
27 notes; (v) recommendations on when fiscal notes should be required;
28 (vi) recommendations on the appropriate assignment of responsibility
29 for the development of fiscal notes; and (vii) recommendations on how
30 the process for developing fiscal notes can be changed to reduce the
31 time it takes to produce a reliable and accurate fiscal note.

32 (5) Within the funds provided in this section, the legislature
33 shall review and identify state programs or services that may be
34 competitively contracted to produce cost savings or improvements in the
35 quality or level of services without harm to the public good. The
36 review will include an evaluation of results obtained in other states
37 that have competitively contracted for these and other programs or
38 services. The review may include specific information regarding the
39 feasibility of privatizing the construction and operation of

1 correctional institutions and juvenile rehabilitation facilities. A
2 preliminary report shall be completed by January 1, 1996, and a final
3 report by January 1, 1997.

4 (6) The entire water quality account appropriation is provided for
5 a study of lake health issues as provided in Engrossed Substitute
6 Senate Bill No. 6666. If the bill is not enacted by June 30, 1996, the
7 appropriation shall lapse.

8 **Sec. 103.** 1995 2nd sp.s. c 18 s 103 (uncodified) is amended to
9 read as follows:

10 **FOR THE LEGISLATIVE BUDGET COMMITTEE**

11	General Fund Appropriation (FY 1996)	. . . . .	\$	((1,557,000))
12				<u>1,567,000</u>
13	General Fund Appropriation (FY 1997)	. . . . .	\$	((1,268,000))
14				<u>1,361,000</u>
15	TOTAL APPROPRIATION	. . . . .	\$	((2,825,000))
16				<u>2,928,000</u>

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

19 (1) \$288,000 is provided solely for the legislative budget
20 committee to conduct a performance audit of the office of the
21 superintendent of public instruction and report its finding to the
22 appropriate committees of the legislature by December 31, 1995. In
23 addition to the standard items reviewed in a performance audit, the
24 committee is directed to provide the following: (a) A determination of
25 methods to maximize the amount of federal funds received by the state;
26 (b) the identification of potential cost savings from any office
27 programs which could be eliminated or transferred to the private
28 sector; (c) an analysis of gaps and overlaps in office programs; and
29 (d) an evaluation of the efficiency with which the office of the
30 superintendent of public instruction operates the programs under its
31 jurisdiction and fulfills the duties assigned to it by law. In
32 conducting the performance audit, the legislative budget committee is
33 also directed to use performance measures or standards used by other
34 states or other large education organizations in developing its
35 findings.

36 (2) The general fund appropriation contains sufficient funds for
37 the legislative budget committee to perform the study required in

1 Second Substitute Senate Bill No. 5574 regarding the transfer of forest
2 board lands to the counties. The study shall include a review of
3 transferred timber cutting rights on forest board land. A
4 recommendation shall be included which addresses the use of funds from
5 the forest development account to repurchase such cutting rights.

6 (3) The legislative budget committee shall study staffing models
7 and staff deployment at the juvenile rehabilitation facilities operated
8 by the department of social and health services at Maple Lane, Green
9 Hill, and Echo Glen. The study shall include: (i) A comparison of
10 current staffing levels between each institution by type of living
11 unit; (ii) staffing levels contemplated for new living units slated for
12 occupancy in the 1997-99 biennium; (iii) analysis of the staffing level
13 drivers, including programming, facilities design, and security
14 requirements; (iv) a methodology for estimating the costs or savings
15 associated with changes to institutional populations, with
16 recommendations concerning the appropriate use of average and marginal
17 costs; and (v) the costs and benefits of decommissioning older living
18 units as new living units come on line. The findings shall be reported
19 to the appropriate committees of the legislature by December 20, 1996.

20 (4) The legislative budget committee shall study the extent and
21 uses of supplemental salaries for K-12 certificated staff. In
22 conducting the study, the committee shall consult with the legislative
23 evaluation and accountability project committee and the superintendent
24 of public instruction. Included in the information to be provided
25 shall be analysis of the extent to which supplemental salaries are
26 provided for training consistent with the skills needed once the
27 state's performance assessment system is operational. The findings
28 shall be reported to the education and fiscal committees of the
29 legislature by December 20, 1996.

30 (5) The legislative budget committee shall provide a follow-up
31 report to the study done by the legislative evaluation and
32 accountability program (LEAP) in 1995 on vocational education funding.
33 In preparing the report, the committee shall consult with LEAP. Among
34 the issues analyzed shall be changes of expenditure patterns in
35 vocational education since the 1995 study and development of a funding
36 formula that identifies more discrete funding elements than the current
37 apportionment formula. The findings shall be reported to the education
38 and fiscal committees of the legislature by December 20, 1996.

1 (6) \$10,000 is provided for a study to determine if a category for
2 rear engine transit-style school buses should be added to the
3 competitive price quote process under RCW 28A.160.195. The study shall
4 compare identically equipped front engine and rear engine transit-style
5 school buses of the same model year and the same capacity to determine
6 if there is a definitive advantage in either type of bus in performance
7 for transporting students to and from school and if there are
8 documented savings in operating costs. The study shall include
9 information from other states and national data regarding the use of
10 front engine and rear engine transit-style school buses. The study
11 shall also include information from private contractors' fleets as well
12 as publicly owned and operated fleets. In addition, the study shall
13 identify the cost differences, as provided by the manufacturer of the
14 school buses, of identically equipped front engine and rear engine
15 transit-style school buses of the same capacity. The study shall be
16 submitted to the fiscal committees of the legislature and the
17 superintendent of public instruction by August 1, 1996.

18 (7) The legislative budget committee shall conduct a survey of the
19 use, in the state's public schools, of school nurses and other health
20 workers and the sources of funding therefor. The survey shall be
21 conducted during the 1996-97 school year and shall be reported to the
22 appropriate committees of the legislature by December 1, 1997.

23 (8) \$48,000 of the general fund appropriation is provided solely
24 for a performance audit by the legislative budget committee of the
25 effectiveness of the job opportunities and basic skills (JOBS) training
26 program. The audit will examine program costs, effectiveness, and
27 outcomes since 1994. The committee may execute an interagency
28 agreement with the Washington state institute for public policy for an
29 analysis of the costs, effectiveness, and outcomes of JOBS programs in
30 other states. Administrative data necessary for the audit shall be
31 provided by the department of social and health services, the
32 employment security department, the state board for community and
33 technical colleges, local government providers, and private
34 contractors. The department of social and health services shall
35 require contractors to provide administrative and outcome data needed
36 for this audit. Additional data may be collected directly from clients
37 if not available from administrative records. The report will be
38 submitted to the appropriate committees of the legislature by December
39 31, 1996.

1 TOTAL APPROPRIATION \$ ((17,668,000))
2 18,550,000

3 **Sec. 108.** 1995 2nd sp.s. c 18 s 113 (uncodified) is amended to
4 read as follows:
5 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

6 General Fund Appropriation (FY 1996) \$ ((595,000))
7 755,000
8 General Fund Appropriation (FY 1997) \$ ((606,000))
9 646,000
10 TOTAL APPROPRIATION \$ ((1,201,000))
11 1,401,000

12 ***Sec. 109.** 1995 2nd sp.s. c 18 s 114 (uncodified) is amended to
13 read as follows:
14 **FOR THE ADMINISTRATOR FOR THE COURTS**

15 General Fund Appropriation (FY 1996) \$ 11,658,000
16 General Fund Appropriation (FY 1997) \$ ((11,728,000))
17 11,832,000
18 Public Safety and Education Account
19 Appropriation \$ ((41,403,000))
20 36,605,000
21 Violence Reduction and Drug Enforcement Account
22 Appropriation \$ 35,000
23 Judicial Information Systems Account
24 Appropriation \$ ((6,446,000))
25 13,074,000
26 TOTAL APPROPRIATION \$ ((71,235,000))
27 73,204,000

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

30 (1) Funding provided in the judicial information systems account
31 shall be used to fund computer systems for the supreme court, the court
32 of appeals, and the office of the administrator for the courts.
33 Expanding services to the courts, technology improvements, and criminal
34 justice proposals shall receive priority consideration for the use of
35 these funds.

1 (2) \$63,000 of the general fund appropriation is provided solely to
2 implement Second Substitute Senate Bill No. 5235 (judgeship for Clark
3 county). If the bill is not enacted by June 30, 1995, the amount
4 provided in this subsection shall lapse.

5 (3) \$6,510,000 of the public safety and education account
6 appropriation is provided solely for the continuation of treatment
7 alternatives to street crimes (TASC) programs in Pierce, Snohomish,
8 Clark, King, Spokane, and Yakima counties.

9 ~~(4) ((\$9,326,000 of the public safety and education account is~~
10 ~~provided solely for the indigent appeals program.))~~ \$69,000 of the
11 general fund appropriation is provided solely to implement Senate Bill
12 No. 6151 (judgeship for Thurston county). If the bill is not enacted
13 by June 30, 1996, the amount provided in this subsection shall lapse.

14 (5) \$35,000 of the general fund appropriation is provided solely to
15 implement Senate Bill No. 6495 (judgeships for Chelan/Douglas
16 counties). If the bill is not enacted by June 30, 1996, the amount
17 provided in this subsection shall lapse.

18 ~~((+5))~~ (6) \$26,000 of the public safety and education account and
19 ~~\$(110,000))~~ 1,385,000 of the judicial information systems account are
20 to implement Engrossed Substitute Senate Bill No. 5219 (domestic
21 violence). If the bill is not enacted by June 30, 1995, the amounts
22 provided in this subsection shall lapse.

23 ~~((+6))~~ (7) \$138,000 of the public safety and education account is
24 provided solely for Thurston county impact costs.

25 ~~((+7))~~ (8) \$223,000 of the public safety and education account is
26 provided solely for the gender and justice commission.

27 ~~((+8))~~ (9) \$308,000 of the public safety and education account
28 appropriation is provided solely for the minority and justice
29 commission.

30 ~~((+9))~~ (10) No moneys appropriated in this section may be expended
31 by the administrator for the courts for payments in excess of fifty
32 percent of the employer contribution on behalf of superior court judges
33 for insurance and health care plans and federal social security and
34 medicare and medical aid benefits. Consistent with Article IV, section
35 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,
36 it is the intent of the legislature that the cost of these employer
37 contributions shall be shared equally between the state and the county
38 or counties in which the judges serve. The administrator for the

1 courts shall establish procedures for the collection and disbursement
2 of these employer contributions.

3 (11) \$35,000 of the violence reduction and drug enforcement account
4 appropriation is provided solely to contract with the Washington state
5 institute for public policy to collect data and information from
6 jurisdictions within the state of Washington and outside the state of
7 Washington, including other nations, that have experience with
8 developing protocols and training standards for investigating child
9 sexual abuse. The Washington state institute for public policy shall
10 report to the legislature on the results of this study no later than
11 December 1, 1996.

12 *Sec. 109 was partially vetoed. See message at end of chapter.

13 NEW SECTION. Sec. 110. A new section is added to 1995 2nd sp.s.
14 c 18 (uncodified) to read as follows:

15 **FOR THE OFFICE OF PUBLIC DEFENSE**

16 Public Safety and Education Account

17 Appropriation (FY 1997) \$ 5,805,000

18 The appropriation in this section is subject to the following
19 conditions and limitations: If Substitute Senate Bill No. 6189 is not
20 enacted by June 30, 1996, the appropriation in this section shall be
21 made to the administrator for the courts.

22 **Sec. 111.** 1995 2nd sp.s. c 18 s 115 (uncodified) is amended to
23 read as follows:

24 **FOR THE OFFICE OF THE GOVERNOR**

25 General Fund--State Appropriation (FY 1996) . . . \$ 2,899,000

26 General Fund--State Appropriation (FY 1997) . . . \$ ((2,898,000))

27 4,238,000

28 General Fund--Federal Appropriation \$ 225,000

29 TOTAL APPROPRIATION \$ ((5,797,000))

30 7,362,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: \$1,340,000 of the general fund--state
33 appropriation and \$225,000 of the general fund--federal appropriation
34 are provided solely for hiring the chair and staff of the Puget Sound
35 action team and for other administrative expenses necessary to

1 implement Engrossed Substitute House Bill No. 2875. If the bill is not
2 enacted by June 30, 1996, the governor shall: Coordinate state agency
3 plan implementation activities and technical assistance to local
4 governments, businesses, and others in implementing plan elements;
5 encourage citizen involvement in plan implementation; coordinate the
6 Puget Sound ambient monitoring program and research on Puget Sound; and
7 perform other activities related to the Puget Sound water quality
8 management plan pursuant to RCW 90.70.902.

9 *NEW SECTION. **Sec. 112.** A new section is added to 1995 2nd sp.s.
10 c 18 (uncodified) to read as follows:

11 **OFFICE OF THE GOVERNOR--CHILDREN AND FAMILY SERVICES.** (1) There is
12 hereby appropriated to the office of the governor for the purposes of
13 conducting a management improvement project for the children and family
14 services division of the department of social and health services and
15 establishing within the governor's office a state family and children's
16 ombudsman the sum of one million five hundred eighteen thousand
17 dollars, or so much thereof as may be necessary, from the general fund-
18 -state for the fiscal year ending June 30, 1997. *Of this amount,*
19 *\$1,100,000 is provided solely for allocation to the public policy*
20 *institute at The Evergreen State College to direct the management*
21 *improvement project for the division of children and family services.*
22 *The public policy institute shall execute a contract with an objective,*
23 *impartial expert in the field of organizational structure and process*
24 *improvement to examine the structure and processes of the children and*
25 *family services division. Activities performed pursuant to the*
26 *contract must include, but are not limited to, study and development of*
27 *the division's mission, goals, strategic plan, and performance-based*
28 *outcome measures. The process used in examining the division shall*
29 *include managers, supervisors, and front-line workers employed by the*
30 *division and clients of the division. The contract shall be completed*
31 *by December 1, 1996, and the results reported to the appropriate*
32 *standing committees of the legislature by January 1, 1997.*

33 (2) *An oversight group is created for the management improvement*
34 *project. The members of the oversight group shall be the attorney*
35 *general, the chief of the state patrol, the family and children's*
36 *ombudsman established under this section, and one person appointed by*
37 *the governor. The oversight group shall provide assistance and*
38 *direction to the staff and contractor involved in the management*

1 *improvement project and shall be responsible for reporting results and*
2 *recommendations from the project to the appropriate committees of the*
3 *legislature. The group shall commence activities on May 1, 1996, and*
4 *shall cease to exist on July 1, 1997.*

5 (3) A legislative advisory committee is created to provide
6 technical assistance and public input to the oversight group for the
7 management improvement project. The committee shall consist of three
8 members of the senate appointed by the president of the senate and
9 three members of the house of representatives appointed by the speaker
10 of the house. Not more than two members from each house shall be from
11 the same political party.

12 (4) \$418,000 of the amount appropriated in this section is provided
13 solely for the office of the family and children's ombudsman within the
14 governor's office. The ombudsman shall report directly to the governor
15 and shall exercise his or her powers and duties independently of the
16 department of social and health services. The governor shall appoint
17 the ombudsman, subject to confirmation by the senate. The staff of the
18 office of constituent relations in the children and family services
19 division of the department of social and health services are
20 transferred to the office of the ombudsman to execute the duties of the
21 ombudsman as provided in this section. The ombudsman shall perform the
22 following duties in connection with the management improvement project
23 and oversight group established in this section:

24 (a) Provide information as appropriate on the rights and
25 responsibilities of individuals receiving family and children's
26 services, and on the procedures for providing these services;

27 (b) Investigate, upon the ombudsman's own initiative or upon
28 receipt of a complaint, an administrative act alleged to be contrary to
29 law, rule, or policy, imposed without an adequate statement of reason,
30 or based on irrelevant, immaterial, or erroneous grounds. However, the
31 ombudsman may decline to investigate any complaint as provided by rules
32 adopted by the ombudsman;

33 (c) Monitor the procedures as established, implemented, and
34 practiced by the department to carry out its responsibilities in
35 delivering family and children's services with a view toward
36 appropriate preservation of families and ensuring the health and safety
37 of children;

38 (d) Review the facilities and procedures of state institutions and
39 state-licensed facilities or residences serving children;

1 (e) Review reports relating to the unexpected deaths of minors in
2 the care of the department receiving family and children's services and
3 make recommendations as appropriate; and

4 (f) Recommend changes in the procedures for addressing the needs of
5 families and children.

6 (5) The department of social and health services, child-placing
7 agencies, and providers of children and family services shall do all of
8 the following:

9 (a) Upon the ombudsman's request, grant the ombudsman or the
10 ombudsman's designee lawful access to all relevant information,
11 records, and documents in the possession of the department or child-
12 placing agency that the ombudsman considers necessary in an
13 investigation;

14 (b) Assist the ombudsman to obtain the necessary releases of those
15 confidential records and documents that by law require a release to
16 authorize access by the ombudsman;

17 (c) Upon deciding not to act on a finding or recommendation made by
18 the ombudsman, provide the ombudsman with a written statement setting
19 forth the reason or reasons for the decision; and

20 (d) Provide the ombudsman upon request with progress reports
21 concerning administrative processing of a complaint.

22 (6) The office shall have access, on a confidential basis, to
23 juvenile justice records under chapter 13.50 RCW.

24 (7) The ombudsman shall have the following rights and powers:

25 (a) To copy and subpoena records held by the department of social
26 and health services, except as prohibited by law; and

27 (b) To request legal assistance, including appointment of special
28 counsel through the office of the attorney general.

29 (8) Subsections (4), (5), (6), and (7) of this section shall be
30 inoperative to the extent that they conflict with the provisions of
31 Second Substitute House Bill No. 2856.

32 *Sec. 112 was partially vetoed. See message at end of chapter.

33 **Sec. 113.** 1995 2nd sp.s. c 18 s 117 (uncodified) is amended to
34 read as follows:

35 **FOR THE PUBLIC DISCLOSURE COMMISSION**

36	General Fund Appropriation (FY 1996)	. . . . . \$	((1,107,000))
37			<u>1,125,000</u>
38	General Fund Appropriation (FY 1997)	. . . . . \$	((1,045,000))

1		<u>1,051,000</u>
2	Industrial Insurance Premium Refund Account	
3	Appropriation	\$ 725
4	TOTAL APPROPRIATION	\$ ((2,152,725))
5		<u>2,176,725</u>

6 **Sec. 114.** 1995 2nd sp.s. c 18 s 118 (uncodified) is amended to
7 read as follows:

8 **FOR THE SECRETARY OF STATE**

9	General Fund Appropriation (FY 1996)	\$ ((9,175,000))
10		<u>10,857,000</u>
11	General Fund Appropriation (FY 1997)	\$ ((5,924,000))
12		<u>5,992,000</u>
13	Archives and Records Management Account	
14	Appropriation	\$ ((4,330,000))
15		<u>5,215,000</u>
16	Department of Personnel Service Account	
17	Appropriation	\$ 647,000
18	TOTAL APPROPRIATION	\$ ((20,076,000))
19		<u>22,711,000</u>

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

22 (1) \$((3,859,975)) 5,559,975 of the general fund appropriation is
23 provided solely to reimburse counties for the state's share of primary
24 and general election costs and the costs of conducting mandatory
25 recounts on state measures.

26 (2) \$((5,183,762)) 5,233,762 of the general fund appropriation is
27 provided solely for the verification of initiative and referendum
28 petitions, maintenance of related voter registration records, legal
29 advertising of state measures, and the publication and distribution of
30 the voters and candidates pamphlet.

31 (3) \$140,000 of the general fund appropriation is provided solely
32 for the state's participation in the United States census block
33 boundary suggestion program.

34 (4) ((The general fund appropriation for fiscal year 1996 shall be
35 reduced by \$726,000 if Engrossed Senate Bill No. 5852 (presidential
36 preference primary) is enacted by March 15, 1996.)) \$1,440,000 of the
37 archives and records management account appropriation is provided

1 solely for records services to local governments under Senate Bill No.
2 6718 and shall be paid solely out of revenue collected under that bill.
3 If the bill is not enacted by June 30, 1996, the amount provided in
4 this subsection shall lapse.

5 (5) \$10,000 of the archives and records management account
6 appropriation is provided solely for the purposes of Substitute House
7 Bill No. 1497 (preservation of electronic public records)((7)).

8 **Sec. 115.** 1995 2nd sp.s. c 18 s 121 (uncodified) is amended to
9 read as follows:

10 **FOR THE STATE TREASURER**

11 State Treasurer's Service Account

12 Appropriation \$ ((10,454,000))
13 10,654,000

14 **Sec. 116.** 1995 2nd sp.s. c 18 s 122 (uncodified) is amended to
15 read as follows:

16 **FOR THE STATE AUDITOR**

17 General Fund Appropriation (FY 1996) \$ ((12,000))
18 78,000
19 General Fund Appropriation (FY 1997) \$ ((10,000))
20 430,000

21 ((Municipal Revolving Account
22 Appropriation \$ 24,886,000))
23 Auditing Services Revolving Account
24 Appropriation \$ 11,814,000
25 TOTAL APPROPRIATION \$ ((36,722,000))
26 12,322,000

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

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

34 (2) The state auditor, in consultation with the legislative budget
35 committee, shall conduct a performance audit of the state investment
36 board. In conducting the audit, the state auditor shall: (a)

1 Establish and publish a schedule of the performance audit and shall
 2 solicit public comments relative to the operations of the state
 3 investment board at least three months prior to conducting the
 4 scheduled performance audit; (b) under the provisions of chapter 39.29
 5 RCW, obtain and utilize a private firm to conduct the audit. The firm
 6 selected shall utilize professional staff possessing the education,
 7 training, and practical experience in auditing private and governmental
 8 entities responsible for the investment of funds necessary to capably
 9 conduct the audit required by this subsection. The firm selected for
 10 the audit shall determine the extent to which the state investment
 11 board is operating consistently with the performance audit measures
 12 developed by the state auditor, acting together with the board, the
 13 legislative budget committee, the office of financial management, the
 14 state treasurer, and other state agencies, as appropriate. The audit
 15 measures shall incorporate appropriate institutional investment
 16 industry criteria for measuring management practices and operations.
 17 The firm shall recommend in its report any actions deemed appropriate
 18 that the board can take to operate more consistently with such
 19 measures. The cost of the performance audit conducted shall be paid by
 20 the board from nonappropriated investment earnings.

21 (3) \$486,000 of the general fund appropriation is provided solely
 22 for staff and related costs to audit special education programs that
 23 exhibit unusual rates of growth, extraordinarily high costs, or other
 24 characteristics requiring attention of the state safety net committee.
 25 The auditor shall consult with the superintendent of public instruction
 26 regarding training and other staffing assistance needed to provide
 27 expertise to the audit staff.

28 **Sec. 117.** 1995 2nd sp.s. c 18 s 119 (uncodified) is amended to
 29 read as follows:

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

31	General Fund Appropriation (FY 1996)	. . . . . \$	((151,000))
32			<u>168,000</u>
33	General Fund Appropriation (FY 1997)	. . . . . \$	((152,000))
34			<u>169,000</u>
35	TOTAL APPROPRIATION	. . . . . \$	((303,000))
36			<u>337,000</u>

1 **Sec. 118.** 1995 2nd sp.s. c 18 s 120 (uncodified) is amended to
2 read as follows:

3 **FOR THE COMMISSION ON ASIAN-AMERICAN AFFAIRS**

4	General Fund Appropriation (FY 1996)	\$	((173,000))
5			<u>180,000</u>
6	General Fund Appropriation (FY 1997)	\$	((173,000))
7			<u>181,000</u>
8	TOTAL APPROPRIATION	\$	((346,000))
9			<u>361,000</u>

10 **Sec. 119.** 1995 2nd sp.s. c 18 s 124 (uncodified) is amended to
11 read as follows:

12 **FOR THE ATTORNEY GENERAL**

13	General Fund--State Appropriation (FY 1996)	\$	3,228,000
14	General Fund--State Appropriation (FY 1997)	\$	((3,225,000))
15			<u>3,275,000</u>
16	General Fund--Federal Appropriation	\$	1,624,000
17	Public Safety and Education Account		
18	Appropriation	\$	1,250,000
19	State Investment Board Expense Account		
20	Appropriation	\$	4,000,000
21	New Motor Vehicle Arbitration Account		
22	Appropriation	\$	1,782,000
23	Legal Services Revolving Account		
24	Appropriation	\$	113,972,000
25	Health Services Account Appropriation	\$	300,000
26	TOTAL APPROPRIATION	\$	((129,381,000))
27			<u>129,431,000</u>

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

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

36 (2) The attorney general shall include, at a minimum, the following
37 information with each bill sent to agencies receiving legal services:

1 (a) The number of hours and cost of attorney services provided during
2 the billing period; (b) cost of support staff services provided during
3 the billing period; (c) attorney general overhead and central support
4 costs charged to the agency for the billing period; (d) direct legal
5 costs, such as filing and docket fees, charged to the agency for the
6 billing period; and (e) other costs charged to the agency for the
7 billing period. The attorney general may, with approval of the office
8 of financial management change its billing system to meet the needs of
9 its user agencies.

10 (3) \$4,000,000 from the state investment board expense account
11 appropriation is provided solely for attorney general costs and related
12 expenses in aggressively pursuing litigation related to real estate
13 investments on behalf of the state investment board. To the maximum
14 extent possible, attorney general staff shall be used in pursuing this
15 litigation.

16 (4) \$50,000 of the general fund--state appropriation is provided to
17 retain a facilitator to assist the department of natural resources, as
18 trustee, and the state's four-year institutions of higher education, as
19 trust beneficiaries, to develop factual issues relating to habitat
20 conservation plans on public lands.

21 **Sec. 120.** 1995 2nd sp.s. c 18 s 125 (uncodified) is amended to
22 read as follows:

23 **FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS**

24 Securities Regulation Account

25 Appropriation \$ 4,515,000

26 The director of financial institutions is authorized to increase
27 fees charged to credit unions and other persons subject to regulation
28 of the department of financial institutions under chapters 31.12,
29 31.12A, and 31.13 RCW in order to cover the costs of the operation of
30 the department's division of credit unions and to establish a
31 reasonable reserve for the division. Pursuant to RCW 43.135.055, the
32 director is authorized to increase fees in excess of the fiscal growth
33 factor during the 1995-97 fiscal biennium. The fees shall be set by
34 the director so that the projected revenue to the department's
35 dedicated nonappropriated credit unions examination fund in fiscal year
36 1997 does not exceed \$1,120,500, plus a one-time special assessment of
37 \$184,000.

1 *Sec. 121. 1995 2nd sp.s. c 18 s 126 (uncodified) is amended to
2 read as follows:

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

4	General Fund--State Appropriation (FY 1996) . . . \$	((48,627,000))
5		<u>49,164,000</u>
6	General Fund--State Appropriation (FY 1997) . . . \$	((47,328,000))
7		<u>55,149,000</u>
8	General Fund--Federal Appropriation \$	((147,991,000))
9		<u>149,005,000</u>
10	General Fund--Private/Local Appropriation \$	((1,676,000))
11		<u>4,290,000</u>
12	Public Safety and Education Account	
13	Appropriation \$	8,764,000
14	Waste Reduction, Recycling, and Litter Control	
15	Account Appropriation \$	((2,006,000))
16		<u>2,206,000</u>
17	Washington Marketplace Program Account	
18	Appropriation \$	150,000
19	Public Works Assistance Account	
20	Appropriation \$	((1,068,000))
21		<u>1,166,000</u>
22	Building Code Council Account	
23	Appropriation \$	1,289,000
24	Administrative Contingency Account	
25	Appropriation \$	1,776,000
26	Low-Income Weatherization Assistance Account	
27	Appropriation \$	923,000
28	Violence Reduction and Drug Enforcement Account	
29	Appropriation \$	6,027,000
30	Manufactured Home Installation Training Account	
31	Appropriation \$	((150,000))
32		<u>250,000</u>
33	Washington Housing Trust Account	
34	Appropriation \$	((4,686,000))
35		<u>7,986,000</u>
36	Public Facility Construction Revolving Account	
37	Appropriation \$	238,000
38	Solid Waste Management Account Appropriation . . \$	700,000
39	<u>Vehicle Tire Recycling Account Appropriation . . \$</u>	<u>499,000</u>

1	Growth Management Planning and Environmental	
2	Review Fund Appropriation	\$ 3,000,000
3	TOTAL APPROPRIATION	\$ ((276,399,000))
4		<u>293,582,000</u>

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

7 (1) \$6,065,000 of the general fund--state appropriation is provided
8 solely for a contract with the Washington technology center. For work
9 essential to the mission of the Washington technology center and
10 conducted in partnership with universities, the center shall not pay
11 any increased indirect rate nor increases in other indirect charges
12 above the absolute amount paid during the 1993-95 biennium.

13 (2) \$538,000 of the general fund--state appropriation is provided
14 solely to implement Substitute House Bill No. 1724 (growth management).

15 (3) ~~((In order))~~ \$1,000,000 of the general fund--state
16 appropriation is provided to offset reductions in federal community
17 services block grant funding for community action agencies~~((7))~~. The
18 department shall set aside ~~(((\$4,800,000))~~ \$3,800,000 of federal
19 community development block grant funds for distribution to local
20 governments to allocate to community action agencies state-wide.

21 (4) \$8,915,000 of the general fund--federal appropriation is
22 provided solely for the drug control and system improvement formula
23 grant program, to be distributed in state fiscal year 1996 as follows:

24 (a) \$3,603,250 to local units of government to continue
25 multijurisdictional drug task forces;

26 (b) \$934,000 to the Washington state patrol for coordination,
27 technical assistance, and investigative and supervisory staff support
28 for multijurisdictional narcotics task forces;

29 (c) \$456,000 to the department to continue the state-wide drug
30 prosecution assistance program;

31 (d) \$93,000 to the department to continue a substance-abuse
32 treatment in jails program, to test the effect of treatment on future
33 criminal behavior;

34 (e) \$744,000 to the department to continue the youth violence
35 prevention and intervention projects;

36 (f) \$240,000 to the department for grants to support tribal law
37 enforcement needs;

1 (g) \$495,000 is provided to the Washington state patrol for a
2 state-wide integrated narcotics system;

3 (h) \$538,000 to the department for grant administration and program
4 evaluation, monitoring, and reporting, pursuant to federal
5 requirements;

6 (i) \$51,000 to the Washington state patrol for data collection;

7 (j) \$445,750 to the office of financial management for the criminal
8 history records improvement program;

9 (k) \$42,000 to the department to support local services to victims
10 of domestic violence;

11 (l) \$300,000 to the department of community, trade, and economic
12 development for domestic violence legal advocacy;

13 (m) \$300,000 to the department of community, trade, and economic
14 development for grants to provide a defender training program; and

15 (n) \$673,000 to the department of corrections for the expansion of
16 correctional industries projects that place inmates in a realistic
17 working and training environment.

18 (5) \$8,699,000 of the general fund--federal appropriation is
19 provided solely for the drug control and system improvement formula
20 grant program, to be distributed in state fiscal year 1997 as follows:

21 (a) \$3,600,000 to local units of government to continue
22 multijurisdictional narcotics task forces;

23 (b) \$934,000 to the Washington state patrol for coordination,
24 technical assistance, and investigative and supervisory support staff
25 for multijurisdictional narcotics task forces;

26 (c) \$500,000 to the department to continue the state-wide drug
27 prosecution assistance program in support of multijurisdictional
28 narcotics task forces;

29 (d) \$450,000 to drug courts in eastern and western Washington;

30 (e) \$744,000 to the department to continue the youth violence
31 prevention and intervention projects;

32 (f) \$93,000 to the department to continue a substance-abuse
33 treatment in jails program to test the effect of treatment on future
34 criminal behavior;

35 (g) \$42,000 to the department to provide training to local law
36 enforcement officers, prosecutors, and domestic violence experts on
37 domestic violence laws and procedures;

38 (h) \$300,000 to the department to support local services to victims
39 of domestic violence;

1 (i) \$240,000 to the department for grants to support tribal law
2 enforcement needs;

3 (j) \$300,000 to the department for grants to provide juvenile
4 sentencing alternative training programs to defenders;

5 (k) \$560,000 to the department for grant administration,
6 evaluation, monitoring, and reporting on Byrne grant programs, and the
7 governor's council on substance abuse;

8 (l) \$435,000 to the office of financial management for the criminal
9 history records improvement program;

10 (m) \$51,000 to the Washington state patrol for data collection; and

11 (n) \$450,000 to the department of corrections for the expansion of
12 correctional industries projects that place inmates in a realistic
13 working and training environment.

14 If additional funds become available or if any funds remain
15 unexpended for the drug control and system improvement formula grant
16 program under this subsection, up to \$95,000 additional may be used for
17 the operation of the governor's council on substance abuse, including
18 implementation of the recommendations of the legislative budget
19 committee report on drug and alcohol abuse programs.

20 (6) \$3,960,000 of the public safety and education account
21 appropriation is provided solely for the office of crime victims'
22 advocacy.

23 ~~((+6))~~ (7) \$216,000 of the general fund--state appropriation is
24 provided solely to implement Engrossed Substitute House Bill No. 1010
25 (regulatory reform). If the bill is not enacted by June 30, 1995, the
26 amount provided in this subsection shall lapse.

27 ~~((+7))~~ (8) \$200,000 of the general fund--state appropriation is
28 provided solely as a grant for the community connections program in
29 Walla Walla county.

30 ~~((+8))~~ (9) \$30,000 of the Washington housing trust account
31 appropriation is provided solely for the department to conduct an
32 assessment of the per square foot cost associated with constructing or
33 rehabilitating buildings financed by the housing trust fund for low-
34 income housing. The department may contract with specially trained
35 teams to conduct this assessment. The department shall report to the
36 legislature by December 31, 1995. The report shall include:

37 (a) The per square foot cost of each type of housing unit financed
38 by the housing trust fund;

1 (b) An assessment of the factors that affect the per square foot
2 cost;

3 (c) Recommendations for reducing the per square foot cost, if
4 possible;

5 (d) Guidelines for housing costs per person assisted; and

6 (e) Other relevant information.

7 (~~(9)~~) (10) \$350,000 of the general fund--state appropriation is
8 provided solely for the retired senior volunteer program.

9 (~~(10)~~) (11) \$300,000 of the general fund--state appropriation is
10 provided solely to implement House Bill No. 1687 (court-appointed
11 special advocates). If the bill is not enacted by June 30, 1995, the
12 amount provided in this subsection shall lapse.

13 (~~(11)~~) (12) \$50,000 of the general fund--state appropriation is
14 provided solely for the purpose of a feasibility study of the
15 infrastructure, logistical, and informational needs for the region
16 involving Washington, Oregon, and British Columbia to host the summer
17 Olympic Games in the year 2004 or 2008. The feasibility study shall be
18 conducted using the services of a nonprofit corporation currently
19 pursuing and having shown progress toward this purpose. The amount
20 provided in this subsection may be expended only to the extent that it
21 is matched on a dollar-for-dollar basis by funds for the same purpose
22 from nonstate sources.

23 (~~(12)~~) (13) \$100,000 of the general fund--state appropriation is
24 provided solely as a grant to a nonprofit organization for costs
25 associated with development of the Columbia Breaks Fire Interpretive
26 Center.

27 (14) \$100,000 of the general fund--state appropriation is provided
28 solely for the Pierce county long-term care ombudsman program.

29 (15) \$60,000 of the general fund--state appropriation is provided
30 solely for the Pacific Northwest economic region.

31 (16) \$500,000 of the general fund--state appropriation is provided
32 solely for distribution to the city of Burien for analysis of the
33 proposed Port of Seattle third runway including preparation of a draft
34 environmental impact statement and other technical studies. The amount
35 provided in this subsection shall not be expended directly or
36 indirectly for litigation, public relations, or any form of consulting
37 services for the purposes of opposing the construction of the proposed
38 third runway.

1 (17) Not more than \$458,000 of the general fund--state
2 appropriation may be expended for the operation of the Pacific
3 northwest export assistance project. The department will continue to
4 implement a plan for assessing fees for services provided by the
5 project. It is the intent of the legislature that the revenues raised
6 to defray the expenditures of this program will be increased to fifty
7 percent of the expenditures in fiscal year 1996 and seventy-five
8 percent of the expenditures in fiscal year 1997. Beginning in fiscal
9 year 1998, the legislature intends that this program will be fully
10 self-supporting.

11 (18) \$4,804,000 of the public safety and education account
12 appropriation is provided solely for contracts with qualified legal aid
13 programs for civil indigent legal representation pursuant to RCW
14 43.08.260. It is the intent of the legislature to ensure that legal
15 aid programs receiving funds appropriated in this act pursuant to RCW
16 43.08.260 comply with all applicable restrictions on use of these
17 funds. To this end, during the 1995-97 fiscal biennium the department
18 shall monitor compliance with the authorizing legislation, shall
19 oversee the implementation of this subsection, and shall report
20 directly to the appropriations committee of the house of
21 representatives and the ways and means committee of the senate.

22 (a) It is the intent of the legislature to improve communications
23 between legal aid programs and persons affected by the activities of
24 legal aid programs. There is established for the 1995-97 fiscal
25 biennium a task force on agricultural interests/legal aid relations.
26 The task force shall promote better understanding and cooperation
27 between agricultural interests and legal aid programs and shall provide
28 a forum for discussion of issues of common concern. The task force
29 shall not involve itself in pending litigation.

30 (i) The task force shall consist of the following sixteen members:
31 Four representatives of agricultural organizations, to be appointed by
32 the legislator members; two individuals who represent the corresponding
33 interests of legal clients, to be appointed by organizations designated
34 by the three legal services programs; two representatives of Evergreen
35 Legal Services, to be appointed by its board of directors; one
36 representative each from Puget Sound Legal Assistance Foundation and
37 Spokane Legal Services Center, each to be appointed by its directors;
38 one member from each of the majority and minority caucuses of the house
39 of representatives, to be appointed by the speaker of the house of

1 representatives; one member from each of the majority and minority
2 caucuses of the senate, to be appointed by the president of the senate;
3 and two members of the supreme court-appointed access to justice board,
4 to be appointed by the board. During fiscal year 1996, the task force
5 shall be chaired by a legislative member, to be selected by the task
6 force members. During fiscal year 1997, the committee shall be chaired
7 by a nonlegislator member, to be selected by the task force members.

8 (ii) All costs associated with the meetings shall be borne by the
9 individual task force members or by the organizations that the
10 individuals represent. No task force member shall be eligible for
11 reimbursement of expenses under RCW 43.03.050 or 43.03.060. Nothing in
12 this subsection prevents the legal aid programs from using funds
13 appropriated in this act to reimburse their representatives or the
14 individuals representing legal clients.

15 (iii) The task force will meet at least four times during the first
16 year of the biennium and as frequently as necessary thereafter at
17 mutually agreed upon times and locations. Any member of the task force
18 may place items on meeting agendas. Members present at the first two
19 task force meetings shall agree upon a format for subsequent meetings.

20 (b) The legislature recognizes that farmworkers have the right to
21 receive basic information and to consult with attorneys at farm labor
22 camps without fear of intimidation or retaliation. It is the intent of
23 the legislature and in the interest of the public to ensure the safety
24 of all persons affected by legal aid programs' farm labor camp outreach
25 activities. Legal aid program employees have the legal right to enter
26 the common areas of a labor camp or to request permission of employees
27 to enter their dwellings. Employees living in grower supplied housing
28 have the right to refuse entry to anyone including attorneys unless
29 they have a warrant. Individual employees living in employer supplied
30 housing do not have the right to force legal aid program employees to
31 leave common areas of housing (outside) as long as one person who
32 resides in the associated dwellings wants that person to be there. Any
33 legal aid program employee wishing to visit employees housed on grower
34 property has the right to enter the driveway commonly used by the
35 housing occupants. This means that if agricultural employees must use
36 a grower's personal driveway to get to their housing, legal aid program
37 employees also may use that driveway to access the housing without a
38 warrant so long as at least some of the housing is occupied. When
39 conducting outreach activities that involve entry onto labor camps,

1 legal aid programs shall establish and abide by policies regarding
2 conduct of outreach activities. The policies shall include a
3 requirement that legal aid program employees identify themselves to
4 persons whom they encounter at farm labor camps. The legal aid
5 programs shall provide copies of their current outreach policies to
6 known agricultural organizations and shall provide copies upon request
7 to any owner of property on which farmworkers are housed. Legal aid
8 program employees involved in outreach activities shall attempt to
9 inform operators of licensed farm labor camps or their agents, and
10 known grower organizations of the approximate time frame for outreach
11 activities and shall cooperate with operators of farm labor camps at
12 which farmworkers are housed in assuring compliance with all pertinent
13 laws and ordinances, including those related to trespass and
14 harassment. Employers who believe that Evergreen Legal Services
15 Outreach Guidelines have been violated shall promptly provide all
16 available information on the alleged violation to the director of
17 Evergreen Legal Services and to the chair of the Task Force on
18 Agricultural Interests/Legal Aid Relations. Evergreen Legal Services
19 will promptly investigate any alleged violations of the outreach
20 guidelines and inform the complaining party of the result. If the
21 resolution of the investigation is not satisfactory to the complainant,
22 the matter shall be placed on the Task Force agenda for discussion at
23 the next scheduled meeting. Employers who believe that Evergreen Legal
24 Services staff members have trespassed should immediately contact local
25 law enforcement authorities.

26 (c) It is the intent of the legislature to provide the greatest
27 amount of legal services to the largest number of clients by
28 discouraging inefficient use of state funding for indigent legal
29 representation. To this end, it is the intent of the legislature that,
30 prior to the commencement of litigation against any private employer
31 relating to the terms and conditions of employment legal aid programs
32 receiving funds appropriated in this act make good faith written demand
33 for the requested relief, a good faith offer of settlement or an offer
34 to submit to nonbinding arbitration prior to filing a lawsuit, unless
35 the making of the offer is, in the opinion of the director of the legal
36 services program or his/her designee, clearly prejudicial to: (i) The
37 health, safety, or security of the client; or (ii) the timely
38 availability of judicial relief. The director of the legal aid program

1 may designate not more than two persons for purposes of making the
2 determination of prejudice permitted by this section.

3 (d)(i) The legislature encourages legal aid programs to devote
4 their state and nonstate funding to the basic, daily legal needs of
5 indigent persons. No funds appropriated under this act may be used for
6 legal representation and activities outside the scope of RCW 43.08.260.

7 (ii) No funds appropriated in this act may be used for lobbying as
8 defined in RCW 43.08.260(3). Legal aid programs receiving funds
9 appropriated in this act shall comply with all restrictions on lobbying
10 contained in Federal Legal Services Corporation Act (P.L. 99-951) and
11 regulations promulgated thereunder.

12 (e) No funds appropriated in this act may be used by legal aid
13 programs for representation of undocumented aliens.

14 (f) The legislature recognizes the duty of legal aid programs to
15 preserve inviolate and prevent the disclosure of, in the absence of
16 knowing and voluntary client consent, client information protected by
17 the United States Constitution, the Washington Constitution, the
18 attorney-client privilege, or any applicable attorney rule of
19 professional conduct. However, to the extent permitted by applicable
20 law, legal aid programs receiving funds appropriated in this act shall,
21 upon request, provide information on their activities to the department
22 and to legislators for purposes of monitoring compliance with
23 authorizing legislation and this subsection.

24 (g) Nothing in this subsection is intended to limit the authority
25 of existing entities, including but not limited to the Washington state
26 bar association, the public disclosure commission, and the Federal
27 Legal Services Corporation, to resolve complaints or disputes within
28 their jurisdiction.

29 (19) \$839,000 of the general fund--state appropriation is provided
30 solely for energy-related functions transferred by Fourth Substitute
31 House Bill No. 2009 (state energy office). Of this amount:

32 (a) \$379,000 is provided solely for expenses related to vacation
33 leave buyout and unemployment payments resulting from the closure of
34 the state energy office;

35 (b) \$44,000 is provided solely for extended insurance benefits for
36 employees separated as a result of Fourth Substitute House Bill No.
37 2009. An eligible employee may receive a state subsidy of \$150 per
38 month toward his or her insurance benefits purchased under the federal

1 consolidated omnibus budget reconciliation act (COBRA) for a period not
2 to exceed one year from the date of separation;

3 (c) \$120,000 is provided solely for costs of closing out the
4 financial reporting systems and contract obligations of the state
5 energy office, and to connect the department's wide area network to
6 workstations in the energy office building; and

7 (d) \$296,000 is provided to match oil surcharge funding for energy
8 policy and planning staff.

9 (20) \$2,614,000 of the general fund--private/local appropriation is
10 provided solely to operate the energy facility site evaluation council.

11 (21) \$1,000,000 of the general fund--state appropriation is
12 provided solely to increase state matching funds for the federal
13 headstart program.

14 (22) \$2,000,000 of the general fund--federal appropriation is
15 provided solely to develop and operate housing for low-income
16 farmworkers. The housing assistance program shall administer the funds
17 in accordance with chapter 43.185 RCW. The department of community,
18 trade, and economic development shall work in cooperation with the
19 department of health, the department of labor and industries, and the
20 department of social and health services to review proposals and make
21 recommendations to the funding approval board that oversees the
22 distribution of housing assistance program funds. An advisory group
23 representing growers, farmworkers, and other interested parties shall
24 be formed to assist the interagency workgroup.

25 (23) \$1,865,000 of the general fund--state appropriation is
26 provided solely for the delivery of services to victims of sexual
27 assault as provided for by Substitute House Bill No. 2579 (sexual abuse
28 victims). The department shall establish an interagency agreement with
29 the department of social and health services for the transfer of funds
30 made available under the federal victims of crime act for the purposes
31 of implementing Substitute House Bill No. 2579. If the bill is not
32 enacted by June 30, 1996, the requirements of this subsection shall be
33 null and void and the amount provided in this subsection shall lapse.

34 (24) \$1,000,000 of the general fund--state appropriation is
35 provided solely for the tourism development program.

36 (25) \$180,000 of the general fund--state appropriation is provided
37 solely for the Asian-Pacific economic conference (APEC) national center
38 in Seattle.

1 (26) \$3,862,000 of the general fund--state appropriation is
2 provided solely to increase the number of children served through the
3 early childhood education and assistance program. These funds shall be
4 used to serve children that are on waiting lists to enroll in the
5 federal headstart program or the state early childhood education and
6 assistance program.

7 (27) \$25,000 of the general fund--state appropriation is provided
8 solely for a grant to the city of Burien to study the feasibility of
9 purchasing property within the city for park purposes.

10 (28) \$100,000 of the general fund--state appropriation is provided
11 solely for Washington state dues for the Pacific Northwest economic
12 region (PNWER) and to support the PNWER CATALIST program.

13 ***Sec. 121 was partially vetoed. See message at end of chapter.**

14 NEW SECTION. Sec. 122. A new section is added to 1995 2nd sp.s.
15 c 18 (uncodified) to read as follows:

16 \$1,000,000 is appropriated from the public safety and education
17 account to the department of community, trade, and economic
18 development. The amount in this section is provided solely for a
19 contract with a qualified legal aid program for client-requested
20 indigent civil representation pursuant to RCW 43.08.260(1), at existing
21 legal aid program offices. The amount provided in this section shall
22 not be expended until an alternative dispute resolution agreement is
23 signed by Columbia Legal Services, the Washington Growers' League, and
24 the Northwest Justice Project. The amount provided in this section is
25 subject to all the conditions and limitations of section 126(18),
26 chapter 18, Laws of 1995 2nd sp. sess., as amended. A maximum of
27 \$50,000 of the amount provided in this section may be used for the
28 costs of arbitration and mediation under the alternative dispute
29 resolution agreement referenced in this section.

30 **Sec. 123.** 1995 2nd sp.s. c 18 s 127 (uncodified) is amended to
31 read as follows:

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

33	General Fund Appropriation (FY 1996)	\$	((410,000))
34			<u>422,000</u>
35	General Fund Appropriation (FY 1997)	\$	((410,000))
36			<u>561,000</u>
37	TOTAL APPROPRIATION	\$	((820,000))

2 The appropriations in this section are subject to the following
3 conditions and limitations: \$60,000 of the general fund appropriation
4 is provided solely to implement Substitute House Bill No. 2758
5 (economic climate council). If the bill is not enacted by June 30,
6 1996, this amount shall lapse.

7 **Sec. 124.** 1995 2nd sp.s. c 18 s 128 (uncodified) is amended to
8 read as follows:

9 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

10	General Fund--State Appropriation (FY 1996) . . . \$	((9,482,000))
11		<u>9,282,000</u>
12	General Fund--State Appropriation (FY 1997) . . . \$	((9,138,000))
13		<u>9,588,000</u>
14	General Fund--Federal Appropriation \$	12,432,000
15	General Fund--Private/Local Appropriation \$	720,000
16	Health Services Account Appropriation \$	330,000
17	Public Safety and Education Account	
18	Appropriation \$	200,000
19	TOTAL APPROPRIATION \$	((32,302,000))
20		<u>32,552,000</u>

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

23 (1) \$300,000 of the general fund--state appropriation is provided
24 solely as the state's share of funding for the "Americorps" youth
25 employment program.

26 (2) By December 20, 1996, the office of financial management shall
27 report to the government operations and fiscal committees of the
28 legislature on the implementation of chapter 40.07 RCW, relating to the
29 management and control of state publications. The report shall include
30 recommendations concerning the use of alternative methods of
31 distribution, including electronic publication, of agency reports and
32 other publications and notices.

33 (3) \$250,000 of the general fund--state appropriation is provided
34 solely for technical assistance to state agencies in the development of
35 performance measurements pursuant to Engrossed Substitute Senate Bill

1 No. 6680. If the bill is not enacted by June 30, 1996, the amount
2 provided in this subsection shall lapse.

3 **Sec. 125.** 1995 2nd sp.s. c 18 s 130 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF PERSONNEL**

6	General Fund--State Appropriation (FY 1996) . . . \$	360,000
7	General Fund--State Appropriation (FY 1997) . . . \$	360,000
8	General Fund--Federal Appropriation \$	700,000
9	Personnel Data Revolving Account Appropriation . \$	880,000
10	Department of Personnel Service Account	
11	Appropriation \$	15,354,000
12	Higher Education Personnel Services Account	
13	Appropriation \$	1,656,000
14	TOTAL APPROPRIATION \$	19,310,000

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

17 (1) The department shall reduce its charge for personnel services
18 to the lowest rate possible.

19 (2) \$32,000 of the department of personnel service fund
20 appropriation is provided solely for the creation, printing, and
21 distribution of the personal benefits statement for state employees.

22 (3) The general fund--state appropriation, the general fund--
23 federal appropriation, the personnel data revolving account
24 appropriation, and \$300,000 of the department of personnel service
25 account appropriation shall be used solely for the establishment of a
26 state-wide human resource information data system and network within
27 the department of personnel and to improve personnel data integrity.
28 Authority to expend these amounts is conditioned on compliance with
29 section 902 of this act. The personnel data revolving account is
30 hereby created in the state treasury to facilitate the transfer of
31 moneys from dedicated funds and accounts. To allocate the
32 appropriation from the personnel data revolving account among the
33 state's dedicated funds and accounts based on each fund or account's
34 pro rata share of the state salary base, the state treasurer is
35 directed to transfer sufficient money from each fund or account to the
36 personnel data revolving account in accordance with schedules provided
37 by the office of financial management.

1 (4) The department of personnel shall charge all administrative
2 services costs incurred by the committee for deferred compensation or
3 the department of retirement systems for the deferred compensation
4 program to the deferred compensation administrative account.
5 Department billings to the committee or the department of retirement
6 systems shall be for actual costs only.

7 (5) The department of personnel service fund appropriation contains
8 sufficient funds to continue the employee exchange program with the
9 Hyogo prefecture in Japan.

10 (6) \$500,000 of the department of personnel service account
11 appropriation is provided solely for a career transition program to
12 assist state employees who are separated or are at risk of lay-off due
13 to reduction-in-force, including employee retraining and career
14 counseling.

15 (7) The department of personnel has the authority to charge
16 agencies for expenses resulting from the administration of a benefits
17 contribution plan established by the health care authority. Fundings
18 to cover these expenses shall be realized from agency FICA tax savings
19 associated with the benefits contributions plan.

20 (8) By December 1, 1996, the department of personnel and the
21 department of social and health services shall jointly report to the
22 legislature on strategies for increasing, within existing funds,
23 supported employment opportunities in state government for persons with
24 developmental and other substantial and chronic disabilities. In
25 developing the report, the departments shall consult with employee
26 representatives, with organizations involved in job training and
27 placement for persons with severe disabilities, and with other state
28 and local governments that have successfully offered supported
29 employment opportunities for their citizens with disabilities.

30 **Sec. 126.** 1995 2nd sp.s. c 18 s 134 (uncodified) is amended to
31 read as follows:

32 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

33	General Fund Appropriation (FY 1996)	\$	((195,000))
34			<u>206,000</u>
35	General Fund Appropriation (FY 1997)	\$	((195,000))
36			<u>199,000</u>
37	TOTAL APPROPRIATION	\$	((390,000))
38			<u>405,000</u>

1 **Sec. 127.** 1995 2nd sp.s. c 18 s 135 (uncodified) is amended to
2 read as follows:

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

4	General Fund Appropriation (FY 1996)	\$	((148,000))
5			<u>151,000</u>
6	General Fund Appropriation (FY 1997)	\$	((146,000))
7			<u>150,000</u>
8	TOTAL APPROPRIATION	\$	((294,000))
9			<u>301,000</u>

10 **Sec. 128.** 1995 2nd sp.s. c 18 s 137 (uncodified) is amended to
11 read as follows:

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

13	Department of Retirement Systems Expense Account		
14	Appropriation	\$	((30,152,000))
15			<u>30,866,000</u>
16	Dependent Care Administrative Account		
17	Appropriation	\$	183,000
18	TOTAL APPROPRIATION	\$	((30,335,000))
19			<u>31,049,000</u>

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

22 (1) \$857,000 of the department of retirement systems expense
23 account appropriation is provided solely for information systems
24 projects known by the following names or successor names: Support of
25 member database, support of audit, and audit of member files.
26 Authority to expend this amount is conditioned on compliance with
27 section 902 of this act.

28 (2) \$779,000 of the department of retirement systems expense
29 account appropriation is provided solely for the in-house design
30 development, and implementation of the information systems project
31 known as the disbursement system. Authority to expend this amount is
32 conditioned on compliance with section 902 of this act.

33 (3) \$1,900,000 of the department of retirement systems expense
34 account appropriation and the entire dependent care administrative
35 account appropriation are provided solely for the implementation of
36 Substitute House Bill No. 1206 (restructuring retirement systems). If
37 the bill is not enacted by June 30, 1995, the amount provided in this

1 subsection from the department of retirement systems expense account
2 shall lapse, and the entire dependent care administrative account
3 appropriation shall be transferred to the committee for deferred
4 compensation.

5 (4) \$650,000 of the department of retirement systems expense
6 account appropriation is provided solely to provide information and
7 education for members of teachers' retirement system plan II concerning
8 the decision to transfer to plan III. Before expending any of these
9 moneys, the department shall issue a request for proposals for services
10 to be provided under this subsection. The department shall convene an
11 advisory committee that includes the office of financial management and
12 representatives of teachers. The advisory committee shall review the
13 department's request for proposals, responses to the request, and the
14 education and information materials and programs developed by the firm,
15 business or consultant awarded the contract to provide the services.
16 To ensure the impartiality of the information and education materials,
17 no firm, business or consultant awarded a contract to provide any
18 information and education materials or services to teachers' retirement
19 system plan II members shall be eligible to provide self-directed
20 investment options pursuant to RCW 41.34.060.

21 **Sec. 129.** 1995 2nd sp.s. c 18 s 138 (uncodified) is amended to
22 read as follows:

23 **FOR THE STATE INVESTMENT BOARD**

24 State Investment Board Expense Account

25 Appropriation \$ ((8,068,000))
26 8,480,000

27 The appropriation in this section is subject to the following
28 conditions and limitations: The board shall conduct a feasibility
29 study on the upgrade or replacement of the state-wide investment
30 accounting system and report its findings to the fiscal committees of
31 the legislature by January 1, 1996.

32 **Sec. 130.** 1995 2nd sp.s. c 18 s 139 (uncodified) is amended to
33 read as follows:

34 **FOR THE DEPARTMENT OF REVENUE**

35 General Fund Appropriation (FY 1996) \$ 62,528,000
36 General Fund Appropriation (FY 1997) \$ ((63,139,000))

1		<u>63,184,000</u>
2	Timber Tax Distribution Account	
3	Appropriation	\$ 4,585,000
4	Waste Reduction, Recycling, and Litter Control	
5	Account Appropriation	\$ 95,000
6	State Toxics Control Account	
7	Appropriation	\$ 67,000
8	Solid Waste Management Account	
9	Appropriation	\$ 88,000
10	Oil Spill Administration Account	
11	Appropriation	\$ 14,000
12	Pollution Liability Insurance Program Trust Account	
13	Appropriation	\$ 230,000
14	TOTAL APPROPRIATION	\$ ((130,746,000))
15		<u>130,791,000</u>

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

18 (1) \$4,197,000 of the general fund appropriation is provided solely
19 for senior citizen property tax deferral distribution. \$103,000 of
20 this amount is provided solely to reimburse counties for the expansion
21 of the senior citizen property tax deferral program enacted by
22 Substitute House Bill No. 1673.

23 (2) \$280,000 of the general fund appropriation is provided solely
24 for implementation of Engrossed Substitute House Bill No. 1010
25 (regulatory reform). If the bill is not enacted by June 30, 1995, the
26 amount provided in this subsection shall lapse.

27 (3) The general fund appropriation contains sufficient funds for
28 the department of revenue to collect use tax on advertising materials
29 printed outside the state and mailed directly to Washington residents
30 at the direction of an in-state business to promote sales of products
31 or services, pursuant to RCW 82.12.010(5).

32 (4) \$45,000 of the fiscal year 1997 general fund--state
33 appropriation is provided solely to implement House Bill No. 2708
34 (warehouse tax study). If the bill is not enacted by June 30, 1996,
35 the amount provided in this subsection shall lapse.

36 **Sec. 131.** 1995 2nd sp.s. c 18 s 143 (uncodified) is amended to
37 read as follows:

1	FOR THE DEPARTMENT OF GENERAL ADMINISTRATION	
2	General Fund--State Appropriation (FY 1996) . . . \$	((284,000))
3		<u>1,117,000</u>
4	General Fund--State Appropriation (FY 1997) . . . \$	((283,000))
5		<u>1,950,000</u>
6	General Fund--Federal Appropriation \$	((1,304,000))
7		<u>1,846,000</u>
8	General Fund--Private/Local Appropriation \$	388,000
9	Motor Transport Account Appropriation \$	10,814,000
10	Industrial Insurance Premium Refund Account	
11	Appropriation \$	((140,000))
12		<u>274,000</u>
13	Air Pollution Control Account	
14	Appropriation \$	111,000
15	Department of General Administration Facilities	
16	and Services Revolving Account	
17	Appropriation \$	((21,271,000))
18		<u>21,354,000</u>
19	Central Stores Revolving Account	
20	Appropriation \$	3,056,000
21	Risk Management Account Appropriation \$	2,033,000
22	<u>Energy Efficiency Services Account</u>	
23	<u>Appropriation</u> \$	<u>90,000</u>
24	TOTAL APPROPRIATION \$	((39,684,000))
25		<u>43,033,000</u>

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

28 (1) \$1,776 of the industrial insurance premium refund account
29 appropriation is provided solely for the Washington school directors
30 association.

31 (2) The cost of purchasing and material control operations may be
32 recovered by the department through charging agencies utilizing these
33 services. The department must begin directly charging agencies
34 utilizing the services on September 1, 1995. Amounts charged may not
35 exceed the cost of purchasing and contract administration. Funds
36 collected may not be used for purposes other than cost recovery and
37 must be separately accounted for within the central stores revolving
38 fund.

1 (3) \$542,000 of the general fund--federal appropriation and \$90,000
2 of the energy efficiency services account appropriation are provided
3 solely for implementation of House Bill No. 2009 (state energy office).
4 If the bill is not enacted by June 30, 1996, the amounts specified in
5 this subsection shall lapse.

6 (4) \$833,000 of the general fund--state fiscal year 1996
7 appropriation and \$1,667,000 of the general fund--state fiscal year
8 1997 appropriation are provided solely for the purchase of foods for
9 distribution to the state's food bank network. The department shall
10 provide an evaluation of the emergency food assistance program to the
11 legislature by February 1, 1997. The evaluation shall identify: (a)
12 The number of people served by the food distributed to the state's food
13 banks and soup kitchens; (b) ways in which to maximize the amount of
14 food being distributed to low-income individuals in the state through
15 this program; and (c) other methods by which to increase access to
16 nutritionally balanced food by low-income individuals in the state.

17 (5) \$83,000 of the department of general administration facilities
18 and services revolving account appropriation is provided solely for the
19 staff costs associated with providing garage security.

20 (6) The director of the department of general administration, in
21 consultation with the office of financial management, shall conduct a
22 study analyzing the benefits of real property leases for state
23 facilities in excess of five years. In conducting the study, the
24 department shall consult with interested constituencies and develop
25 recommendations for: (a) A procedure and criteria for evaluation of
26 the costs and benefits of long-term leases; (b) a process for approval
27 of long-term leases; and (c) statutory modifications to facilitate
28 these changes. The director of the department of general
29 administration shall report the results of the study to the office of
30 financial management and the legislative fiscal committees by June 30,
31 1996.

32 *NEW SECTION. Sec. 132. A new section is added to 1995 2nd sp.s.
33 c 18 (uncodified) to read as follows:

34 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

35 *Data Processing Revolving Account*

36 <i>Appropriation</i>	\$	12,000,000
37 K-20 Technology Account Appropriation	\$	27,000,000
38 State Building Construction Account		

1	Appropriation	\$	15,300,000
2	TOTAL APPROPRIATION	\$	54,300,000

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

5 (1) The appropriations in this section shall be expended in
6 accordance with Senate Bill No. 6705 (higher education technology
7 plan).

8 (2) \$27,000,000 is appropriated from the general fund for deposit
9 in the K-20 technology account for the purposes of this section.

10 (3) *The appropriation from the data processing revolving account*
11 *appropriation may be expended only after the entire K-20 technology*
12 *account appropriation has been obligated.*

13 (4) Expenditures of the funds from the state building construction
14 account appropriation may be made only for capital purposes.
15 Acquisitions made from these funds shall meet the criteria of
16 bondability guidelines published by the office of financial management
17 in the capital budget instruction manual.

18 (5) If Senate Bill No. 6705 is not enacted by June 30, 1996, the
19 appropriations in this section shall lapse.

20 *Sec. 132 was partially vetoed. See message at end of chapter.

21 **Sec. 133.** 1995 2nd sp.s. c 18 s 149 (uncodified) is amended to
22 read as follows:

23 **FOR THE LIQUOR CONTROL BOARD**

24	Liquor Revolving Account Appropriation	\$	((113,461,000))
25			<u>113,604,000</u>

26 The appropriation in this section is subject to the following
27 conditions and limitations: \$143,000 of the liquor control revolving
28 account appropriation for administrative expenses is provided solely
29 for implementation of House Bill No. 2341 (credit card sales pilot
30 program). If the bill is not enacted by June 30, 1996, this amount
31 shall lapse.

32 NEW SECTION. **Sec. 134.** A new section is added to 1995 2nd sp.s.
33 c 18 (uncodified) to read as follows:

34 **FOR THE GAMBLING COMMISSION**

35	General Fund Appropriation (FY 1997)	\$	1,000,000
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1 The appropriation in this section is subject to the following
 2 conditions and limitations: The gambling commission shall conduct a
 3 study of how much state revenue is generated where amusement game
 4 devices are used in businesses whose primary activity is to provide
 5 food for on-premises consumption as proposed in House Bill No. 2917.
 6 The commission shall report its findings to the senate committee on
 7 labor, commerce, and trade and the house of representatives committee
 8 on commerce and labor by January 1, 1997.

9 **Sec. 135.** 1995 2nd sp.s. c 18 s 152 (uncodified) is amended to
 10 read as follows:

11 **FOR THE MILITARY DEPARTMENT**

12	General Fund--State Appropriation (FY 1996) . . . \$	((7,474,000))
13		<u>7,594,000</u>
14	General Fund--State Appropriation (FY 1997) . . . \$	((7,477,000))
15		<u>7,597,000</u>
16	General Fund--Federal Appropriation \$	((28,293,000))
17		<u>129,215,000</u>
18	General Fund--Private/Local Appropriation \$	237,000
19	Enhanced 911 Account Appropriation \$	((18,541,000))
20		<u>26,781,000</u>
21	Industrial Insurance Premium Refund Account	
22	Appropriation \$	34,000
23	<u>Flood Control Assistance Account Appropriation</u> . \$	<u>23,181,000</u>
24	TOTAL APPROPRIATION \$	((62,056,000))
25		<u>194,639,000</u>

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

28 (1) \$205,238 of the total appropriation is provided solely to pay
 29 loan obligations on the energy partnership contract number 90-07-01.
 30 This obligation includes unpaid installments from September 1993
 31 through June 1997. This amount may be reduced by any payments made in
 32 the 1993-95 Biennium on installments made in the 1993-95 Biennium on
 33 installments due between September 1993 and June 1995.

34 (2) \$70,000 of the general fund--state appropriation is provided
 35 solely for the north county emergency medical service.

36 (3) \$23,181,000 of the flood control assistance account
 37 appropriation is provided solely for state and local response and

1 recovery cost associated with federal emergency management agency
2 (FEMA) Disaster Number 1079 (November/December 1995 storms), FEMA
3 Disaster 1100, (February 1996 floods), and for prior biennia disaster
4 recovery costs. Of this amount, \$1,078,000 is for prior disasters,
5 \$3,618,000 is for the November/December 1995 storms, and \$18,485,000 is
6 for the February 1996 floods.

7 (End of part)

1 fiscal committees of the senate and house of representatives in writing
2 prior to approving any deviations.

3 (4) The department shall use up to \$4,987,000 by which general
4 fund--state expenditures are below allotted levels to replace federal
5 social service block grant funds during fiscal year 1996.

6 **Sec. 202.** 1995 2nd sp.s. c 18 s 202 (uncodified) is amended to
7 read as follows:

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

10	General Fund--State Appropriation (FY 1996) . . . \$	((144,801,000))
11		<u>146,537,000</u>
12	General Fund--State Appropriation (FY 1997) . . . \$	((151,569,000))
13		<u>173,376,000</u>
14	General Fund--Federal Appropriation \$	((263,843,000))
15		<u>272,379,000</u>
16	General Fund--Private/Local Appropriation \$	400,000
17	Violence Reduction and Drug Enforcement Account	
18	Appropriation \$	5,719,000
19	TOTAL APPROPRIATION \$	((566,332,000))
20		<u>598,411,000</u>

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

23 (1) \$1,660,000 of the general fund--state appropriation for fiscal
24 year 1996 and \$10,086,000 of the general fund--federal appropriation
25 are provided solely for the modification of the case and management
26 information system (CAMIS). Authority to expend these funds is
27 conditioned on compliance with section 902 of this act.

28 (2) \$5,524,000 of the general fund--state appropriation is provided
29 solely to implement the division's responsibilities under Engrossed
30 Second Substitute Senate Bill No. 5439 (nonoffender at-risk youth). Of
31 this amount:

32 (a) \$150,000 of the general fund--state appropriation is provided
33 in fiscal year 1996 to develop a plan for children at risk. The
34 department shall work with a variety of service providers and community
35 representatives, including the community public health and safety
36 networks, and shall present the plan to the legislature and the
37 governor by December 1, 1995. The plan shall contain a strategy for

1 the development of an intensive treatment system with outcome-based
2 information on the level of services that are achievable under an
3 annual appropriation of \$5,000,000, \$7,000,000, and \$9,000,000; address
4 the issue of chronic runaways; and determine caseload impacts.

5 (b) \$219,000 of the general fund--state appropriation is provided
6 in fiscal year 1996 and \$4,678,000 of the general fund--state
7 appropriation is provided in fiscal year 1997 for crisis residential
8 center training and administrative duties and secure crisis residential
9 center contracts.

10 (c) \$266,000 of the general fund--state appropriation is provided
11 for the multidisciplinary teams and \$211,000 of the general fund--state
12 appropriation is provided in fiscal year 1997 for family reconciliation
13 services.

14 (d) The state may enter into agreements with the counties to
15 provide residential and treatment services to runaway youth at a rate
16 of reimbursement to be negotiated by the state and county.

17 (3) \$1,997,000 of the violence reduction and drug enforcement
18 account appropriation and \$8,421,000 of the general fund--federal
19 appropriation are provided solely for the operation of the family
20 policy council, the community public health and safety networks, and
21 delivery of services authorized under the federal family preservation
22 and support act. Of these amounts:

23 (a) \$1,060,000 of the violence reduction and drug enforcement
24 account appropriation is provided solely for distribution to the
25 community public health and safety networks for planning in fiscal year
26 1996.

27 (b) \$937,000 of the violence reduction and drug enforcement account
28 appropriation is provided for staff in the children and family services
29 division of the department of social and health services to support
30 family policy council activities. The family policy council is
31 directed to provide training, design, technical assistance,
32 consultation, and direct service dollars to the networks. Of this
33 amount, \$300,000 is provided for the evaluation activities outlined in
34 RCW 70.190.050, to be conducted exclusively by the Washington state
35 institute for public policy. To the extent that private funds can be
36 raised for the evaluation activities, the state funding may be retained
37 by the department to support the family policy council activities.

1 (c) \$8,421,000 of the general fund--federal appropriation is
2 provided solely for the delivery of services authorized by the federal
3 family preservation and support act.

4 (4) \$2,575,000 of the general fund--state appropriation is provided
5 solely to implement Engrossed Substitute Senate Bill No. 5885 (family
6 preservation services). If the bill is not enacted by June 30, 1995,
7 the amount provided in this subsection shall lapse. Of this amount:

8 (a) \$75,000 is provided in fiscal year 1996 to develop an
9 implementation and evaluation plan for providing intensive family
10 preservation services and family preservation services. The department
11 shall present the plan to the legislature and the governor no later
12 than December 1, 1995. The plan shall contain outcome based
13 information on the level of services that are achievable under an
14 annual appropriation of \$3,000,000, \$5,000,000, and \$7,000,000; and

15 (b) \$2,500,000 is provided in fiscal year 1997 for additional
16 family preservation services based upon the report.

17 (5) \$4,646,000 of the general fund--state is provided solely to
18 increase payment rates to contracted social services providers. It is
19 the legislature's intent that these funds shall be used primarily to
20 increase compensation for persons employed in direct, front-line
21 service delivery.

22 (6) \$2,672,000 of the general fund--state is provided solely to
23 increase payment rates to contracted social services child care
24 providers. It is the legislature's intent that these funds shall be
25 used primarily to increase compensation for persons employed in direct,
26 front-line service delivery.

27 (7) \$854,000 of the violence reduction and drug enforcement account
28 appropriation and \$300,000 of the general fund--state appropriation are
29 provided solely to contract for the operation of one pediatric interim
30 care facility. The facility shall provide residential care for up to
31 twelve children through two years of age. Seventy-five percent of the
32 children served by the facility must be in need of special care as a
33 result of substance abuse by their mothers. The facility also shall
34 provide on-site training to biological, adoptive, or foster parents.
35 The facility shall provide at least three months of consultation and
36 support to parents accepting placement of children from the facility.
37 The facility may recruit new and current foster and adoptive parents
38 for infants served by the facility. The department shall not require
39 case management as a condition of the contract.

1 (8) \$700,000 of the general fund--state appropriation and \$262,000
2 of the violence reduction and drug enforcement ((and education))
3 account appropriation are provided solely for up to three nonfacility-
4 based programs for the training, consultation, support, and recruitment
5 of biological, foster, and adoptive parents of children through age
6 three in need of special care as a result of substance abuse by their
7 mothers, except that each program may serve up to three medically
8 fragile nonsubstance-abuse-affected children. In selecting
9 nonfacility-based programs, preference shall be given to programs whose
10 federal or private funding sources have expired or have successfully
11 performed under the existing pediatric interim care program.

12 (9) \$5,613,000 of the general fund--state appropriation is provided
13 solely for implementation of chapter 312, Laws of 1995 and Second
14 Substitute House Bill No. 2217 (at-risk youth). If the bill is not
15 enacted by June 30, 1996, the amount provided in this subsection shall
16 lapse. Of this amount:

17 (a) \$1,000,000 of the general fund--state appropriation is provided
18 solely for court-ordered secure treatment of at-risk youth as provided
19 for in section 3 of Second Substitute House Bill No. 2217 (at-risk
20 youth);

21 (b) \$573,000 of the general fund--state appropriation is provided
22 solely for increased family reconciliation services;

23 (c) \$500,000 of the general fund--state appropriation is provided
24 solely for therapeutic child care;

25 (d) \$2,300,000 of the general fund--state appropriation is provided
26 solely for the juvenile court administrators to process petitions for
27 truancy, children in need of services, and at-risk youth;

28 (e) \$240,000 of the general fund--state appropriation is provided
29 solely for crisis residential center assessments of at-risk youth; and

30 (f) \$1,000,000 of the general fund--state appropriation shall be
31 allocated to the superintendent of public instruction for competitive
32 grants to assist the operation of community truancy boards established
33 by school districts pursuant to RCW 28A.225.025.

34 (10) \$2,000,000 of the general fund--state appropriation is
35 provided solely for implementation of chapter 311, Laws of 1995
36 (Engrossed Substitute Senate Bill No. 5885, services to families). Of
37 this amount, \$1,000,000 is provided solely to expand the category of
38 services titled "intensive family preservation services," and

1 \$1,000,000 is provided solely to create a new category of services
2 titled "family preservation services."

3 (11) \$327,000 of the general fund--state appropriation is provided
4 solely for transfer to the public health and safety networks. Each
5 public health and safety network may receive up to \$2,600 general
6 fund--state and up to \$2,500 general fund--federal per month for the
7 purposes of infrastructure funding, including planning, network meeting
8 support, fiscal agent payments, and liability insurance. Funding may
9 be provided only after the network's plan is submitted to the family
10 policy council and only after the plan is approved.

11 (12) \$4,941,000 of the general fund--state appropriation and
12 \$4,941,000 of the general fund--federal appropriation are provided
13 solely to increase the availability of employment child care to
14 low-income families.

15 **Sec. 203.** 1995 2nd sp.s. c 18 s 203 (uncodified) is amended to
16 read as follows:

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

19 (1) COMMUNITY SERVICES

20	General Fund--State Appropriation (FY 1996) . . . \$	((24,944,000))
21		<u>25,622,000</u>
22	General Fund--State Appropriation (FY 1997) . . . \$	((25,771,000))
23		<u>29,828,000</u>
24	General Fund--Federal Appropriation \$	((20,167,000))
25		<u>20,191,000</u>
26	General Fund--Private/Local Appropriation \$	286,000
27	Violence Reduction and Drug Enforcement Account	
28	Appropriation \$	5,695,000
29	TOTAL APPROPRIATION \$	((76,863,000))
30		<u>81,622,000</u>

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

33 (a) \$650,000 of the general fund--state appropriation for fiscal
34 year 1996 and \$650,000 of the general fund--state appropriation for
35 fiscal year 1997 are provided solely for operation of learning and life
36 skills centers established pursuant to chapter 152, Laws of 1994.

1 (b) \$1,379,000 of the general fund--state appropriation and
 2 \$134,000 of the violence reduction and drug enforcement account
 3 appropriation are provided solely to increase payment rates to
 4 contracted social services providers. It is the legislature's intent
 5 that these funds shall be used primarily to increase compensation for
 6 persons employed in direct, front-line service delivery.

7 (c) \$2,350,000 of the general fund--state appropriation is provided
 8 solely for an early intervention program to be administered at the
 9 county level. Funds shall be awarded on a competitive basis to
 10 counties which have submitted a plan for implementation of an early
 11 intervention program consistent with proven methodologies currently in
 12 place in the state. The juvenile rehabilitation administration shall
 13 develop criteria for evaluation of plans submitted and a timeline for
 14 awarding funding and shall assist counties in creating and submitting
 15 plans for evaluation.

16 (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 1996) . . . \$	((25,701,000))
18		<u>28,727,000</u>
19	General Fund--State Appropriation (FY 1997) . . . \$	((29,120,000))
20		<u>32,511,000</u>
21	General Fund--Federal Appropriation \$	((23,011,000))
22		<u>24,915,000</u>
23	General Fund--Private/Local Appropriation \$	830,000
24	Violence Reduction and Drug Enforcement Account	
25	Appropriation \$	((10,634,000))
26		<u>10,894,000</u>
27	TOTAL APPROPRIATION \$	((89,296,000))
28		<u>97,877,000</u>

29 (3) PROGRAM SUPPORT

30	General Fund--State Appropriation (FY 1996) . . . \$	((1,021,000))
31		<u>1,231,000</u>
32	General Fund--State Appropriation (FY 1997) . . . \$	((1,024,000))
33		<u>1,236,000</u>
34	General Fund--Federal Appropriation \$	881,000
35	Violence Reduction and Drug Enforcement Account	
36	Appropriation \$	421,000
37	TOTAL APPROPRIATION \$	((3,347,000))
38		<u>3,769,000</u>

1	(4) SPECIAL PROJECTS	
2	General Fund--Federal Appropriation	\$ 107,000
3	Violence Reduction and Drug Enforcement Account	
4	Appropriation	\$ 1,177,000
5	TOTAL APPROPRIATION	\$ 1,284,000

6 **Sec. 204.** 1995 2nd sp.s. c 18 s 204 (uncodified) is amended to
7 read as follows:

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

9 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

10	General Fund--State Appropriation (FY 1996) . . .	\$ ((162,878,000))
11		<u>160,689,000</u>
12	General Fund--State Appropriation (FY 1997) . . .	\$ ((169,206,000))
13		<u>165,967,000</u>
14	General Fund--Federal Appropriation	\$ ((241,564,000))
15		<u>232,449,000</u>
16	General Fund--Private/Local Appropriation	\$ ((9,000,000))
17		<u>4,000,000</u>
18	Health Services Account Appropriation	\$ ((19,647,000))
19		<u>19,517,000</u>
20	TOTAL APPROPRIATION	\$ ((602,295,000))
21		<u>582,622,000</u>

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

24 (a) \$8,160,000 of the general fund--state appropriation and
25 \$279,000 of the health services account appropriation are provided
26 solely to increase payment rates to contracted social services
27 providers. It is the legislature's intent that these funds shall be
28 used primarily to increase compensation for persons employed in direct,
29 front-line service delivery.

30 (b) Regional support networks shall use portions of the general
31 fund--state appropriation for implementation of working agreements with
32 the vocational rehabilitation program which will maximize the use of
33 federal funding for vocational programs.

34 (c) From the general fund--state appropriation in this section, the
35 secretary of social and health services shall assure that regional
36 support networks reimburse the aging and adult services program for the
37 general fund--state cost of medicaid personal care services that are

1 used by enrolled regional support network consumers by reason of their
2 psychiatric disability. The secretary of social and health services
3 shall convene representatives from the aging and adult services
4 program, the mental health division, and the regional support networks
5 to establish an equitable and efficient mechanism for accomplishing
6 this reimbursement.

7 ~~(d) ((The appropriations in this section assume that expenditures
8 for voluntary psychiatric hospitalization total \$23,600,000 from the
9 general fund state appropriation and \$4,300,000 from the health
10 services account appropriation in fiscal year 1996, and \$26,200,000
11 from the general fund state appropriation and \$4,600,000 from the
12 health services account appropriation in fiscal year 1997. To the
13 extent that regional support networks succeed in reducing
14 hospitalization costs below these levels, one half of the funds saved
15 shall be provided as bonus payments to regional support networks for
16 delivery of additional community mental health services, and one half
17 shall revert to the state treasury. Actual expenditures and bonus
18 payments shall be calculated at the end of each biennial quarter,
19 except for the final quarter, when expenditures and bonuses shall be
20 projected based on actual experience through the end of April 1997.~~

21 ~~(e))~~ \$1,000,000 of the general fund--state appropriation is
22 provided solely to implement the division's responsibilities under
23 Engrossed Second Substitute Senate Bill No. 5439 (nonoffender at-risk
24 youth).

25 (e) At least 30 days prior to entering contracts that would
26 capitate payments for voluntary psychiatric hospitalizations, the
27 mental health division shall report the proposed capitation rates, and
28 the assumptions and calculations by which they were established, to the
29 budget and forecasting divisions of the office of financial management,
30 the appropriations committee of the house of representatives, and the
31 ways and means committee of the senate.

32 (2) INSTITUTIONAL SERVICES

33	General Fund--State Appropriation (FY 1996) . . . \$	((56,033,000))
34		<u>52,673,000</u>
35	General Fund--State Appropriation (FY 1997) . . . \$	((56,579,000))
36		<u>56,293,000</u>
37	General Fund--Federal Appropriation \$	((112,097,000))
38		<u>119,325,000</u>
39	General Fund--Private/Local Appropriation \$	((42,512,000))

1		39,130,000
2	Industrial Insurance Premium Refund Account	
3	Appropriation	\$ 747,000
4	TOTAL APPROPRIATION	\$ ((267,968,000))
5		<u>268,168,000</u>

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

8 (a) The mental health program at Western state hospital shall
9 continue to utilize labor provided by the Tacoma prerelease program of
10 the department of corrections.

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

14 (3) CIVIL COMMITMENT

15	General Fund Appropriation (FY 1996)	\$ ((3,378,000))
16		<u>3,470,000</u>
17	General Fund Appropriation (FY 1997)	\$ ((3,378,000))
18		<u>3,533,000</u>
19	TOTAL APPROPRIATION	\$ ((6,756,000))
20		<u>7,003,000</u>

21 (4) SPECIAL PROJECTS

22	General Fund--Federal Appropriation	\$ 6,341,000
23	<u>General Fund--State Appropriation (FY 1997)</u>	<u>\$ 950,000</u>
24	TOTAL APPROPRIATION	\$ 7,291,000

25 The appropriations in this subsection are subject to the following
26 conditions and limitations: The general fund--state appropriation in
27 this section is provided solely for continued operation of the primary
28 intervention program, in the school districts in which those projects
29 previously operated, to the extent they continue to meet contract terms
30 and performance standards.

31 (5) PROGRAM SUPPORT

32	General Fund--State Appropriation (FY 1996)	\$ 2,549,000
33	General Fund--State Appropriation (FY 1997)	\$ 2,544,000
34	General Fund--Federal Appropriation	\$ 1,511,000
35	TOTAL APPROPRIATION	\$ 6,604,000

1 **Sec. 205.** 1995 2nd sp.s. c 18 s 205 (uncodified) is amended to
2 read as follows:

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

5 (1) COMMUNITY SERVICES

6	General Fund--State Appropriation (FY 1996) . . . \$	((117,802,000))
7		<u>121,641,000</u>
8	General Fund--State Appropriation (FY 1997) . . . \$	((121,580,000))
9		<u>126,500,000</u>
10	General Fund--Federal Appropriation \$	((165,632,000))
11		<u>170,481,000</u>
12	Health Services Account Appropriation \$	((4,699,000))
13		<u>4,679,000</u>
14	TOTAL APPROPRIATION \$	((409,713,000))
15		<u>423,301,000</u>

16 (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 1996) . . . \$	((62,357,000))
18		<u>62,152,000</u>
19	General Fund--State Appropriation (FY 1997) . . . \$	((62,953,000))
20		<u>62,291,000</u>
21	General Fund--Federal Appropriation \$	((139,600,000))
22		<u>140,652,000</u>
23	General Fund--Private/Local Appropriation \$	9,100,000
24	TOTAL APPROPRIATION \$	((274,010,000))
25		<u>274,195,000</u>

26 (3) PROGRAM SUPPORT

27	General Fund--State Appropriation (FY 1996) . . . \$	((2,837,000))
28		<u>2,964,000</u>
29	General Fund--State Appropriation (FY 1997) . . . \$	((2,848,000))
30		<u>3,000,000</u>
31	General Fund--Federal Appropriation \$	((777,000))
32		<u>940,000</u>
33	TOTAL APPROPRIATION \$	((6,462,000))
34		<u>6,904,000</u>

35 (4) SPECIAL PROJECTS

36	General Fund--Federal Appropriation \$	7,878,000
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37 (5) The appropriations in this section are subject to the following
38 conditions and limitations:

1 (a) \$6,569,000 of the general fund--state appropriation and \$19,000
2 of the health services account appropriation and \$4,298,000 of the
3 general fund--federal appropriation are provided solely to increase
4 payment rates to contracted social services providers. It is the
5 legislature's intent that these funds shall be used primarily to
6 increase compensation for persons employed in direct, front-line
7 service delivery.

8 (b) \$1,447,000 of the general fund--state appropriation is provided
9 solely for employment or other day programs for eligible persons who
10 complete a high school curriculum during the 1995-97 biennium.

11 (c) \$500,000 of the health services account appropriation is
12 provided solely for fiscal year 1996 and \$3,500,000 of the health
13 services account appropriation is provided solely for fiscal year 1997
14 for family support services for families who need but are currently
15 unable to receive such services because of funding limitations. The
16 fiscal year 1996 amount shall be prioritized for unserved families who
17 have the most critical need for assistance. The fiscal year 1997
18 amount shall be distributed among unserved families according to
19 priorities developed in consultation with organizations representing
20 families of people with developmental disabilities.

21 ~~((f))~~ (d) The secretary of social and health services shall
22 investigate and by November 15, 1995, report to the appropriations
23 committee of the house of representatives and the ways and means
24 committee of the senate on the feasibility of obtaining a federal
25 managed-care waiver under which growth which would otherwise occur in
26 state and federal spending for the medicaid personal care and targeted
27 case management programs is instead capitated and used to provide a
28 flexible array of employment, day program, and in-home supports.

29 ~~((g))~~ (e) \$1,015,000 of the program support general fund--state
30 appropriation is provided solely for distribution among the five
31 regional deaf centers for services for the deaf and hard of hearing.

32 (f) \$25,000 of the program support general fund--state
33 appropriation is provided solely for a vendor rate increase in fiscal
34 year 1997 for an organization specializing in the provision of case
35 management and support services to persons with both deafness and
36 blindness.

37 *Sec. 206. 1995 2nd sp.s. c 18 s 206 (uncodified) is amended to
38 read as follows:

1 FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT
2 SERVICES PROGRAM

3	General Fund--State Appropriation (FY 1996) . . . \$	((378,972,000))
4		<u>369,055,000</u>
5	General Fund--State Appropriation (FY 1997) . . . \$	((393,491,000))
6		<u>385,377,000</u>
7	General Fund--Federal Appropriation \$	((793,250,000))
8		<u>773,530,000</u>
9	Health Services Account--State Appropriation . . \$	((9,885,000))
10		<u>6,858,000</u>
11	TOTAL APPROPRIATION \$	((1,575,598,000))
12		<u>1,534,820,000</u>

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

15 (1) \$6,492,000 of the general fund--state appropriation is provided
16 solely to increase payment rates to contracted social services
17 providers. It is the legislature's intent that these funds shall be
18 used primarily to increase compensation for persons employed in direct,
19 front-line service delivery.

20 ((+4)) (2) The department shall seek a federal plan amendment to
21 increase the home maintenance needs allowance for unmarried COPES
22 recipients only to 100 percent of the federal poverty level. No
23 changes shall be implemented in COPES home maintenance needs allowances
24 until the amendment has been approved.

25 ((+5)) (3) The secretary of social and health services shall
26 transfer funds appropriated under section 207(2) of this act to this
27 section for the purpose of integrating and streamlining programmatic
28 and financial eligibility determination for long-term care services.

29 ((+6)) (4) A maximum of \$2,603,000 of the general fund--state
30 appropriation and \$2,670,000 of the general fund--federal appropriation
31 for fiscal year 1996 and \$5,339,000 of the general fund--state
32 appropriation and \$5,380,000 of the general fund--federal appropriation
33 for fiscal year 1997 are provided to fund the medicaid share of any
34 prospective payment rate adjustments as may be necessary in accordance
35 with RCW 74.46.460.

36 ((+7)) (5) The entire health services account appropriation and
37 the associated general fund--federal match is ((to be used)) provided
38 solely for the enrollment in the basic health plan of home care workers

1 below 200 percent of the federal poverty level who are employed through
2 state contracts ((in the basic health plan)). Enrollment for workers
3 with family incomes at or above 200 percent of poverty shall be covered
4 with general fund--state and matching general fund--federal revenues
5 that have previously been appropriated for health benefits coverage, to
6 the extent that these funds have not been contractually obligated prior
7 to March 1, 1996, for worker wage increases.

8 (6) By November 1, 1996, the department of social and health
9 services and the health care authority shall report to the appropriate
10 committees of the legislature on (a) the extent, if any, to which
11 previously appropriated general fund--state and matching general fund--
12 federal funds are insufficient to provide basic health plan enrollment
13 coverage for homecare workers above 200 percent of the federal poverty
14 level; and (b) recommended procedural and, if necessary, statutory
15 changes needed to minimize the administrative costs and complexity of
16 basic health plan enrollment by employer groups.

17 (7) \$126,000 of the general fund--state appropriation for fiscal
18 year 1997 is provided solely for adult day health services for persons
19 with AIDS. These services shall be provided through a state-only
20 program by a single agency specializing in long-term care for persons
21 with AIDS.

22 (8) \$403,000 of the general fund--state appropriation for fiscal
23 year 1996 and \$698,000 of the general fund--state appropriation for
24 fiscal year 1997 are provided solely to reimburse the medical
25 assistance administration for medicaid services used by persons not
26 previously eligible for medical assistance services who become so as a
27 result of transferring from the chore services to the COPES program.

28 *Sec. 206 was partially vetoed. See message at end of chapter.

29 **Sec. 207.** 1995 2nd sp.s. c 18 s 207 (uncodified) is amended to
30 read as follows:

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

33 (1) GRANTS AND SERVICES TO CLIENTS

34	General Fund--State Appropriation (FY 1996) . . . \$	((403,859,000))
35		<u>379,619,000</u>
36	General Fund--State Appropriation (FY 1997) . . . \$	((405,332,000))
37		<u>389,585,000</u>
38	General Fund--Federal Appropriation \$	((677,127,000))

636,859,000

TOTAL APPROPRIATION \$ ((1,486,318,000))

1,406,063,000

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

(a) Payment levels in the programs for aid to families with dependent children, general assistance, and refugee assistance shall contain an energy allowance to offset the costs of energy. The allowance shall be excluded from consideration as income for the purpose of determining eligibility and benefit levels of the food stamp program to the maximum extent such exclusion is authorized under federal law and RCW 74.08.046. To this end, up to \$300,000,000 of the income assistance payments is so designated for exemptions of the following amounts:

Family size:	1	2	3	4	5	6	7	8 or more
Exemption:	\$55	71	86	102	117	133	154	170

(b) \$18,000 of the general fund--state appropriation for fiscal year 1996 and \$37,000 of the general fund--state appropriation for fiscal year 1997 are provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(c) During the 1995-97 fiscal biennium, the department of social and health services shall provide assistance under the general assistance for children program to needy families with legal immigrants permanently residing in the United States under color of law who are not eligible under federal law for aid to families with dependent children benefits solely due to their immigration status. Assistance to needy families shall be in the same amount as benefits under the aid to families with dependent children program. The families must be otherwise eligible for aid to families with dependent children including consideration of the current alien sponsor deeming rules. The department is authorized to use state general funds appropriated in this section to provide such benefits.

(2) PROGRAM SUPPORT

General Fund--State Appropriation (FY 1996) . . . \$ ((113,329,000))

1		<u>112,427,000</u>
2	General Fund--State Appropriation (FY 1997) . . . \$	((110,137,000))
3		<u>109,168,000</u>
4	General Fund--Federal Appropriation \$	((202,152,000))
5		<u>200,555,000</u>
6	Health Services Account Appropriation \$	750,000
7	TOTAL APPROPRIATION \$	((426,368,000))
8		<u>422,900,000</u>

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

11 (a) \$16,000 of the general fund--state appropriation for fiscal
12 year 1996 and \$34,000 of the general fund--state appropriation for
13 fiscal year 1997 are provided solely to increase payment rates to
14 contracted social service providers. It is the legislature's intent
15 that these funds shall be used primarily to increase compensation for
16 persons employed in direct, front-line service delivery.

17 (b) The department shall report to the fiscal committees of the
18 legislature no later than December 20, 1995, concerning the number and
19 dollar value of contracts for services provided as part of the job
20 opportunities and basic skills program. This report shall indicate the
21 criteria used in the choice of state agencies or private entities for
22 a particular contract, the total value of contracts with state
23 agencies, and the total value of contracts with private entities. The
24 report shall also indicate what, if any, performance criteria are
25 included in job opportunities and basic skills program contracts.

26 (c) The department shall:

27 ((~~(ii)~~)) (i) Coordinate with other state agencies, including but
28 not limited to the employment security department, to ensure that
29 persons receiving federal or state funds are eligible in terms of
30 citizenship and residency status; ((~~and~~)) and

31 ((~~(iv)~~)) (ii) Systematically use all processes available to verify
32 eligibility in terms of the citizenship and residency status of
33 applicants and recipients for public assistance.

34 **Sec. 208.** 1995 2nd sp.s. c 18 s 208 (uncodified) is amended to
35 read as follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE**
37 **ABUSE PROGRAM**

1	General Fund--State Appropriation (FY 1996)	\$	8,199,000
2	General Fund--State Appropriation (FY 1997)	\$	((8,736,000))
3			<u>11,990,000</u>
4	General Fund--Federal Appropriation	\$	((76,400,000))
5			<u>77,594,000</u>
6	Violence Reduction and Drug Enforcement Account		
7	Appropriation	\$	71,900,000
8	Health Services Account Appropriation	\$	969,000
9	TOTAL APPROPRIATION	\$	((166,204,000))
10			<u>170,652,000</u>

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

13 (1) \$9,544,000 of the total appropriation is provided solely for
14 the grant programs for school districts and educational service
15 districts set forth in RCW 28A.170.080 through 28A.170.100, including
16 state support activities, as administered through the office of the
17 superintendent of public instruction.

18 (2) \$400,000 of the health services account appropriation is
19 provided solely to implement Second Substitute Senate bill No. 5688
20 (fetal alcohol syndrome). If the bill is not enacted by June 30, 1995,
21 the amount provided in this subsection shall lapse.

22 (3) \$502,000 of the general fund--state appropriation and \$435,000
23 of the violence reduction and drug enforcement account appropriation
24 for fiscal year 1996 and \$1,015,000 of the general fund--state
25 appropriation and \$1,023,000 of the violence reduction and drug
26 enforcement account appropriation for fiscal year 1997 are provided
27 solely to increase payment rates to contracted and subcontract social
28 services providers. It is the legislature's intent that these funds
29 shall be used primarily to increase compensation for persons employed
30 in direct, front-line service delivery.

31 (4) \$552,000 of the general fund--state appropriation is provided
32 solely to implement the division's responsibilities under Engrossed
33 Second Substitute Senate Bill No. 5439 (nonoffender at-risk youth).

34 (5) \$1,387,000 of the general fund--state appropriation and
35 \$363,000 of the general fund--federal appropriation are provided solely
36 for detoxification and stabilization services, inpatient treatment, and
37 recovery house treatment for at-risk youth. If Second Substitute House

1 Bill No. 2217 (at-risk youth) is not enacted by June 30, 1996, the
2 amount provided in this subsection shall lapse.

3 (6) \$1,902,000 of the general fund--state appropriation and
4 \$796,000 of the general fund--federal appropriation are provided solely
5 for alcohol and substance abuse assessment, treatment, and child care
6 services for clients of the division of children and family services.
7 Assessment shall be provided by approved chemical dependency treatment
8 programs as requested by child protective services personnel in the
9 division of children and family services. Treatment shall be
10 outpatient treatment for parents of children who are under
11 investigation by the division of children and family services. Child
12 care shall be provided as deemed necessary by the division of children
13 and family services while parents requiring alcohol and substance abuse
14 treatment are attending treatment programs.

15 **Sec. 209.** 1995 2nd sp.s. c 18 s 209 (uncodified) is amended to
16 read as follows:

17 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
18 **PROGRAM**

19	General Fund--State Appropriation (FY 1996)	\$	((670,792,000))
20			<u>669,448,000</u>
21	General Fund--State Appropriation (FY 1997)	\$	((692,015,000))
22			<u>658,055,000</u>
23	General Fund--Federal Appropriation	\$	((1,761,005,000))
24			<u>1,774,688,000</u>
25	General Fund--Private/Local Appropriation	\$	((242,525,000))
26			<u>199,160,000</u>
27	Health Services Account Appropriation	\$	((199,571,000))
28			<u>207,272,000</u>
29	TOTAL APPROPRIATION	\$	((3,565,908,000))
30			<u>3,508,623,000</u>

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

33 (1) The department shall continue to make use of the special
34 eligibility category created for children through age 18 and in
35 households with incomes below 200 percent of the federal poverty level
36 made eligible for medicaid as of July 1, 1994. The department shall

1 also continue to provide consistent reporting on other medicaid
2 children served through the basic health plan.

3 (2) The department shall contract for the services of private debt
4 collection agencies to maximize financial recoveries from third parties
5 where it is not cost-effective for the state to seek the recovery
6 directly.

7 (3) It is the intent of the legislature that Harborview medical
8 center continue to be an economically viable component of the health
9 care system and that the state's financial interest in Harborview
10 medical center be recognized.

11 (4) \$3,682,000 of the general fund--state appropriation for fiscal
12 year 1996 and \$7,844,000 of the general fund--state appropriation for
13 fiscal year 1997 are provided solely to increase payment rates to
14 contracted medical services providers.

15 (5)(a) Pursuant to RCW 74.09.700, the medically needy program shall
16 be limited to include only the following groups: Those persons who,
17 except for income and resources, would be eligible for the medicaid
18 categorically needy aged, blind, or disabled programs and medically
19 needy persons under age 21 or over age 65 in institutions for mental
20 diseases or in intermediate care facilities for the mentally retarded.
21 Existing departmental rules concerning income, resources, and other
22 aspects of eligibility for the medically needy program shall continue
23 to apply to these groups. The medically needy program will not provide
24 coverage for caretaker relatives of medicaid-eligible children or for
25 adults in families with dependent children who, except for income and
26 resources, would be eligible for the medicaid categorically needy aid
27 to families with dependent children program.

28 (b) Notwithstanding (a) of this subsection, the medically needy
29 program shall provide coverage until December 31, 1995, to those
30 persons who, except for income and resources, would be eligible for the
31 medicaid aid to families with dependent children program. (~~Not more
32 than \$2,020,000 of the general fund state appropriation may be
33 expended for this purpose.~~)

34 (6) These appropriations may not be used for any purpose related to
35 a supplemental discount drug program or agreement created under WAC
36 388-91-007 and 388-91-010.

37 (7) Funding is provided in this section for the adult dental
38 program for Title XIX categorically eligible and medically needy

1 persons and to provide foot care services by podiatric physicians and
2 surgeons.

3 (8) \$160,000 of the general fund--state appropriation and \$160,000
4 of the general fund--federal appropriation are provided solely for the
5 prenatal triage clearinghouse to provide access and outreach to reduce
6 infant mortality.

7 (9) \$3,128,000 of the general fund--state appropriation is provided
8 solely for treatment of low-income kidney dialysis patients.

9 (10) Funding is provided in this section to fund payment of
10 insurance premiums for persons with human immunodeficiency virus who
11 are not eligible for medicaid.

12 (11) Not more than \$11,410,000 of the general fund--state
13 appropriation during fiscal year 1996 and \$11,410,000 of the health
14 services account appropriation during fiscal year 1997 may be expended
15 for the purposes of operating the medically indigent program (~~during~~
16 ~~fiscal year 1996~~). Funding is provided solely for emergency
17 transportation and acute emergency hospital services, including
18 emergency room physician services and related inpatient hospital
19 physician services. In any twelve-month period, funding for such
20 services is to be provided to an eligible individual for a maximum of
21 three months following a hospital admission and only after \$2,000 of
22 emergency medical expenses have been incurred (~~in any twelve-month~~
23 ~~period~~)).

24 (~~(12) ((Not more than \$10,000,000 of the health services account~~
25 ~~appropriation and \$5,674,000 of the general fund--federal appropriation~~
26 ~~may be expended for the purposes of providing reimbursement during~~
27 ~~fiscal year 1997 to those hospitals and physicians most adversely~~
28 ~~affected by the provision of uncompensated emergency room and~~
29 ~~uncompensated inpatient hospital care. The department shall develop~~
30 ~~rules stating the conditions for and rates of compensation.~~

31 ~~(13))~~ \$21,525,000 of the health services account appropriation and
32 \$21,031,000 of the general fund--federal appropriation are provided
33 solely to increase access to dental services and to increase the use of
34 preventative dental services for title XIX categorically eligible
35 children.

36 (~~(14))~~ (13) After considering administrative and cost factors,
37 the department shall adopt measures to realize savings in the purchase
38 of prescription drugs, hearing aids, home health services, wheelchairs
39 and other durable medical equipment, and disposable supplies. Such

1 measures may include, but not be limited to, point-of-sale pharmacy
2 adjudication systems, modification of reimbursement methodologies or
3 payment schedules, selective contracting, and inclusion of such
4 services in managed care rates.

5 ~~((15))~~ (14) As part of the long-term care reforms contained in
6 Engrossed Second Substitute House Bill No. 1908, after receiving acute
7 inpatient hospital care, eligible clients shall be transferred from the
8 high cost institutional setting to the least restrictive, least costly,
9 and most appropriate facility as soon as medically reasonable.
10 Physical medicine and rehabilitation services (acute rehabilitation)
11 shall take place in the least restrictive environment, at the least
12 cost and in the most appropriate facility as determined by the
13 department in coordination with appropriate health care professionals
14 and facilities. Facilities providing physical medicine and
15 rehabilitation services must meet the quality care certification
16 standards required of acute rehabilitation hospitals and rehabilitation
17 units of hospitals.

18 ~~((16))~~ (15) The department is authorized to provide no more than
19 five chiropractic service visits per person per year for those eligible
20 recipients with acute conditions.

21 (16) The department shall achieve an actual reduction in the per
22 capita rates paid to managed care plans in calendar year 1997 by taking
23 actions including but not limited to the following: (a) Selectively
24 contracting with only those managed care plans in a given geographic
25 area that offer the lowest price, while meeting specified standards of
26 service quality and network adequacy; (b) revising program procedures,
27 through a federal waiver if necessary, so that recipients are required
28 to enroll in only one managed care plan during a contract period,
29 except for documented good cause; and (c) disproportionately assigning
30 recipients who do not designate a plan preference to plans offering
31 more competitive rates.

32 (17) By July 1, 1996, the department shall report to the committees
33 on health care and appropriations of the house of representatives, and
34 to the committees on health and long-term care and ways and means of
35 the senate, on the projected costs and benefits of (a) alternative
36 point-of-service copay requirements for recipients with incomes at
37 various percentages of the federal poverty level; and (b) alternative
38 premium-sharing requirements for recipients with incomes at or above
39 100 percent of the federal poverty level.

1 (18) \$4,600,000 of the general fund--state appropriation is
 2 provided solely to compensate designated trauma centers for trauma
 3 services provided to medically indigent and general assistance clients
 4 who have an index of severity score of 16 or higher. Such compensation
 5 is to be provided (a) through reimbursement at the medicaid rate; or
 6 (b) through a direct payment to governmental hospitals. To be eligible
 7 for this higher compensation, the trauma center must (i) be designated
 8 a Level I through V trauma center by the department of health; (ii)
 9 provide complete trauma care data to the trauma care registry in
 10 accordance with WAC 246-976-430; (iii) establish an internal quality
 11 assurance trauma program that complies with WAC 246-976-880; and (iv)
 12 encourage and assist medically indigent and charity care patients to
 13 enroll in the basic health plan.

14 **Sec. 210.** 1995 2nd sp.s. c 18 s 211 (uncodified) is amended to
 15 read as follows:

16 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
 17 **SUPPORTING SERVICES PROGRAM**

18	General Fund--State Appropriation (FY 1996) . . . \$	25,933,000
19	General Fund--State Appropriation (FY 1997) . . . \$	25,934,000
20	General Fund--Federal Appropriation \$	41,503,000
21	General Fund--Private/Local Appropriation \$	270,000
22	TOTAL APPROPRIATION \$	93,640,000

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

25 (1) The secretary of social and health services and the director of
 26 labor and industries shall report to the appropriate fiscal and policy
 27 committees of the legislature by July 1, 1995, and every six months
 28 thereafter, on the measurable changes in employee injury and time-loss
 29 rates that have occurred in the state developmental disabilities,
 30 juvenile rehabilitation, and mental health institutions as a result of
 31 the upfront loss-control discount agreement between the agencies.

32 (2) \$500,000 of the general fund--state appropriation and \$300,000
 33 of the general fund--federal appropriation are provided solely to
 34 implement Engrossed Substitute House Bill No. 1010 (regulatory reform).
 35 The department may transfer all or a portion of these amounts to the
 36 appropriate divisions of the department for this purpose. If Engrossed

1 Substitute House Bill No. 1010 (regulatory reform) is not enacted by
2 June 30, 1995, the amounts provided in this subsection shall lapse.

3 (3) By December 1, 1996, the department of personnel and the
4 department of social and health services shall jointly report to the
5 legislature on strategies for increasing, within existing funds,
6 supported employment opportunities in state government for persons with
7 developmental and other substantial and chronic disabilities. In
8 developing the report, the departments shall consult with employee
9 representatives, organizations involved in job training and placement
10 for persons with severe disabilities, and other state and local
11 governments that have successfully offered supported employment
12 opportunities for their citizens with disabilities.

13 **Sec. 211.** 1995 2nd sp.s. c 18 s 212 (uncodified) is amended to
14 read as follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILD SUPPORT PROGRAM**

16 General Fund--State Appropriation (FY 1996) . . . \$	((18,058,000))
	<u>19,019,000</u>
18 General Fund--State Appropriation (FY 1997) . . . \$	((18,169,000))
	<u>18,820,000</u>
20 General Fund--Federal Appropriation \$	((135,488,000))
	<u>139,220,000</u>
22 General Fund--Local Appropriation \$	((33,232,000))
	<u>32,289,000</u>
24 TOTAL APPROPRIATION \$	((204,947,000))
	<u>209,348,000</u>

25

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

28 (1) The department shall contract with private collection agencies
29 to pursue collection of AFDC child support arrearages in cases that
30 might otherwise consume a disproportionate share of the department's
31 collection efforts. The department's child support collection staff
32 shall determine which cases are appropriate for referral to private
33 collection agencies. In determining appropriate contract provisions,
34 the department shall consult with other states that have successfully
35 contracted with private collection agencies to the extent allowed by
36 federal support enforcement regulations.

1 (2) The department shall request a waiver from federal support
2 enforcement regulations to replace the current program audit criteria,
3 which is process-based, with performance measures based on program
4 outcomes.

5 (3) The amounts appropriated in this section for child support
6 legal services shall only be expended by means of contracts with local
7 prosecutor's offices.

8 **Sec. 212.** 1995 2nd sp.s. c 18 s 215 (uncodified) is amended to
9 read as follows:

10 **FOR THE STATE HEALTH CARE AUTHORITY**

11	General Fund--State Appropriation (FY 1996) . . . \$	((3,403,000))
12		<u>3,403,000</u>
13	General Fund--State Appropriation (FY 1997) . . . \$	3,403,000
14	State Health Care Authority Administrative	
15	Account Appropriation \$	15,744,000
16	Health Services Account Appropriation \$	((249,642,000))
17		<u>247,010,000</u>
18	TOTAL APPROPRIATION \$	((272,192,000))
19		<u>269,560,000</u>

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

22 (1) \$6,806,000 of the general fund appropriation and \$5,590,000 of
23 the health services account appropriation are provided solely for
24 health care services provided through local community clinics.

25 (2) \$((1,268,000)) 1,189,000 of the health care authority
26 administrative fund appropriation is provided to accommodate additional
27 enrollment from school districts that voluntarily choose to purchase
28 employee benefits through public employee benefits board programs. The
29 office of financial management is directed to monitor K-12 enrollment
30 in PEBB plans and to reduce allotments proportionally if the number of
31 K-12 active employees enrolled after January 1995 is less than 11,837.

32 (3) By November 1, 1996, the health care authority shall report to
33 the health care and fiscal committees of the legislature on potential
34 program adjustments to the basic health plan to achieve reductions in
35 anticipated health services account expenditures. Options addressed in
36 the report shall include, but not be limited to: (a) Reductions in the
37 maximum income eligibility level; (b) changes in the premium subsidy

1 schedule; (c) increasing required copayments; and (d) reducing the
2 number of contracting health plans. For each option, the report shall
3 describe anticipated 1997-99 savings from the proposed change, and the
4 potential impact on health insurance access and health status.

5 (4) The state health care authority administrative account
6 appropriation includes sufficient funds to study options for expanding
7 state and school district retiree access to health benefits purchased
8 through the health care authority and the fiscal impacts of each
9 option. The health care authority shall conduct this study in
10 conjunction with the state actuary, the office of financial management,
11 and the fiscal committees of the legislature.

12 (5) \$79,000 of the state health care authority administrative
13 account appropriation is provided to implement Substitute House Bill
14 No. 2186 (public employees long-term care).

15 (6) By November 1, 1996, the department of social and health
16 services and the health care authority shall report to the appropriate
17 committees of the legislature on (a) the extent, if any, to which
18 previously appropriated general fund--state and matching general fund--
19 federal funds are insufficient to provide basic health plan enrollment
20 coverage for homecare workers at or above 200 percent of the federal
21 poverty level; and (b) recommended procedural and, if necessary,
22 statutory changes needed to minimize the administrative costs and
23 complexity of basic health plan enrollment by employer groups.

24 (7) \$919,000 of the health services account appropriation is
25 provided for enhanced basic health plan subsidies for foster parents
26 licensed under chapter 74.15 RCW. Under this enhanced subsidy option,
27 foster parents with family incomes below 200 percent of the federal
28 poverty level shall be allowed to enroll in the basic health plan at a
29 cost of \$10 per month per parent. The health care authority shall
30 endeavor to provide this enhanced subsidy to a monthly average of 1,000
31 foster parents during state fiscal year 1997, and no more than 2,000
32 shall be enrolled by the end of the 1995-97 biennium.

33 ***Sec. 213.** 1995 2nd sp.s. c 18 s 216 (uncodified) is amended to
34 read as follows:

35 **FOR THE HUMAN RIGHTS COMMISSION**

36	General Fund--State Appropriation (FY 1996) . . . \$	1,905,000
37	General Fund--State Appropriation (FY 1997) . . . \$	((1,912,000))
38		<u>2,012,000</u>

1	General Fund--Federal Appropriation	\$	1,344,000
2	General Fund--Private/Local Appropriation	\$	402,000
3	TOTAL APPROPRIATION	\$	((5,563,000))
4			<u>5,663,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations: \$100,000 of the general fund--state
7 appropriation is provided solely to implement House Bill No. 2932
8 (discrimination dispute resolution). If the bill is not enacted by
9 June 30, 1996, this amount shall lapse.

10 *Sec. 213 was partially vetoed. See message at end of chapter.

11 **Sec. 214.** 1995 2nd sp.s. c 18 s 218 (uncodified) is amended to
12 read as follows:

13 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

14	Death Investigations Account Appropriation	\$	38,000
15	Public Safety and Education Account		
16	Appropriation	\$	((10,654,000))
17			<u>11,036,000</u>
18	Violence Reduction and Drug Enforcement Account		
19	Appropriation	\$	344,000
20	TOTAL APPROPRIATION	\$	((11,036,000))
21			<u>11,418,000</u>

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

24 (1) \$28,000 of the public safety and education account is provided
25 solely to implement Engrossed Second Substitute Senate Bill No. 5219
26 (domestic violence). If the bill is not enacted by June 30, 1995, the
27 amount provided in this subsection shall lapse.

28 (2) \$45,000 of the public safety and education account
29 appropriation is provided solely for the implementation of Second
30 Substitute House Bill No. 2323 (law enforcement training). If the bill
31 is not enacted by June 30, 1996, the amount provided in this subsection
32 shall lapse.

33 (3) \$27,000 of the public safety and education account
34 appropriation is provided solely for the implementation of the
35 reporting requirements contained in section 6 of House Bill No. 2472.

1 If the bill is not enacted by June 30, 1996, the amount provided in
2 this subsection shall lapse.

3 **Sec. 215.** 1995 2nd sp.s. c 18 s 219 (uncodified) is amended to
4 read as follows:

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

6	General Fund Appropriation (FY 1996)	\$	5,270,000
7	General Fund Appropriation (FY 1997)	\$	((5,311,000))
8			<u>5,711,000</u>
9	Public Safety and Education Account--State		
10	Appropriation	\$	((19,547,000))
11			<u>19,990,000</u>
12	Public Safety and Education Account--Federal		
13	Appropriation	\$	6,002,000
14	Public Safety and Education Account--Private/Local		
15	Appropriation	\$	972,000
16	Electrical License Account Appropriation	\$	((19,321,000))
17			<u>20,125,000</u>
18	Farm Labor Revolving Account--Private/Local		
19	Appropriation	\$	28,000
20	Worker and Community Right-to-Know Account		
21	Appropriation	\$	2,138,000
22	Public Works Administration Account		
23	Appropriation	\$	1,928,000
24	Accident Account--State Appropriation	\$	((137,909,000))
25			<u>139,991,000</u>
26	Accident Account--Federal Appropriation	\$	9,112,000
27	Medical Aid Account--State Appropriation	\$	((148,204,000))
28			<u>150,284,000</u>
29	Medical Aid Account--Federal Appropriation	\$	1,592,000
30	Plumbing Certificate Account Appropriation	\$	682,000
31	Pressure Systems Safety Account Appropriation	\$	2,053,000
32	TOTAL APPROPRIATION	\$	((360,069,000))
33			<u>365,878,000</u>

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

36 (1) Expenditures of funds appropriated in this section for the
37 information systems projects identified in agency budget requests as

1 "crime victims--prime migration" and "document imaging--field offices"
2 are conditioned upon compliance with section 902 of this act. In
3 addition, funds for the "document imaging--field offices" project shall
4 not be released until the required components of a feasibility study
5 are completed and approved by the department of information services.

6 (2) Pursuant to RCW 7.68.015, the department shall operate the
7 crime victims compensation program within the public safety and
8 education account funds appropriated in this section. In the event
9 that cost containment measures are necessary, the department may (a)
10 Institute copayments for services; (b) develop preferred provider and
11 managed care contracts; and (c) coordinate with the department of
12 social and health services to use public safety and education account
13 funds as matching funds for federal Title XIX reimbursement, to the
14 extent this maximizes total funds available for services to crime
15 victims.

16 (3) \$108,000 of the general fund appropriation is provided solely
17 for an interagency agreement to reimburse the board of industrial
18 insurance appeals for crime victims appeals.

19 (4) The secretary of social and health services and the director of
20 labor and industries shall report to the appropriate fiscal and policy
21 committees of the legislature by July 1, 1995, and every six months
22 thereafter, on the measurable changes in employee injury and time-loss
23 rates that have occurred in the state developmental disabilities,
24 juvenile rehabilitation, and mental health institutions as a result of
25 the upfront loss-control discount agreement between the agencies.

26 ~~((b))~~ (5) The appropriations in this section may not be used to
27 implement or enforce rules that the joint administrative rules review
28 committee finds are not within the intent of the legislature as
29 expressed by the statute that the rule implements.

30 ~~((7))~~ (6) \$450,000 of the accident account--state appropriation
31 and \$450,000 of the medical aid account--state appropriation are
32 provided solely to implement an on-line claims data access system that
33 will include all employers in the retrospective rating plan program.

34 ~~((8))~~ (7) Within the appropriations provided in this section, the
35 department shall implement an integrated state-wide on-line
36 verification system for pharmacy providers. The system shall be
37 implemented by means of contracts that are competitively bid. Until
38 this system is implemented, no department rules may take effect that

1 reduce the dispensing fee for industrial insurance pharmacy services in
2 effect on January 1, 1995.

3 (8) \$4,000 of the accident account--state appropriation and \$4,000
4 of the medical aid--state appropriation is provided solely for the
5 implementation of Senate Bill No. 6223 or House Bill No. 2498
6 (construction trade procedures). If neither bill is enacted by June
7 30, 1996, these amounts shall lapse.

8 (9) \$38,000 of the accident account--state appropriation and
9 \$37,000 of the medical aid--state appropriation is provided solely for
10 the implementation of Senate Bill No. 6225 or House Bill No. 2499
11 (employer assessments). If neither bill is enacted by June 30, 1996,
12 these amounts shall lapse.

13 (10) \$7,000 of the accident account--state appropriation and \$6,000
14 of the medical aid--state appropriation is provided solely for the
15 implementation of Senate Bill No. 6224 or House Bill No. 2496
16 (disability pilot project). If neither bill is enacted by June 30,
17 1996, these amounts shall lapse.

18 (11) \$443,000 of the public safety and education account
19 appropriation is provided solely for the implementation of Substitute
20 House Bill No. 2358 (crime victim and witness programs). If the bill
21 is not enacted by June 30, 1996, the amount provided in this subsection
22 shall lapse.

23 (12) \$121,000 of the accident account--state appropriation and
24 \$121,000 of the medical aid account--state appropriation are provided
25 solely for the implementation of House Bill No. 2322 (family farm
26 exemptions). If the bill is not enacted by June 30, 1996, the amounts
27 provided in this subsection shall lapse.

28 (13) \$271,000 of the accident account--state appropriation and
29 \$271,000 of the medical aid account--state appropriation are provided
30 solely for the implementation of Second Substitute Senate Bill No. 5516
31 (drug free workplaces). If the bill is not enacted by June 30, 1996,
32 the amounts provided in this subsection shall lapse.

33 **Sec. 216.** 1995 2nd sp.s. c 18 s 221 (uncodified) is amended to
34 read as follows:

35 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

36 (1) HEADQUARTERS

37 General Fund Appropriation (FY 1996)	. . . . . \$	1,227,000
38 General Fund Appropriation (FY 1997)	. . . . . \$	1,226,000

1	Industrial Insurance Refund Account	
2	Appropriation	\$ 25,000
3	Charitable, Educational, Penal, and Reformatory	
4	Institutions Account Appropriation	\$ 4,000
5	TOTAL APPROPRIATION	\$ 2,482,000
6	(2) FIELD SERVICES	
7	General Fund--State Appropriation (FY 1996)	\$ 1,853,000
8	General Fund--State Appropriation (FY 1997)	\$ ((1,852,000))
9		<u>2,257,000</u>
10	General Fund--Federal Appropriation	\$ ((736,000))
11		<u>381,000</u>
12	General Fund--Private/Local Appropriation	\$ 85,000
13	TOTAL APPROPRIATION	\$ ((4,526,000))
14		<u>4,576,000</u>
15	(3) VETERANS HOME	
16	General Fund--State Appropriation (FY 1996)	\$ ((4,127,000))
17		<u>3,893,000</u>
18	General Fund--State Appropriation (FY 1997)	\$ ((3,984,000))
19		<u>3,788,000</u>
20	General Fund--Federal Appropriation	\$ ((10,703,000))
21		<u>11,470,000</u>
22	General Fund--Private/Local Appropriation	\$ ((7,527,000))
23		<u>7,392,000</u>
24	TOTAL APPROPRIATION	\$ ((26,341,000))
25		<u>26,543,000</u>
26	(4) SOLDIERS HOME	
27	General Fund--State Appropriation (FY 1996)	\$ ((3,135,000))
28		<u>2,927,000</u>
29	General Fund--State Appropriation (FY 1997)	\$ ((3,049,000))
30		<u>2,825,000</u>
31	General Fund--Federal Appropriation	\$ ((6,158,000))
32		<u>5,975,000</u>
33	General Fund--Private/Local Appropriation	\$ ((4,667,000))
34		<u>5,312,000</u>
35	TOTAL APPROPRIATION	\$ ((17,009,000))
36		<u>17,039,000</u>

37 *Sec. 217. 1995 2nd sp.s. c 18 s 222 (uncodified) is amended to
38 read as follows:

1 **FOR THE DEPARTMENT OF HEALTH**

2	General Fund--State Appropriation (FY 1996) . . . \$	((44,314,000))
3		<u>44,328,000</u>
4	General Fund--State Appropriation (FY 1997) . . . \$	((44,313,000))
5		<u>44,639,000</u>
6	General Fund--Federal Appropriation \$	((233,122,000))
7		<u>234,275,000</u>
8	General Fund--Private/Local Appropriation \$	((25,476,000))
9		<u>25,476,000</u>
10	Hospital Commission Account Appropriation \$	3,019,000
11	Medical Disciplinary Account Appropriation . . . \$	1,798,000
12	Health Professions Account Appropriation \$	((32,592,000))
13		<u>32,964,000</u>
14	<u>Industrial Insurance Account Appropriation</u> . . . \$	<u>62,000</u>
15	Safe Drinking Water Account Appropriation \$	2,751,000
16	Public Health Services Account Appropriation . . \$	23,753,000
17	Waterworks Operator Certification	
18	Appropriation \$	605,000
19	Water Quality Account Appropriation \$	3,079,000
20	State Toxics Control Account Appropriation . . . \$	2,824,000
21	Violence Reduction and Drug Enforcement Account	
22	Appropriation \$	469,000
23	Medical Test Site Licensure Account	
24	Appropriation \$	1,822,000
25	Youth Tobacco Prevention Account Appropriation . \$	1,412,000
26	Health Services Account Appropriation \$	((16,516,000))
27		<u>19,081,000</u>
28	State and Local Improvements Revolving	
29	Account--Water Supply Facilities	
30	Appropriation \$	40,000
31	TOTAL APPROPRIATION \$	((437,905,000))
32		<u>442,397,000</u>

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

35 (1) \$2,466,000 of the general fund--state appropriation is provided
36 for the implementation of the Puget Sound water quality management
37 plan.

1 (2) \$10,000,000 of the public health services account appropriation
2 is provided solely for distribution to local health departments for
3 distribution on a per capita basis. Prior to distributing these funds,
4 the department shall adopt rules and procedures to ensure that these
5 funds are not used to replace current local support for public health
6 programs.

7 (3) \$4,750,000 of the public health account appropriation is
8 provided solely for distribution to local health departments for
9 capacity building and community assessment and mobilization.

10 (4) \$2,000,000 of the health services account appropriation is
11 provided solely for public health information systems development.
12 Authority to expend this amount is conditioned on compliance with
13 section 902 of this act.

14 (5) \$1,000,000 of the health services account appropriation is
15 provided solely for state level capacity building.

16 (6) \$1,000,000 of the health services account appropriation is
17 provided solely for training of public health professionals.

18 (7) \$200,000 of the health services account appropriation is
19 provided solely for the American Indian health plan.

20 (8) \$1,640,000 of the health services account appropriation is
21 provided solely for health care quality assurance and health care data
22 standards activities as required by Engrossed Substitute House Bill No.
23 1589 (health care quality assurance).

24 (9) \$1,000,000 of the health services account appropriation is
25 provided solely for development of a youth suicide prevention program
26 at the state level, including a state-wide public educational campaign
27 to increase knowledge of suicide risk and ability to respond and
28 provision of twenty-four hour crisis hotlines, staffed to provide
29 suicidal youth and caregivers a source of instant help.

30 (10) The department of health shall not initiate any services that
31 will require expenditure of state general fund moneys unless expressly
32 authorized in this act or other law. The department may seek, receive,
33 and spend, under RCW 43.79.260 through 43.79.282, federal moneys not
34 anticipated in this act as long as the federal funding does not require
35 expenditure of state moneys for the program in excess of amounts
36 anticipated in this act. If the department receives unanticipated
37 unrestricted federal moneys, those moneys shall be spent for services
38 authorized in this act or in any other legislation that provides
39 appropriation authority, and an equal amount of appropriated state

1 moneys shall lapse. Upon the lapsing of any moneys under this
2 subsection, the office of financial management shall notify the
3 legislative fiscal committees. As used in this subsection,
4 "unrestricted federal moneys" includes block grants and other funds
5 that federal law does not require to be spent on specifically defined
6 projects or matched on a formula basis by state funds.

7 (11) \$981,000 of the general fund--state appropriation and
8 ~~\$(3,873,000)~~ 469,000 of the general fund--private/local appropriation
9 are provided solely for implementing Engrossed Substitute House Bill
10 No. 1010 (regulatory reform). If the bill is not enacted by June 30,
11 1995, the amounts provided in this subsection shall lapse.

12 (12) The department is authorized to raise existing fees for
13 nursing assistants and hypnotherapists in excess of the fiscal growth
14 factor established by Initiative 601, if necessary, in order to meet
15 the actual costs of investigative and legal services due to
16 disciplinary activities.

17 (13) \$750,000 of the general fund--federal appropriation is
18 provided solely for one-time costs for a health clinic for immigrants
19 to be managed by a local public health entity.

20 (14) \$70,000 of the general fund--state appropriation is provided
21 solely for implementing Engrossed Substitute House Bill No. 1908
22 (chapter 18, Laws of 1995 1st sp. sess., long-term care reform).

23 (15) \$210,000 of the general fund--state appropriation is provided
24 solely for stabilizing the four existing child profile counties. The
25 department is directed to develop a plan analyzing the progress of
26 existing child profile immunization tracking systems in the state. The
27 department shall make recommendations for expanding child profile
28 systems to other areas of the state. The plan for expansion must take
29 into account the current immunization rate for children between the
30 ages of birth and two years, goals set by the local health departments
31 in conjunction with their own public health improvement plan work
32 plans, and estimated population growth. The secretary shall submit
33 recommendations to the appropriate standing committees of the senate
34 and the house of representatives on the proposed timeline for expansion
35 of child profile systems, with a goal of state-wide coverage by July 1,
36 1997.

37 (16) \$195,000 of the general fund appropriation is provided solely
38 for the cost of laboratory testing of shellfish for domoic acid.

1 (17)(a) Within available resources, the department of health may
2 use any of the following strategies for raising public awareness on the
3 causes and nature of osteoporosis, personal risk factors, value of
4 prevention and early detection, and options for diagnosing and treating
5 the disease:

6 (i) An outreach campaign utilizing print, radio, and television
7 public service announcements, advertisements, posters, and other
8 materials;

9 (ii) Community forums;

10 (iii) Health information and risk factor assessment at public
11 events;

12 (iv) Targeting at-risk populations;

13 (v) Providing reliable information to policy makers;

14 (vi) Distributing information through county health departments,
15 schools, area agencies on aging, employer wellness programs,
16 physicians, hospitals and health maintenance organizations, women's
17 groups, nonprofit organizations, community-based organizations, and
18 departmental regional offices.

19 (b) The secretary of health may accept grants, services, and
20 property from the federal government, foundations, organizations,
21 medical schools, and other entities as may be available for the
22 purposes of fulfilling the obligations of this program.

23 (18) \$8,000 of the general fund--state appropriation is provided
24 for a study to be completed by the board of health on the current and
25 potential use of telemedicine in the state, including recommended
26 changes in rules and statutes. The study shall be completed by
27 November 1, 1997, and a report submitted to the appropriate committees
28 of the legislature.

29 ***Sec. 217 was partially vetoed. See message at end of chapter.**

30 ***Sec. 218.** 1995 2nd sp.s. c 18 s 223 (uncodified) is amended to
31 read as follows:

32 **FOR THE DEPARTMENT OF CORRECTIONS**

33 The appropriations in this section shall be expended for the
34 programs and in the amounts listed. However, after May 1, 1996, unless
35 specifically prohibited by this act, the department may transfer
36 general fund--state appropriations for fiscal year 1996 among programs
37 after approval by the director of financial management. The director
38 of financial management shall notify the appropriate fiscal committees

1 of the senate and house of representatives in writing prior to
2 approving any deviations.

3 (1) ADMINISTRATION AND PROGRAM SUPPORT

4	General Fund Appropriation (FY 1996)	\$	((12,269,000))
5			<u>12,255,000</u>
6	General Fund Appropriation (FY 1997)	\$	((12,047,000))
7			<u>12,171,000</u>
8	<u>Industrial Insurance Premium Refund Account</u>		
9	<u>Appropriation</u>	\$	631,000
10	TOTAL APPROPRIATION	\$	((24,316,000))
11			<u>25,057,000</u>

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

14 (a) (~~(\$211,000 of the general fund appropriation is provided solely~~
15 ~~to implement Second Substitute Senate Bill No. 5088 (sexually violent~~
16 ~~predators). If the bill is not enacted by June 30, 1995, the amount~~
17 ~~provided in this subsection (a) shall lapse.~~

18 (b)) The department may expend funds generated by contractual
19 agreements entered into for mitigation of severe overcrowding in local
20 jails. If any funds are generated in excess of actual costs, they
21 shall be deposited in the state general fund. Expenditures shall not
22 exceed revenue generated by such agreements and shall be treated as
23 recovery of costs.

24 ((+e)) (b) The department of corrections shall accomplish
25 personnel reductions with the least possible impact on correctional
26 custody staff, community custody staff, and correctional industries.
27 For the purposes of this subsection, correctional custody staff means
28 employees responsible for the direct supervision of offenders.

29 ((+d)) (c) Appropriations in this section provide sufficient funds
30 to implement the provisions of Second Engrossed Second Substitute House
31 Bill 2010 (corrections cost-efficiency and inmate responsibility
32 omnibus act).

33 ((+e)) (d) In treating sex offenders at the Twin Rivers
34 corrections center, the department of corrections shall prioritize
35 treatment services to reduce recidivism and shall develop and implement
36 an evaluation tool that: (i) States the purpose of the treatment; (ii)
37 measures the amount of treatment provided; (iii) identifies the measure

1 of success; and (iv) determines the level of successful and
2 unsuccessful outcomes. The department shall report to the legislature
3 by December 1, 1995, on how treatment services were prioritized among
4 categories of offenses and provide a description of the evaluation tool
5 and its incorporation into the treatment program.

6 (e) \$121,000 of the general fund--state fiscal year 1997
7 appropriation is provided solely for the department to develop and
8 implement a centralized educational data base (education automation
9 project), pursuant to chapter 19, Laws of 1995 1st sp. sess.

10 (f) \$78,000 of the general fund--state fiscal year 1997
11 appropriation is provided solely for the implementation of Substitute
12 Senate Bill No. 6274 (supervision of sex offenders). If the bill is
13 not enacted by June 30, 1996, the amount provided in this subsection
14 shall lapse.

15 (2) INSTITUTIONAL SERVICES

16	General Fund--State Appropriation (FY 1996) . . . \$	((265,008,000))
17		<u>262,352,000</u>
18	General Fund--State Appropriation (FY 1997) . . . \$	((270,221,000))
19		<u>270,160,000</u>
20	General Fund--Federal Appropriation \$	((2,000,000))
21		<u>2,153,000</u>
22	Violence Reduction and Drug Enforcement Account	
23	Appropriation \$	1,214,000
24	TOTAL APPROPRIATION \$	((538,443,000))
25		<u>535,879,000</u>

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

28 (a) \$196,000 of the general fund--state fiscal year 1997
29 appropriation is provided solely for costs associated with data entry
30 activities related to the department's efforts at managing health care
31 costs, pursuant to chapter 19, Laws of 1995 1st sp. sess. and chapter
32 6, Laws of 1994 sp. sess.

33 (b) \$17,000 of the general fund--state appropriation is provided
34 solely to implement Substitute House Bill No. 2711 (illegal alien
35 offender camps). If the bill is not enacted by June 30, 1996, the
36 amount provided in this subsection shall lapse.

37 (c) Within the amounts appropriated in this subsection, the
38 department shall fund the "Life Skills" program at the Washington

1 correctional center for women in fiscal year 1997 at a level equal to
2 or greater than that funded in fiscal year 1995.

3 (3) COMMUNITY CORRECTIONS

4	General Fund Appropriation (FY 1996)	. . . . . \$	((80,068,000))
5			<u>78,843,000</u>
6	General Fund Appropriation (FY 1997)	. . . . . \$	((81,226,000))
7			<u>80,290,000</u>
8	Violence Reduction and Drug Enforcement Account		
9	Appropriation	\$	400,000
10	TOTAL APPROPRIATION	\$	((161,694,000))
11			<u>159,533,000</u>

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

14 (a) \$72,000 of the general fund--state fiscal year 1997
15 appropriation is provided solely for the implementation of Substitute
16 House Bill No. 2533 (supervision of misdemeanants). If the bill is not
17 enacted by June 30, 1996, the amount shall lapse.

18 (b) \$38,000 of the general fund--state fiscal year 1997
19 appropriation is provided solely for the implementation of Substitute
20 Senate Bill No. 6274 (supervision of sex offenders). If the bill is
21 not enacted by June 30, 1996, the amount provided in this subsection
22 shall lapse.

23 (4) CORRECTIONAL INDUSTRIES

24	General Fund Appropriation (FY 1996)	. . . . . \$	3,330,000
25	General Fund Appropriation (FY 1997)	. . . . . \$	((3,503,000))
26			<u>3,603,000</u>
27	TOTAL APPROPRIATION	\$	((6,833,000))
28			<u>6,933,000</u>

29 The appropriations in this subsection are subject to the following
30 conditions and limitations: \$100,000 of the general fund fiscal year
31 1997 appropriation is provided solely for transfer to the jail
32 industries board. The board shall use the amount specified in this
33 subsection only for administrative expenses, equipment purchases, and
34 technical assistance associated with advising cities and counties in
35 developing, promoting, and implementing consistent, safe, and efficient
36 offender work programs.

37 (5) INTERAGENCY PAYMENTS

38	General Fund Appropriation (FY 1996) \$	6,223,000
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1 General Fund Appropriation (FY 1997) \$ 6,223,000
 2 TOTAL APPROPRIATION \$ 12,446,000
 3 *Sec. 218 was partially vetoed. See message at end of chapter.

4 **Sec. 219.** 1995 2nd sp.s. c 18 s 225 (uncodified) is amended to
 5 read as follows:

6 **FOR THE SENTENCING GUIDELINES COMMISSION**

7 General Fund Appropriation (FY 1996) \$ 517,000
 8 General Fund Appropriation (FY 1997) \$ ((469,000))
 9 745,000
 10 TOTAL APPROPRIATION \$ ((986,000))
 11 1,262,000

12 The appropriations in this section are subject to the following
 13 conditions and limitations: \$276,000 of the total general fund
 14 appropriation is provided solely for the implementation of Senate Bill
 15 No. 6253 (revising duties of sentencing guidelines commission). If
 16 this bill is not enacted by June 30, 1996, this amount shall lapse.

17 **Sec. 220.** 1995 2nd sp.s. c 18 s 226 (uncodified) is amended to
 18 read as follows:

19 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

20 General Fund--State Appropriation (FY 1996) . . . \$ ((334,000))
 21 834,000
 22 General Fund--State Appropriation (FY 1997) . . . \$ ((334,000))
 23 5,279,000
 24 General Fund--Federal Appropriation \$ 190,936,000
 25 General Fund--Private/Local Appropriation \$ 21,965,000
 26 Unemployment Compensation Administration
 27 Account--Federal Appropriation \$ ((177,891,000))
 28 177,891,000
 29 Administrative Contingency Account--((Federal))
 30 State Appropriation \$ ((8,146,000))
 31 8,735,000
 32 Employment Services Administrative Account--
 33 ((Federal)) State Appropriation \$ 12,294,000
 34 Employment and Training Trust Account
 35 Appropriation \$ 9,294,000
 36 TOTAL APPROPRIATION \$ ((421,194,000))

1

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

4 (1) The employment security department shall spend no more than
5 \$25,049,511 of the unemployment compensation administration account--
6 federal appropriation for the general unemployment insurance
7 development effort (GUIDE) project. Authority to expend this amount is
8 conditioned on compliance with section 902 of this act.

9 (2) The employment and training trust account appropriation shall
10 not be expended until a plan for such expenditure is reviewed and
11 approved by the workforce training and education coordinating board for
12 consistency with chapter 226, Laws of 1993 (employment and training for
13 unemployed workers), and the comprehensive plan for workforce training
14 provided in RCW 28C.18.060(4).

15 (3) \$95,000 of the employment services administrative account--
16 federal appropriation is provided solely for a study of the financing
17 provisions of the state's unemployment insurance law pursuant to
18 Engrossed Senate Bill No. 5925.

19 (4) \$500,000 of the general fund--state fiscal year 1996
20 appropriation and \$4,945,000 of the general fund--state fiscal year
21 1997 appropriation are provided solely for the department to administer
22 a comprehensive set of summer employment and training programs to
23 disadvantaged youth. In administering this program, the department
24 shall adhere to the following guidelines: (a) Coordinate with the work
25 force training and education board and the service delivery areas in
26 program development and implementation; (b) maximize employment and
27 training opportunities for youth, while at the same time minimize state
28 fiscal resources required; (c) adhere to the state's comprehensive plan
29 for work force training; (d) support the state's one-stop approach to
30 service delivery; (e) maintain low administrative overhead; (f) support
31 the school-to-work transition system; and (g) submit an evaluation of
32 the program by February 1, 1997. The evaluation shall identify: (i)
33 The number of participants in the program by service delivery area;
34 (ii) demographic information on the participants; (iii) the benefits to
35 clients participating in employment and training programs; and (iv)
36 recommendations on the merits of continuing the program.

37

(End of part)

PART III
NATURAL RESOURCES

*Sec. 301. 1995 2nd sp.s. c 18 s 303 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

6	General Fund--State Appropriation (FY 1996) . . . \$	((22,125,000))
7		<u>22,289,000</u>
8	General Fund--State Appropriation (FY 1997) . . . \$	((20,639,000))
9		<u>21,409,000</u>
10	General Fund--Federal Appropriation \$	((42,131,000))
11		<u>41,534,000</u>
12	General Fund--Private/Local Appropriation \$	1,385,000
13	Special Grass Seed Burning Research Account	
14	Appropriation \$	42,000
15	Reclamation Revolving Account Appropriation . . . \$	2,664,000
16	Flood Control Assistance Account Appropriation . \$	((4,000,000))
17		<u>10,031,000</u>
18	State Emergency Water Projects Revolving Account	
19	Appropriation \$	312,000
20	<u>Industrial Insurance Premium Refund Account</u>	
21	<u>Appropriation</u> \$	<u>189,000</u>
22	Waste Reduction, Recycling, and Litter Control	
23	Account Appropriation \$	((5,461,000))
24		<u>5,561,000</u>
25	State and Local Improvements Revolving Account--	
26	Waste Disposal Appropriation \$	1,000,000
27	State and Local Improvements Revolving Account--	
28	Water Supply Facilities Appropriation \$	1,344,000
29	Basic Data Account Appropriation \$	182,000
30	Vehicle Tire Recycling Account Appropriation . . \$	((3,283,000))
31		<u>5,759,000</u>
32	Water Quality Account Appropriation \$	((3,420,000))
33		<u>3,583,000</u>
34	Worker and Community Right to Know Account	
35	Appropriation \$	408,000
36	State Toxics Control Account Appropriation . . . \$	((49,924,000))

1		<u>50,024,000</u>
2	Local Toxics Control Account Appropriation . . . \$	((3,342,000))
3		<u>3,842,000</u>
4	Water Quality Permit Account Appropriation . . . \$	19,600,000
5	Underground Storage Tank Account	
6	Appropriation \$	2,336,000
7	Solid Waste Management Account Appropriation . . \$	3,631,000
8	Hazardous Waste Assistance Account	
9	Appropriation \$	3,476,000
10	Air Pollution Control Account Appropriation . . . \$	((13,458,000))
11		<u>16,221,000</u>
12	Oil Spill Administration Account Appropriation . \$	2,939,000
13	Water Right Permit Processing Account	
14	Appropriation \$	((500,000))
15		<u>750,000</u>
16	Wood Stove Education Account Appropriation . . . \$	1,251,000
17	Air Operating Permit Account Appropriation . . . \$	4,548,000
18	Freshwater Aquatic Weeds Account Appropriation . \$	((1,187,000))
19		<u>2,047,000</u>
20	Oil Spill Response Account Appropriation \$	7,060,000
21	Metals Mining Account Appropriation \$	300,000
22	Water Pollution Control Revolving Account--State	
23	Appropriation \$	165,000
24	Water Pollution Control Revolving Account--Federal	
25	Appropriation \$	((1,019,000))
26		<u>1,419,000</u>
27	TOTAL APPROPRIATION \$	((223,132,000))
28		<u>237,301,000</u>

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

31 (1) \$((~~6,324,000~~)) 5,933,000 of the general fund--state
32 appropriation is provided solely for the implementation of the Puget
33 Sound water quality management plan. In addition, \$394,000 of the
34 general fund--federal appropriation, \$819,000 of the state toxics
35 control account appropriation, \$3,591,000 of the water quality permit
36 fee account appropriation, ((~~\$883,000~~ of the water quality account
37 appropriation,)) and \$2,715,000 of the oil spill administration account

1 appropriation may be used for the implementation of the Puget Sound
2 water quality management plan.

3 ~~((+3))~~ (2) \$150,000 of the state toxics control account
4 appropriation and \$150,000 of the local toxics control account
5 appropriation are provided solely for implementing Engrossed Substitute
6 House Bill No. 1810 (hazardous substance cleanup). If the bill is not
7 enacted by June 30, 1995, the amount provided in this subsection shall
8 lapse.

9 ~~((+4))~~ (3) \$581,000 of the general fund--state appropriation,
10 \$170,000 of the air operating permit account appropriation, \$80,000 of
11 the water quality permit account appropriation, and \$63,000 of the
12 state toxics control account appropriation are provided solely for
13 implementing Engrossed Substitute House Bill No. 1010 (regulatory
14 reform). If the bill is not enacted by June 30, 1995, the amount
15 provided in this subsection shall lapse.

16 ~~((+5))~~ (4) \$2,000,000 of the state toxics control account
17 appropriation is provided solely for the following purposes:

18 (a) To conduct remedial actions for sites for which there are no
19 potentially liable persons or for which potentially liable persons
20 cannot be found;

21 (b) To provide funding to assist potentially liable persons under
22 RCW 70.105D.070(2)(d)(xi) to pay for the cost of the remedial actions;
23 and

24 (c) To conduct remedial actions for sites for which potentially
25 liable persons have refused to comply with the orders issued by the
26 department under RCW 70.105D.030 requiring the persons to provide the
27 remedial action.

28 ~~((+6))~~ (5) \$250,000 of the flood control assistance account is
29 provided solely for a grant or contract to the lead local entity for
30 technical analysis and coordination with the Army Corps of Engineers
31 and local agencies to address the breach in the south jetty at the
32 entrance of Grays Harbor.

33 ~~((+7))~~ (6) \$70,000 of the general fund--state appropriation,
34 \$90,000 of the state toxics control account appropriation, and \$55,000
35 of the air pollution control account appropriation are provided solely
36 to implement Engrossed Substitute House Bill No. 1724 (growth
37 management). If the bill is not enacted by June 30, 1995, the amounts
38 provided in this subsection shall lapse.

1 ~~((8))~~ (7) If Engrossed Substitute House Bill No. 1125 (dam safety
2 inspections), or substantially similar legislation, is not enacted by
3 June 30, 1995, then the department shall not expend any funds
4 appropriated in this section for any regulatory activity authorized
5 under RCW 90.03.350 with respect to hydroelectric facilities which
6 require a license under the federal power act, 16 ASCUS Sec. 791a et
7 seq. If Engrossed Substitute House Bill No. 1125, or substantially
8 similar legislation, is enacted by June 30, 1995, then the department
9 may apply all available funds appropriated under this section for
10 regulatory activity authorized under RCW 90.03.350 for the purposes of
11 inspecting and regulating the safety of dams under the exclusive
12 jurisdiction of the state.

13 ~~((9))~~ (8) \$425,000 of the general fund--state appropriation and
14 \$525,000 of the general fund--federal appropriation are provided solely
15 for the Padilla Bay national estuarine research reserve and
16 interpretive center.

17 ~~((11))~~ (9) The water right permit processing account is hereby
18 created in the state treasury. Moneys in the account may be spent only
19 after appropriation. Expenditures from the account may be used solely
20 for water right permit processing(~~(, regional water planning, and~~
21 ~~implementation of regional water plans)) and expenses associated with
22 the Yakima adjudication.~~

23 ~~((12))~~ (10) \$1,298,000 of the general fund--state appropriation,
24 \$188,000 of the general fund--federal appropriation, and \$883,000 of
25 the water quality account appropriation are provided solely to
26 coordinate and implement the activities required by the Puget Sound
27 water quality management plan and to perform the powers and duties
28 under chapter 90.70 RCW.

29 (11) \$110,000 of the water quality permit account appropriation is
30 provided solely for the department and the wastewater discharge permit
31 program partnership advisory group to hire a consultant. In
32 conjunction with the department and the advisory group, the consultant
33 shall develop a fee schedule for the 1997-99 biennium, based on a work
34 load model. Further, as a part of developing the fee schedule, the
35 consultant shall use a zero based budget approach to make
36 recommendations regarding the size of the program, what activities are
37 fee eligible, the rate of fee increases imposed on small businesses and
38 small municipalities, and the ramifications on existing statutory rate

1 limits. The consultant's recommendations shall be provided to the
2 appropriate committees of the legislature by September 1, 1996.

3 (12) \$331,000 of the flood control assistance account appropriation
4 is provided solely for the implementation of flood reduction plans. Of
5 this amount, \$250,000 is to implement the Mason county flood reduction
6 plan and \$81,000 is to implement the Chelan/Douglas county flood
7 reduction plan.

8 (13) Within the air pollution control account appropriation, the
9 department shall continue monitoring air quality in the Northport area.

10 (14) \$60,000 of the freshwater aquatic weeds account appropriation
11 is provided solely for a grant to the department of fish and wildlife
12 to control and eradicate purple loosestrife using the most cost-
13 effective methods available, including chemical control where
14 appropriate.

15 (15) Within the funds appropriated in this section, the department
16 shall prepare a report regarding the feasibility of pollution reduction
17 target measures for point source facilities that are based on actual
18 facility outputs rather than technologies used within a facility. In
19 preparing the report the department shall create and seek
20 recommendations from an advisory committee consisting of business,
21 local government, and environmental representatives. The department
22 shall submit the report to the appropriate committees of the
23 legislature by November 30, 1996.

24 (16) \$700,000 of the flood control assistance account appropriation
25 is provided solely for the study and abatement of coastal erosion in
26 the region of Willapa bay, Grays Harbor, and the lower Columbia river.

27 (17) \$5,000,000 of the flood control assistance account
28 appropriation is provided solely for grants to assist local governments
29 in repairing or replacing dikes and levees damaged in the November 1995
30 and February 1996 flood events.

31 (18) \$500,000 of the local toxics control account appropriation is
32 provided solely to satisfy nonfederal cost-sharing requirements for the
33 Puget Sound confined disposal site feasibility study to be conducted
34 jointly with the United States army corps of engineers. The study will
35 address site design, construction standards, operational requirements,
36 and funding necessary to establish a disposal site for contaminated
37 aquatic sediments.

38 (19) \$1,100,000 of the air pollution control account appropriation
39 is provided solely for grants to local air pollution control

1 authorities to expedite the redesignation of nonattainment areas.
 2 These funds shall not be used to supplant existing local funding
 3 sources for air pollution control authority programs. Of the amount
 4 allocated to the southwest Washington air pollution control authority,
 5 \$25,000 is provided solely for the University of Washington to review
 6 a study by the southwest air pollution control authority on sources
 7 contributing to atmospheric ozone.

8 (20) \$250,000 of the water right permit processing account
 9 appropriation is provided solely for additional staff and associated
 10 costs to support the Yakima county superior court in adjudicating water
 11 rights in the Yakima river basin.

12 (21) \$590,000 of the general fund--state appropriation, \$65,000 of
 13 the waste reduction, recycling, and litter control account
 14 appropriation, \$65,000 of the state toxics control account
 15 appropriation, \$250,000 of the air pollution control account
 16 appropriation, and \$130,000 of the water pollution control revolving
 17 account--federal appropriation are provided solely for implementation
 18 of the department's information integration project.

19 (22) \$300,000 of the general fund--state appropriation is provided
 20 solely for payment of attorneys' fees pursuant to *Rettkowski v.*
 21 *Washington*, (cause no. 62718-5).

22 ***Sec. 301 was partially vetoed. See message at end of chapter.**

23 **Sec. 302.** 1995 2nd sp.s. c 18 s 304 (uncodified) is amended to
 24 read as follows:

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

26	General Fund--State Appropriation (FY 1996) . . . \$	((18,020,000))
27		<u>18,145,000</u>
28	General Fund--State Appropriation (FY 1997) . . . \$	((17,877,000))
29		<u>18,202,000</u>
30	General Fund--Federal Appropriation \$	1,930,000
31	General Fund--Private/Local Appropriation \$	((1,463,000))
32		<u>31,000</u>
33	Winter Recreation Program Account	
34	Appropriation \$	725,000
35	Off Road Vehicle Account Appropriation \$	241,000
36	Snowmobile Account Appropriation \$	2,174,000
37	Aquatic Lands Enhancement Account	
38	Appropriation \$	313,000

1	Public Safety and Education Account		
2	Appropriation	\$	48,000
3	Industrial Insurance Premium Refund Account		
4	Appropriation	\$	10,000
5	Waste Reduction, Recycling, and Litter Control		
6	Account Appropriation	\$	34,000
7	Water Trail Program Account Appropriation	\$	26,000
8	Parks Renewal and Stewardship Account		
9	Appropriation	\$	((22,461,000))
10			<u>23,893,000</u>
11	TOTAL APPROPRIATION	\$	((65,322,000))
12			<u>65,772,000</u>

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

15 (1) \$189,000 of the aquatic lands enhancement account appropriation
16 is provided solely to implement the Puget Sound water quality plan.

17 (2) The general fund--state appropriation and the parks renewal and
18 stewardship account appropriation are provided to maintain full funding
19 and continued operation of all state parks and state parks facilities.

20 (3) \$1,800,000 of the general fund--state appropriation is provided
21 solely for the Washington conservation corps program established under
22 chapter 43.220 RCW.

23 (4) \$3,591,000 of the parks renewal and stewardship account
24 appropriation is provided for the operation of a centralized
25 reservation system, to expand marketing, to enhance concession review,
26 and for other revenue generating activities.

27 (5) \$100,000 of the general fund--state appropriation is provided
28 solely for a state match to local funds to prepare a master plan for
29 Mt. Spokane state park.

30 **Sec. 303.** 1995 2nd sp.s. c 18 s 307 (uncodified) is amended to
31 read as follows:

32 **FOR THE CONSERVATION COMMISSION**

33	General Fund Appropriation (FY 1996)	\$	((852,000))
34			<u>867,000</u>
35	General Fund Appropriation (FY 1997)	\$	((810,000))
36			<u>825,000</u>
37	Water Quality Account Appropriation	\$	((202,000))

1		<u>321,000</u>
2	TOTAL APPROPRIATION \$	((1,864,000))
3		<u>2,013,000</u>

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

6 (1) Not more than eight percent of the water quality account moneys
7 administered by the commission may be used by the commission for
8 administration and program activities related to the grant and loan
9 program.

10 (2) \$362,000 of the general fund appropriation is provided solely
11 to implement the Puget Sound water quality management plan. ((In
12 addition, \$130,000 of the water quality account appropriation is
13 provided for the implementation of the Puget Sound water quality
14 management plan.))

15 (3) \$42,000 of the general fund appropriation is provided solely
16 for implementation of Engrossed Substitute Senate Bill No. 5616
17 (watershed restoration projects). If the bill is not enacted by June
18 30, 1995, the amount provided in this subsection shall lapse.

19 (4) \$750,000 of the general fund appropriation is provided solely
20 for grants to local conservation districts.

21 **Sec. 304.** 1995 2nd sp.s. c 18 s 309 (uncodified) is amended to
22 read as follows:

23 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

24	General Fund--State Appropriation (FY 1996) . . . \$	((32,380,000))
25		<u>33,187,000</u>
26	General Fund--State Appropriation (FY 1997) . . . \$	((32,339,000))
27		<u>33,701,000</u>
28	General Fund--Federal Appropriation \$	54,098,000
29	General Fund--Private/Local Appropriation \$	15,986,000
30	Off Road Vehicle Account Appropriation \$	476,000
31	Aquatic Lands Enhancement Account	
32	Appropriation \$	5,412,000
33	Public Safety and Education Account	
34	Appropriation \$	590,000
35	Industrial Insurance Premium Refund Account	
36	Appropriation \$	156,000
37	Recreational Fisheries Enhancement Account	

1	Appropriation	\$	((2,200,000))
2			<u>2,217,000</u>
3	Wildlife Account Appropriation	\$	((49,741,000))
4			<u>50,003,000</u>
5	Special Wildlife Account Appropriation	\$	1,884,000
6	Oil Spill Administration Account		
7	Appropriation	\$	831,000
8	<u>Warm Water Game Fish Account Appropriation</u>	<u>\$</u>	<u>980,000</u>
9	TOTAL APPROPRIATION	\$	((196,093,000))
10			<u>199,521,000</u>

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

13 (1) \$1,532,000 of the general fund--state appropriation is provided
14 solely to implement the Puget Sound water quality management plan.

15 (2) \$250,000 of the general fund--state appropriation is provided
16 solely for attorney general costs on behalf of the department of
17 fisheries, department of natural resources, department of health, and
18 the state parks and recreation commission in defending the state and
19 public interests in tribal shellfish litigation (*United States v.*
20 *Washington*, subproceeding 89-3). The attorney general costs shall be
21 paid as an interagency reimbursement.

22 ~~((4))~~ (3) \$350,000 of the wildlife account appropriation ~~((is))~~
23 and \$145,000 of the general fund--state appropriation are provided
24 solely for control and eradication of class B designate weeds on
25 department owned and managed lands. The general fund--state
26 appropriation is provided solely for control of spartina. The
27 department shall use the most cost-effective methods available,
28 including chemical control where appropriate, and report to the
29 appropriate committees of the legislature by January 1, 1997, on
30 control methods, costs, and acres treated during the previous year.

31 ~~((5))~~ (4) \$250,000 of the general fund--state appropriation is
32 provided solely for costs associated with warm water fish production.
33 Expenditure of this amount shall be consistent with the goals
34 established under RCW 77.12.710 for development of a warm water fish
35 program. No portion of this amount may be expended for any type of
36 feasibility study.

37 ~~((6))~~ (5) \$634,000 of the general fund--state appropriation and
38 \$50,000 of the wildlife account appropriation are provided solely to

1 implement Engrossed Substitute House Bill No. 1010 (regulatory reform).
2 If the bill is not enacted by June 30, 1995, the amount provided in
3 this subsection shall lapse.

4 ~~((+7))~~ (6) \$2,000,000 of the general fund--state appropriation is
5 provided solely for implementation of Second Substitute Senate Bill No.
6 5157 (mass marking), chapter 372, Laws of 1995, under the following
7 conditions:

8 (a) If, by October 1, 1995, the state reaches agreement with Canada
9 on a marking and detection program, implementation will begin with the
10 1994 Puget Sound brood coho.

11 (b) If, by October 1, 1995, the state does not reach agreement with
12 Canada on a marking and detection program, a pilot project shall be
13 conducted with 1994 Puget Sound brood coho.

14 (c) Full implementation will begin with the 1995 brood coho.

15 (d) \$700,000 of the department's equipment funding and \$300,000 of
16 the department's administration funding will be redirected toward
17 implementation of Second Substitute Senate Bill No. 5157 during the
18 1995-97 biennium.

19 ~~((+8))~~ (7) The department shall request a reclassification study
20 be conducted by the personnel resources board for hatchery staff. Any
21 implementation of the study, if approved by the board, shall be
22 pursuant to section 911 of this act.

23 ~~((+9))~~ (8) Within the appropriations in this section, the
24 department shall maintain the Issaquah hatchery at the current 1993-95
25 operational level.

26 ~~((+10))~~ (9) \$140,000 of the wildlife account appropriation is
27 provided solely for a cooperative effort with the department of
28 agriculture for research and eradication of purple loosestrife on state
29 lands. The department shall use the most cost-effective methods
30 available, including chemical control where appropriate, and report to
31 the appropriate committees of the legislature by January 1, 1997, on
32 control methods, costs, and acres treated during the previous year.

33 ~~((+11))~~ (10) \$110,000 of the aquatic lands enhancement account
34 appropriation may be used for publishing a brochure concerning
35 hydraulic permit application requirements for the control of spartina
36 and purple loosestrife.

37 (11) \$530,000 of the general fund--state appropriation is provided
38 solely for providing technical assistance to landowners and for
39 reviewing plans submitted to the state pursuant to the forest practices

1 board's proposed rules for the northern spotted owl. If the rules are
2 not adopted by September 1, 1996, the amount provided in this
3 subsection shall lapse.

4 (12) \$145,000 of the general fund--state appropriation is provided
5 solely for the fish and wildlife commission to support additional
6 commission meetings, briefings, and other activities necessary to
7 ensure effective implementation of Referendum No. 45 during the 1995-97
8 biennium.

9 (13) \$980,000 of the warm water game fish account appropriation is
10 provided solely for implementation of the warm water game fish
11 enhancement program pursuant to Fourth Substitute Senate Bill No. 5159.
12 If the bill or substantially similar legislation is not enacted by June
13 30, 1996, the amount provided in this subsection shall lapse.

14 (14) \$15,000 of the fiscal year 1997 general fund--state
15 appropriation and \$85,000 of the wildlife account appropriation are
16 provided solely for the payment of claims during fiscal year 1997
17 arising from damages to crops by wildlife, pursuant to Second
18 Substitute Senate Bill No. 6146 (wildlife claims). If the bill is not
19 enacted by June 30, 1996, the amounts provided in this subsection shall
20 lapse.

21 (15) \$813,000 of the general fund--state appropriation is provided
22 solely to operate Columbia river fish hatcheries for which federal
23 funding has been reduced.

24 **Sec. 305.** 1995 2nd sp.s. c 18 s 310 (uncodified) is amended to
25 read as follows:

26 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

27	General Fund--State Appropriation (FY 1996) . . . \$	((20,300,000))
28		<u>20,325,000</u>
29	General Fund--State Appropriation (FY 1997) . . . \$	((20,299,000))
30		<u>20,424,000</u>
31	General Fund--Federal Appropriation \$	3,024,000
32	General Fund--Private/Local Appropriation \$	414,000
33	Forest Development Account Appropriation \$	((37,946,000))
34		<u>41,608,000</u>
35	Off Road Vehicle Account Appropriation \$	3,074,000
36	Surveys and Maps Account Appropriation \$	1,788,000
37	Aquatic Lands Enhancement Account Appropriation . \$	2,512,000
38	Resource Management Cost Account Appropriation . \$	11,624,000

1	Waste Reduction, Recycling, and Litter Control	
2	Account Appropriation	\$ 440,000
3	Surface Mining Reclamation Account	
4	Appropriation	\$ 1,273,000
5	Wildlife Account Appropriation	\$ 1,300,000
6	Water Quality Account Appropriation	\$ ((2,000,000))
7		<u>6,000,000</u>
8	Aquatic Land Dredged Material Disposal Site	
9	Account Appropriation	\$ 734,000
10	Natural Resources Conservation Areas Stewardship	
11	Account Appropriation	\$ 1,003,000
12	Air Pollution Control Account Appropriation	\$ 921,000
13	Watershed Restoration Account Appropriation	\$ ((5,000,000))
14		<u>1,600,000</u>
15	Metals Mining Account Appropriation	\$ 41,000
16	<u>Industrial Insurance Premium Refund Account</u>	
17	<u>Appropriation</u>	<u>\$ 62,000</u>
18	TOTAL APPROPRIATION	\$ ((113,693,000))
19		<u>118,167,000</u>

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

22 (1) \$7,998,000 of the general fund--state appropriation is provided
23 solely for the emergency fire suppression subprogram.

24 (2) \$36,000 of the general fund--state appropriations is provided
25 solely for the implementation of the Puget Sound water quality
26 management plan. In addition, \$957,000 of the aquatics lands
27 enhancement account is provided for the implementation of the Puget
28 Sound water quality management plan.

29 (3) \$450,000 of the resource management cost account appropriation
30 is provided solely for the control and eradication of class B designate
31 weeds on state lands. The department shall use the most cost-effective
32 methods available, including chemical control where appropriate, and
33 report to the appropriate committees of the legislature by January 1,
34 1997, on control methods, costs, and acres treated during the previous
35 year.

36 (4) \$22,000 of the general fund--state appropriation is provided
37 solely to implement Substitute House Bill No. 1437 (amateur radio

1 repeater sites). If the bill is not enacted by June 30, 1995, the
2 amount provided in this subsection shall lapse.

3 (5) \$49,000 of the air pollution control account appropriation is
4 provided solely to implement Substitute House Bill No. 1287
5 (silvicultural burning). If the bill is not enacted by June 30, 1995,
6 the amount provided in this subsection shall lapse.

7 (6) \$290,000 of the general fund--state appropriation, \$10,000 of
8 the surface mining reclamation account appropriation, and \$29,000 of
9 the air pollution control account appropriation are provided solely to
10 implement Engrossed Substitute House Bill No. 1010 (regulatory reform).
11 If this bill is not enacted by June 30, 1995, the amounts provided in
12 this subsection shall lapse.

13 (7) By September 30, 1995, the agency shall report to the
14 appropriate fiscal committees of the legislature on fire suppression
15 costs incurred during the 1993-95 biennium. The report shall provide
16 the following information: (a) An object breakdown of costs for the
17 1993-95 fire suppression subprogram; (b) the amount of reimbursement
18 provided for personnel, services, and equipment outside the agency; (c)
19 FTE levels and salary amounts by fund of positions backfilled as a
20 result of the fires; (d) overtime costs paid to agency personnel; (e)
21 equipment replacement costs, and (f) final allocation of costs for the
22 Hatchery and Tyee fires between the United States forest service, local
23 governments, and the state.

24 (8) By December 1, 1995, the department shall report to the house
25 committee on natural resources and the senate committee on natural
26 resources on measures taken to improve the health of the Loomis state
27 forest.

28 (9) \$13,000 of the general fund--state appropriation is provided
29 solely to pay a portion of the rent charged to nonprofit television
30 reception improvement districts pursuant to chapter 294, Laws of 1994.

31 (10) \$1,200,000 of the general fund--state appropriation is
32 provided solely for cooperative monitoring, evaluation, and research
33 projects related to implementation of the timber-fish-wildlife
34 agreement.

35 (11) Up to \$572,000 of the general fund--state appropriation may be
36 expended for the natural heritage program.

37 (12) ~~\$(13,000,000)~~ 13,600,000 of which ~~\$(5,000,000)~~ 1,600,000
38 is from the watershed restoration account appropriation, \$1,300,000 is
39 from the wildlife account appropriation, \$2,500,000 is from the

1 resource management cost account appropriation, \$500,000 is from the
2 forest development account appropriation, \$((~~2,000,000~~)) 6,000,000 is
3 from the water quality account appropriation, and \$1,700,000 is from
4 the general fund--federal appropriation, is provided solely for the
5 jobs in the environment program and/or the watershed restoration
6 partnership program.

7 (a) These funds shall be used to:

8 (i) Restore and protect watersheds in accordance with priorities
9 established to benefit fish stocks in critical or depressed condition
10 as determined by the watershed coordinating council;

11 (ii) Conduct watershed restoration and protection projects
12 primarily on state lands in coordination with federal, local, tribal,
13 and private sector efforts; and

14 (iii) Create market wage jobs in environmental restoration for
15 displaced natural resource impact area workers, as defined under Second
16 Substitute Senate Bill No. 5342 (rural natural resource impact areas).

17 (b) Except as provided in subsection (c) of this section, these
18 amounts are solely for projects jointly selected by the department of
19 natural resources and the department of fish and wildlife. Funds may
20 be expended for planning, design, and engineering for projects that
21 restore and protect priority watersheds identified by the watershed
22 coordinating council and conform to priorities for fish stock recovery
23 developed through watershed analysis conducted by the department of
24 natural resources and the department of fish and wildlife. Funds
25 expended shall be used for specific projects and not for on-going
26 operational costs. Eligible projects include, but are not limited to,
27 closure or improvement of forest roads, repair of culverts, clean-up of
28 stream beds, removal of fish barriers, installation of fish screens,
29 fencing of streams, and construction and planting of fish cover.

30 (c) The department of natural resources and the department of fish
31 and wildlife, in consultation with the watershed coordinating council,
32 the office of financial management, and other appropriate agencies,
33 shall report to the appropriate committees of the legislature on
34 January 1, 1996, and annually thereafter, on any expenditures made from
35 these amounts and a plan for future use of the moneys provided in this
36 subsection. The plan shall include a prioritized list of watersheds
37 and future watershed projects. The plan shall also consider future
38 funding needs, the availability of federal funding, and the integration
39 and coordination of existing watershed and protection programs.

1 (d) All projects shall be consistent with any development
2 regulations or comprehensive plans adopted under the growth management
3 act for the project areas. No funds shall be expended to acquire land
4 through condemnation.

5 (e) Funds from the wildlife account appropriation shall be
6 available only to the extent that the department of fish and wildlife
7 sells surplus property.

8 (f) Funds from the resource management cost account appropriation
9 shall only be used for projects on trust lands. Funds from the forest
10 development account shall only be used for projects on county forest
11 board lands.

12 (g) Projects under contract as of June 1, 1995 will be given first
13 priority.

14 (13) \$3,662,000 of the forest development account appropriation is
15 provided solely to prepare forest board lands for harvest. To the
16 extent possible, the department shall use funds provided in this
17 subsection to hire unemployed timber workers to perform silviculture
18 activities, address forest health concerns, and repair damages on these
19 lands.

20 (14) \$375,000 of the water quality account appropriation is
21 provided solely for a grant to the department of ecology for continuing
22 the Washington conservation corps program in fiscal year 1997.

23 (15) \$1,306,000 of the resource management cost account
24 appropriation is provided solely for forest-health related management
25 activities at the Loomis state forest.

26 (16) \$363,000 of the natural resources conservation areas
27 stewardship account appropriation is provided solely for site-based
28 management of state-owned natural area preserves and natural resource
29 conservation areas.

30 **Sec. 306.** 1995 2nd sp.s. c 18 s 312 (uncodified) is amended to
31 read as follows:

32 **FOR THE DEPARTMENT OF AGRICULTURE**

33	General Fund--State Appropriation (FY 1996) . . . \$	((6,770,000))
34		<u>7,100,000</u>
35	General Fund--State Appropriation (FY 1997) . . . \$	((6,572,000))
36		<u>7,157,000</u>
37	General Fund--Federal Appropriation \$	((4,278,000))
38		<u>5,168,000</u>

1	General Fund--Private/Local Appropriation \$	406,000
2	Aquatic Lands Enhancement Account	
3	Appropriation \$	800,000
4	Industrial Insurance Premium Refund Account	
5	Appropriation \$	178,000
6	State toxics Control Account Appropriation . . . \$	1,088,000
7	TOTAL APPROPRIATION \$	((20,092,000))
8		<u>21,897,000</u>

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

11 (1) \$300,000 of the general fund--state appropriation is provided
12 solely for consumer protection activities of the department's weights
13 and measures program. Moneys provided in this subsection may not be
14 used for device inspection of the weights and measures program.

15 (2) \$142,000 of the general fund--state appropriation is provided
16 solely for the implementation of Engrossed Substitute House Bill No.
17 1010 (regulatory reform). If the bill is not enacted by June 30, 1995,
18 the amount provided in this subsection shall lapse.

19 (3) \$100,000 of the general fund--state appropriation is provided
20 solely for grasshopper and mormon cricket control.

21 (4) \$200,000 of the general fund--state appropriation is provided
22 solely for the agricultural showcase.

23 (5) \$724,000 of the general fund--state appropriation and \$891,000
24 of the general fund--federal appropriation are provided solely to
25 monitor and eradicate the Asian gypsy moth.

26 (6) \$71,000 of the general fund--state appropriation is provided
27 solely to implement the Puget Sound water quality management plan.

28 NEW SECTION. Sec. 307. A new section is added 1995 2nd sp.s. c 18
29 (uncodified) to read as follows:

30 **FOR THE OFFICE OF MARINE SAFETY**

31	Oil Spill Administration Account Appropriation . . . \$	250,000
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32 The appropriation in this section is subject to the following
33 conditions and limitations: \$250,000 of the oil spill administration

1 account appropriation is provided solely for the defense of the
2 Intertanko litigation, *Intertanko v. Washington* (cause no. 951096c).

3 (End of part)

PART IV
TRANSPORTATION

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Sec. 401. 1995 2nd sp.s. c 18 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund Appropriation (FY 1996)	\$	((4,229,000))
		<u>4,336,000</u>
General Fund Appropriation (FY 1997)	\$	((4,257,000))
		<u>4,399,000</u>
Architects' License Account Appropriation	\$	((872,000))
		<u>899,000</u>
Cemetery Account Appropriation	\$	((167,000))
		<u>177,000</u>
Professional Engineers' Account Appropriation	\$	((2,235,000))
		<u>2,404,000</u>
Real Estate Commission Account Appropriation	\$	((6,172,000))
		<u>6,247,000</u>
<u>Industrial Insurance Account Appropriation</u>	\$	<u>24,000</u>
Master License Account Appropriation	\$	((5,800,000))
		<u>6,131,000</u>
Uniform Commercial Code Account Appropriation	\$	((4,929,000))
		<u>4,830,000</u>
Real Estate Education Account Appropriation	\$	606,000
Funeral Directors and Embalmers Account Appropriation	\$	((400,000))
		<u>369,000</u>
TOTAL APPROPRIATION	\$	((29,667,000))
		<u>30,422,000</u>

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

1 (1) \$637,000 of the general fund appropriation is provided solely
2 to implement sections 1001 through 1007 of Engrossed Substitute House
3 Bill No. 1010 (regulatory reform). If the bill is not enacted by June
4 30, 1995, the amounts provided in this subsection shall lapse.

5 (2) \$122,000 of the master license account appropriation is
6 provided solely for the implementation of House Bill No. 2551
7 (limousine regulation). If the bill is not enacted by June 30, 1996,
8 the amount provided in this subsection shall lapse.

9 **Sec. 402.** 1995 2nd sp.s. c 18 s 402 (uncodified) is amended to
10 read as follows:

11 **FOR THE STATE PATROL**

12	General Fund--State Appropriation (FY 1996) . . . \$	((7,198,000))
13		<u>8,011,000</u>
14	General Fund--State Appropriation (FY 1997) . . . \$	((7,883,000))
15		<u>11,232,000</u>
16	General Fund--Federal Appropriation \$	1,035,000
17	General Fund--Private/Local Appropriation \$	254,000
18	Public Safety and Education Account	
19	Appropriation \$	4,492,000
20	County Criminal Justice Assistance	
21	Appropriation \$	3,572,000
22	Municipal Criminal Justice Assistance Account	
23	Appropriation \$	1,430,000
24	Fire Services Trust Account Appropriation \$	90,000
25	Fire Services Training Account Appropriation . . . \$	1,740,000
26	State Toxics Control Account Appropriation . . . \$	425,000
27	Violence Reduction and Drug Enforcement	
28	Account Appropriation \$	2,133,000
29	TOTAL APPROPRIATION \$	((30,252,000))
30		<u>34,414,000</u>

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

33 (1) Expenditures from the nonappropriated fingerprint
34 identification account for the automation of pre-employment background
35 checks for public and private employers and background checks for
36 firearms dealers and firearm purchasers are subject to office of
37 financial management approval of a completed feasibility study.

1 (2) Expenditures from the county criminal justice assistance
2 account appropriation and municipal criminal justice assistance account
3 appropriation in this section shall be expended solely for enhancements
4 to crime lab services.

5 (3) The Washington state patrol shall report to the department of
6 information services and office of financial management by October 30,
7 1995, on the implementation and financing plan for the state-wide
8 integrated narcotics system.

9 (4) \$300,000 of the violence reduction and drug enforcement account
10 appropriation is provided solely for enhancements to the organized
11 crime intelligence unit.

12 (5) \$813,000 of the general fund--state fiscal year 1996
13 appropriation and \$3,247,000 of the general fund--state fiscal year
14 1997 appropriation are provided solely for the implementation of Second
15 Substitute Senate Bill No. 6272 (background checks for school
16 employees). If the bill is not enacted by June 30, 1996, the amounts
17 provided in this subsection shall lapse. Expenditures of the amounts
18 specified in this subsection shall be expended at the following rate:
19 As the state patrol initiates the fingerprint process on a school
20 employee, sixty-six dollars shall be transferred from the amounts
21 specified in this subsection into the fingerprint identification
22 account. Upon completion of the background check, seven dollars of
23 this amount shall be transferred by the state patrol to the
24 superintendent of public instruction for final disposition of the
25 records check.

26 (End of part)

PART V
EDUCATION

Sec. 501. 1995 2nd sp.s. c 18 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STATE ADMINISTRATION

General Fund--State Appropriation (FY 1996) . . . \$	((18,341,000))
	<u>18,421,000</u>
General Fund--State Appropriation (FY 1997) . . . \$	((17,819,000))
	<u>37,689,000</u>
General Fund--Federal Appropriation \$	39,791,000
Health Services Account Appropriation \$	((400,000))
	<u>850,000</u>
Public Safety and Education Account	
Appropriation \$	((338,000))
	<u>3,138,000</u>
Violence Reduction and Drug Enforcement Account	
Appropriation \$	3,122,000
TOTAL APPROPRIATION \$	((79,811,000))
	<u>103,011,000</u>

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

(1) AGENCY OPERATIONS

(a) \$770,000 of the general fund--state appropriation is provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(b) \$659,000 of the general fund--state appropriation is provided solely for investigation activities of the office of professional practices.

(c) \$1,700,000 of the general fund--state appropriation is provided solely to reprogram computer applications for collecting and processing school fiscal, personnel, and student data and for calculating apportionment payments and to upgrade agency computer hardware. A maximum of \$600,000 of this amount shall be used for computer hardware.

By December 15, 1995, and before implementation of a new state-wide data system, the superintendent shall present a plan to the house of

1 representatives and senate education and fiscal committees which
2 identifies state data base uses that could involve potentially
3 sensitive data on students and parents. The plan shall detail methods
4 that the superintendent shall employ internally and recommend to school
5 organizations to insure integrity and proper use of data in any student
6 data base, with particular attention to eliminating unnecessary and
7 intrusive data about nonschool related information.

8 (d) (~~The entire~~) \$338,000 of the public safety and education
9 account appropriation is provided solely for administration of the
10 traffic safety education program, including in-service training related
11 to instruction in the risks of driving while under the influence of
12 alcohol and other drugs.

13 (e) The superintendent of public instruction shall develop
14 standards and rules for disposal of surplus technology equipment
15 accounting for proper depreciation and maximum benefit to the district
16 from the disposal.

17 (2) STATE-WIDE PROGRAMS

18 (a) \$2,174,000 of the general fund--state appropriation is provided
19 for in-service training and educational programs conducted by the
20 Pacific Science Center.

21 (b) \$63,000 of the general fund--state appropriation is provided
22 for operation of the Cispus environmental learning center.

23 (c) \$2,654,000 of the general fund--state appropriation is provided
24 for educational centers, including state support activities.

25 (d) \$3,093,000 of the general fund--state appropriation is provided
26 for grants for magnet schools to be distributed as recommended by the
27 superintendent of public instruction pursuant to chapter 232, section
28 516(13), Laws of 1992.

29 (e) \$4,370,000 of the general fund--state appropriation is provided
30 for complex need grants. Grants shall be provided according to funding
31 ratios established in LEAP Document 30C as developed on May 21, 1995,
32 at 23:46 hours.

33 (f) \$3,050,000 of the drug enforcement and education account
34 appropriation (~~is~~) and \$2,800,000 of the public safety and education
35 account appropriation are provided solely for matching grants to
36 enhance security in (~~secondary~~) schools. Not more than seventy-five
37 percent of a district's total expenditures for school security in any
38 school year may be paid from a grant under this subsection. The grants
39 shall be expended solely for the costs of employing or contracting for

1 building security monitors in (~~secondary~~) schools during school hours
2 and school events. Of the amount provided in this subsection, at least
3 \$2,850,000 shall be spent for grants to districts that, during the
4 1988-89 school year, employed or contracted for security monitors in
5 schools during school hours. However, these grants may be used only
6 for increases in school district expenditures for school security over
7 expenditure levels for the 1988-89 school year.

8 (g) Districts receiving allocations from subsections (2) (d) and
9 (e) of this section shall submit an annual report to the superintendent
10 of public instruction on the use of all district resources to address
11 the educational needs of at-risk students in each school building. The
12 superintendent of public instruction shall make copies of the reports
13 available to the office of financial management and the legislature.

14 (h) \$500,000 of the general fund--federal appropriation is provided
15 for plan development and coordination as required by the federal goals
16 2000: Educate America Act. The superintendent shall collaborate with
17 the commission on student learning for the plan development and
18 coordination and submit quarterly reports on the plan development to
19 the education committees of the legislature.

20 (i) ~~\$(400,000)~~ 850,000 of the health services account
21 appropriation is provided solely for media productions by students (~~at~~
22 ~~up to 40 sites~~) to focus on issues and consequences of teenage
23 pregnancy and child rearing. The projects shall be consistent with the
24 provisions of Engrossed Second Substitute House Bill No. 2798 as passed
25 by the 1994 legislature, including a local/private or public sector
26 match equal to fifty percent of the state grant; and shall be awarded
27 to schools or consortia not granted funds in 1993-94. \$450,000 of this
28 amount is for costs of new projects not funded in the 1995-96 school
29 year.

30 (j) \$7,000 of the general fund--state appropriation is provided to
31 the state board of education to establish teacher competencies in the
32 instruction of braille to legally blind and visually impaired students.

33 (k) \$50,000 of the general fund--state appropriation is provided
34 solely for matching grants to school districts for analysis of budgets
35 for classroom-related activities as specified in chapter 230, Laws of
36 1995.

37 (l) \$3,050,000 of the general fund--state appropriation is provided
38 solely to implement Engrossed Second Substitute Senate Bill No. 5439
39 (nonoffender at-risk youth). Of that amount, \$50,000 is provided for

1 a contract in fiscal year 1996 to the Washington state institute for
2 public policy to conduct an evaluation and review as outlined in
3 section 81 of Engrossed Second Substitute Senate Bill No. 5439.
4 Allocation of the remaining amount shall be based on the number of
5 petitions filed in each district.

6 (m) \$300,000 of the general fund--state appropriation is provided
7 for alcohol and drug prevention programs pursuant to RCW 66.08.180.

8 (n) \$1,500,000 of the general fund--state appropriation is provided
9 for implementation of Engrossed Second Substitute House Bill No. 2909
10 (reading literacy). Of this amount: (i) \$100,000 is for the center
11 for the improvement of student learning's activities related to
12 identifying effective reading programs, providing information on
13 effective reading programs, and developing training programs for
14 educators on effective reading instruction and assessment; (ii)
15 \$500,000 is for grants as specified in section 2 of the bill to provide
16 incentives for the use of the effective reading programs; and (iii)
17 \$900,000 is for reading instruction and reading assessment training
18 programs for educators as specified in section 3 of the bill.

19 (o) \$5,000,000 of the general fund--state appropriation is provided
20 to update high-technology vocational education equipment in the 1996-97
21 school year. Of this amount, \$303,000 shall be allocated to skill
22 centers. The superintendent shall allocate the remaining funds at a
23 maximum rate of \$91.46 per full-time equivalent vocational education
24 student excluding skill center students. The funds shall be allocated
25 prior to June 30, 1997.

26 (p) \$10,000,000 of the general fund--state appropriation is
27 provided solely for technology grants to school districts and for per
28 diem and travel costs of the technology education committee for school
29 years 1995-96 and 1996-97. A district is eligible for a grant if it
30 either has ongoing programs emphasizing specific approaches to learning
31 assisted by technology or it is identified by the center for the
32 improvement of student learning based on best practices; and

33 (i) The district is part of a consortium, of at least two school
34 districts, formed to pool resources to maximize technology related
35 acquisitions, to start up new programs or new staff development, and to
36 share advantages of the consortium with other districts;

37 (ii) The district will match state funds, on an equal value basis,
38 with a combination of:

1 (A) Contributions through partnerships with technology companies,
2 educational service districts, institutions of higher education,
3 community and technical colleges, or any other organization with
4 expertise in applications of technology to learning which are willing
5 to assist school districts in applying technology to the learning
6 process through in-kind assistance; and

7 (B) School district funds; and

8 (iii) The district has plans and means for evaluating the
9 improvement in student learning resulting from the technology-based
10 strategies of the district.

11 To the extent that funds are available, school districts that meet
12 the criteria of this subsection shall be provided grants under this
13 subsection in the order they are prioritized by the technology
14 education committee and for no more than \$600 per student in the
15 proposed program.

16 The superintendent of public instruction shall appoint a technology
17 education committee to develop an application and review process for
18 awarding the technology grants established in this subsection. The
19 committee shall be appointed by the superintendent and shall consist of
20 five representatives from technology companies, five technology
21 coordinators representing educational service districts, and five
22 school district representatives. Committee members shall serve without
23 additional compensation but shall be eligible for per diem and mileage
24 allowances pursuant to RCW 43.03.050 and 43.03.060. The superintendent
25 shall award the first round of technology grants based on the
26 recommendation of the technology education committee by July 1, 1996.
27 No more than fifty percent of funds provided in this appropriation
28 shall be allocated in the first round of awards.

29 (q) \$2,000,000 of the general fund--state appropriation is provided
30 for start-up grants to establish alternative programs for students who
31 have been truant, suspended, or expelled or are subject to other
32 disciplinary actions in accordance with section 10 of Substitute House
33 Bill No. 2640 (changing truancy provisions).

34 (r) \$50,000 of the general fund--state appropriation is provided
35 solely for allocation to the primary coordinators of the state
36 geographic alliance for the purpose of improving the teaching of
37 geography in the common school system.

38 (s) \$100,000 of the general fund--state appropriation is provided
39 solely for a contract for a feasibility analysis and implementation

1 plan to provide the resources of a skill center for students in the
2 area served by the north central educational service district.

3 (t) \$1,000,000 of the general fund--state appropriation is provided
4 for conflict resolution and anger management training.

5 **Sec. 502.** 1995 2nd sp.s. c 18 s 502 (uncodified) is amended to
6 read as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**
8 **(BASIC EDUCATION)**

9	General Fund Appropriation (FY 1996)	. . . . .	\$ ((3,174,826,000))
10			<u>3,166,013,000</u>
11	General Fund Appropriation (FY 1997)	. . . . .	\$ ((3,284,918,000))
12			<u>3,261,992,000</u>
13	TOTAL APPROPRIATION	. . . . .	\$ ((6,459,744,000))
14			<u>6,428,005,000</u>

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

17 (1) The appropriation includes such funds as are necessary for the
18 remaining months of the 1994-95 school year.

19 (2) Allocations for certificated staff salaries for the 1995-96 and
20 1996-97 school years shall be determined using formula-generated staff
21 units calculated pursuant to this subsection. Staff allocations for
22 small school enrollments in (d) through (f) of this subsection shall be
23 reduced for vocational full-time equivalent enrollments. Staff
24 allocations for small school enrollments in grades K-6 shall be the
25 greater of that generated under (a) of this subsection, or under (d)
26 and (e) of this subsection. Certificated staffing allocations shall be
27 as follows:

28 (a) On the basis of each 1,000 average annual full-time equivalent
29 enrollments, excluding full-time equivalent enrollment otherwise
30 recognized for certificated staff unit allocations under (c) through
31 (f) of this subsection:

32 (i) Four certificated administrative staff units per thousand full-
33 time equivalent students in grades K-12;

34 (ii) 49 certificated instructional staff units per thousand full-
35 time equivalent students in grades K-3; and

1 (iii) An additional 5.3 certificated instructional staff units for
2 grades K-3. Any funds allocated for these additional certificated
3 units shall not be considered as basic education funding;

4 (A) Funds provided under this subsection (2)(a)(iii) in excess of
5 the amount required to maintain the statutory minimum ratio established
6 under RCW 28A.150.260(2)(b) shall be allocated only if the district
7 documents an actual ratio equal to or greater than 54.3 certificated
8 instructional staff per thousand full-time equivalent students in
9 grades K-3. For any school district documenting a lower certificated
10 instructional staff ratio, the allocation shall be based on the
11 district's actual grades K-3 certificated instructional staff ratio
12 achieved in that school year, or the statutory minimum ratio
13 established under RCW 28A.150.260(2)(b), if greater;

14 (B) Districts at or above 51.0 certificated instructional staff per
15 one thousand full-time equivalent students in grades K-3 may dedicate
16 up to 1.3 of the 54.3 funding ratio to employ additional classified
17 instructional assistants assigned to basic education classrooms in
18 grades K-3. For purposes of documenting a district's staff ratio under
19 this section, funds used by the district to employ additional
20 classified instructional assistants shall be converted to a
21 certificated staff equivalent and added to the district's actual
22 certificated instructional staff ratio. Additional classified
23 instructional assistants, for the purposes of this subsection, shall be
24 determined using the 1989-90 school year as the base year;

25 (C) Any district maintaining a ratio equal to or greater than 54.3
26 certificated instructional staff per thousand full-time equivalent
27 students in grades K-3 may use allocations generated under this
28 subsection (2)(a)(iii) in excess of that required to maintain the
29 minimum ratio established under RCW 28A.150.260(2)(b) to employ
30 additional basic education certificated instructional staff or
31 classified instructional assistants in grades 4-6. Funds allocated
32 under this subsection (2)(a)(iii) shall only be expended to reduce
33 class size in grades K-6. No more than 1.3 of the certificated
34 instructional funding ratio amount may be expended for provision of
35 classified instructional assistants; and

36 (iv) Forty-six certificated instructional staff units per thousand
37 full-time equivalent students in grades 4-12; and

38 (b) For school districts with a minimum enrollment of 250 full-time
39 equivalent students whose full-time equivalent student enrollment count

1 in a given month exceeds the first of the month full-time equivalent
2 enrollment count by 5 percent, an additional state allocation of 110
3 percent of the share that such increased enrollment would have
4 generated had such additional full-time equivalent students been
5 included in the normal enrollment count for that particular month;

6 (c) On the basis of full-time equivalent enrollment in:

7 (i) Vocational education programs approved by the superintendent of
8 public instruction, 0.92 certificated instructional staff units and
9 0.08 certificated administrative staff units for each 18.3 full-time
10 equivalent vocational students;

11 (ii) Skills center programs approved by the superintendent of
12 public instruction, 0.92 certificated instructional staff units and
13 0.08 certificated administrative units for each 16.67 full-time
14 equivalent vocational students; and

15 (iii) Indirect cost charges to vocational-secondary programs shall
16 not exceed 10 percent;

17 (d) For districts enrolling not more than twenty-five average
18 annual full-time equivalent students in grades K-8, and for small
19 school plants within any school district which have been judged to be
20 remote and necessary by the state board of education and enroll not
21 more than twenty-five average annual full-time equivalent students in
22 grades K-8:

23 (i) For those enrolling no students in grades seven and eight, 1.76
24 certificated instructional staff units and 0.24 certificated
25 administrative staff units for enrollment of not more than five
26 students, plus one-twentieth of a certificated instructional staff unit
27 for each additional student enrolled; and

28 (ii) For those enrolling students in grades 7 or 8, 1.68
29 certificated instructional staff units and 0.32 certificated
30 administrative staff units for enrollment of not more than five
31 students, plus one-tenth of a certificated instructional staff unit for
32 each additional student enrolled;

33 (e) For specified enrollments in districts enrolling more than
34 twenty-five but not more than one hundred average annual full-time
35 equivalent students in grades K-8, and for small school plants within
36 any school district which enroll more than twenty-five average annual
37 full-time equivalent students in grades K-8 and have been judged to be
38 remote and necessary by the state board of education:

1 (i) For enrollment of up to sixty annual average full-time
2 equivalent students in grades K-6, 2.76 certificated instructional
3 staff units and 0.24 certificated administrative staff units; and

4 (ii) For enrollment of up to twenty annual average full-time
5 equivalent students in grades 7 and 8, 0.92 certificated instructional
6 staff units and 0.08 certificated administrative staff units;

7 (f) For districts operating no more than two high schools with
8 enrollments of less than three hundred average annual full-time
9 equivalent students, for enrollment in grades 9-12 in each such school,
10 other than alternative schools:

11 (i) For remote and necessary schools enrolling students in any
12 grades 9-12 but no more than twenty-five average annual full-time
13 equivalent students in grades K-12, four and one-half certificated
14 instructional staff units and one-quarter of a certificated
15 administrative staff unit;

16 (ii) For all other small high schools under this subsection, nine
17 certificated instructional staff units and one-half of a certificated
18 administrative staff unit for the first sixty average annual full time
19 equivalent students, and additional staff units based on a ratio of
20 0.8732 certificated instructional staff units and 0.1268 certificated
21 administrative staff units per each additional forty-three and one-half
22 average annual full time equivalent students.

23 Units calculated under (f)(ii) of this subsection shall be reduced
24 by certificated staff units at the rate of forty-six certificated
25 instructional staff units and four certificated administrative staff
26 units per thousand vocational full-time equivalent students.

27 (g) For each nonhigh school district having an enrollment of more
28 than seventy annual average full-time equivalent students and less than
29 one hundred eighty students, operating a grades K-8 program or a grades
30 1-8 program, an additional one-half of a certificated instructional
31 staff unit;

32 (h) For each nonhigh school district having an enrollment of more
33 than fifty annual average full-time equivalent students and less than
34 one hundred eighty students, operating a grades K-6 program or a grades
35 1-6 program, an additional one-half of a certificated instructional
36 staff unit.

37 (3) Allocations for classified salaries for the 1995-96 and 1996-97
38 school years shall be calculated using formula-generated classified
39 staff units determined as follows:

1 (a) For enrollments generating certificated staff unit allocations
2 under subsection (2) (d) through (h) of this section, one classified
3 staff unit for each three certificated staff units allocated under such
4 subsections;

5 (b) For all other enrollment in grades K-12, including vocational
6 full-time equivalent enrollments, one classified staff unit for each
7 sixty average annual full-time equivalent students; and

8 (c) For each nonhigh school district with an enrollment of more
9 than fifty annual average full-time equivalent students and less than
10 one hundred eighty students, an additional one-half of a classified
11 staff unit.

12 (4) Fringe benefit allocations shall be calculated at a rate of
13 20.71 percent in the 1995-96 school year and 20.71 percent in the 1996-
14 97 school year of certificated salary allocations provided under
15 subsection (2) of this section, and a rate of 18.77 percent in the
16 1995-96 school year and 18.77 percent in the 1996-97 school year of
17 classified salary allocations provided under subsection (3) of this
18 section.

19 (5) Insurance benefit allocations shall be calculated at the rates
20 specified in section 504(2) of this act, based on the number of benefit
21 units determined as follows:

22 (a) The number of certificated staff units determined in subsection
23 (2) of this section; and

24 (b) The number of classified staff units determined in subsection
25 (3) of this section multiplied by 1.152. This factor is intended to
26 adjust allocations so that, for the purposes of distributing insurance
27 benefits, full-time equivalent classified employees may be calculated
28 on the basis of 1440 hours of work per year, with no individual
29 employee counted as more than one full-time equivalent;

30 (6)(a) For nonemployee-related costs associated with each
31 certificated staff unit allocated under subsection (2) (a), (b), and
32 (d) through (h) of this section, there shall be provided a maximum of
33 \$7,656 per certificated staff unit in the 1995-96 school year and a
34 maximum of ~~\$(7,893))~~ 7,786 per certificated staff unit in the 1996-97
35 school year.

36 (b) For nonemployee-related costs associated with each vocational
37 certificated staff unit allocated under subsection (2)(c) of this
38 section, there shall be provided a maximum of \$14,587 per certificated

1 staff unit in the 1995-96 school year and a maximum of \$((15,039))
2 14,835 per certificated staff unit in the 1996-97 school year.

3 (7) Allocations for substitute costs for classroom teachers shall
4 be distributed at a maximum rate of \$341 for the 1995-96 school year
5 and \$341 per year for the 1996-97 school year ((for)) per allocated
6 classroom teacher((s)) excluding salary adjustments made in section 504
7 of this act. Solely for the purposes of this subsection, allocated
8 classroom teachers shall be equal to the number of certificated
9 instructional staff units allocated under subsection (2) of this
10 section, multiplied by the ratio between the number of actual basic
11 education certificated teachers and the number of actual basic
12 education certificated instructional staff reported state-wide for the
13 1994-95 school year.

14 (8) Any school district board of directors may petition the
15 superintendent of public instruction by submission of a resolution
16 adopted in a public meeting to reduce or delay any portion of its basic
17 education allocation for any school year. The superintendent of public
18 instruction shall approve such reduction or delay if it does not impair
19 the district's financial condition. Any delay shall not be for more
20 than two school years. Any reduction or delay shall have no impact on
21 levy authority pursuant to RCW 84.52.0531 and local effort assistance
22 pursuant to chapter 28A.500 RCW.

23 (9) The superintendent may distribute a maximum of \$((3,122,000))
24 5,820,000 outside the basic education formula during fiscal years 1996
25 and 1997 as follows:

26 (a) For fire protection for school districts located in a fire
27 protection district as now or hereafter established pursuant to chapter
28 52.04 RCW, a maximum of \$431,000 may be expended in fiscal year 1996
29 and a maximum of \$444,000 may be expended in fiscal year 1997;

30 (b) For summer vocational programs at skills centers, a maximum of
31 \$1,938,000 may be expended in ((the 1995-96 school year)) fiscal year
32 1996 and a maximum of \$1,948,000 may be expended in fiscal year 1997;
33 ((and))

34 (c) A maximum of \$309,000 may be expended for school district
35 emergencies; and

36 (d) A maximum of \$250,000 may be expended for fiscal year 1996 and
37 a maximum of \$500,000 may be expended for fiscal year 1997 for programs
38 providing skills training for secondary students who are at risk of
39 academic failure or who have dropped out of school and are enrolled in

1 the extended day school-to-work programs, as approved by the
2 superintendent of public instruction. The funds shall be allocated at
3 a rate not to exceed \$500 per full-time equivalent student enrolled in
4 those programs.

5 (10) For the purposes of RCW 84.52.0531, the increase per full-time
6 equivalent student in state basic education appropriations provided
7 under this act, including appropriations for salary and benefits
8 increases, is 2.2 percent from the 1994-95 school year to the 1995-96
9 school year, and ((1.5)) 1.3 percent from the 1995-96 school year to
10 the 1996-97 school year.

11 (11) If two or more school districts consolidate and each district
12 was receiving additional basic education formula staff units pursuant
13 to subsection (2) (b) through (h) of this section, the following shall
14 apply:

15 (a) For three school years following consolidation, the number of
16 basic education formula staff units shall not be less than the number
17 of basic education formula staff units received by the districts in the
18 school year prior to the consolidation; and

19 (b) For the fourth through eighth school years following
20 consolidation, the difference between the basic education formula staff
21 units received by the districts for the school year prior to
22 consolidation and the basic education formula staff units after
23 consolidation pursuant to subsection (2) (a) through (h) of this
24 section shall be reduced in increments of twenty percent per year.

25 **Sec. 503. 1995 2nd sp.s. c 18 s 503 (uncodified) is amended to*
26 *read as follows:*

27 ***FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE***
28 ***COMPENSATION***

29 (1) *The following calculations determine the salaries used in the*
30 *general fund allocations for certificated instructional, certificated*
31 *administrative, and classified staff units under section 502 of this*
32 *act:*

33 (a) *For the 1995-96 school year, salary allocations for*
34 *certificated instructional staff units shall be determined for each*
35 *district by multiplying the district's certificated instructional*
36 *derived base salary shown on LEAP Document 12C, by the district's*
37 *average staff mix factor for basic education certificated instructional*
38 *staff in that school year, computed using LEAP Document 1A; ((and))*

1 (b) For the 1996-97 school year, salary allocations for
2 certificated instructional staff units shall be determined for each
3 district by multiplying the district's certificated instructional
4 derived base salary shown on LEAP Document 12C, by the district's
5 average staff mix factor for basic education certificated instructional
6 staff and special education certificated instructional staff for that
7 year, computed using LEAP Document 1A; and

8 (c) Salary allocations for certificated administrative staff units
9 and classified staff units for each district shall be based on the
10 district's certificated administrative and classified salary allocation
11 amounts shown on LEAP Document 12C.

12 (2) For the purposes of this section:

13 (a) "Basic education certificated instructional staff" is defined
14 as provided in RCW 28A.150.100;

15 (b) "LEAP Document 1A" means the computerized tabulation
16 establishing staff mix factors for (~~basic education~~) certificated
17 instructional staff according to education and years of experience, as
18 developed by the legislative evaluation and accountability program
19 committee on April 8, 1991, at 13:35 hours; and

20 (c) "LEAP Document 12C" means the computerized tabulation of 1995-
21 96 and 1996-97 school year salary allocations for basic education
22 certificated administrative staff and basic education classified staff
23 and derived base salaries for basic education certificated
24 instructional staff as developed by the legislative evaluation and
25 accountability program committee on May 21, 1995, at 23:35 hours.

26 (3) Incremental fringe benefit factors shall be applied to salary
27 adjustments at a rate of 20.07 percent for certificated staff and 15.27
28 percent for classified staff for both years of the biennium.

29 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
30 allocation schedules for certificated instructional staff are
31 established for basic education salary allocations:

32 STATE-WIDE SALARY ALLOCATION SCHEDULE
33 FOR SCHOOL YEARS 1995-96 AND 1996-97

34 Years of					
35 Service	BA	BA+15	BA+30	BA+45	BA+90
36 0	22,282	22,884	23,508	24,131	26,137

1	1	23,012	23,633	24,277	24,942	27,007
2	2	23,757	24,398	25,060	25,790	27,889
3	3	24,539	25,200	25,881	26,651	28,787
4	4	25,336	26,037	26,738	27,549	29,740
5	5	26,169	26,889	27,609	28,482	30,709
6	6	27,037	27,754	28,515	29,450	31,710
7	7	27,919	28,654	29,434	30,429	32,745
8	8	28,814	29,590	30,388	31,465	33,813
9	9		30,559	31,396	32,512	34,915
10	10			32,417	33,613	36,048
11	11				34,746	37,235
12	12				35,843	38,452
13	13					39,700
14	14					40,955
15	15 or more					42,020

16	Years of				MA+90
17	Service	BA+135	MA	MA+45	or PHD
18	0	27,429	26,715	28,720	30,012
19	1	28,316	27,526	29,590	30,899
20	2	29,238	28,374	30,472	31,820
21	3	30,195	29,235	31,370	32,779
22	4	31,188	30,133	32,324	33,771
23	5	32,214	31,065	33,292	34,797
24	6	33,253	32,033	34,294	35,837
25	7	34,347	33,013	35,329	36,931
26	8	35,473	34,048	36,397	38,057
27	9	36,632	35,095	37,499	39,215
28	10	37,822	36,196	38,632	40,405
29	11	39,044	37,329	39,818	41,627
30	12	40,316	38,508	41,036	42,900
31	13	41,620	39,726	42,284	44,203
32	14	42,972	40,981	43,619	45,556
33	15 or more	44,089	42,046	44,753	46,740

34 (b) As used in this subsection, the column headings "BA+(N)" refer
35 to the number of credits earned since receiving the baccalaureate
36 degree.

1 (c) For credits earned after the baccalaureate degree but before
2 the masters degree, any credits in excess of forty-five credits may be
3 counted after the masters degree. Thus, as used in this subsection,
4 the column headings "MA+(N)" refer to the total of:

5 (i) Credits earned since receiving the masters degree; and

6 (ii) Any credits in excess of forty-five credits that were earned
7 after the baccalaureate degree but before the masters degree.

8 (5) For the purposes of this section:

9 (a) "BA" means a baccalaureate degree.

10 (b) "MA" means a masters degree.

11 (c) "PHD" means a doctorate degree.

12 (d) "Years of service" shall be calculated under the same rules
13 used by the superintendent of public instruction for salary allocations
14 in the 1994-95 school year.

15 (e) "Credits" means college quarter hour credits and equivalent in-
16 service credits computed in accordance with RCW 28A.415.020 or as
17 hereafter amended.

18 (6) No more than ninety college quarter-hour credits received by
19 any employee after the baccalaureate degree may be used to determine
20 compensation allocations under the state salary allocation schedule and
21 LEAP documents referenced in this act, or any replacement schedules and
22 documents, unless:

23 (a) The employee has a masters degree; or

24 (b) The credits were used in generating state salary allocations
25 before January 1, 1992.

26 (7)(a) Credits earned by certificated instructional staff after
27 September 1, 1995, shall be counted only if the content of the course:

28 (i) Is consistent with the school district's strategic plan for
29 improving student learning; (ii) is consistent with a school-based plan
30 for improving student learning developed under section 520(2) of this
31 act for the school in which the individual is assigned; (iii) pertains
32 to the individual's current assignment or expected assignment for the
33 following school year; (iv) is necessary for obtaining an endorsement
34 as prescribed by the state board of education; (v) is specifically
35 required for obtaining advanced levels of certification; or (vi) is
36 included in a college or university degree program that pertains to the
37 individual's current assignment, or potential future assignment, as a
38 certificated instructional staff.

1 (b) Once credits earned by certificated instructional staff have
2 been determined to meet one or more of the criteria in (a) of this
3 subsection, the credits shall be counted even if the individual
4 transfers to other school districts.

5 (8) The salary allocation schedules established in this section are
6 for allocation purposes only except as provided in RCW 28A.400.200(2).

7 *Sec. 503 was vetoed. See message at end of chapter.

8 **Sec. 504.** 1995 2nd sp.s. c 18 s 504 (uncodified) is amended to
9 read as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
11 **COMPENSATION ADJUSTMENTS**

12	General Fund Appropriation (FY 1996)	. . . . . \$	((96,500,000))
13			<u>96,201,000</u>
14	General Fund Appropriation (FY 1997)	. . . . . \$	((123,377,000))
15			<u>122,763,000</u>
16	TOTAL APPROPRIATION	. . . . . \$	((219,877,000))
17			<u>218,964,000</u>

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

20 (1) \$((218,748,000)) 217,835,000 is provided for cost of living
21 adjustments of 4.0 percent effective September 1, 1995, for state-
22 formula staff units. The appropriation includes associated incremental
23 fringe benefit allocations for both years at rates 20.07 percent for
24 certificated staff and 15.27 percent for classified staff.

25 (a) The appropriation in this section includes the increased
26 portion of salaries and incremental fringe benefits for all relevant
27 state funded school programs in PART V of this act. Salary adjustments
28 for state employees in the office of superintendent of public
29 instruction and the education reform program are provided in the
30 Special Appropriations sections of this act. Increases for general
31 apportionment (basic education) are based on the salary allocation
32 schedules and methodology in section 503 of this act. Increases for
33 special education result from increases in each district's basic
34 education allocation per student. Increases for educational service
35 districts and institutional education programs are determined by the
36 superintendent of public instruction using the methodology for general
37 apportionment salaries and benefits in section 503 of this act.

1 (b) The appropriation in this section provides salary increase and
2 incremental fringe benefit allocations for the following programs based
3 on formula adjustments as follows:

4 (i) For pupil transportation, an increase of \$0.77 per weighted
5 pupil-mile for the 1995-96 school year and maintained for the 1996-97
6 school year;

7 (ii) For learning assistance, an increase of \$11.24 per eligible
8 student for the 1995-96 school year and maintained for the 1996-97
9 school year;

10 (iii) For education of highly capable students, an increase of
11 \$8.76 per formula student for the 1995-96 school year and maintained
12 for the 1996-97 school year; and

13 (iv) For transitional bilingual education, an increase of \$22.77
14 per eligible bilingual student for the 1995-96 school year and
15 maintained for the 1996-97 school year.

16 (2) The maintenance rate for insurance benefits shall be \$313.95
17 for the 1995-96 school year and \$314.51 for the 1996-97 school year.
18 Funding for insurance benefits is included within appropriations made
19 in other sections of Part V of this act.

20 (3) Effective September 1, 1995, a maximum of \$1,129,000 is
21 provided for a 4 percent increase in the state allocation for
22 substitute teachers in the general apportionment programs.

23 (4) The rates specified in this section are subject to revision
24 each year by the legislature.

25 **Sec. 505.** 1995 2nd sp.s. c 18 s 506 (uncodified) is amended to
26 read as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

28 General Fund Appropriation (FY 1996)	. . . . . \$	((155,970,000))
		<u>154,391,000</u>
30 General Fund Appropriation (FY 1997)	. . . . . \$	((164,511,000))
		<u>174,362,000</u>
32 TOTAL APPROPRIATION	. . . . . \$	((320,481,000))
		<u>328,753,000</u>

33

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

36 (1) The appropriation includes such funds as are necessary for the
37 remaining months of the 1994-95 school year.

1 (2) A maximum of \$1,347,000 may be expended for regional
2 transportation coordinators and related activities. The transportation
3 coordinators shall ensure that data submitted by school districts for
4 state transportation funding shall, to the greatest extent practical,
5 reflect the actual transportation activity of each district. The 1994
6 travel time to contiguous school district study shall be continued and
7 a report submitted to the fiscal committees of the legislature by
8 December 1, 1995.

9 (3) A maximum of \$40,000 is provided to complete the computerized
10 state map project containing school bus routing information. This
11 information and available data on school buildings shall be
12 consolidated. Data formats shall be compatible with the geographic
13 information system (GIS) and included insofar as possible in the GIS
14 system.

15 (4) \$180,000 is provided solely for the transportation of students
16 enrolled in "choice" programs. Transportation shall be limited to low-
17 income students who are transferring to "choice" programs solely for
18 educational reasons.

19 (5) Beginning with the 1995-96 school year, the superintendent of
20 public instruction shall implement a state bid process for the purchase
21 of school buses pursuant to Engrossed Substitute Senate Bill No. 5408.

22 (6) Of this appropriation, a maximum of ~~\$(8,807,000))~~ 8,963,000
23 may be allocated in the 1995-96 school year ~~((and a maximum of~~
24 ~~\$8,894,000 may be allocated in the 1996-97 school year))~~ for hazardous
25 walking conditions. The superintendent shall ensure that the
26 conditions specified in RCW 28A.160.160(4) for state funding of
27 hazardous walking conditions for any district are fully and strictly
28 adhered to, and that no funds are allocated in any instance in which a
29 district is not actively and to the greatest extent possible engaged in
30 efforts to mitigate hazardous walking conditions.

31 (7) For the 1996-97 school year, a maximum of \$13,546,000 may be
32 allocated for transportation services in accordance with Senate Bill
33 No. 6684 (student safety to and from school). A district's allocation
34 shall be based on the number of enrolled students in grades
35 kindergarten through five living within one radius mile from their
36 assigned school multiplied by 1.29. "Enrolled students in grades
37 kindergarten through five" for purposes of this section means the
38 number of kindergarten through five students, living within one radius

1 mile, who are enrolled during the week that each district's bus
2 ridership count is taken.

3 (8) The minimum load factor in the operations formula shall be
4 calculated based on all students transported to and from school.

5 (9) For the 1996-97 school year, the superintendent of public
6 instruction shall revise the expected bus lifetimes used for
7 determining bus reimbursement payments in the following manner:

8 (a) The twenty-year bus category shall be reduced to eighteen
9 years; and

10 (b) The fifteen-year bus category shall be reduced to thirteen
11 years.

12 **Sec. 506.** 1995 2nd sp.s. c 18 s 508 (uncodified) is amended to
13 read as follows:

14 **SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

15 General Fund--State Appropriation (FY 1996) . . . \$	((380,179,000))
16	<u>379,771,000</u>
17 General Fund--State Appropriation (FY 1997) . . . \$	((373,289,000))
18	<u>368,149,000</u>
19 General Fund--Federal Appropriation \$	98,684,000
20 TOTAL APPROPRIATION \$	((852,152,000))
21	<u>846,604,000</u>

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

24 (1) The general fund--state appropriation includes such funds as
25 are necessary for the remaining months of the 1994-95 school year.

26 (2) In recognition of the need for increased flexibility at the
27 local district level to facilitate the provision of appropriate
28 education to children ~~((with disabilities))~~ in need of special
29 education, and the need for substantive educational reform for a
30 significant portion of the school population, the funding formula for
31 special education is modified. These changes result from a 1994 study
32 and recommendations by the institute for public policy and the
33 legislative budget committee, aided by the office of the superintendent
34 of public instruction and the statewide task force for the development
35 of special education funding alternatives. The new formula is for
36 allocation purposes only and is not intended to prescribe or imply any
37 particular pattern of special education service delivery other than

1 that contained in a properly formulated, locally determined,
2 individualized education program.

3 (3) The superintendent of public instruction shall distribute state
4 funds to school districts based on two categories, the mandatory
5 special education program for special education students ages three to
6 twenty-one and the optional birth through age two program for
7 developmentally delayed infants and toddlers. The superintendent shall
8 review current state eligibility criteria for the fourteen special
9 education categories and consider changes which would reduce assessment
10 time and administrative costs associated with the special education
11 program.

12 (4) For the 1995-96 and 1996-97 school years, the superintendent
13 shall distribute state funds to each district based on the sum of:

14 (a) A district's annual average headcount enrollment of
15 developmentally delayed infants and toddlers ages birth through two,
16 times the district's average basic education allocation per full-time
17 equivalent student, times 1.15; and

18 (b) A district's annual average full-time equivalent basic
19 education enrollment times the enrollment percent, times the district's
20 average basic education allocation per full-time equivalent student
21 times 0.9309.

22 (5) The definitions in this subsection apply throughout this
23 section.

24 (a) "Average basic education allocation per full-time equivalent
25 student" for a district shall be based on the staffing ratios required
26 by RCW 28A.150.260 (i.e., 49/1000 certificated instructional staff in
27 grades K-3, and 46/1000 in grades 4-12), and shall not include
28 enhancements for K-3, secondary vocational education, or small schools.

29 (b) "Annual average full-time equivalent basic education
30 enrollment" means the resident enrollment including students enrolled
31 through choice (RCW 28A.225.225) and students from nonhigh districts
32 (RCW 28A.225.210) and excluding students residing in another district
33 enrolled as part of an interdistrict cooperative program (RCW
34 28A.225.250).

35 (c) "Enrollment percent" shall mean the district's resident special
36 education annual average enrollment including those students counted
37 under the special education demonstration projects, excluding the birth
38 through age two enrollment, as a percent of the district's annual
39 average full-time equivalent basic education enrollment. For the 1995-

1 96 and the 1996-97 school years, each district's enrollment percent
2 shall be:

3 (i) For districts whose enrollment percent for 1994-95 was at or
4 below 12.7 percent, the lesser of the district's actual enrollment
5 percent for the school year for which the allocation is being
6 determined or 12.7 percent.

7 (ii) For districts whose enrollment percent for 1994-95 was above
8 12.7 percent, the lesser of:

9 (A) The district's actual enrollment percent for the school year
10 for which the special education allocation is being determined; or

11 (B) The district's actual enrollment percent for the school year
12 immediately prior to the school year for which the special education
13 allocation is being determined if not less than 12.7 percent; or

14 (C) For 1995-96, the 1994-95 enrollment percent reduced by 25
15 percent of the difference between the district's 1994-95 enrollment
16 percent and 12.7. For 1996-97, the 1994-95 enrollment percent reduced
17 by 50 percent of the difference between the district's 1994-95
18 enrollment percent and 12.7.

19 (6) At the request of any interdistrict cooperative of at least 15
20 districts in which all excess cost services for special education
21 students of the districts are provided by the cooperative, the maximum
22 enrollment percent shall be 12.7, and shall be calculated in the
23 aggregate rather than individual district units. For purposes of
24 subsection (5) of this section, the average basic education allocation
25 per full-time equivalent student shall be calculated in the aggregate
26 rather than individual district units.

27 (7) A minimum of \$4.5 million of the general fund--federal
28 appropriation shall be expended for safety net funding to meet the
29 extraordinary needs of individual special education students.

30 ((+7)) (8) From the general fund--state appropriation, \$14,600,000
31 is provided for the 1995-96 school year, and \$((19,575,000)) 15,850,000
32 for the 1996-97 school year, for safety net purposes for districts with
33 demonstrable funding needs for special education beyond the combined
34 amounts provided in subsection (4) of this section. The superintendent
35 of public instruction shall, by rule, establish procedures and
36 standards for allocation of safety net funds. In the 1995-96 school
37 year, school districts shall submit their requests for safety net funds
38 to the appropriate regional committee established by the superintendent
39 of public instruction. Regional committees shall make recommendations

1 to the state oversight committee for approval. For the 1996-97 school
2 year, requests for safety net funds under this subsection shall be
3 submitted to the state oversight committee. The following conditions
4 and limitations shall be applicable to school districts requesting
5 safety net funds:

6 (a) For a school district requesting state safety net funds due to
7 special characteristics of the district and costs of providing services
8 which differ significantly from the assumptions contained in the
9 funding formula, the procedures and standards shall permit relief only
10 if a district can demonstrate at a minimum that:

11 (i) Individualized education plans are appropriate and are properly
12 and efficiently prepared and formulated;

13 (ii) The district is making a reasonable effort to provide
14 appropriate program services for special education students utilizing
15 state funds generated by the apportionment and special education
16 funding formulas;

17 (iii) The district's programs are operated in a reasonably
18 efficient manner and that the district has adopted a plan of action to
19 contain or eliminate any unnecessary, duplicative, or inefficient
20 practices;

21 (iv) Indirect costs charged to this program do not exceed the
22 allowable percent for the federal special education program;

23 (v) Any available federal funds are insufficient to address the
24 additional needs; and

25 (vi) The costs of any supplemental contracts are not charged to
26 this program for purposes of making these determinations.

27 (b) For districts requesting safety net funds due to federal
28 maintenance of effort requirements, as a result of changes in the state
29 special education formula, the procedures and standards shall permit
30 relief only if a district can demonstrate at a minimum that:

31 (i) Individualized education plans are appropriate and are properly
32 and efficiently prepared and formulated; and

33 (ii) The district is making a reasonable effort to provide
34 appropriate program services for special education students utilizing
35 state funds generated by the apportionment and special education
36 funding formulas(~~;~~ ~~and~~

37 ~~(iii) Calculations made in accordance with subsection (8) of this~~
38 ~~section with respect to state fund allocations justify a need for~~

1 additional funds for compliance with federal maintenance of effort
2 requirements)).

3 (c) For districts requesting safety net funds due to federal
4 maintenance of effort requirements as a result in changes in the state
5 special education formula, amounts provided for this purpose shall be
6 calculated by the superintendent of public instruction and adjusted
7 periodically based on the most current information available to the
8 superintendent. The amount provided shall not exceed the lesser of:

9 (i) The district's 1994-95 state excess cost allocation for
10 resident special education students minus the relevant school year's
11 state special education formula allocation;

12 (ii) The district's 1994-95 state excess cost allocation per
13 resident special education student times the number of formula funded
14 special education students for the relevant school year minus the
15 relevant school year's special education formula allocation;

16 (iii) The amount requested by the district; or

17 (iv) The amount awarded by the state oversight committee.

18 ~~((+8))~~ (9)(a) For purposes of making safety net determinations
19 pursuant to subsection ~~((+7))~~ (8) of this section, the superintendent
20 shall make available to each school district, from available data,
21 prior to June 1st of each year:

22 (i) The district's 1994-95 enrollment percent;

23 (ii) For districts with a 1994-95 enrollment percent over 12.7
24 percent, the maximum 1995-96 enrollment percent, and prior to 1996-97
25 the maximum 1996-97 enrollment percent;

26 (iii) The estimate to be used for purposes of subsection ~~((+7))~~
27 (8) of this section of each district's 1994-95 special education
28 allocation showing the excess cost and the basic education portions;
29 and

30 (iv) If necessary, a process for each district to estimate the
31 1995-96 school year excess cost allocation for special education and
32 the portion of the basic education allocation formerly included in the
33 special education allocation. This process may utilize the allocations
34 generated pursuant to subsection (4) of this section, each district's
35 1994-95 estimated basic education backout percent for the 1994-95
36 school year, and state compensation increases for 1995-96.

37 (b) The superintendent, in consultation with the state auditor,
38 shall take all necessary steps to successfully transition to the new
39 formula and minimize paperwork at the district level associated with

1 federal maintenance of effort calculations. The superintendent shall
2 develop such rules and procedures as are necessary to implement this
3 process for the 1995-96 school year, and may use the same process (~~for~~
4 ~~the 1996-97 school year if found necessary for federal maintenance of~~
5 ~~effort calculations~~)).

6 (~~(9)~~) (10) Prior to adopting any standards, procedures, or
7 processes required to implement this section, the superintendent shall
8 consult with the office of financial management and the fiscal
9 committees of the legislature.

10 (~~(10)~~) (11) Membership of the regional committees, in the 1995-96
11 school year, may include, but not be limited to:

12 (a) A representative of the superintendent of public instruction;

13 (b) One or more representatives from school districts including
14 board members, superintendents, special education directors, and
15 business managers; and

16 (c) One or more staff from an educational service district.

17 (~~(11)~~) (12) The state oversight committee appointed by the
18 superintendent of public instruction shall consist of:

19 (a) Staff of the office of superintendent of public instruction;

20 (b) Staff of the office of the state auditor;

21 (c) Staff from the office of the financial management; and

22 (d) One or more representatives from school districts or
23 educational service districts knowledgeable of special education
24 programs and funding.

25 (~~(12)~~) (13) The institute for public policy, in cooperation with
26 the superintendent of public instruction, the office of financial
27 management, and the fiscal committees of the legislature, shall
28 evaluate the operation of the safety nets under subsections (~~(6)~~) (7)
29 and (~~(7)~~) (8) of this section and shall prepare an interim report by
30 December 15, 1995, and a final report on the first school year of
31 operation by October 15, 1996.

32 (~~(13)~~) (14) A maximum of \$678,000 may be expended from the
33 general fund--state appropriation to fund 5.43 full-time equivalent
34 teachers and 2.1 full-time equivalent aides at Children's orthopedic
35 hospital and medical center. This amount is in lieu of money provided
36 through the home and hospital allocation and the special education
37 program.

38 (~~(14)~~) (15) \$1,000,000 of the general fund--federal appropriation
39 is provided solely for projects to provide special education students

1 with appropriate job and independent living skills, including work
2 experience where possible, to facilitate their successful transition
3 out of the public school system. The funds provided by this subsection
4 shall be from federal discretionary grants.

5 ~~((15))~~ (16) Not more than \$80,000 of the general fund--federal
6 appropriation shall be expended for development of an inservice
7 training program to identify students with dyslexia who may be in need
8 of special education.

9 (17) A maximum of \$933,600 of the general fund--state appropriation
10 in fiscal year 1996 and a maximum of \$933,600 of the general fund--
11 state appropriation for fiscal year 1997 may be expended for state
12 special education coordinators housed at each of the educational
13 service districts. Employment and functions of the special education
14 coordinators shall be determined in consultation with the
15 superintendent of public instruction.

16 **Sec. 507.** 1995 2nd sp.s. c 18 s 509 (uncodified) is amended to
17 read as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**
19 **EDUCATION PROGRAMS**

20 Public Safety and Education Account

21 Appropriation \$ ((17,488,000))
22 16,928,000

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

25 (1) The appropriation includes such funds as are necessary for the
26 remaining months of the 1994-95 school year.

27 (2) A maximum of \$507,000 shall be expended for regional traffic
28 safety education coordinators.

29 (3) The maximum basic state allocation per student completing the
30 program shall be \$137.16 in the 1995-96 and 1996-97 school years.

31 (4) Additional allocations to provide tuition assistance for
32 students from low-income families who complete the program shall be a
33 maximum of \$66.81 per eligible student in the 1995-96 and 1996-97
34 school years.

35 **Sec. 508.** 1995 2nd sp.s. c 18 s 510 (uncodified) is amended to
36 read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
2 **DISTRICTS**

3	General Fund Appropriation (FY 1996)	. . . . . \$	((4,411,000))
4			<u>4,491,000</u>
5	General Fund Appropriation (FY 1997)	. . . . . \$	4,410,000
6	TOTAL APPROPRIATION	. . . . . \$	((8,821,000))
7			<u>8,901,000</u>

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

10 (1) The educational service districts shall continue to furnish
11 financial services required by the superintendent of public instruction
12 and RCW 28A.310.190 (3) and (4).

13 (2) \$225,000 of the general fund appropriation is provided solely
14 for student teaching centers as provided in RCW 28A.415.100.

15 (3) \$360,000 of the general fund appropriation is provided solely
16 to continue implementation of chapter 109, Laws of 1993 (collaborative
17 development school projects).

18 (4) A maximum of \$350,000 may be expended for centers for
19 improvement of teaching pursuant to RCW 28A.415.010.

20 (5) \$80,000 is provided solely for allocation to educational
21 service district no. 121 for dyslexia training services provided to
22 teachers in the Tacoma school districts by a nonprofit organization
23 with expertise in this field.

24 **Sec. 509.** 1995 2nd sp.s. c 18 s 511 (uncodified) is amended to
25 read as follows:

26 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
27 **ASSISTANCE**

28	General Fund Appropriation (FY 1996)	. . . . . \$	((75,408,000))
29			<u>76,871,000</u>
30	General Fund Appropriation (FY 1997)	. . . . . \$	((79,592,000))
31			<u>82,806,000</u>
32	TOTAL APPROPRIATION	. . . . . \$	((155,000,000))
33			<u>159,677,000</u>

34 **Sec. 510.** 1995 2nd sp.s. c 18 s 513 (uncodified) is amended to
35 read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATION OF INDIAN**
2 **CHILDREN**

3 General Fund--Federal Appropriation \$ ((370,000))
4 55,000

5 **Sec. 511.** 1995 2nd sp.s. c 18 s 514 (uncodified) is amended to
6 read as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
8 **EDUCATION PROGRAMS**

9 General Fund--State Appropriation (FY 1996) . . . \$ ((15,417,000))
10 15,798,000

11 General Fund--State Appropriation (FY 1997) . . . \$ ((15,795,000))
12 17,928,000

13 General Fund--Federal Appropriation \$ 8,548,000

14 TOTAL APPROPRIATION \$ ((39,760,000))
15 42,274,000

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

18 (1) The general fund--state appropriation includes such funds as
19 are necessary for the remaining months of the 1994-95 school year.

20 (2) State funding provided under this section is based on salaries
21 and other expenditures for a 220-day school year. The superintendent
22 of public instruction shall monitor school district expenditure plans
23 for institutional education programs to ensure that districts plan for
24 a full-time summer program.

25 (3) State funding for each institutional education program shall be
26 based on the institution's annual average full-time equivalent student
27 enrollment. Staffing ratios for each category of institution and other
28 state funding assumptions shall be those specified in the legislative
29 budget notes.

30 **Sec. 512.** 1995 2nd sp.s. c 18 s 515 (uncodified) is amended to
31 read as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
33 **CAPABLE STUDENTS**

34 General Fund Appropriation (FY 1996) \$ ((4,254,000))
35 4,200,000

36 General Fund Appropriation (FY 1997) \$ ((4,277,000))

1		4,254,000
2	TOTAL APPROPRIATION \$	((8,531,000))
3		<u>8,454,000</u>

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

6 (1) The appropriation includes such funds as are necessary for the
7 remaining months of the 1994-95 school year.

8 (2) Allocations for school district programs for highly capable
9 students shall be distributed for up to one and one-half percent of
10 each district's full-time equivalent basic education act enrollment.

11 (3) \$436,000 of the appropriation is for the Centrum program at
12 Fort Worden state park.

13 **Sec. 513.** 1995 2nd sp.s. c 18 s 516 (uncodified) is amended to
14 read as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

16	General Fund--State Appropriation (FY 1996) . . . \$	((17,904,000))
17		<u>16,715,000</u>
18	General Fund--State Appropriation (FY 1997) . . . \$	((18,062,000))
19		<u>19,251,000</u>
20	General Fund--Federal Appropriation \$	12,500,000
21	TOTAL APPROPRIATION \$	48,466,000

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

24 ~~(1) ((\$3,819,000 of the general fund state appropriation is~~
25 ~~provided solely for the operation of the commission on student learning~~
26 ~~under RCW 28A.630.883 through 28A.630.953. The commission on student~~
27 ~~learning shall report on a regular basis regarding proposed activities~~
28 ~~and expenditures of the commission.~~

29 ~~(2) \$4,890,000 of the general fund state appropriation and~~
30 ~~\$800,000 of the general fund federal appropriation are provided solely~~
31 ~~for development of assessments as required in RCW 28A.630.885 as~~
32 ~~amended by House Bill No. 1249.~~

33 (3)) \$8,709,000 of the general fund--state appropriation and
34 \$800,000 of the general fund--federal appropriation are provided for
35 the operation of the commission on student learning and development of
36 assessments. The commission shall report on a regular basis regarding

1 proposed activities and expenditures to the education and fiscal
2 committees of the legislature. The fiscal year splits assumed in
3 calculating the appropriation in this subsection reflect the timelines
4 of Substitute House Bill No. 2695.

5 (2) \$2,190,000 of the general fund--state appropriation is provided
6 solely for training of paraprofessional classroom assistants and
7 certificated staff who work with classroom assistants as provided in
8 RCW 28A.415.310.

9 ~~((+4))~~ (3) \$2,970,000 of the general fund--state appropriation is
10 provided for school-to-work transition projects in the common schools,
11 including state support activities, under RCW 28A.630.861 through
12 28A.630.880.

13 ~~((+5))~~ (4) \$2,970,000 of the general fund--state appropriation is
14 provided for mentor teacher assistance, including state support
15 activities, under RCW 28A.415.250 and 28A.415.260. Funds for the
16 teacher assistance program shall be allocated to school districts based
17 on the number of beginning teachers.

18 ~~((+6))~~ (5) \$1,620,000 of the general fund--state appropriation is
19 provided for superintendent and principal internships, including state
20 support activities, under RCW 28A.415.270 through 28A.415.300.

21 ~~((+7))~~ (6) \$4,050,000 of the general fund--state appropriation is
22 provided for improvement of technology infrastructure, the creation of
23 a student database, and educational technology support centers,
24 including state support activities, under chapter 28A.650 RCW.

25 ~~((+8))~~ (7) \$7,200,000 of the general fund--state appropriation is
26 provided for grants to school districts to provide a continuum of care
27 for children and families to help children become ready to learn. Grant
28 proposals from school districts shall contain local plans designed
29 collaboratively with community service providers. If a continuum of
30 care program exists in the area in which the school district is
31 located, the local plan shall provide for coordination with existing
32 programs to the greatest extent possible. Grant funds shall be
33 allocated pursuant to RCW 70.190.040.

34 ~~((+9))~~ (8) \$5,000,000 of the general fund--state appropriation is
35 provided solely for the meals for kids program under RCW 28A.235.145
36 through 28A.235.155 and shall be distributed as follows:

37 (a) \$442,000 is provided solely for start-up grants for schools not
38 eligible for federal start-up grants and for summer food service
39 programs; and

1 (b) \$4,558,000 of the general fund--state appropriation is provided
2 solely to increase the state subsidy for free and reduced-price
3 breakfasts.

4 (~~(10)~~) (9) \$1,260,000 of the general fund--state appropriation is
5 provided for technical assistance related to education reform through
6 the office of the superintendent of public instruction, in consultation
7 with the commission on student learning, as specified in RCW
8 28A.300.130 (center for the improvement of student learning).

9 (~~(11)~~) (10) \$1,700,000 of the general fund--federal appropriation
10 is provided for professional development grants.

11 (~~(12)~~) (11) \$10,000,000 of the general fund--federal
12 appropriation is provided solely for competitive grants to school
13 districts for implementation of education reform. To the extent that
14 additional federal goals 2000 funds become available, the
15 superintendent shall also allocate such additional funds for the same
16 purpose.

17 **Sec. 514.** 1995 2nd sp.s. c 18 s 518 (uncodified) is amended to
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
20 **BILINGUAL PROGRAMS**

21	General Fund Appropriation (FY 1996)	. . . . . \$	((27,286,000))
22			<u>26,378,000</u>
23	General Fund Appropriation (FY 1997)	. . . . . \$	((29,566,000))
24			<u>28,432,000</u>
25	TOTAL APPROPRIATION	. . . . . \$	((56,852,000))
26			<u>54,810,000</u>

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

29 (1) The appropriation provides such funds as are necessary for the
30 remaining months of the 1994-95 school year.

31 (2) The superintendent shall distribute a maximum of \$623.21 per
32 eligible bilingual student in the 1995-96 school year and \$623.31 in
33 the 1996-97 school year.

34 **Sec. 515.** 1995 2nd sp.s. c 18 s 519 (uncodified) is amended to
35 read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
2 **ASSISTANCE PROGRAM**

3	General Fund Appropriation (FY 1996)	. . . . . \$	((56,293,000))
4			<u>56,417,000</u>
5	General Fund Appropriation (FY 1997)	. . . . . \$	((57,807,000))
6			<u>58,210,000</u>
7	TOTAL APPROPRIATION	. . . . . \$	((114,100,000))
8			<u>114,627,000</u>

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

11 (1) The appropriation provides such funds as are necessary for the
12 remaining months of the 1994-95 school year.

13 (2) For making the calculation of the percentage of students
14 scoring in the lowest quartile as compared with national norms,
15 beginning with the 1991-92 school year, the superintendent shall
16 multiply each school district's 4th and 8th grade test results by 0.86.

17 (3) Funding for school district learning assistance programs shall
18 be allocated at a maximum rate of \$366.74 per unit for the 1995-96
19 school year and a maximum of \$366.81 per unit in the 1996-97 school
20 year. School districts may carryover up to 10 percent of funds
21 allocated under this program; however, carryover funds shall be
22 expended for the learning assistance program.

23 (a) A school district's units for the 1995-96 school year shall be
24 the sum of the following:

25 (i) The 1995-96 full-time equivalent enrollment in kindergarten
26 through 6th grade, times the 5-year average 4th grade test result as
27 adjusted pursuant to subsection (2) of this section, times 0.96; and

28 (ii) The 1995-96 full-time equivalent enrollment in grades 7
29 through 9, times the 5-year average 8th grade test result as adjusted
30 pursuant to subsection (2) of this section, times 0.96; and

31 (iii) If the district's percentage of October 1994 headcount
32 enrollment in grades K-12 eligible for free and reduced price lunch
33 exceeds the state average, subtract the state average percentage of
34 students eligible for free and reduced price lunch from the district's
35 percentage and multiply the result by the district's 1995-96 K-12
36 annual average full-time equivalent enrollment times 11.68 percent.

37 (b) A school district's units for the 1996-97 school year shall be
38 the sum of the following:

1 (i) The 1996-97 full-time equivalent enrollment in kindergarten
2 through 6th grade, times the 5-year average 4th grade test result as
3 adjusted pursuant to subsection (2) of this section, times 0.92; and

4 (ii) The 1996-97 full-time equivalent enrollment in grades 7
5 through 9, times the 5-year average 8th grade test result as adjusted
6 pursuant to subsection (2) of this section, times 0.92; and

7 (iii) If the district's percentage of October 1995 headcount
8 enrollment in grades K-12 eligible for free and reduced price lunch
9 exceeds the state average, subtract the state average percentage of
10 students eligible for free and reduced price lunch from the district's
11 percentage and multiply the result by the district's 1996-97 K-12
12 annual average full-time equivalent enrollment times 22.30 percent.

13 **Sec. 516.** 1995 2nd sp.s. c 18 s 520 (uncodified) is amended to
14 read as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

16	General Fund Appropriation (FY 1996)	. . . . .	\$	((57,126,000))
17				<u>56,846,000</u>
18	General Fund Appropriation (FY 1997)	. . . . .	\$	((58,429,000))
19				<u>58,123,000</u>
20	TOTAL APPROPRIATION	. . . . .	\$	((115,555,000))
21				<u>114,969,000</u>

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

24 (1) The appropriation provides such funds as are necessary for the
25 remaining months of the 1994-95 school year.

26 (2) School districts receiving moneys pursuant to this section
27 shall expend at least fifty-eight percent of such moneys in school
28 buildings for building based planning, staff development, and other
29 activities to improve student learning, consistent with the student
30 learning goals in RCW 28A.150.210 and RCW 28A.630.885. Districts
31 receiving the moneys shall have a policy regarding the involvement of
32 school staff, parents, and community members in instructional
33 decisions. Each school using the moneys shall, by the end of the 1995-
34 96 school year, develop and keep on file a building plan to attain the
35 student learning goals and essential academic learning requirements and
36 to implement the assessment system as it is developed. The remaining
37 forty-two percent of such moneys may be used to meet other educational

1 needs as identified by the school district. Program enhancements
2 funded pursuant to this section do not fall within the definition of
3 basic education for purposes of Article IX of the state Constitution
4 and the state's funding duty thereunder, nor shall such funding
5 constitute levy reduction funds for purposes of RCW 84.52.0531.

6 (3) Forty-two percent of the allocations to school districts shall
7 be calculated on the basis of full-time enrollment at an annual rate
8 per student of up to \$26.30 for the 1995-96 and 1996-97 school years.
9 For school districts enrolling not more than one hundred average annual
10 full-time equivalent students, and for small school plants within any
11 school district designated as remote and necessary schools, the
12 allocations shall be as follows:

13 (a) Enrollment of not more than 60 average annual full-time
14 equivalent students in grades kindergarten through six shall generate
15 funding based on sixty full-time equivalent students;

16 (b) Enrollment of not more than 20 average annual full-time
17 equivalent students in grades seven and eight shall generate funding
18 based on twenty full-time equivalent students; and

19 (c) Enrollment of not more than 60 average annual full-time
20 equivalent students in grades nine through twelve shall generate
21 funding based on sixty full-time equivalent students.

22 (4) Fifty-eight percent of the allocations to school districts
23 shall be calculated on the basis of full-time enrollment at an annual
24 rate per student of up to \$36.69 for the 1995-96 and 1996-97 fiscal
25 years. The state schools for the deaf and the blind may qualify for
26 allocations of funds under this subsection. For school districts
27 enrolling not more than one hundred average annual full-time equivalent
28 students, and for small school plants within any school district
29 designated as remote and necessary schools, the allocations shall be as
30 follows:

31 (a) Enrollment of not more than 60 average annual full-time
32 equivalent students in grades kindergarten through six shall generate
33 funding based on sixty full-time equivalent students;

34 (b) Enrollment of not more than 20 average annual full-time
35 equivalent students in grades seven and eight shall generate funding
36 based on twenty full-time equivalent students; and

37 (c) Enrollment of not more than 60 average annual full-time
38 equivalent students in grades nine through twelve shall generate
39 funding based on sixty full-time equivalent students.

1 (5) Beginning with the 1995-96 school year, to provide parents, the
2 local community, and the legislature with information on the student
3 learning improvement block grants, schools receiving funds for such
4 purpose shall include, in the annual performance report required in RCW
5 28A.320.205, information on how the student learning improvement block
6 grant moneys were spent and what results were achieved. Each school
7 district shall submit the reports to the superintendent of public
8 instruction and the superintendent shall provide the legislature with
9 an annual report.

10 (6) Receipt by a school district of one-fourth of the district's
11 allocation of funds under this section, shall be conditioned on a
12 finding by the superintendent that the district is enrolled as a
13 medicaid service provider and is actively pursuing federal matching
14 funds for medical services provided through special education programs,
15 pursuant to RCW 74.09.5241 through 74.09.5256 (Title XIX funding).

16 (End of part)

1 rates as submitted to the higher education coordinating board in
2 accordance with RCW 28B.10.692. By February 28, 1997, the institutions
3 shall provide the legislature with two-year goals for improvements in
4 graduation rates and the time-to-degree or time-to-certification.

5 To reduce the time it takes students to graduate, the institutions
6 shall establish policies and reallocate resources as necessary to
7 increase the number of undergraduate degrees granted per full-time
8 equivalent instructional faculty.

9 (3) The salary increases provided or referenced in this subsection
10 shall be the maximum allowable salary increases provided at
11 institutions of higher education, excluding increases associated with
12 normally occurring promotions and increases related to faculty and
13 professional staff retention, and excluding increases associated with
14 employees under the jurisdiction of chapter 41.56 RCW pursuant to the
15 provisions of RCW 28B.16.015.

16 (a) No more than \$300,000 of the appropriations provided in
17 sections 602 through 608 of this act may be expended for purposes
18 designated in section 911 of this act.

19 (b) Each institution of higher education shall provide to each
20 classified staff employee as defined by the office of financial
21 management a salary increase of 4.0 percent on July 1, 1995. Each
22 institution of higher education shall provide to instructional and
23 research faculty, exempt professional staff, academic administrators,
24 academic librarians, counselors, teaching and research assistants as
25 classified by the office of financial management and all other
26 nonclassified staff, including those employees under RCW 28B.16.015, an
27 average salary increase of 4.0 percent on July 1, 1995. For employees
28 under the jurisdiction of chapter 41.56 RCW pursuant to the provisions
29 of RCW 28B.16.015, distribution of the salary increases will be in
30 accordance with the applicable collective bargaining agreement.
31 However, an increase shall not be provided to any classified employee
32 whose salary is above the approved salary range maximum for the class
33 to which the employee's position is allocated.

34 (c) Funds under section 717 of this act are in addition to any
35 increases provided in (a) and (b) of this subsection. Specific salary
36 increases authorized in sections 603 and 604 of this act are in
37 addition to any salary increase provided in this subsection.

38 (4) The additional amounts for enrollment increases for the
39 baccalaureate institutions in fiscal year 1997 are intended to fund

1 students in addition to those already actually enrolled or planned for
 2 enrollment in that year, and the amounts are not intended to fund
 3 students otherwise actually enrolled over the budgeted levels as
 4 displayed in chapter 18, Laws of 1995 2nd sp. sess.

5 (5) The public institutions of higher education shall provide, in
 6 a format approved by the higher education coordinating board, data
 7 necessary to satisfy the information required by Senate Concurrent
 8 Resolution No. 8428 and any other data requirements outlined in this
 9 amended act.

10 **Sec. 602.** 1995 2nd sp.s. c 18 s 602 (uncodified) is amended to
 11 read as follows:

12 The appropriations in sections 603 through 609 of this act provide
 13 state general fund support or employment and training trust account
 14 support for student full-time equivalent enrollments at each
 15 institution of higher education. Listed below are the annual full-time
 16 equivalent student enrollments by institution assumed in this act.

	1995-96	1996-97
	Annual	Annual
	Average	Average
	FTE	FTE
21 University of Washington		
22 Main campus	29,857	((29,888))
23		<u>30,455</u>
24 Evening Degree Program	571	617
25 Tacoma branch	588	((687))
26		<u>747</u>
27 Bothell branch	533	((617))
28		<u>685</u>
29 Washington State University		
30 Main campus	16,205	((16,419))
31		<u>17,403</u>
32 Spokane branch	283	((308))
33		<u>352</u>
34 Tri-Cities branch	624	((707))

1			724
2	Vancouver branch	723	851
3	Central Washington University	6,903	((6,997))
4			<u>7,256</u>
5	Eastern Washington University	7,656	((7,739))
6			<u>7,825</u>
7	The Evergreen State College	3,278	((3,298))
8			<u>3,406</u>
9	Western Washington University	9,483	((9,606))
10			<u>10,038</u>
11	State Board for Community and		
12	Technical Colleges	111,986	((113,586))
13			<u>114,326</u>
14	Higher Education Coordinating		
15	Board	50	50

16 **Sec. 603.** 1995 2nd sp.s. c 18 s 603 (uncodified) is amended to
17 read as follows:

18 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

19	General Fund--State Appropriation (FY 1996)	\$	345,763,000
20	General Fund--State Appropriation (FY 1997)	\$	((348,728,000))
21			<u>358,240,000</u>
22	General Fund--Federal Appropriation	\$	11,404,000
23	Employment and Training Trust Account		
24	Appropriation	\$	58,575,000
25	TOTAL APPROPRIATION	\$	((764,470,000))
26			<u>773,982,000</u>

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

29 (1) \$2,883,000 of the general fund appropriation is provided solely
30 for 500 supplemental FTE enrollment slots to implement RCW 28B.50.259
31 (timber-dependent communities).

32 (2) \$58,575,000 of the employment and training trust account
33 appropriation is provided solely for training and related support
34 services specified in chapter 226, Laws of 1993 (employment and
35 training for unemployed workers). Of this amount:

1 (a) \$41,090,000 is to provide enrollment opportunity for 6,100
2 full-time equivalent students in fiscal year 1996 and 7,200 full-time
3 equivalent students in fiscal year 1997. The state board for community
4 and technical colleges shall submit to the workforce training and
5 education coordinating board for review and approval a plan for the
6 allocation of the full-time equivalents provided in this subsection.

7 (b) \$8,403,000 is to provide child care assistance, transportation,
8 and financial aid for the student enrollments funded in (a) of this
9 subsection.

10 (c) \$7,632,000 is to provide financial assistance for student
11 enrollments funded in (a) of this subsection in order to enhance
12 program completion for those enrolled students whose unemployment
13 benefit eligibility will be exhausted or reduced before their training
14 program is completed. The state board for community and technical
15 colleges shall submit to the workforce training and education
16 coordinating board for review and approval a plan for eligibility and
17 disbursement criteria to be used in determining the award of moneys
18 provided in this subsection.

19 (d) \$750,000 is provided solely for an interagency agreement with
20 the workforce training and education coordinating board for an
21 independently contracted net-impact study to determine the overall
22 effectiveness and outcomes of retraining and other services provided
23 under chapter 226, Laws of 1993, (employment and training for
24 unemployed workers). The net-impact study shall be completed and
25 delivered to the legislature no later than December 31, 1996.

26 (e) \$700,000 is to provide the operating resources for seven
27 employment security department job service centers located on community
28 and technical college campuses.

29 (3) \$3,725,000 of the general fund appropriation is provided solely
30 for assessment of student outcomes at community and technical colleges.

31 (4) \$1,412,000 of the general fund appropriation is provided solely
32 to recruit and retain minority students and faculty.

33 (5) \$3,296,720 of the general fund appropriation is provided solely
34 for instructional equipment.

35 (6) \$688,000 of the general fund appropriation is provided for new
36 building operations and maintenance and shall be placed in reserve and
37 expended only pursuant to allotment authority provided by the office of
38 financial management.

1 (7) Up to \$4,200,000 of the appropriations in this section may be
2 used in combination with salary and benefit savings from faculty
3 turnover to provide faculty salary increments.

4 (8) The technical colleges may increase tuition and fees to conform
5 with the percentage increase in community college operating fees
6 authorized in Substitute Senate Bill No. 5325.

7 ~~(9) ((Up to \$6,000,000 of general operating funds may be used to~~
8 ~~address accreditation issues at the technical colleges))~~ \$4,200,000 of
9 the general fund--state appropriation is provided solely for
10 transitional costs and accreditation requirements associated with the
11 transfer of the technical colleges to the community college system.
12 Colleges shall apply funding for distance learning and technology
13 resources to address accreditation requirements in a cost-effective
14 manner. Colleges are encouraged to negotiate with accreditation
15 agencies for the acceptance of new educational technologies to meet
16 accreditation standards.

17 (10) Up to \$50,000, if matched by an equal amount from private
18 sources, may be used to initiate an international trade education
19 consortium, composed of selected community colleges, to fund and
20 promote international trade education and training services in a
21 variety of locations throughout the state, which services shall include
22 specific business skills needed to develop and sustain international
23 business opportunities that are oriented toward vocational, applied
24 skills. The board shall report to appropriate legislative committees
25 on these efforts at each regular session of the legislature.

26 (11) \$2,000,000 of the general fund--state appropriation is
27 provided solely for productivity enhancements in student services and
28 instruction that facilitate student progress, and innovation proposals
29 that provide greater student access and learning opportunities. The
30 state board for community and technical colleges shall report to the
31 governor and legislature by October 1, 1997, on implementation of
32 productivity and innovation programs supported by these funds.

33 (12) \$1,500,000 of the general fund--state appropriation is
34 provided solely for competitive grants to community and technical
35 colleges to assist the colleges in serving disabled students. The
36 state board for community and technical colleges shall award grants to
37 colleges based on severity of need.

1 (13) \$2,700,000 of the general fund--state appropriation is
2 provided solely for the costs associated with standardizing part-time
3 health benefits per Substitute Senate Bill No. 6583.

4 (14) By November 15, 1996, the board, in consultation with full-
5 and part-time faculty groups, shall develop a plan and submit
6 recommendations to the legislature to address compensation and staffing
7 issues concerning inter- and intra-institutional salary disparities for
8 full and part-time faculty. The board shall develop and submit to the
9 governor and the legislature a ten-year implementation plan that: (a)
10 Reflects the shared responsibility of the institutions and the
11 legislature to address these issues; (b) reviews recent trends in the
12 use of part-time faculty and makes recommendations to the legislature
13 for appropriate ratios of part-time to full-time faculty staff; and (c)
14 considers educational quality, long-range cost considerations,
15 flexibility in program delivery, employee working conditions, and
16 differing circumstances pertaining to local situations.

17 **Sec. 604.** 1995 2nd sp.s. c 18 s 604 (uncodified) is amended to
18 read as follows:

19 **FOR THE UNIVERSITY OF WASHINGTON**

20	General Fund Appropriation (FY 1996)	\$	((263,981,000))
21			<u>259,062,000</u>
22	General Fund Appropriation (FY 1997)	\$	((258,321,000))
23			<u>267,933,000</u>
24	Death Investigations Account Appropriation	\$	1,685,000
25	Accident Account Appropriation	\$	((4,335,000))
26			<u>4,348,000</u>
27	Medical Aid Account Appropriation	\$	((4,330,000))
28			<u>4,343,000</u>
29	Health Services Account Appropriation	\$	((6,244,000))
30			<u>6,247,000</u>
31	TOTAL APPROPRIATION	\$	((538,896,000))
32			<u>543,678,000</u>

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

35 (1) \$((9,516,000)) 10,501,000 of the general fund--state
36 appropriation is provided solely to operate upper-division and graduate
37 level courses offered at the Tacoma branch campus. Of this

1 amount((7)): (a) \$237,000 is provided solely for continuation of the
2 two-plus-two program operated jointly with the Olympic Community
3 College; and (b) \$700,000 is provided solely for building maintenance,
4 equipment purchase, and moving costs and shall be placed in reserve and
5 expended only pursuant to allotment authority provided by the office of
6 financial management.

7 (2) \$((9,438,000)) 9,665,000 of the general fund appropriation is
8 provided solely to operate upper-division and graduate level courses
9 offered at the Bothell branch campus.

10 (3) \$2,300,000 of the health services account appropriation is
11 provided solely for the implementation of chapter 492, Laws of 1993
12 (health care reform) to increase the supply of primary health care
13 providers.

14 (4) \$300,000 of the health services account appropriation is
15 provided solely to expand community-based training for physician
16 assistants.

17 (5) \$300,000 of the health services account appropriation is
18 provided solely for the advanced registered nurse program.

19 (6) \$2,909,000 of the health services account appropriation is
20 provided solely for health benefits for teaching and research
21 assistants pursuant to RCW 28B.10.660 (graduate service appointment
22 health insurance).

23 (7) \$372,000 of the general fund appropriation is provided solely
24 for assessment of student outcomes.

25 (8) \$648,000 of the general fund appropriation is provided solely
26 to recruit and retain minority students and faculty.

27 (9) \$1,471,000 of the general fund appropriation is provided for
28 new building operations and maintenance and shall be placed in reserve
29 and expended only pursuant to allotment authority provided by the
30 office of financial management.

31 (10) \$500,000 of the general fund appropriation is provided solely
32 for enhancements to the mathematics, engineering and science
33 achievement (MESA) program.

34 (11) \$227,000 of the general fund appropriation is provided solely
35 for implementation of the Puget Sound water quality management plan.

36 (12) The university shall begin implementation of the professional
37 staff and librarian market gap remedy plan II, which was submitted to
38 the legislature in response to section 603(3), chapter 24, Laws of 1993
39 sp. sess. and section 603(3), chapter 6, Laws of 1994 sp. sess. As

1 part of the implementation of the plan, an average salary increase of
2 5.0 percent may be provided to librarians and professional staff on
3 July 1, 1995, to meet salary gaps as described in the plan.

4 (13) \$184,000 of the health services account appropriation is
5 provided solely for participation of the University of Washington
6 dental school in migrant/community health centers in the Yakima valley.

7 (14) At least \$50,000 of the general fund appropriation shall be
8 used for research at the Olympic natural resources center.

9 (15) \$1,718,000 of the general fund appropriation is provided
10 solely for technological improvements to develop an integrated state-
11 wide library system, of which \$409,000 is for system-wide network
12 costs.

13 **Sec. 605.** 1995 2nd sp.s. c 18 s 605 (uncodified) is amended to
14 read as follows:

15 **FOR WASHINGTON STATE UNIVERSITY**

16	General Fund Appropriation (FY 1996)	. . . . . \$	((150,520,000))
17			<u>150,272,000</u>
18	General Fund Appropriation (FY 1997)	. . . . . \$	((153,906,000))
19			<u>159,410,000</u>
20	Industrial Insurance Premium Refund Account		
21	Appropriation	\$	33,000
22	<u>Air Pollution Control Account Appropriation . . .</u>	<u>\$</u>	<u>105,000</u>
23	Health Services Account Appropriation	\$	1,400,000
24	TOTAL APPROPRIATION	\$	((305,859,000))
25			<u>311,220,000</u>

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

28 (1) \$12,008,000 of the general fund appropriation is provided
29 solely to operate upper-division and graduate level courses and other
30 educational services offered at the Vancouver branch campus.
31 \$1,198,000 of this amount is provided for new building operations and
32 maintenance and shall be placed in reserve and expended only pursuant
33 to allotment authority provided by the office of financial management.

34 (2) ~~\$(7,534,000)~~ 7,646,000 of the general fund appropriation is
35 provided solely to operate upper-division and graduate level courses
36 and other educational services offered at the Tri-Cities branch campus.
37 \$53,000 of this amount is provided for new building operations and

1 maintenance and shall be placed in reserve and expended only pursuant
2 to allotment authority provided by the office of financial management.

3 (3) ~~\$(7,691,000)~~ 8,042,000 of the general fund appropriation is
4 provided solely to operate graduate and professional level courses and
5 other educational services offered at the Spokane branch campus.

6 (4) \$372,000 of the general fund appropriation is provided solely
7 for assessment of student outcomes.

8 (5) \$280,000 of the general fund appropriation is provided solely
9 to recruit and retain minority students and faculty.

10 (6) \$1,400,000 of the health services account appropriation is
11 provided solely for health benefits for teaching and research
12 assistants pursuant to RCW 28B.10.660 (graduate service appointment
13 health insurance).

14 (7) \$2,167,000 of the general fund appropriation is provided for
15 new building operations and maintenance on the main campus and shall be
16 placed in reserve and expended only pursuant to allotment authority
17 provided by the office of financial management.

18 (8) \$525,000 of the general fund appropriation is provided solely
19 to implement House Bill No. 1741 (wine and wine grape research). If
20 the bill is not enacted by June 30, 1995, the amount provided in this
21 subsection shall lapse.

22 (9) \$1,000,000 of the general fund appropriation is provided solely
23 to implement Engrossed Second Substitute House Bill No. 1009 (pesticide
24 research). If the bill is not enacted by June 30, 1995, the amount
25 provided in this subsection shall lapse.

26 (10) \$314,000 of the general fund appropriation is provided solely
27 for implementation of the Puget Sound water quality management plan.

28 (11) \$25,000 of the general fund--state appropriation is provided
29 solely for operation of the energy efficiency programs transferred to
30 Washington State University by House Bill No. 2009. If House Bill No.
31 2009 is not enacted by June 30, 1996, the amount provided in this
32 subsection shall lapse.

33 (12) \$450,000 of the general fund--state appropriation is provided
34 solely for equipment, software, and related expenditures to support a
35 state-wide library network.

36 **Sec. 606.** 1995 2nd sp.s. c 18 s 606 (uncodified) is amended to
37 read as follows:

38 **FOR EASTERN WASHINGTON UNIVERSITY**

1	General Fund Appropriation (FY 1996)	\$	((36,741,000))
2			<u>37,350,000</u>
3	General Fund Appropriation (FY 1997)	\$	((37,084,000))
4			<u>38,394,000</u>
5	Health Services Account Appropriation	\$	200,000
6	TOTAL APPROPRIATION	\$	((74,025,000))
7			<u>75,944,000</u>

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

10 (1) \$372,000 of the general fund appropriation is provided solely
11 for assessment of student outcomes.

12 (2) \$186,000 of the general fund appropriation is provided solely
13 to recruit and retain minority students and faculty.

14 (3) \$200,000 of the health services account appropriation is
15 provided solely for health benefits for teaching and research
16 assistants pursuant to RCW 28B.10.660 (graduate service appointment
17 health insurance).

18 (4) \$166,000 of the general fund--state appropriation is provided
19 solely for new building operations and maintenance and shall be placed
20 in reserve and expended only pursuant to allotment authority provided
21 by the office of financial management.

22 (5) \$454,000 of the general fund--state appropriation is provided
23 solely for equipment, software, and related expenditures to support a
24 state-wide library network.

25 **Sec. 607.** 1995 2nd sp.s. c 18 s 607 (uncodified) is amended to
26 read as follows:

27 **FOR CENTRAL WASHINGTON UNIVERSITY**

28	General Fund Appropriation (FY 1996)	\$	((33,683,000))
29			<u>33,636,000</u>
30	General Fund Appropriation (FY 1997)	\$	((34,055,000))
31			<u>36,250,000</u>
32	Industrial Insurance Premium Refund Account		
33	Appropriation	\$	10,000
34	Health Services Account Appropriation	\$	140,000
35	TOTAL APPROPRIATION	\$	((67,888,000))
36			<u>70,036,000</u>

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

3 (1) \$372,000 of the general fund appropriation is provided solely
4 for assessment of student outcomes.

5 (2) \$140,000 of the general fund appropriation is provided solely
6 to recruit and retain minority students and faculty.

7 (3) \$140,000 of the health services account appropriation is
8 provided solely for health benefits for teaching and research
9 assistants pursuant to RCW 28B.10.660 (graduate service appointment
10 health insurance).

11 (4) \$1,293,000 of the general fund appropriation is provided solely
12 for equipment, software, and related expenditures to support a state-
13 wide library network.

14 **Sec. 608.** 1995 2nd sp.s. c 18 s 608 (uncodified) is amended to
15 read as follows:

16 **FOR THE EVERGREEN STATE COLLEGE**

17	General Fund Appropriation (FY 1996)	. . . . . \$	18,436,000
18	General Fund Appropriation (FY 1997)	. . . . . \$	((18,504,000))
19			<u>19,325,000</u>
20	TOTAL APPROPRIATION	. . . . . \$	((36,940,000))
21			<u>37,761,000</u>

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

24 (1) \$372,000 of the general fund appropriation is provided solely
25 for assessment of student outcomes.

26 (2) \$94,000 of the general fund appropriation is provided solely to
27 recruit and retain minority students and faculty.

28 (3) \$58,000 of the general fund appropriation is provided for new
29 building operations and maintenance and shall be placed in reserve and
30 expended only pursuant to allotment authority provided by the office of
31 financial management.

32 (4) \$417,000 of the general fund appropriation is provided solely
33 for equipment, software, and related expenditures to support a state-
34 wide library network.

35 **Sec. 609.** 1995 2nd sp.s. c 18 s 609 (uncodified) is amended to
36 read as follows:

1 **FOR WESTERN WASHINGTON UNIVERSITY**

2	General Fund Appropriation (FY 1996)	\$	42,533,000
3	General Fund Appropriation (FY 1997)	\$	((43,173,000))
4			<u>45,709,000</u>
5	Health Services Account Appropriation	\$	200,000
6	TOTAL APPROPRIATION	\$	((85,906,000))
7			<u>88,442,000</u>

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

10 (1) \$372,000 of the general fund appropriation is provided solely
11 for assessment of student outcomes.

12 (2) \$186,000 of the general fund appropriation is provided solely
13 to recruit and retain minority students and faculty.

14 (3) \$200,000 of the health services account appropriation is
15 provided solely for health benefits for teaching and research
16 assistants pursuant to RCW 28B.10.660 (graduate service appointment
17 health insurance).

18 (4) \$275,000 of the general fund appropriation is provided for new
19 building operations and maintenance and shall be placed in reserve and
20 expended only pursuant to allotment authority provided by the office of
21 financial management.

22 (5) \$873,000 of the general fund appropriation is provided solely
23 for equipment, software, and related expenditures to support a state-
24 wide library network.

25 **Sec. 610.** 1995 2nd sp.s. c 18 s 610 (uncodified) is amended to
26 read as follows:

27 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
28 **ADMINISTRATION**

29	General Fund--State Appropriation (FY 1996) . . .	\$	((1,933,000))
30			<u>1,984,000</u>
31	General Fund--State Appropriation (FY 1997) . . .	\$	((1,811,000))
32			<u>2,365,000</u>
33	General Fund--Federal Appropriation	\$	1,073,000
34	TOTAL APPROPRIATION	\$	((4,817,000))
35			<u>5,422,000</u>

1 (1) The appropriations in this section are provided to carry out
2 the policy coordination, planning, studies, and administrative
3 functions of the board and are subject to the following conditions and
4 limitations: \$560,000 of the general fund--state appropriation is
5 provided solely for enrollment to implement RCW 28B.80.570 through
6 28B.80.580 (timber dependent communities). The number of students
7 served shall be 50 full-time equivalent students per fiscal year. The
8 higher education coordinating board (HECB) in cooperation with the
9 state board for community and technical college education (SBCTC) shall
10 review the outcomes of the timber program and report to the governor
11 and legislature by November 1, 1995. The review should include
12 programs administered by the HECB and SBCTC. The review should address
13 student satisfaction, academic success, and employment success
14 resulting from expenditure of these funds. The boards should consider
15 a broad range of recommendations, from strengthening the program with
16 existing resources to terminating the program.

17 (2) \$150,000 of the general fund--state appropriation is provided
18 solely for a study of higher education needs in North
19 Snohomish/Island/Skagit counties. The board is directed to explore and
20 recommend innovative approaches to providing educational programs. The
21 board shall consider the use of technology and distance education as a
22 means of meeting the higher education needs of the area. The study
23 shall be completed and provided to the appropriate committees of the
24 legislature by November 30, 1996.

25 (3) The higher education coordinating board, in conjunction with
26 the office of financial management and public institutions of higher
27 education, shall study institutional student enrollment capacity at
28 each four-year university or college. The higher education
29 coordinating board shall report to the governor and the appropriate
30 committees of the legislature the maximum student enrollment that could
31 be accommodated with existing facilities and those under design or
32 construction as of the 1995-97 biennium. The report shall use national
33 standards as a basis for making comparisons, and the report shall
34 include recommendations for increasing student access by maximizing the
35 efficient use of facilities. The report shall also consider ways the
36 state can encourage potential four-year college students to enroll in
37 schools having excess capacity.

1 (4) \$70,000 of the general fund--state appropriation is provided
2 solely to develop a competency-based admissions system for higher
3 education institutions.

4 (5) \$50,000 of the general fund--state appropriation is provided
5 solely for attorneys' fees and related expenses needed to defend the
6 equal opportunity grant program.

7 (6) \$140,000 of the general fund--state appropriation is provided
8 solely for the design and development of recommendations for the
9 creation of a college tuition prepayment program. A recommended
10 program design and draft legislation shall be submitted to the office
11 of financial management by September 30, 1996, for consideration in the
12 1997 legislative session. The development of the program shall be
13 conducted in consultation with the state investment board, the state
14 treasurer, the state actuary, the office of financial management,
15 private financial institutions, and other qualified parties with
16 experience in the areas of accounting, actuary, risk management, or
17 investment management.

18 (7) \$100,000 of the general fund--state appropriation is provided
19 solely for the implementation of the assessment of prior learning
20 experience program.

21 **Sec. 611.** 1995 2nd sp.s. c 18 s 611 (uncodified) is amended to
22 read as follows:

23 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
24 **PROGRAMS**

25	General Fund--State Appropriation (FY 1996) . . . \$	((71,412,000))
26		<u>71,272,000</u>
27	General Fund--State Appropriation (FY 1997) . . . \$	((71,613,000))
28		<u>76,286,000</u>
29	General Fund--Federal Appropriation \$	3,579,000
30	State Educational Grant Account Appropriation . . \$	40,000
31	Health Services Account Appropriation \$	2,230,000
32	TOTAL APPROPRIATION \$	((148,874,000))
33		<u>153,407,000</u>

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

36 (1) \$1,044,000 of the general fund--state appropriation is provided
37 solely for the displaced homemakers program.

1 (2) \$431,000 of the general fund--state appropriation is provided
2 solely for the western interstate commission for higher education.

3 (3) \$230,000 of the health services account appropriation is
4 provided solely for the health personnel resources plan.

5 (4) \$2,000,000 of the health services account appropriation is
6 provided solely for scholarships and loans under chapter 28B.115 RCW,
7 the health professional conditional scholarship program. This amount
8 shall be deposited to the health professional loan repayment and
9 scholarship trust fund to carry out the purposes of the program.

10 (5) \$~~((140,543,000))~~ 145,076,000 of the general fund--state
11 appropriation is provided solely for student financial aid, including
12 all administrative costs. Of this amount:

13 (a) \$~~((110,504,000))~~ 112,487,000 is provided solely for the state
14 need grant program. The board shall, to the best of its ability, rank
15 and serve students eligible for the state need grant in order from the
16 lowest family income to the highest family income;

17 (b) \$~~((24,200,000))~~ 26,200,000 is provided solely for the state
18 work study program;

19 (c) \$~~((1,000,000))~~ 1,500,000 is provided solely for educational
20 opportunity grants;

21 (d) A maximum of \$2,650,000 may be expended for financial aid
22 administration, excluding the four percent state work study program
23 administrative allowance provision;

24 (e) \$633,000 is provided solely for the educator's excellence
25 awards. Any educator's excellence moneys not awarded by April 1st of
26 each year may be transferred by the board to either the Washington
27 scholars program or, in consultation with the workforce training an
28 education coordinating board, to the Washington award for vocational
29 excellence;

30 (f) \$876,000 is provided solely to implement the Washington
31 scholars program pursuant to Second Substitute House Bill No. 1318 or
32 substantially similar legislation (Washington scholars program). Any
33 Washington scholars program moneys not awarded by April 1st of each
34 year may be transferred by the board to either the educator's
35 excellence awards or, in consultation with the workforce training and
36 education coordinating board, to the Washington award for vocational
37 excellence; ((and))

38 (g) \$680,000 is provided solely to implement Substitute House Bill
39 No. 1814 (Washington award for vocational excellence). If the bill is

1 not enacted by June 30, 1995, the amount provided in this subsection
 2 (g) shall lapse. Any Washington award for vocational excellence moneys
 3 not awarded by April 1st of each year may be transferred by the board,
 4 with the consent of the workforce training and education coordinating
 5 board, to either the educator's excellence awards or the Washington
 6 scholars program; and

7 (h) \$50,000 is provided solely for community scholarship matching
 8 grants of \$2,000 each. To be eligible for the matching grant, a
 9 nonprofit community organization, organized under section 501(c)(3) of
 10 the internal revenue code, must demonstrate that it has raised \$2,000
 11 in new moneys for college scholarships after the effective date of this
 12 act. No organization may receive more than one \$2,000 matching grant.

13 (6) For the purposes of establishing eligibility for the equal
 14 opportunity grant program for placebound students under RCW
 15 28B.101.020, Thurston county lies within the branch campus service area
 16 of the Tacoma branch campus of the University of Washington.

17 **Sec. 612.** 1995 2nd sp.s. c 18 s 614 (uncodified) is amended to
 18 read as follows:

19 **FOR WASHINGTON STATE LIBRARY**

20	General Fund--State Appropriation (FY 1996) . . . \$	7,069,000
21	General Fund--State Appropriation (FY 1997) . . . \$	((7,071,000))
22		<u>7,282,000</u>
23	General Fund--Federal Appropriation \$	4,799,000
24	General Fund--Private/Local Appropriation \$	46,000
25	Industrial Insurance Premium Refund Account	
26	Appropriation \$	7,000
27	TOTAL APPROPRIATION \$	((18,992,000))
28		<u>19,203,000</u>

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

31 (1) \$2,439,516 of the general fund--state appropriation and federal
 32 funds are provided for a contract with the Seattle public library for
 33 library services for the Washington book and braille library.

34 (2) \$211,000 of the general fund--state appropriation is provided
 35 solely for the state library, with the assistance of the department of
 36 information services and the state archives, to establish a pilot
 37 government information locator service in accordance with Substitute

1 Senate Bill No. 6556. If the bill is not enacted by June 30, 1996, the
2 amount provided in this subsection shall lapse.

3 **Sec. 613.** 1995 2nd sp.s. c 18 s 615 (uncodified) is amended to
4 read as follows:

5 **FOR THE WASHINGTON STATE ARTS COMMISSION**

6	General Fund--State Appropriation (FY 1996) \$	2,236,000
7	General Fund--State Appropriation (FY 1997) \$	((1,929,000))
8		<u>1,997,000</u>
9	General Fund--Federal Appropriation \$	934,000
10	Industrial Insurance Premium Refund Account	
11	Appropriation \$	1,000
12	TOTAL APPROPRIATION \$	((5,100,000))
13		<u>5,168,000</u>

14 **Sec. 614.** 1995 2nd sp.s. c 18 s 616 (uncodified) is amended to
15 read as follows:

16 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

17	General Fund Appropriation (FY 1996) \$	1,965,000
18	General Fund Appropriation (FY 1997) \$	((2,186,000))
19		<u>2,222,000</u>
20	TOTAL APPROPRIATION \$	((4,151,000))
21		<u>4,187,000</u>

22 The appropriation in this section is subject to the following
23 conditions and limitations: \$1,731,000 is provided solely for the new
24 Washington state historical society operations and maintenance located
25 in Tacoma.

26 **Sec. 615.** 1995 2nd sp.s. c 18 s 617 (uncodified) is amended to
27 read as follows:

28 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

29	General Fund Appropriation (FY 1996) \$	473,000
30	General Fund Appropriation (FY 1997) \$	((473,000))
31		<u>718,000</u>
32	TOTAL APPROPRIATION \$	((946,000))
33		<u>1,191,000</u>

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 1995 2nd sp.s. c 18 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 GENERAL FUND BOND DEBT

General Fund Appropriation	\$	((852,281,000))
		<u>823,106,003</u>
State Building and Construction Account		
Appropriation	\$	21,500,000
<u>Fisheries Bond Retirement Account 1977</u>		
Appropriation	\$	<u>291,215</u>
<u>Community College Capital Improvement Bond Redemption Fund</u>		
<u>1972 Appropriation</u>	\$	<u>851,225</u>
<u>Waste Disposal Facility Bond Redemption Fund</u>		
Appropriation	\$	<u>19,592,375</u>
<u>Water Supply Facility Bond Redemption Fund</u>		
Appropriation	\$	<u>1,413,613</u>
<u>Indian Cultural Center Bond Redemption Fund</u>		
Appropriation	\$	<u>126,682</u>
<u>Social and Health Service Bond Redemption Fund</u>		
<u>1976 Appropriation</u>	\$	<u>2,019,427</u>
<u>Higher Education Bond Retirement Fund 1977</u>		
Appropriation	\$	<u>8,272,858</u>
<u>Salmon Enhancement Construction Bond Retirement</u>		
<u>Fund Appropriation</u>	\$	<u>1,071,805</u>
<u>Fire Service Training Center Bond Retirement Fund</u>		
Appropriation	\$	<u>754,844</u>
<u>Higher Education Bond Retirement Account 1988</u>		
Appropriation	\$	<u>4,000,000</u>
<u>State General Obligation Bond Retirement Fund . .</u>	\$	<u>788,886,959</u>
TOTAL APPROPRIATION	\$	((873,781,000))
		<u>1,671,887,006</u>

The general fund appropriation is for deposit into the account listed in section 801 of this act.

1 **Sec. 702.** 1995 2nd sp.s. c 18 s 702 (uncodified) is amended to
2 read as follows:

3 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
4 **REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE**
5 **REIMBURSED BY ENTERPRISE ACTIVITIES**

6 State Convention and Trade Center Account		
7 Appropriation	\$	((24,179,000))
8		<u>24,179,295</u>
9 <u>Higher Education Reimbursement Enterprise Account</u>		
10 <u>Appropriation</u>	\$	<u>633,913</u>
11 Accident Account Appropriation	\$	5,548,000
12 Medical Account Appropriation	\$	5,548,000
13 <u>State General Obligation Bond Retirement Fund</u>	\$	<u>43,940,553</u>
14 TOTAL APPROPRIATION	\$	((35,275,000))
15		<u>79,849,761</u>

16 **Sec. 703.** 1995 2nd sp.s. c 18 s 703 (uncodified) is amended to
17 read as follows:

18 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
19 **REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE**
20 **REIMBURSED AS PRESCRIBED BY STATUTE**

21 General Fund Appropriation	\$	((37,031,000))
22	\$	<u>37,031,429</u>
23 Higher Education Reimbursable Construction Account		
24 Appropriation	\$	197,000
25 Community College Capital Construction Bond		
26 Retirement Fund 1975 Appropriation	\$	450,000
27 Higher Education Bond Retirement Fund 1979		
28 Appropriation	\$	2,887,000
29 <u>State General Obligation Retirement Fund</u>	\$	<u>97,323,580</u>
30 TOTAL APPROPRIATION	\$	((40,565,000))
31	\$	<u>137,889,007</u>

32 **Sec. 704.** 1995 2nd sp.s. c 18 s 704 (uncodified) is amended to
33 read as follows:

34 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
35 **REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY**
36 **PRESCRIBED REVENUE**

37 Common School Building Bond Redemption Fund 1967

1	Appropriation	\$	6,923,000
2	State Building and Parking Bond Redemption		
3	Fund 1969 Appropriation	\$	((2,453,000))
4			<u>2,453,400</u>
5	TOTAL APPROPRIATION	\$	((9,376,000))
6			<u>9,376,400</u>

7 **Sec. 705.** 1995 2nd sp.s. c 18 s 705 (uncodified) is amended to
8 read as follows:

9 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
10 **REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

11	General Fund Appropriation	\$	1,535,000
12	State Convention and Trade Center Account		
13	Appropriation	\$	15,000
14	State Building Construction Account		
15	Appropriation	\$	((364,000))
16			<u>1,050,000</u>
17	Higher Education Reimbursable Construction		
18	Account Appropriation	\$	3,000
19	TOTAL APPROPRIATION	\$	((1,917,000))
20			<u>2,603,000</u>

21	Total Bond Retirement and Interest Appropriations		
22	contained in sections 701 through 705 of this		
23	act	\$	((960,914,000))
24			<u>1,901,605,174</u>

25 **Sec. 706.* 1995 2nd sp.s. c 18 s 711 (uncodified) is amended to
26 read as follows:

27 **FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

28	General Fund--State Appropriation (FY 1996) . . .	\$	((2,390,000))
29			<u>2,305,000</u>
30	((General Fund--State Appropriation (FY 1997) . . .	\$	2,561,000))
31	General Fund--Federal Appropriation	\$	((1,835,000))
32			<u>737,000</u>
33	General Fund--Private/Local Appropriation	\$	((136,000))
34			<u>108,000</u>

1	<i>Salary and Insurance Increase Revolving Account</i>	
2	Appropriation	\$ ((4,105,000))
3		<u>1,559,000</u>
4	TOTAL APPROPRIATION	\$ ((11,027,000))
5		<u>4,709,000</u>

6 The appropriations in this section are subject to the following
7 conditions and limitations, and unless otherwise specified, apply to
8 both state agencies and institutions of higher education:

9 (1) The office of financial management shall reduce the allotments
10 of appropriations to state agencies in this act, excluding institutions
11 of higher education, to reflect costs of health care benefits,
12 administration, and margin in the self-insured medical and dental
13 plans. In making these allotment revisions, the office of financial
14 management shall reduce fiscal year 1997 general fund--state
15 expenditures by \$363,000.

16 ~~((1))~~ (2)(a) The monthly contribution for insurance benefit
17 premiums shall not exceed \$308.14 per eligible employee for fiscal year
18 1996, and \$((308.96)) 301.95 for fiscal year 1997.

19 (b) The monthly contributions for the margin in the self-insured
20 medical and dental plans and for the operating costs of the health care
21 authority shall not exceed \$5.81 per eligible employee for fiscal year
22 1996(, and \$5.55 for fiscal year 1997)). In fiscal year 1997, the
23 monthly contribution for the operating costs of the health care
24 authority shall not exceed \$5.05 per eligible employee; the monthly
25 contribution for the margin in the self-insured medical and dental
26 plans shall be reduced by \$2.69 per eligible employee.

27 (c) Surplus moneys accruing to the public employees' and retirees'
28 insurance account due to lower-than-projected insurance costs or due to
29 employee waivers of coverage may not be reallocated by the health care
30 authority to increase the actuarial value of public employee insurance
31 plans. Such funds shall be held in reserve in the public employees'
32 and retirees' insurance account and may not be expended without
33 subsequent legislative authorization.

34 (d) In order to achieve the level of funding provided for health
35 benefits, the public employees' benefits board may require employee
36 premium co-payments, increase point-of-service cost sharing, and/or
37 implement managed competition.

1 ~~((+2))~~ (3) To facilitate the transfer of moneys from dedicated
2 funds and accounts, the state treasurer is directed to transfer
3 sufficient moneys from each dedicated fund or account to the special
4 fund salary and insurance contribution increase revolving fund in
5 accordance with schedules provided by the office of financial
6 management.

7 ~~((+3))~~ (4) The health care authority, subject to the approval of
8 the public employees' benefits board, shall provide subsidies for
9 health benefit premiums to eligible retired or disabled public
10 employees and school district employees who are eligible for parts A
11 and B of medicare, pursuant to RCW 41.05.085. From July 1, 1995,
12 through December 31, 1995, the subsidy shall be \$34.20 per month. From
13 January 1, 1996, through December 31, 1996, the subsidy shall be \$36.77
14 per month. Starting January 1, 1997, the subsidy shall be \$39.52 per
15 month.

16 ~~((+4))~~ (5) Technical colleges, school districts, and educational
17 service districts shall remit to the health care authority for deposit
18 in the public employees' and retirees' insurance account established in
19 RCW 41.05.120:

20 (a) For each full-time employee, \$14.79 per month beginning October
21 1, 1995, and \$14.80 per month beginning September 1, 1996;

22 (b) For each part-time employee who, at the time of the remittance,
23 is employed in an eligible position as defined in RCW 41.32.010 or
24 41.40.010 and is eligible for employer fringe benefit contributions for
25 basic benefits, \$14.79 each month beginning October 1, 1995, and \$14.80
26 each month beginning September 1, 1996, prorated by the proportion of
27 employer fringe benefit contributions for a full-time employee that the
28 part-time employee receives.

29 The remittance requirements specified in this subsection shall not
30 apply to employees of a technical college, school district, or
31 educational service district who purchase insurance benefits through
32 contracts with the health care authority.

33 ~~((+5))~~ (6) The salary and insurance increase revolving account
34 appropriation includes funds sufficient to fund health benefits for
35 ferry workers at the premium levels specified in subsection ~~((+1))~~ (2)
36 of this section, consistent with the 1995-97 transportation
37 appropriations act.

38 ~~((+6))~~ (7) Rates charged to school districts voluntarily
39 purchasing employee benefits through the health care authority shall be

1 equivalent to the actual insurance costs of benefits and administration
2 costs for state and higher education employees except:

3 (a) The health care authority is authorized to reduce rates charged
4 to school districts for up to 10,000 new subscribers by applying
5 surplus funds accumulated in the public employees' and retirees'
6 insurance account. Rates may be reduced up to a maximum of \$10.93 per
7 subscriber per month in fiscal year 1996 and a maximum of \$7.36 per
8 subscriber per month in fiscal year 1997; and

9 (b) For employees who first begin receiving benefits through the
10 health care authority after September 1, 1995, districts shall remit
11 the additional costs of health care authority administration resulting
12 from their enrollment. The additional health care authority
13 administration costs shall not exceed \$.30 per month per subscriber.

14 *Sec. 706 was vetoed. See message at end of chapter.

15 **Sec. 707.** 1995 2nd sp.s. c 18 s 713 (uncodified) is amended to
16 read as follows:

17 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT**
18 **SYSTEMS**

	FY 1996	FY 1997
19		
20 General Fund--State		
21 Appropriation \$	((1,007,000))	((1,224,000))
22	<u>942,000</u>	<u>1,150,000</u>
23 General Fund--Federal		
24 Appropriation \$	((367,000))	((447,000))
25	<u>365,000</u>	<u>437,000</u>
26 Special Account Retirement Contribution		
27 Increase Revolving Account		
28 Appropriation \$	((904,000))	((1,089,000))
29	<u>830,000</u>	<u>993,000</u>
30 TOTAL APPROPRIATION . . \$		((5,038,000))
31		<u>4,717,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations: The appropriations in this section are
34 provided solely to pay the increased retirement contributions resulting
35 from enactment of Substitute Senate Bill No. 5119 (uniform COLA). If
36 the bill is not enacted by June 30, 1995, the amounts provided in this
37 section shall lapse.

1 **Sec. 708.** 1995 2nd sp.s. c 18 s 714 (uncodified) is amended to
2 read as follows:

3 **SALARY COST OF LIVING ADJUSTMENT**

4	General Fund--State Appropriation (FY 1996) . . . \$	((36,020,000))
5		<u>34,386,000</u>
6	General Fund--State Appropriation (FY 1997) . . . \$	((36,590,000))
7		<u>35,100,000</u>
8	General Fund--Federal Appropriation \$	((29,603,000))
9		<u>25,402,000</u>
10	Salary and Insurance Increase Revolving Account	
11	Appropriation \$	60,213,000
12	TOTAL APPROPRIATION \$	((162,426,000))
13		<u>155,101,000</u>

14 The appropriations in this section shall be expended solely for the
15 purposes designated in this section and are subject to the conditions
16 and limitations in this section.

17 (1) In addition to the purposes set forth in subsections (2), (3),
18 and (4) of this section, appropriations in this section are provided
19 solely for a 4.0 percent salary increase effective July 1, 1995, for
20 all classified employees (including those employees in the Washington
21 management service) and exempt employees under the jurisdiction of the
22 personnel resources board.

23 (2) The appropriations in this section are sufficient to fund a 4.0
24 percent salary increase for general government, legislative, and
25 judicial employees exempt from merit system rules whose salaries are
26 not set by the commission on salaries for elected officials.

27 (3) The salary and insurance increase revolving account
28 appropriation in this section includes funds sufficient to fund a 4.0
29 percent cost-of-living adjustment, effective July 1, 1995, for ferry
30 workers consistent with the 1995-97 transportation appropriations act.

31 (4) The appropriations in this section include funds sufficient to
32 fund the salary increases approved by the commission on salaries for
33 elected officials for legislators and judges.

34 (5) No salary increase may be paid under this section to any person
35 whose salary has been Y-rated pursuant to rules adopted by the
36 personnel resources board.

1 NEW SECTION. **Sec. 709.** A new section is added to 1995 2nd sp.s.
2 c 18 (uncodified) to read as follows:

3 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
4 be necessary, are appropriated from the general fund, unless otherwise
5 indicated, for relief of various individuals, firms, and corporations
6 for sundry claims. These appropriations are to be disbursed on
7 vouchers approved by the director of general administration, except as
8 otherwise provided, as follows:

9 (1) Reimbursement of criminal defendants acquitted on the basis of
10 self-defense, pursuant to RCW 9A.16.110:

11	(a) Walter Watson, claim number SCJ-92-11	\$	6,003.00
12	(b) Carl L. Decker, claim number SCJ-95-02	\$	24,948.48
13	(c) Bill R. Hood, claim number SCJ-95-08	\$	71,698.72
14	(d) Rick Sevela, claim number SCJ-95-09	\$	6,937.22
15	(e) William V. Pearson, claim number SCJ-95-12 . .	\$	5,929.99
16	(f) Craig T. Thiessen, claim number SCJ-95-13 . .	\$	3,540.24
17	(g) Douglas Bauer, claim number SCJ-95-15	\$	40,015.86
18	(h) Walter A. Whyte, claim number SCJ-96-02 . . .	\$	2,989.30

19 (2) Payment from the state wildlife account for damage to crops by
20 wildlife, pursuant to RCW 77.12.280:

21	(a) Wilson Banner Ranch, claim number SCG-95-01 .	\$	2,800.00
22	(b) James Koempel, claim number SCG-95-04	\$	5,291.08
23	(c) Mark Kayser, claim number SCG-95-06	\$	4,000.00
24	(d) Peola Farms, Inc., claim number SCG-95-07 . .	\$	1,046.50
25	(e) Bailey's Nursery, claim number SCG-96-01 . .	\$	125.00
26	(f) Paul Gibbons, claim number SCG-96-02	\$	2,635.73

27 **Sec. 710.** 1995 2nd sp.s. c 18 s 718 (uncodified) is amended to
28 read as follows:

29 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMPENSATION ACTIONS OF**
30 **PERSONNEL RESOURCES BOARD**

31	General Fund Appropriation (FY 1997)	\$	((5,000,000))
32			<u>9,475,000</u>
33	Salary and Insurance Increase Revolving		
34	Account Appropriation (FY 1997)	\$	5,000,000
35	TOTAL APPROPRIATION	\$	((10,000,000))
36			<u>14,475,000</u>

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 1995 2nd sp.s. c 18 s 801 (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 SUBJECT TO THE STATUTORY DEBT LIMIT

State General Obligation Bond Retirement Fund 1979		
Fund Appropriation	\$	((852,281,000))
		<u>784,711,959</u>
<u>Fisheries Bond Retirement Account 1977</u>		
Appropriation	\$	<u>291,215</u>
<u>Community College Capital Improvement Bond</u>		
Redemption Fund 1972 Appropriation	\$	<u>851,225</u>
<u>Waste Disposal Facility Bond Redemption Fund</u>		
Appropriation	\$	<u>19,592,375</u>
<u>Water Supply Facility Bond Redemption Fund</u>		
Appropriation	\$	<u>1,413,613</u>
<u>Indian Cultural Center Bond Redemption Fund</u>		
Appropriation	\$	<u>126,682</u>
<u>Social and Health Service Bond Redemption Fund</u>		
1976 Appropriation	\$	<u>2,019,427</u>
<u>Higher Education Bond Retirement Fund 1977</u>		
Appropriation	\$	<u>8,272,858</u>
<u>Salmon Enhancement Construction Bond Retirement</u>		
Fund Appropriation	\$	<u>1,071,805</u>
<u>Fire Service Training Center Bond Retirement</u>		
Fund Appropriation	\$	<u>754,844</u>
<u>Higher Education Bond Retirement Account 1988</u>		
Appropriation	\$	<u>4,000,000</u>
TOTAL APPROPRIATION	\$	<u>823,106,003</u>

The total expenditures from the state treasury under the appropriation in this section and the general fund appropriation in section 701 of this act shall not exceed the total appropriation in this section.

1	General Fund Appropriation for boating		
2	safety/education and law enforcement		
3	distribution	\$	((3,224,000))
4			<u>3,365,000</u>
5	((General Fund Appropriation for public health		
6	 distribution	\$	36,465,000))
7	Aquatic Lands Enhancement Account Appropriation		
8	for harbor improvement revenue		
9	distribution	\$	130,000
10	Liquor Excise Tax Account Appropriation for		
11	liquor excise tax distribution	\$	((22,185,000))
12			<u>21,500,000</u>
13	Liquor Revolving Fund Appropriation for liquor		
14	profits distribution	\$	((42,778,000))
15			<u>40,160,000</u>
16	Timber Tax Distribution Account Appropriation		
17	for distribution to "Timber" counties	\$	((115,950,000))
18			<u>118,750,000</u>
19	Municipal Sales and Use Tax Equalization Account		
20	Appropriation	\$	58,181,000
21	County Sales and Use Tax Equalization Account		
22	Appropriation	\$	12,940,000
23	Death Investigations Account Appropriation		
24	for distribution to counties for publicly		
25	funded autopsies	\$	1,200,000
26	County Criminal Justice Account Appropriation	\$	69,940,000
27	Municipal Criminal Justice Account		
28	Appropriation	\$	27,972,000
29	County Public Health Account Appropriation	\$	((29,709,000))
30			<u>29,250,000</u>
31	TOTAL APPROPRIATION	\$	((871,491,000))
32			<u>852,750,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations: The total expenditures from the state
35 treasury under the appropriations in this section shall not exceed the
36 funds available under statutory distributions for the stated purposes.

1 **Sec. 804.** 1995 2nd sp.s. c 18 s 805 (uncodified) is amended to
2 read as follows:

3 **FOR THE STATE TREASURER--TRANSFERS**

4	Public Works Assistance Account: For transfer to the	
5	Flood Control Assistance Account	\$ ((4,000,000))
6		<u>10,031,000</u>
7	<u>General Fund: For transfer to the Flood Control</u>	
8	<u>Assistance Account</u>	\$ <u>23,181,000</u>
9	General Fund: For transfer to the Natural Resources	
10	Fund--Water Quality Account	\$ ((18,471,000))
11		<u>20,840,000</u>
12	New Motor Vehicle Arbitration Account: For transfer to	
13	the Public Safety and Education Account . . .	\$ 3,200,000
14	Water Quality Account: For transfer to the Water	
15	Pollution Revolving Fund. Transfers shall be	
16	made at intervals coinciding with deposits of	
17	federal capitalization grant money into the	
18	revolving fund. The amounts transferred shall	
19	not exceed the match required for each federal	
20	deposit	\$ 25,000,000
21	Water Quality Account: For transfer to the Water	
22	Right Permit Processing Account	\$ ((500,000))
23		<u>750,000</u>
24	Trust Land Purchase Account: For transfer to the Parks	
25	Renewal and Stewardship Account	\$ ((1,304,000))
26		<u>1,308,000</u>
27	General Government Special Revenue Fund--State	
28	Treasurer's Service Account: For transfer to	
29	the general fund on or before June 30, 1997,	
30	an amount up to \$((7,361,000)) <u>12,361,000</u> in	
31	excess of the cash requirements of the state	
32	treasurer's service account	\$ ((7,361,000))
33		<u>12,361,000</u>
34	Health Services Account: For transfer to the	
35	Public Health Services Account	\$ 26,003,000
36	Public Health Services Account: For transfer to	
37	the County Public Health Account	\$ 2,250,000
38	Public Works Assistance Account: For transfer to the	
39	Growth Management Planning and Environmental	

1	Review Fund	\$	3,000,000
2	Basic Health Plan Trust Account: For transfer to		
3	the General Fund--State Account (FY 1996) . .	\$	2,664,778
4	Basic Health Plan Trust Account: For transfer to		
5	the General Fund--State Account (FY 1997) . .	\$	2,664,778
6	Oil Spill Response Account: For transfer to		
7	the Oil Spill Administration Account	\$	1,718,000
8	<u>State Convention and Trade Center Account: For</u>		
9	<u>transfer to the State Convention and</u>		
10	<u>Trade Center Operations Account</u>	<u>\$</u>	<u>5,400,000</u>

11 (End of part)

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PART IX
MISCELLANEOUS

3 **Sec. 901.** RCW 43.08.250 and 1995 2nd sp.s. c 18 s 912 are each
4 amended to read as follows:

5 The money received by the state treasurer from fees, fines,
6 forfeitures, penalties, reimbursements or assessments by any court
7 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
8 deposited in the public safety and education account which is hereby
9 created in the state treasury. The legislature shall appropriate the
10 funds in the account to promote traffic safety education, highway
11 safety, criminal justice training, crime victims' compensation,
12 judicial education, the judicial information system, civil
13 representation of indigent persons, winter recreation parking, and
14 state game programs. During the fiscal biennium ending June 30, 1997,
15 the legislature may appropriate moneys from the public safety and
16 education account for purposes of appellate indigent defense, the
17 criminal litigation unit of the attorney general's office, the
18 treatment alternatives to street crimes program, crime victims advocacy
19 programs, justice information network telecommunication planning,
20 sexual assault treatment, operations of the office of administrator for
21 the courts, security in the common schools, programs for alternative
22 dispute resolution of farmworker employment claims, criminal justice
23 data collection, and Washington state patrol criminal justice
24 activities.

25 **Sec. 902.** RCW 70.95.520 and 1989 c 431 s 94 are each amended to
26 read as follows:

27 There is created an account within the state treasury to be known
28 as the vehicle tire recycling account. All assessments and other funds
29 collected or received under this chapter shall be deposited in the
30 vehicle tire recycling account and used by the department of ecology
31 for administration and implementation of this chapter. After October
32 1, 1989, the department of revenue shall deduct two percent from funds
33 collected pursuant to RCW 70.95.510 for the purpose of administering
34 and collecting the fee from new replacement vehicle tire retailers.

1 During the 1995-97 biennium, funds in the account may be
2 appropriated to support recycling market development activities by
3 state agencies.

4 **Sec. 903.** RCW 86.26.007 and 1995 2nd sp.s. c 18 s 915 are each
5 amended to read as follows:

6 The flood control assistance account is hereby established in the
7 state treasury. At the beginning of the 1997-99 fiscal biennium and
8 each biennium thereafter the state treasurer shall transfer from the
9 general fund to the flood control assistance account an amount of money
10 which, when combined with money remaining in the account from the
11 previous biennium, will equal four million dollars. Moneys in the
12 flood control assistance account may be spent only after appropriation
13 for purposes specified under this chapter or, during the 1995-97
14 biennium, for state and local response and recovery costs associated
15 with federal emergency management agency (FEMA) disaster number 1079
16 (November/December 1995 storms), FEMA disaster number 1100 (February
17 1996 floods), and for prior biennia disaster recovery costs. To the
18 extent that moneys in the flood control assistance account are not
19 appropriated during the 1995-97 fiscal biennium for flood control
20 assistance, the legislature may direct their transfer to the state
21 general fund.

22 NEW SECTION. **Sec. 904.** If any provision of this act or its
23 application to any person or circumstance is held invalid, the
24 remainder of the act or the application of the provision to other
25 persons or circumstances is not affected.

26 NEW SECTION. **Sec. 905.** This act is necessary for the immediate
27 preservation of the public peace, health, or safety, or support of the
28 state government and its existing public institutions, and shall take
29 effect immediately.

30 (End of part)

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Passed the Senate March 7, 1996.

Passed the House March 7, 1996.

Approved by the Governor March 30, 1996, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State March 30, 1996.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 109(4); 109(5); 112(1) beginning with the word "Of" on line 12, and

ending with "January 1, 1997." on line 26; 112(2); 112(4); 121(25); 132 (lines 19-20); 132(3); 206 (lines 34-35); 213 (lines 24-28); 217(15); 217(16); 218(1)(f); 218(2)(c); 301(11); 503; and 706, Engrossed Substitute Senate Bill No. 6251 entitled:

"AN ACT Relating to fiscal matters;"

My reason for vetoing these sections are as follows:

Section 109(4) and (5), page 10, Judgeship Proviso Reference (Administrator for the Courts)

Section 109(4) provides funding for an additional Superior Court judgeship in Thurston County effective July 1, 1996; and section 109(5) provides funding for two additional Superior Court judgeships in Chelan and Douglas Counties effective January 1, 1997. However, both sections lapse funding for these judgeships without enactment of Senate Bill No. 6151 and Senate Bill No. 6495. Although the legislature did not approve either of these two bills, it did approve substantially similar legislation (Substitute House Bill No. 2446) to increase the number of judges in Thurston, Chelan, and Douglas Counties. For this reason, I am vetoing the proviso language that ties the appropriation to the enactment of the two referenced senate bills, thereby making the funding available to the courts to carry out the intent of the legislature.

Section 112(1), beginning with the word "Of" on line 12 and ending with "January 1, 1997." on line 26 and Section 112(2), page 12, Management Improvement Project for the Children and Family Services Division of the Department of Social and Health Services (Office of the Governor)

Section 112(1) provides \$1,100,000 of a \$1,518,000 General Fund-State appropriation solely for allocation to the Public Policy Institute at The Evergreen State College to direct a management improvement project for the Division of Children and Family Services (DCFS). I wholeheartedly support this project and believe the legislature has taken an important step to assure that Washington State's system for delivery of child welfare services is a sound organization of which everyone can be proud. However, this subsection requires that the full \$1.1 million designated for the project be expended on a structural and process examination of DCFS. While such an examination should be the project's primary focus, I believe this amount could be used more effectively if some of the funds are also directed toward an examination of other key issues affecting DCFS and toward making immediate and tangible improvements in children and family services.

Therefore, I am vetoing part of section 112(1) in order to broaden the project's scope and to ensure that the state receives immediate and lasting results from the money designated for this project.

Specifically, I will broaden the scope of the project to include an examination of substance abuse and its impact on families and DCFS' delivery of services. I believe we, as a state, must come to grips

with this problem, and I believe it is an important consideration of any review of the role and management of DCFS. In addition, I will direct that a portion of the money designated for the project be used to implement some of the strategies that experts have already identified as essential to improve our child welfare system. The most notable of these improvements is the creation of a separate licensing function with the Department of Social and Health Services to assure the health and safety of children in the department's care.

As intended by the legislature, the examination of DCFS' structure and processes by an objective, impartial expert will remain the central focus of the project. As set forth in section 112(1), this examination will include the study and development of DCFS' strategic plan, mission, goals, and performance-based outcome measures. I fully share the legislature's desire to improve DCFS' performance, strengthen its accountability, and increase public confidence in its work. The comprehensive examination outlined here will help us achieve this mutual goal.

Section 112(2) creates an oversight group for the management improvement project. While I agree with the need for this group, the membership outlined in this subsection is unnecessarily restrictive. I believe the examination of the DCFS' structure and processes would benefit from the inclusion of others, including experts outside state government. Therefore, I am vetoing section 112(2). While I will welcome input from the oversight group members outlined in this subsection, I plan to convene a broader group, including children's services experts from both the public and private sector, to assist in defining the scope of the management examination. I am retaining the requirement in section 112(3) involving a legislative advisory committee in the project and look forward to working with these members. I also believe there should be close collaboration between the project oversight group and the Legislative Budget Committee which was recently directed by the legislature to conduct a performance audit of Child Protective Services.

Section 112(4), page 13, Office of the Family and Children's Ombudsman (Office of the Governor)

Section 112(4) provides \$418,000 of the \$1,518,000 General Fund-State appropriation designated for establishing a new Office of the Family and Children's Ombudsman in the Governor's Office. This subsection requires the staff of the Office of Constituent Relations at the Department of Social and Health Services to be transferred to the Ombudsman's Office. These staff members perform an important function in the department and should remain there. Therefore, I am vetoing section 112(4); however, I will ensure that the Office of the Family and Children's Ombudsman will be established as intended by Second Substitute House Bill No. 2856.

Section 121(25), page 29, Asian-Pacific Economic Conference (Department of Community, Trade, and Economic Development)

Section 121(25) requires that \$180,000 from the General Fund-State appropriation be used by the Department of Community, Trade, and

Economic Development (CTED) to supplement private funding for the Asian-Pacific Economic Conference (APEC). Because the legislature did not provide additional resources to support this expenditure, CTED would be forced to reduce funding for other valuable economic development programs to implement this budget language. While APEC's budget difficulties are very real, I cannot support a further erosion of CTED's economic development programs. Therefore, I am vetoing section 121(25).

Section 132, lines 19-20, and Section 132(3), page 38, K-20 Technology Improvements (Department of Information Services)

Section 132 appropriates \$54.3 million for the K-20 technology plan contained in Engrossed Second Substitute Senate Bill No. 6705. I applaud the legislature for addressing this very important need. Unfortunately, \$12 million of the \$54.3 million is appropriated from the Data Processing Revolving Account, a dedicated internal service fund used by the Department of Information Services (DIS) and other agencies to provide services on a cost-recovery basis. There are two technical problems with the use of this fund for the intended purpose. First, DIS' portion of the cash balance in this account is obligated for purchasing equipment and software needed to provide services to the contributing agencies. These services are not related to the K-20 technology plan. Second, dedicated state and federal revenues are merged in this account and using those outside sources to help finance the K-20 technology plan would be inappropriate. The largest contributors to the balance include funds of the Department of Social and Health Services and dedicated funds from the Departments of Labor and Industries, Licensing, and Transportation. Diverting these specific funds to a project not related to their intended use would ultimately result in having to pay back the original fund source.

As stated in Engrossed Second Substitute Senate Bill No. 6705, there is an initial requirement to prepare a design and implementation plan for K-20 technology improvements. This plan will create a better cost estimate as well as lay out the timing of the project. Although the higher education system is ready to proceed, K-12 is not expected to reach that stage prior to the next legislative session. Furthermore, the appropriation from the Data Processing Revolving Account was to be expended only after the entire K-20 Technology Account appropriation had been obligated. Since these funds are not expected to be needed prior to the 1997 Legislative Session, I will be looking toward making the required investment at that time through proper funding sources.

I commend the legislature for recognizing and addressing this vitally important need for technology improvements in our education system, but I cannot allow the improper use of the Data Processing Revolving Account. Therefore, I am vetoing the \$12 million appropriation, together with subsection (3) that relates to this appropriation.

Section 206, lines 34-35, page 52, Aging and Adult Services Fiscal Year 1996 Appropriation (Department of Social and Health Services)

The 1996 Legislative Session ended without passage of a supplemental capital budget. Without other action, the Department of Social and Health Services (DSHS) would have insufficient resources to replace the sewer system at the Maple Lane School or to move ahead with the reconstruction of Green Hill School, which is essential to continue to operate the institution and to meet growing demands for additional beds in the future. By vetoing the lines referenced above, the original higher appropriation level is restored, providing an additional \$9,917,000 in General Fund-State expenditure authority for DSHS in Fiscal Year 1996. These operating funds will be transferred to the Juvenile Rehabilitation and Mental Health institutional budgets to replace capital expenditures, thereby freeing up \$9.9 million in bond appropriations for capital projects. Of these funds, \$7 million will be allocated for reconstruction of Green Hill School and the remainder will be used to replace the Maple Lane sewer system.

Section 213, lines 24-28, page 65, Discrimination Dispute Resolution (Human Rights Commission)

This proviso directs \$100,000 General Fund-State to the Human Rights Commission to implement House Bill No. 2932, regarding discrimination dispute resolution. Since House Bill No. 2932 is not a necessary or appropriate prerequisite to providing alternative dispute resolution, I have vetoed it. I am also vetoing this proviso and directing the commission to use this \$100,000 to reduce its current backlog of discrimination cases.

Section 217(15), pages 72-73, CHILD Profile (Department of Health)

Subsection 15 appropriates \$210,000 General Fund-State solely for the purpose of stabilizing the existing CHILD Profile program in four counties and requires the development of a plan to expand the CHILD Profile immunization tracking system statewide by July 1, 1997. This is an extremely important effort, but I am concerned that the proviso appears to assume that the statewide planning effort can be implemented by July 1, 1997. Although the Department of Health is already engaged in determining statewide expansion of the program, implementation within this time frame is not feasible. Therefore, I am vetoing this subsection, but I am directing the Department of Health to expend the \$210,000 on the CHILD Profile program, proceed with its planning effort, and complete a report on its outcomes by July 1, 1997.

Section 217(16), page 73, Domoic Acid (Department of Health)

The Department of Health's (DOH) supplemental request to support testing for the presence of domoic acid, a harmful neural toxin in razor clams, blue mussels, and crabs was not funded. This proviso would require DOH to expend \$195,000 from existing general fund appropriations to conduct these tests. While domoic acid represents a public health threat to unsuspecting recreational harvesters of shellfish, the cost of these tests must be balanced against other important work being done by DOH. For this reason, I am vetoing this

subsection and directing DOH to continue its testing program, to the degree possible, within existing resources.

Section 218(1)(f), page 75, Supervision of Sex Offenders (Department of Corrections)

Section 218(1)(f) provides \$78,000 to implement Substitute Senate Bill No. 6274, regarding the supervision of sex offenders. Substitute Senate Bill No. 6274, however, does not require the appropriation, but Substitute House Bill No. 2545, which was also approved by the legislature, does. For that reason, I am vetoing section 218(1)(f) so that the Department of Corrections can fulfill legislative intent.

Section 218(2)(c), page 76, Life Skills Program (Department of Corrections)

Section 218(2)(c) requires that, within the amounts appropriated, the Department of Corrections (DOC) fund the Life Skills program at the Washington State Correctional Center for Women in Fiscal Year 1997 at a level equal to or greater than that funded in Fiscal Year 1995. This directive is inconsistent with the educational requirements of Chapter 19, Laws of 1995, 1st Special Session, which require that DOC give a higher priority to basic and vocational education than to the Life Skills program. For this reason, I am vetoing Section 218(2)(c).

Section 301(11), page 83, Water Quality Permit Fee Program (Department of Ecology)

Section 301(11) requires the Department of Ecology to hire a consultant to develop a fee schedule for the water quality permit fee program. Although the proviso earmarks \$110,000 from the Water Quality Permit Fee Account for this study, the Department of Ecology's appropriation was not increased (and available revenue would not support an increased appropriation). Water quality efforts would need to be reduced to implement this proviso, which would result in fewer permit reviews.

In addition, a number of studies have already been conducted addressing the issues identified in the proviso. Among them are the 1994 Legislative Budget Committee study and the 1990-91 Efficiency Commission study. This new study would be redundant to those efforts. For these reasons, I am vetoing section 301(11).

Section 503, pages 110-114, Basic Education Salaries (Superintendent of Public Instruction)

Section 503 determines the level of state support for certificated salaries in basic education. The legislature added new language in 503(1)(b) to base 1996-97 school year allocated salaries on the experience and education (staff mix factor) of both basic education and special education certificated staff. By including special education

staff in the calculation, the new language lowers the amount allocated to some school districts for basic education salaries in the 1996-97 school year. Because of state limits on school district salaries (the salary compliance law), some school districts would be required to pay lower salaries in 1996-97 than in 1995-96. Although I favor the concept of including special education staff in the salary allocation formula, I do not favor cutting any teacher's salary. For this reason, I am vetoing section 503. I will consider budget language and accompanying legislation for the 1997-99 Biennium to include special education and other staff in the salary allocation formula. I believe this can be accomplished without forcing salary cuts on certificated staff.

Section 706, pages 154-157, Health Insurance Benefits

Section 706 reduces the monthly contribution funding for health benefits for employees of state agencies and higher education institutions in Fiscal Year 1997 from \$314.51 to \$304.31 per month. This reduction would decrease the overall Public Employees Benefits Board funding by approximately \$11 million (all funds), which would have the effect of drawing down the current reserve.

I am vetoing this section because this reserve should be available to address unanticipated expenditures in the current biennium or to defer some of the increased funding which will most likely be required in the 1997-99 Biennium. This action should help protect the current benefits levels in the future for state employees.

I would like to take this opportunity to acknowledge that the 1996 Legislature took responsible action in recognizing some of the funding shortfalls due to congressional budget reductions. It is critical for our state to continue summer youth programs, to maintain the emergency food distribution programs, and to keep a commitment to salmon production. I would also like to remind members of the legislature that we may yet have to address other federal budget problems later this year. Since we no longer have predictable federal funding, it may be necessary to address serious budget shortfalls this fall, possibly even necessitating a special legislative session.

For these reasons, I have vetoed sections 109(4); 109(5); 112(1) beginning with the word "Of" on line 12, and ending with "January 1, 1997." on line 26; 112(2); 112(4); 121(25); 132 (lines 19-20); 132(3); 206 (lines 34-35); 213 (lines 24-28); 217(15); 217(16); 218(1)(f); 218(2)(c); 301(11); 503; and 706 of Engrossed Substitute Senate Bill No. 6251.

With the exception of sections 109(4); 109(5); 112(1) beginning with the word "Of" on line 12, and ending with "January 1, 1997." on line 26; 112(2); 112(4); 121(25); 132 (lines 19-20); 132(3); 206 (lines 34-35); 213 (lines 24-28); 217(15); 217(16); 218(1)(f); 218(2)(c); 301(11); 503; and 706, Engrossed Substitute Senate Bill No. 6251 is approved."