
SUBSTITUTE HOUSE BILL 2185

State of Washington 63rd Legislature 2014 Regular Session

By House Appropriations (originally sponsored by Representatives Hunter and Chandler; by request of Governor Inslee)

READ FIRST TIME 03/03/14.

1 AN ACT Relating to fiscal matters; amending RCW 28B.67.030,
2 28C.10.082, 36.28A.300, 36.28A.320, 41.06.280, 43.08.190, 43.10.150,
3 43.19.791, 43.79.480, 43.325.040, 67.70.260, 77.36.170, and 82.08.160;
4 amending 2013 2nd sp.s. c 4 ss 101, 102, 103, 104, 105, 106, 107, 108,
5 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123,
6 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137,
7 138, 139, 140, 141, 142, 143, 144, 145, 147, 148, 149, 150, 201, 202,
8 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216,
9 217, 218, 219, 220, 221, 222, 301, 302, 303, 304, 305, 306, 307, 308,
10 309, 310, 311, 401, 402, 501, 502, 505, 506, 507, 508, 509, 510, 511,
11 512, 513, 514, 515, 516, 602, 603, 604, 605, 606, 607, 608, 609, 610,
12 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 701, 702, 703, 704,
13 710, 801, 802, 803, 804, 805, 932, 933, 937, 939, and 943 (uncodified);
14 amending 2013 2nd sp.s. c 35 s 39 (uncodified); adding new sections to
15 2013 2nd sp.s. c 4 (uncodified); amending 2009 c 520 s 96 (uncodified);
16 amending 2007 c 465 s 3 (uncodified); repealing 2013 2nd sp.s. c 4 s
17 720 (uncodified); repealing 2013 2nd sp.s. c 35 s 40(uncodified);
18 making appropriations; providing an expiration date; and declaring an
19 emergency.

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

2 **PART I**

3 **GENERAL GOVERNMENT**

4 **Sec. 101.** 2013 2nd sp.s. c 4 s 101 (uncodified) is amended to read
5 as follows:

6 **FOR THE HOUSE OF REPRESENTATIVES**

| | | |
|----|---|-------------------------------|
| 7 | General Fund--State Appropriation (FY 2014) | ((\$30,789,000)) |
| 8 | | <u>\$30,923,000</u> |
| 9 | General Fund--State Appropriation (FY 2015) | ((\$31,075,000)) |
| 10 | | <u>\$31,207,000</u> |
| 11 | Motor Vehicle Account--State Appropriation | \$1,765,000 |
| 12 | TOTAL APPROPRIATION | ((\$63,629,000)) |
| 13 | | <u>\$63,895,000</u> |

14 **Sec. 102.** 2013 2nd sp.s. c 4 s 102 (uncodified) is amended to read
15 as follows:

16 **FOR THE SENATE**

| | | |
|----|---|-------------------------------|
| 17 | General Fund--State Appropriation (FY 2014) | ((\$21,150,000)) |
| 18 | | <u>\$21,240,000</u> |
| 19 | General Fund--State Appropriation (FY 2015) | ((\$23,405,000)) |
| 20 | | <u>\$23,495,000</u> |
| 21 | Motor Vehicle Account--State Appropriation | \$1,514,000 |
| 22 | TOTAL APPROPRIATION | ((\$46,069,000)) |
| 23 | | <u>\$46,249,000</u> |

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

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

| | | |
|----|---|------------------------------|
| 27 | General Fund--State Appropriation (FY 2014) | \$62,000 |
| 28 | General Fund--State Appropriation (FY 2015) | ((\$111,000)) |
| 29 | | <u>\$113,000</u> |
| 30 | Performance Audits of Government Account--State | |
| 31 | Appropriation | \$5,641,000 |
| 32 | Medical Aid Account--State Appropriation | \$332,000 |
| 33 | Accident Account--State Appropriation | \$332,000 |
| 34 | TOTAL APPROPRIATION | ((\$6,478,000)) |

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

(1) Notwithstanding the provisions of this section, the joint legislative audit and review committee may adjust the due dates for projects included on the committee's 2013-15 work plan as necessary to efficiently manage workload.

(2) \$332,000 of the medical aid account--state appropriation and \$332,000 of the accident account--state appropriation are provided for the purposes of chapter 37, Laws of 2011 (workers' compensation).

(3) \$323,000 of the performance audits of government account--state appropriation is provided for consultant and staff costs related to the economic analysis of tax preferences as directed by chapter 43.136 RCW.

(4) The joint legislative audit and review committee shall conduct an audit of Washington's state research universities. The purpose of the audit is to identify cost and profit centers within, and in partnership with, the research universities. The audit must focus on public funds; student fees, in particular tuition; and auxiliary enterprises, which for the purposes of the audit at the University of Washington includes University of Washington medical center, the internal lending program, the W fund, and the center for commercialization. The audit at each university must achieve the following:

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

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

(c) Identify how much money is being spent on undergraduate

1 education and to what extent undergraduate education is subsidizing
2 graduate education; and

3 (d) Determine how tuition funds are being used and to what extent
4 they are being used to fund the University of Washington medical
5 center, the University of Washington internal lending program, the W
6 fund, and the center for commercialization and to back bonds authorized
7 by the university.

8 (5) The committee shall conduct a study of the current methods of
9 collecting legal financial obligations and compare those methods with
10 other debt collection methods, including contracting for debt
11 collection of legal financial obligations. The study shall include
12 analysis of the costs and revenues of current methods and compare those
13 to alternatives, and include analysis of the impact of current methods
14 and alternatives to revenues received by the state. Included shall be
15 an examination of costs and revenue generation before and after the
16 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,
17 Laws of 2005 (SSB 5256) and analysis of whether these changes met the
18 legislative goals of reducing costs and increasing collections. A
19 report on the results of the analysis shall be presented to the
20 appropriate committees of the legislature by December 2014.

21 (6) The committee shall conduct a study of economic development
22 programs and projects supported by the state general fund in the
23 department of commerce. The study shall first review the extent to
24 which these programs: (a) Included specific economic development
25 targets; (b) monitored economic development targets; (c) required for
26 programs which provided support or services through contracts, whether
27 the contracts were structured such that if economic development targets
28 were not met, contracts were reviewed or revised; and (d) changed the
29 economic development targets of associate development organizations
30 relative to funding increases since 2007. The study will include the
31 feasibility of determining how to isolate other factors, such as
32 general economic trends, from the impacts of economic development
33 programs. The costs and options for conducting future analysis of the
34 outcomes specific to economic development programs shall be included
35 and a briefing report shall be provided to the appropriate committees
36 of the legislature by December 1, 2013. A complete report with study
37 data and conclusions shall be provided to the appropriate committees of
38 the legislature by December 1, 2014.

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

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

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

11 (b) Estimates of time in each category;

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

14 (d) When noninstructional hours occur;

15 (e) How noninstructional hours are used, including how much
16 noninstructional time is devoted to professional development for the
17 purposes of teacher and principal evaluation training or common core
18 state standards training; and

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

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

25 (9) The committee shall review funding enhancement formulas that
26 provide minimum staffing unit funding to small school districts and
27 districts with school plants that have been judged by the state board
28 of education to be remote and necessary. The committee will make an
29 assessment of the current formulas and report any recommended
30 adjustments to the legislative fiscal committees of the senate and the
31 house of representatives by November 1, 2014. In assessing the current
32 formulas, the committee may consider: Enhancements being made to basic
33 education funding in the 2013-2015 omnibus appropriations act and
34 committed to under Engrossed Substitute House Bill No. 2261 (chapter
35 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,
36 Laws of 2010); developments in technology or educational service
37 delivery since the formulas were established; practices in other

1 states; districts' ability to provide students with access to a program
2 of education; and inter-district equity.

3 ~~((+12))~~ (10) In carrying out the report required by RCW 44.28.157,
4 the committee shall include by December 2014, an analysis of the
5 impacts of using the Washington health benefit exchange established in
6 chapter 43.71 RCW as a mechanism for providing health insurance for
7 part-time certificated and classified K-12 public school employees.
8 The analysis shall be conducted in coordination with the health care
9 authority and shall include a review of how the exchange, federal
10 health premium tax credits and subsidies for out-of-pocket expenses
11 administered through the exchange, and Medicaid expansion have
12 impacted, or could impact, health care costs for individuals, school
13 districts, and the state. The analysis shall also include a review of
14 the cost of stand-alone dental plans.

15 (11) Within the appropriations in this section, the joint
16 legislative audit and review committee shall review the tax exemption
17 provided under Engrossed House Bill No. 2447 (small business
18 incubators) and its actual fiscal impact on state revenues to determine
19 if the fiscal impact to state revenues reasonably conforms to the
20 fiscal estimate in the fiscal note for this legislation.

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

| | |
|--|--------------------------|
| FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE | |
| General Fund--State Appropriation (FY 2014) | \$1,653,000 |
| General Fund--State Appropriation (FY 2015) | (\$1,811,000) |
| | <u>\$1,812,000</u> |
| TOTAL APPROPRIATION | (\$3,464,000) |
| | <u>\$3,465,000</u> |

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

| | |
|---|---------------------------|
| FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE | |
| General Fund--State Appropriation (FY 2014) | (\$8,004,000) |
| | <u>\$8,126,000</u> |
| General Fund--State Appropriation (FY 2015) | (\$7,973,000) |
| | <u>\$8,095,000</u> |
| TOTAL APPROPRIATION | (\$15,977,000) |

1 \$16,221,000

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

4 **FOR THE OFFICE OF THE STATE ACTUARY**
5 Department of Retirement Systems Expense
6 Account--State Appropriation ((~~\$3,529,000~~))
7 \$3,543,000

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

10 **FOR THE STATUTE LAW COMMITTEE**
11 General Fund--State Appropriation (FY 2014) ((~~\$3,895,000~~))
12 \$3,903,000
13 General Fund--State Appropriation (FY 2015) ((~~\$4,102,000~~))
14 \$4,110,000
15 TOTAL APPROPRIATION ((~~\$7,997,000~~))
16 \$8,013,000

17 **Sec. 108.** 2013 2nd sp.s. c 4 s 108 (uncodified) is amended to read
18 as follows:

19 **FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**
20 General Fund--State Appropriation (FY 2014) ((~~\$3,686,000~~))
21 \$3,708,000
22 General Fund--State Appropriation (FY 2015) ((~~\$3,684,000~~))
23 \$3,708,000
24 TOTAL APPROPRIATION ((~~\$7,370,000~~))
25 \$7,416,000

26 **Sec. 109.** 2013 2nd sp.s. c 4 s 110 (uncodified) is amended to read
27 as follows:

28 **FOR THE SUPREME COURT**
29 General Fund--State Appropriation (FY 2014) ((~~\$6,911,000~~))
30 \$7,048,000
31 General Fund--State Appropriation (FY 2015) ((~~\$6,836,000~~))
32 \$6,970,000
33 TOTAL APPROPRIATION ((~~\$13,747,000~~))
34 \$14,018,000

1 **Sec. 110.** 2013 2nd sp.s. c 4 s 111 (uncodified) is amended to read
2 as follows:

3 **FOR THE LAW LIBRARY**

| | | |
|---|---|------------------------------|
| 4 | General Fund--State Appropriation (FY 2014) | ((\$1,481,000)) |
| 5 | | <u>\$1,484,000</u> |
| 6 | General Fund--State Appropriation (FY 2015) | ((\$1,468,000)) |
| 7 | | <u>\$1,474,000</u> |
| 8 | TOTAL APPROPRIATION | ((\$2,949,000)) |
| 9 | | <u>\$2,958,000</u> |

10 **Sec. 111.** 2013 2nd sp.s. c 4 s 112 (uncodified) is amended to read
11 as follows:

12 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

| | | |
|----|---|------------------------------|
| 13 | General Fund--State Appropriation (FY 2014) | ((\$1,068,000)) |
| 14 | | <u>\$1,071,000</u> |
| 15 | General Fund--State Appropriation (FY 2015) | ((\$994,000)) |
| 16 | | <u>\$1,006,000</u> |
| 17 | TOTAL APPROPRIATION | ((\$2,062,000)) |
| 18 | | <u>\$2,077,000</u> |

19 **Sec. 112.** 2013 2nd sp.s. c 4 s 113 (uncodified) is amended to read
20 as follows:

21 **FOR THE COURT OF APPEALS**

| | | |
|----|---|-------------------------------|
| 22 | General Fund--State Appropriation (FY 2014) | ((\$15,691,000)) |
| 23 | | <u>\$15,865,000</u> |
| 24 | General Fund--State Appropriation (FY 2015) | ((\$15,685,000)) |
| 25 | | <u>\$15,980,000</u> |
| 26 | TOTAL APPROPRIATION | ((\$31,376,000)) |
| 27 | | <u>\$31,845,000</u> |

28 **Sec. 113.** 2013 2nd sp.s. c 4 s 114 (uncodified) is amended to read
29 as follows:

30 **FOR THE ADMINISTRATOR FOR THE COURTS**

| | | |
|----|---|-------------------------------|
| 31 | General Fund--State Appropriation (FY 2014) | ((\$51,085,000)) |
| 32 | | <u>\$51,542,000</u> |
| 33 | General Fund--State Appropriation (FY 2015) | ((\$50,771,000)) |
| 34 | | <u>\$51,747,000</u> |
| 35 | General Fund--Federal Appropriation | \$2,125,000 |

| | | |
|---|---|----------------------|
| 1 | General Fund--Private/Local Appropriation | \$658,000 |
| 2 | Judicial Information Systems Account--State | |
| 3 | Appropriation | (\$46,611,000) |
| 4 | | <u>\$53,634,000</u> |
| 5 | Judicial Stabilization Trust Account--State | |
| 6 | Appropriation | \$6,691,000 |
| 7 | TOTAL APPROPRIATION | (\$157,941,000) |
| 8 | | <u>\$166,397,000</u> |

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

11 (1) \$1,500,000 of the judicial information systems account--state
12 appropriation is provided solely for development and implementation of
13 the information network hub project.

14 (2) \$2,138,000 of the judicial information systems account--state
15 appropriation is provided solely for replacement of computer equipment,
16 including servers, routers, and storage system upgrades.

17 ~~((+4))~~ (3) The distributions made under this subsection and
18 distributions from the county criminal justice assistance account made
19 pursuant to section 801 of this act constitute appropriate
20 reimbursement for costs for any new programs or increased level of
21 service for purposes of RCW 43.135.060.

22 ~~((+5))~~ (4) \$1,199,000 of the judicial information systems
23 account--state appropriation is provided solely for replacing computer
24 equipment at state courts and state judicial agencies.

25 ~~((+6))~~ (5) ~~(\$108,000 of the general fund--state appropriation for~~
26 ~~fiscal year 2014 and))~~ \$108,000 of the general fund--state
27 appropriation for fiscal year 2015 ~~((are))~~ is provided solely for the
28 implementation of chapter 210, Laws of 2013 (Senate Bill No. 5052)
29 (superior court judges Whatcom county). The funds provided in this
30 subsection shall be expended only if the fourth superior court judge
31 position in Whatcom county is appointed and serving on the bench.

32 ~~((+7))~~ (6) ~~(\$108,000 of the general fund--state appropriation for~~
33 ~~fiscal year 2014 and))~~ \$108,000 of the general fund--state
34 appropriation for fiscal year 2015 ~~((are))~~ is provided solely for the
35 implementation of chapter 142, Laws of 2013 (House Bill No. 1175)
36 (superior court judges Benton/Franklin counties). The funds provided
37 in this subsection shall be expended only if the seventh superior court

1 judge position in Benton and Franklin counties jointly is appointed and
2 serving on the bench.

3 ~~((8) \$11,300,000 of the judicial information systems account--~~
4 ~~state appropriation is provided solely for continued implementation of~~
5 ~~the superior court case management system project. The administrative~~
6 ~~office of the courts, in consultation with the judicial information~~
7 ~~systems committee, the superior court case management system project~~
8 ~~steering committee, and the office of the chief information officer~~
9 ~~shall develop a revised charter to implement the next phases of the~~
10 ~~superior court case management system. The revised charter shall~~
11 ~~insure that the superior court case management system project steering~~
12 ~~committee continues to provide contract oversight, in collaboration~~
13 ~~with the judicial information system committee, through the~~
14 ~~implementation period and various phases of the project. Oversight~~
15 ~~responsibilities throughout the various phases of the project must~~
16 ~~include, but are not limited to, vendor management, contract and~~
17 ~~deliverable management, and assuring satisfaction of the business and~~
18 ~~technical needs at the local level. The superior court case management~~
19 ~~system project steering committee may solicit input from user groups as~~
20 ~~deemed appropriate. The revised charter shall be approved by the~~
21 ~~judicial information systems committee)) (7) \$16,606,000 of the~~
22 judicial information systems account--state appropriation is provided
23 solely for continued implementation of the superior court case
24 management system project. The administrative office of the courts, in
25 consultation with the judicial information systems committee and the
26 office of the chief information officer shall develop a revised
27 superior court case management steering committee charter to implement
28 the next phases of the superior court case management system. The
29 steering committee members shall be appointed by the judicial
30 information systems committee and shall consist of two members
31 representing each of the following groups: Court administrators,
32 superior court judges, county clerks, and the administrative office of
33 the courts. The revised charter shall insure that voting members of
34 the steering committee represent the administrative office of the
35 courts and those courts that have implemented, or have committed to
36 implement, the statewide superior court vendor solution as selected by
37 the judicial information systems committee. The revised charter shall
38 also insure that the superior court case management system project

1 steering committee continues to provide contract oversight in
2 collaboration with the judicial information system committee through
3 the implementation period. Oversight responsibilities of the steering
4 committee throughout the various phases of the project must include,
5 but are not limited to, vendor management, contract and deliverable
6 management, assuring reasonable satisfaction of the business and
7 technical needs at the local level, receipt of stakeholder feedback,
8 and communication between the various stakeholder groups and the
9 judicial information systems committee. Issues of significant scope,
10 schedule or budget changes, and risk mitigation strategies must be
11 escalated to the judicial information systems committee for
12 consideration. In the event that a majority of the steering committee
13 members cannot reach a decision, the issue must be escalated to the
14 judicial information systems committee for consideration. The superior
15 court case management system project steering committee may solicit
16 input from user groups as deemed appropriate. The revised charter
17 shall be approved by the judicial information systems committee.

18 ((+9)) (8) \$1,399,000 of the general fund--state appropriation for
19 fiscal year 2014 and \$1,399,000 of the general fund--state
20 appropriation for fiscal year 2015 are provided solely for school
21 districts for petitions to juvenile court for truant students as
22 provided in RCW 28A.225.030 and 28A.225.035. The administrator for the
23 courts shall develop an interagency agreement with the superintendent
24 of public instruction to allocate the funding provided in this
25 subsection. Allocation of this money to school districts shall be
26 based on the number of petitions filed. This funding includes amounts
27 school districts may expend on the cost of serving petitions filed
28 under RCW 28A.225.030 by certified mail or by personal service or for
29 the performance of service of process for any hearing associated with
30 RCW 28A.225.030.

31 ((+10)) (9)(a) \$7,313,000 of the general fund--state appropriation
32 for fiscal year 2014 and \$7,313,000 of the general fund--state
33 appropriation for fiscal year 2015 are provided solely for distribution
34 to county juvenile court administrators to fund the costs of processing
35 truancy, children in need of services, and at-risk youth petitions.
36 The administrator for the courts, in conjunction with the juvenile
37 court administrators, shall develop an equitable funding distribution

1 formula. The formula shall neither reward counties with higher than
2 average per-petition processing costs nor shall it penalize counties
3 with lower than average per-petition processing costs.

4 (b) Each fiscal year during the 2013-2015 fiscal biennium, each
5 county shall report the number of petitions processed and the total
6 actual costs of processing truancy, children in need of services, and
7 at-risk youth petitions. Counties shall submit the reports to the
8 administrator for the courts no later than 45 days after the end of the
9 fiscal year. The administrator for the courts shall electronically
10 transmit this information to the chairs and ranking minority members of
11 the house of representatives and senate fiscal committees no later than
12 60 days after a fiscal year ends. These reports are deemed
13 informational in nature and are not for the purpose of distributing
14 funds.

15 ~~((+11))~~ (10) \$274,000 of the general fund--state appropriation for
16 fiscal year 2014 and \$274,000 of the general fund--state appropriation
17 for fiscal year 2015 are provided solely for the office of public
18 guardianship to continue guardianship services for those low-income
19 incapacitated persons who were receiving services on June 30, 2013.

20 ~~((+12)---\$333,000))~~ (11) \$1,426,000 of the judicial information
21 systems account--state appropriation is provided solely for the content
22 management system for the appellate courts.

23 (12) The administrative office of the courts and the judicial
24 information systems committee shall develop statewide superior court
25 data collection and exchange standards. Upon implementation, these
26 standards must be met by each superior court in order to continue to
27 receive judicial information systems account funding or equipment and
28 services funded by the account. For those courts that do not use the
29 statewide superior court vendor solution as chosen by the judicial
30 information systems committee, judicial information systems account
31 funds may not be allocated for (a) the costs to meet the data
32 collection and exchange standards developed by administrative office of
33 the courts and judicial information systems committee, and (b) the
34 costs to develop and implement local court case management systems.

35 **Sec. 114.** 2013 2nd sp.s. c 4 s 115 (uncodified) is amended to read
36 as follows:

1 **FOR THE OFFICE OF PUBLIC DEFENSE**

| | | |
|----|---|-------------------------------|
| 2 | General Fund--State Appropriation (FY 2014) | ((\$30,410,000)) |
| 3 | | <u>\$30,662,000</u> |
| 4 | General Fund--State Appropriation (FY 2015) | ((\$33,719,000)) |
| 5 | | <u>\$33,722,000</u> |
| 6 | Judicial Stabilization Trust Account--State | |
| 7 | Appropriation | \$3,648,000 |
| 8 | General Fund--Federal Appropriation | ((\$152,000)) |
| 9 | | <u>\$304,000</u> |
| 10 | TOTAL APPROPRIATION | ((\$67,929,000)) |
| 11 | | <u>\$68,336,000</u> |

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

- 14 (1) The amounts provided include funding for expert and
15 investigative services in death penalty personal restraint petitions.
- 16 (2) \$3,378,000 of the general fund--state appropriation for fiscal
17 year 2015 is provided solely to expand the parents representation
18 program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman
19 counties.

20 **Sec. 115.** 2013 2nd sp.s. c 4 s 116 (uncodified) is amended to read
21 as follows:

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

| | | |
|----|---|-------------------------------|
| 23 | General Fund--State Appropriation (FY 2014) | \$10,862,000 |
| 24 | General Fund--State Appropriation (FY 2015) | ((\$10,870,000)) |
| 25 | | <u>\$11,149,000</u> |
| 26 | Judicial Stabilization Trust Account--State | |
| 27 | Appropriation | \$1,454,000 |
| 28 | TOTAL APPROPRIATION | ((\$23,186,000)) |
| 29 | | <u>\$23,465,000</u> |

30 The appropriations in this section are subject to the following
31 conditions and limitations: An amount not to exceed \$40,000 of the
32 general fund--state appropriation for fiscal year 2014 and an amount
33 not to exceed \$40,000 of the general fund--state appropriation for
34 fiscal year 2015 may be used to provide telephonic legal advice and
35 assistance to otherwise eligible persons who are sixty years of age or
36 older on matters authorized by RCW 2.53.030(2) (a) through (k)
37 regardless of household income or asset level.

1 **Sec. 116.** 2013 2nd sp.s. c 4 s 117 (uncodified) is amended to read
2 as follows:

3 **FOR THE OFFICE OF THE GOVERNOR**

| | | |
|----|---|-------------------------------|
| 4 | General Fund--State Appropriation (FY 2014) | ((\$5,509,000)) |
| 5 | | <u>\$5,565,000</u> |
| 6 | General Fund--State Appropriation (FY 2015) | ((\$5,217,000)) |
| 7 | | <u>\$5,277,000</u> |
| 8 | Economic Development Strategic Reserve Account--State | |
| 9 | Appropriation | \$4,000,000 |
| 10 | TOTAL APPROPRIATION | ((\$14,726,000)) |
| 11 | | <u>\$14,842,000</u> |

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

14 (1) \$4,000,000 of the economic development strategic reserve
15 account appropriation is provided solely for efforts to assist with
16 currently active industrial recruitment efforts that will bring new
17 jobs to the state or will retain headquarter locations of major
18 companies currently housed in the state.

19 (2) \$684,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$684,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the office of the education
22 ombudsman.

23 (3) \$258,000 of the general fund--state appropriation for fiscal
24 year 2014 is provided solely for implementation of Engrossed Second
25 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
26 bill is not enacted by June 30, 2013, the amount provided in this
27 subsection shall lapse.

28 (4) \$35,000 of the general fund--state appropriation for fiscal
29 year 2014 is provided solely for the implementation of Second
30 Substitute House Bill No. 1709 (foreign language interpreters). If the
31 bill is not enacted by June 30, 2014, the amount provided in this
32 subsection shall lapse.

33 (5) \$50,000 of the general fund--state appropriation for fiscal
34 year 2015 is provided solely for the office of the education ombuds to
35 provide special education ombuds services. Beginning in fiscal year
36 2015, the superintendent of public instruction must enter into an
37 interagency agreement with the office of the education ombuds to
38 provide support for additional special education ombuds services.

1 **Sec. 117.** 2013 2nd sp.s. c 4 s 118 (uncodified) is amended to read
2 as follows:

3 **FOR THE LIEUTENANT GOVERNOR**

| | | |
|---|---|------------------------------|
| 4 | General Fund--State Appropriation (FY 2014) | \$654,000 |
| 5 | General Fund--State Appropriation (FY 2015) | ((\$658,000)) |
| 6 | | <u>\$665,000</u> |
| 7 | General Fund--Private/Local Appropriation | \$90,000 |
| 8 | TOTAL APPROPRIATION | ((\$1,402,000)) |
| 9 | | <u>\$1,409,000</u> |

10 **Sec. 118.** 2013 2nd sp.s. c 4 s 119 (uncodified) is amended to read
11 as follows:

12 **FOR THE PUBLIC DISCLOSURE COMMISSION**

| | | |
|----|---|------------------------------|
| 13 | General Fund--State Appropriation (FY 2014) | ((\$2,082,000)) |
| 14 | | <u>\$2,087,000</u> |
| 15 | General Fund--State Appropriation (FY 2015) | ((\$2,015,000)) |
| 16 | | <u>\$2,189,000</u> |
| 17 | TOTAL APPROPRIATION | ((\$4,097,000)) |
| 18 | | <u>\$4,276,000</u> |

19 The appropriations in this section are subject to the following
20 conditions and limitations: \$100,000 of the general fund--state
21 appropriation for fiscal year 2015 is provided solely for the
22 implementation of Engrossed Third Substitute House Bill No. 1005
23 (campaign report filing). If the bill is not enacted by June 30, 2014,
24 the amount provided in this subsection shall lapse.

25 **Sec. 119.** 2013 2nd sp.s. c 4 s 120 (uncodified) is amended to read
26 as follows:

27 **FOR THE SECRETARY OF STATE**

| | | |
|----|--|-------------------------------|
| 28 | General Fund--State Appropriation (FY 2014) | ((\$11,356,000)) |
| 29 | | <u>\$11,827,000</u> |
| 30 | General Fund--State Appropriation (FY 2015) | ((\$9,535,000)) |
| 31 | | <u>\$9,628,000</u> |
| 32 | General Fund--Federal Appropriation | ((\$7,419,000)) |
| 33 | | <u>\$7,450,000</u> |
| 34 | <u>General Fund--Private/Local Appropriation</u> | <u>\$20,000</u> |
| 35 | Public Records Efficiency, Preservation, and Access | |
| 36 | Account--State Appropriation | ((\$7,361,000)) |

| | | |
|----|---|-------------------------------|
| 1 | | <u>\$7,538,000</u> |
| 2 | Charitable Organization Education Account--State | |
| 3 | Appropriation | \$364,000 |
| 4 | Local Government Archives Account--State | |
| 5 | Appropriation | ((\$8,467,000)) |
| 6 | | <u>\$8,510,000</u> |
| 7 | Election Account--Federal Appropriation | \$12,016,000 |
| 8 | Washington State Heritage Center Account--State | |
| 9 | Appropriation | \$8,860,000 |
| 10 | TOTAL APPROPRIATION | ((\$65,378,000)) |
| 11 | | <u>\$66,213,000</u> |

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

14 (1) ((~~\$3,301,000~~)) \$3,767,000 of the general fund--state
15 appropriation for fiscal year 2014 is provided solely to reimburse
16 counties for the state's share of primary and general election costs
17 and the costs of conducting mandatory recounts on state measures.
18 Counties shall be reimbursed only for those odd-year election costs
19 that the secretary of state validates as eligible for reimbursement.

20 (2)(a) \$1,847,000 of the general fund--state appropriation for
21 fiscal year 2014 and \$1,926,000 of the general fund--state
22 appropriation for fiscal year 2015 are provided solely for contracting
23 with a nonprofit organization to produce gavel-to-gavel television
24 coverage of state government deliberations and other events of
25 statewide significance during the 2013-2015 fiscal biennium. The
26 funding level for each year of the contract shall be based on the
27 amount provided in this subsection. The nonprofit organization shall
28 be required to raise contributions or commitments to make
29 contributions, in cash or in kind, in an amount equal to forty percent
30 of the state contribution. The office of the secretary of state may
31 make full or partial payment once all criteria in this subsection have
32 been satisfactorily documented.

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

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

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

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

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

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

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

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

22 (5) \$771,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$772,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for the state library to purchase
25 statewide on-line access to the information technology academy to allow
26 public access to on-line courses and learning resources through public
27 libraries.

28 (6) \$44,000 of the general fund--state appropriation for fiscal
29 year 2015 is provided solely for implementation of Substitute House
30 Bill No. 2552 (signature gathering). If the bill is not enacted by
31 June 30, 2014, the amount provided in this subsection shall lapse.

32 (7) The legislature finds that the volume of state records retained
33 in paper format continues to grow, increasing the records storage costs
34 for the state. The secretary of state shall convene a work group to
35 study methods for retaining records in electronic formats and for
36 shorter periods of time, with the goal of reducing the volume of stored
37 paper records by ten percent by the end of 2016, and an additional ten
38 percent by the end of 2018. The following state agencies shall

1 participate in the work group, which shall report back to the
2 appropriate committees of the legislature by December 31, 2014, and
3 December 31, 2015:

- 4 (a) Office of the secretary of state;
- 5 (b) Office of the attorney general;
- 6 (c) Office of the state auditor;
- 7 (d) Office of financial management;
- 8 (e) Department of corrections;
- 9 (f) Department of social and health services;
- 10 (g) Department of health; and
- 11 (h) Department of transportation.

12 **Sec. 120.** 2013 2nd sp.s. c 4 s 121 (uncodified) is amended to read
13 as follows:

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

| | | |
|----|---|----------------------------|
| 15 | General Fund--State Appropriation (FY 2014) | ((\$253,000)) |
| 16 | | <u>\$249,000</u> |
| 17 | General Fund--State Appropriation (FY 2015) | ((\$248,000)) |
| 18 | | <u>\$255,000</u> |
| 19 | TOTAL APPROPRIATION | ((\$501,000)) |
| 20 | | <u>\$504,000</u> |

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

32 **Sec. 121.** 2013 2nd sp.s. c 4 s 122 (uncodified) is amended to read
33 as follows:

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

| | | |
|----|---|----------------------------|
| 35 | General Fund--State Appropriation (FY 2014) | ((\$213,000)) |
| 36 | | <u>\$210,000</u> |

1 General Fund--State Appropriation (FY 2015) ((\$207,000))
 2 \$213,000
 3 TOTAL APPROPRIATION ((\$420,000))
 4 \$423,000

5 **Sec. 122.** 2013 2nd sp.s. c 4 s 123 (uncodified) is amended to read
 6 as follows:

7 **FOR THE STATE TREASURER**
 8 State Treasurer's Service Account--State
 9 Appropriation ((\$14,924,000))
 10 \$14,945,000

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

16 **Sec. 123.** 2013 2nd sp.s. c 4 s 124 (uncodified) is amended to read
 17 as follows:

18 **FOR THE STATE AUDITOR**
 19 General Fund--State Appropriation (FY 2014) ((\$728,000))
 20 \$755,000
 21 General Fund--State Appropriation (FY 2015) ((\$733,000))
 22 \$763,000
 23 State Auditing Services Revolving Account--State
 24 Appropriation ((\$9,573,000))
 25 \$9,580,000
 26 (~~Performance Audits of Government Account--State~~
 27 ~~Appropriation \$56,000))
 28 TOTAL APPROPRIATION ((\$11,090,000))
 29 \$11,098,000~~

30 The appropriations in this section are subject to the following
 31 conditions and limitations: (~~(1) \$728,000~~) \$755,000 of the general
 32 fund--state appropriation for fiscal year 2014 and (~~\$733,000~~)
 33 \$763,000 of the general fund--state appropriation for fiscal year 2015
 34 are provided solely for staff and related costs to verify the accuracy
 35 of reported school district data submitted for state funding purposes;
 36 conduct school district program audits of state funded public school

1 programs; establish the specific amount of state funding adjustments
2 whenever audit exceptions occur and the amount is not firmly
3 established in the course of regular public school audits; and to
4 assist the state special education safety net committee when requested.

5 **Sec. 124.** 2013 2nd sp.s. c 4 s 125 (uncodified) is amended to read
6 as follows:

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

| | | |
|----|---|------------------|
| 8 | General Fund--State Appropriation (FY 2014) | (((\$141,000)) |
| 9 | | <u>\$138,000</u> |
| 10 | General Fund--State Appropriation (FY 2015) | (((\$171,000)) |
| 11 | | <u>\$175,000</u> |
| 12 | TOTAL APPROPRIATION | (((\$312,000)) |
| 13 | | <u>\$313,000</u> |

14 **Sec. 125.** 2013 2nd sp.s. c 4 s 126 (uncodified) is amended to read
15 as follows:

16 **FOR THE ATTORNEY GENERAL**

| | | |
|----|---|----------------------|
| 17 | General Fund--State Appropriation (FY 2014) | (((\$10,456,000)) |
| 18 | | <u>\$11,019,000</u> |
| 19 | General Fund--State Appropriation (FY 2015) | (((\$10,132,000)) |
| 20 | | <u>\$10,764,000</u> |
| 21 | General Fund--Federal Appropriation | \$7,114,000 |
| 22 | New Motor Vehicle Arbitration Account--State | |
| 23 | Appropriation | \$997,000 |
| 24 | Legal Services Revolving Account--State | |
| 25 | Appropriation | (((\$191,286,000)) |
| 26 | | <u>\$199,707,000</u> |
| 27 | Tobacco Prevention and Control Account--State | |
| 28 | Appropriation | \$271,000 |
| 29 | Medicaid Fraud Penalty Account--State Appropriation | \$2,279,000 |
| 30 | Public Services Revolving Account--State | |
| 31 | Appropriation | \$2,093,000 |
| 32 | TOTAL APPROPRIATION | (((\$224,628,000)) |
| 33 | | <u>\$234,244,000</u> |

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

1 (1) The attorney general shall report each fiscal year on actual
2 legal services expenditures and actual attorney staffing levels for
3 each agency receiving legal services. The report shall be submitted to
4 the office of financial management and the fiscal committees of the
5 senate and house of representatives no later than ninety days after the
6 end of each fiscal year. As part of its by agency report to the
7 legislative fiscal committees and the office of financial management,
8 the office of the attorney general shall include information detailing
9 the agency's expenditures for its agency-wide overhead and a breakdown
10 by division of division administration expenses.

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

16 (3) The attorney general shall annually report to the fiscal
17 committees of the legislature all new *cy pres* awards and settlements
18 and all new accounts, disclosing their intended uses, balances, the
19 nature of the claim or account, proposals, and intended timeframes for
20 the expenditure of each amount. The report shall be distributed
21 electronically and posted on the attorney general's web site. The
22 report shall not be printed on paper or distributed physically.

23 (4) The executive ethics board shall: (a) Develop a statewide
24 plan, with performance measures, to provide overall direction and
25 accountability in all executive branch agencies and statewide elected
26 offices; (b) coordinate and work with the commission on judicial
27 conduct and the legislative ethics board; (c) assess and evaluate each
28 agency's ethical culture through employee and stakeholder surveys,
29 review Washington state quality award feedback reports, and publish an
30 annual report on the results to the public; and (d) solicit outside
31 evaluations, studies, and recommendations for improvements from
32 academics, nonprofit organizations, the public disclosure commission,
33 or other entities with expertise in ethics, integrity, and the public
34 sector.

35 (5) \$424,000 of the legal services revolving account--state
36 appropriation is provided solely for replacement of a portion of the
37 agency's personal computers. The amount provided in this subsection is
38 conditioned on the department satisfying the requirements of the

1 project management oversight standards and policies established by the
2 office of the chief information officer and section 945 of this act,
3 personal computer acquisition and replacement.

4 (6) \$609,000 of the legal services revolving account--state
5 appropriation is provided solely for upgrades to software programs.
6 The amount provided in this subsection is conditioned on the department
7 satisfying the requirements of the project management oversight
8 standards and policies established by the office of the chief
9 information officer.

10 (7) \$150,000 of the legal services revolving account--state
11 appropriation is provided solely for the implementation of Engrossed
12 Second Substitute Senate Bill No. 5405 (extended foster care). If the
13 bill is not enacted by June 30, 2013, the amount provided in this
14 subsection shall lapse.

15 (8) \$50,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$50,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the implementation of
18 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If
19 the bill is not enacted by June 30, 2013, the amount provided in this
20 subsection shall lapse.

21 (9) \$189,000 of the legal services revolving account--state
22 appropriation is provided solely for the implementation of Substitute
23 House Bill No. 1420 (transportation improvement projects). If the bill
24 is not enacted by June 30, 2013, the amount provided in this subsection
25 shall lapse.

26 (10) \$2,093,000 of the public service revolving account--state
27 appropriation is provided solely for the work of the public counsel
28 section of the office of the attorney general.

29 (11) \$353,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$353,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for a grant to the Washington
32 coalition of crime victim advocates to provide training, certification,
33 and technical assistance for crime victim service center advocates.

34 (12) \$69,000 of the general fund--state appropriation for fiscal
35 year 2015 is provided solely for implementation of Substitute House
36 Bill No. 2171 (veterans, military personnel). If the bill is not
37 enacted by June 30, 2014, the amount provided in this subsection shall
38 lapse.

1 (13) \$141,000 of the legal services revolving account--state
2 appropriation is provided solely for implementation of Substitute House
3 Bill No. 2331 (public works payroll records). If the bill is not
4 enacted by June 30, 2014, the amount provided in this subsection shall
5 lapse.

6 (14) \$120,000 of the legal services revolving account--state
7 appropriation is provided solely for implementation of Engrossed Second
8 Substitute House Bill No. 2149 (medical marijuana). If the bill is not
9 enacted by June 30, 2014, the amount provided in this subsection shall
10 lapse.

11 (15) \$259,000 of the legal services revolving account--state
12 appropriation is provided solely for implementation of Substitute House
13 Bill No. 2146 (labor and industries appeal bonds). If the bill is not
14 enacted by June 30, 2014, the amount provided in this subsection shall
15 lapse.

16 **Sec. 126.** 2013 2nd sp.s. c 4 s 127 (uncodified) is amended to read
17 as follows:

18 **FOR THE CASELOAD FORECAST COUNCIL**

| | | |
|----|---|------------------------------|
| 19 | General Fund--State Appropriation (FY 2014) | ((\$1,260,000)) |
| 20 | | <u>\$1,211,000</u> |
| 21 | General Fund--State Appropriation (FY 2015) | ((\$1,230,000)) |
| 22 | | <u>\$1,216,000</u> |
| 23 | TOTAL APPROPRIATION | ((\$2,490,000)) |
| 24 | | <u>\$2,427,000</u> |

25 **Sec. 127.** 2013 2nd sp.s. c 4 s 128 (uncodified) is amended to read
26 as follows:

27 **FOR THE DEPARTMENT OF COMMERCE**

| | | |
|----|---|--------------------------------|
| 28 | General Fund--State Appropriation (FY 2014) | ((\$63,076,000)) |
| 29 | | <u>\$61,549,000</u> |
| 30 | General Fund--State Appropriation (FY 2015) | ((\$60,151,000)) |
| 31 | | <u>\$63,485,000</u> |
| 32 | General Fund--Federal Appropriation | ((\$265,004,000)) |
| 33 | | <u>\$266,894,000</u> |
| 34 | General Fund--Private/Local Appropriation | ((\$5,638,000)) |
| 35 | | <u>\$5,620,000</u> |
| 36 | Public Works Assistance Account--State | |

| | | |
|----|--|----------------------|
| 1 | Appropriation | ((\$3,036,000)) |
| 2 | | <u>\$3,136,000</u> |
| 3 | Drinking Water Assistance Administrative | |
| 4 | Account--State Appropriation | ((\$445,000)) |
| 5 | | <u>\$443,000</u> |
| 6 | Lead Paint Account--State Appropriation | \$147,000 |
| 7 | Building Code Council Account--State Appropriation | \$13,000 |
| 8 | Home Security Fund Account--State Appropriation | ((\$25,452,000)) |
| 9 | | <u>\$25,468,000</u> |
| 10 | Affordable Housing for All Account--State | |
| 11 | Appropriation | ((\$11,915,000)) |
| 12 | | <u>\$11,910,000</u> |
| 13 | Financial Fraud and Identity Theft Crimes Investigation | |
| 14 | and Prosecution Account--State Appropriation | ((\$969,000)) |
| 15 | | <u>\$1,166,000</u> |
| 16 | Low-Income Weatherization Assistance Account--State | |
| 17 | Appropriation | ((\$1,882,000)) |
| 18 | | <u>\$1,879,000</u> |
| 19 | Community and Economic Development Fee Account--State | |
| 20 | Appropriation | ((\$5,303,000)) |
| 21 | | <u>\$5,300,000</u> |
| 22 | Washington Housing Trust Account--State | |
| 23 | Appropriation | ((\$19,592,000)) |
| 24 | | <u>\$18,633,000</u> |
| 25 | Prostitution Prevention and Intervention Account-- | |
| 26 | State Appropriation | \$98,000 |
| 27 | Public Facility Construction Loan Revolving | |
| 28 | Account--State Appropriation | ((\$758,000)) |
| 29 | | <u>\$773,000</u> |
| 30 | Washington Community Technology Opportunity Account-- | |
| 31 | Private/Local Appropriation | \$10,000 |
| 32 | Liquor Revolving Account--State Appropriation | \$5,605,000 |
| 33 | TOTAL APPROPRIATION | ((\$469,094,000)) |
| 34 | | <u>\$472,129,000</u> |

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

37 (1) Repayments of outstanding mortgage and rental assistance
38 program loans administered by the department under RCW 43.63A.640 shall

1 be remitted to the department, including any current revolving account
2 balances. The department shall collect payments on outstanding loans,
3 and deposit them into the state general fund. Repayments of funds owed
4 under the program shall be remitted to the department according to the
5 terms included in the original loan agreements.

6 (2) \$500,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$500,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for a grant to resolution
9 Washington to building statewide capacity for alternative dispute
10 resolution centers and dispute resolution programs that guarantee that
11 citizens have access to low-cost resolution as an alternative to
12 litigation.

13 (3) \$306,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$306,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for a grant to the retired senior
16 volunteer program.

17 (4) The department shall administer its growth management act
18 technical assistance and pass-through grants so that smaller cities and
19 counties receive proportionately more assistance than larger cities or
20 counties.

21 (5) \$375,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$375,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely as pass-through funding to Walla
24 Walla Community College for its water and environmental center.

25 (6) \$1,800,000 of the home security fund--state appropriation is
26 provided for transitional housing assistance or partial payments for
27 rental assistance under the independent youth housing program.

28 (7) \$5,000,000 of the home security fund--state appropriation is
29 for the operation, repair, and staffing of shelters in the homeless
30 family shelter program.

31 (8) \$198,000 of the general fund--state appropriation for fiscal
32 year 2014 and (~~(\$198,000)~~) \$398,000 of the general fund--state
33 appropriation for fiscal year 2015 are provided solely for the
34 Washington new Americans program.

35 (9) \$2,949,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$2,949,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for associate development
38 organizations. During the 2013-2015 fiscal biennium, the department

1 shall consider an associate development organization's total resources
2 when making contracting and fund allocation decisions, in addition to
3 the schedule provided in RCW 43.330.086.

4 (10) \$234,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$233,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the Washington asset building
7 coalitions.

8 (11) \$5,605,000 of the liquor revolving account--state
9 appropriation is provided solely for the department to contract with
10 the municipal research and services center of Washington.

11 (12) \$500,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$500,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the purposes of purchasing
14 contracted services to expand and promote the tourism industry in the
15 state of Washington.

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

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

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

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

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

29 (b) The department may not use more than 4 percent of the funds to
30 administer, monitor, and report the outcomes of the services. The
31 department must electronically submit performance metrics by January 1,
32 2014, and report the outcomes of the services by January 1, 2015, to
33 the economic development committees of the legislature.

34 (c) The department has the authority to designate one or more
35 alternative contractors if necessary due to performance or other
36 significant issues. Such change must only be made after consultation
37 with the Washington tourism alliance, the governor's office, and the

1 chairs and ranking members of the economic development committees of
2 the legislature.

3 (13) \$72,000 of the prostitution prevention and intervention
4 account is provided solely for implementation of Engrossed Substitute
5 House Bill No. 1291 (sex trade victims). If the bill is not enacted by
6 June 30, 2013, the amount provided in this subsection shall lapse.

7 (14) \$49,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$49,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for implementation of House Bill
10 No. 1818 (business and government streamlining). If the bill is not
11 enacted by June 30, 2013, the amounts provided in this subsection shall
12 lapse.

13 (15) \$36,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$37,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the department to develop an
16 economic cluster strategy to leverage the state's unique maritime
17 assets, geography, history, and infrastructure. Goals include growing
18 employment, targeted economic activity, environmental considerations,
19 tax revenue to state and local governments, and quality of life
20 associated with the maritime sector by working with the industry to
21 understand workforce needs, parity considerations with Oregon and
22 British Columbia, and tax structure and regulatory barriers. The
23 department will report its findings to the appropriate committees of
24 the legislature no later than December 1, 2014.

25 (16) \$2,000,000 of the Washington housing trust account--state
26 appropriation is provided solely for the department of commerce for
27 services to homeless families through the Washington families fund.

28 (17) \$5,000,000 of the home security account--state appropriation
29 is provided solely for the department of commerce to provide emergency
30 assistance to homeless families in the temporary assistance for needy
31 families program.

32 (18) \$75,000 of the general fund--state appropriation for fiscal
33 year 2014 is provided solely for the economic development commission to
34 retain one current administrative position. The department shall
35 convene a work group, chaired by the current chair of the economic
36 development commission, of representatives of associate development
37 organizations and the economic development commission to recommend:

38 (1) Changes to the economic development commission's purpose and source

1 and amount of funding; (2) objective benchmarks and outcome-based
2 performance measures for evaluating state investments in economic
3 development; (3) high priority regulatory reforms to foster a favorable
4 business climate for long-term private sector job creation and
5 competitiveness; and (4) organizational roles responsibilities and
6 structures to strengthen cohesive planning, streamline execution, and
7 improve outcomes. The work group shall be comprised of representatives
8 from no less than eight associate development organizations
9 representing both urban and rural counties and counties on both sides
10 of the Cascade range. The department shall submit a report of the work
11 group's recommendation to the fiscal and economic development policy
12 committees of the legislature by December 15, 2013.

13 (19) (~~(\$4,000,000)~~) \$2,515,000 of the general fund--state
14 appropriation for fiscal year 2014 and (~~(\$850,000)~~) \$3,779,000 of the
15 general fund--state appropriation for fiscal year 2015 are provided
16 solely for purposes of creating and operating a community health care
17 and education and innovation center at the Pacific Medical Center in
18 Seattle. Amounts provided in this subsection must be used for lease,
19 maintenance, operations, and other required related expenses for
20 Seattle community colleges allied health programs and other related
21 uses identified by the department of commerce. The department is
22 authorized to enter into a thirty-year lease for the Pacific Medical
23 Center property.

24 (20) Within the appropriations in this section, the department
25 shall, by December 1, 2013, develop a comprehensive start-up Washington
26 strategy to facilitate the growth of start-ups and enhance the state's
27 competitiveness in recruiting and retaining businesses that start up in
28 Washington. This shall include but is not limited to: Business and
29 occupation tax relief, capital investment, regulatory burdens,
30 workforce and infrastructure needs and support. Start-up businesses
31 interactions with state government and other public entities as a
32 customer shall also be considered.

33 (21) \$700,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$700,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the department to identify and
36 invest in strategic growth areas, support key sectors, and align
37 existing economic development programs and priorities. The department
38 must consider Washington's position as the most trade dependent state

1 when identifying priority investments. The department must engage
2 states and provinces in the northwest as well as associate development
3 organizations, small business development centers, chambers of
4 commerce, ports, and other partners to leverage the funds provided.
5 For each dollar expended the department must receive a one hundred
6 percent match. The match may be provided by the department through
7 nongeneral fund sources, or any partnering governments or
8 organizations. The department must develop performance metrics and
9 milestones. The department must electronically submit the performance
10 metrics and performance-to-date by January 1, 2014, to the economic
11 development committees of the legislature.

12 (22) The department is authorized to suspend issuing any
13 nonstatutorily required grants or contracts of an amount less than
14 \$1,000,000 per year.

15 (23) The department is authorized to require an applicant to pay an
16 application fee to cover the cost of reviewing the project and
17 preparing an advisory opinion on whether a proposed electric generation
18 project or conservation resource qualifies to meet mandatory
19 conservation targets.

20 (24) \$25,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$25,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the economic impact and
23 infrastructure cost study for Covington town center.

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

29 (26) \$250,000 of the general fund--state appropriation for fiscal
30 year 2015 is provided solely for the implementation of Second
31 Substitute House Bill No. 1072 (agricultural labor skills and safety).
32 If the bill is not enacted by June 30, 2014, the amount provided in
33 this subsection shall lapse.

34 (27) \$26,000 of the home security fund account--state appropriation
35 is provided solely for the implementation of Substitute House Bill No.
36 2415 (homeless status certify). If the bill is not enacted by June 30,
37 2014, the amount provided in this subsection shall lapse.

| | | |
|----|---|-------------------------------|
| 1 | General Fund--Federal Appropriation | ((\$31,340,000)) |
| 2 | | <u>\$34,340,000</u> |
| 3 | General Fund--Private/Local Appropriation | \$370,000 |
| 4 | Economic Development Strategic Reserve Account--State | |
| 5 | Appropriation | \$289,000 |
| 6 | Personnel Service Fund--State Appropriation | ((\$8,656,000)) |
| 7 | | <u>\$8,642,000</u> |
| 8 | Data Processing Revolving Account--State | |
| 9 | Appropriation | ((\$6,015,000)) |
| 10 | | <u>\$6,580,000</u> |
| 11 | Higher Education Personnel Services Account--State | |
| 12 | Appropriation | \$1,497,000 |
| 13 | Performance Audits of Government Account--State | |
| 14 | Appropriation | \$4,000,000 |
| 15 | TOTAL APPROPRIATION | ((\$88,123,000)) |
| 16 | | <u>\$91,621,000</u> |

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

19 (1) The office of financial management shall prepare a report
20 outlining alternative methods of procuring health benefits for home
21 care workers, including individual providers and agency providers. In
22 preparing the report, the office of financial management shall consult
23 with the department of social and health services, representatives of
24 individual home care providers, and agency home care providers.

25 Along with a summary of the current method of providing benefits,
26 the report must include an analysis of the policy and fiscal
27 implications of accessing health benefits through the Washington health
28 benefits exchange. The report must also provide an analysis of a
29 medicaid section 1115 waiver with the federal centers for medicare and
30 medicaid services that would provide additional medicaid matching funds
31 for individual provider home care workers who are provided with health
32 care benefits through a collective bargaining agreement negotiated with
33 the state under chapter 74.39A RCW, but would otherwise be eligible for
34 medicaid under the federal expanded eligibility provisions that take
35 effect January 1, 2014.

36 The report must be submitted to the appropriate fiscal committees
37 of the legislature by January 6, 2014.

1 (2) \$350,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for implementation of Engrossed Second
3 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
4 bill is not enacted by June 30, 2013, the amount provided in this
5 subsection shall lapse.

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

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

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

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

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

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

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

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

6 (A) Performance in specific metrics;

7 (B) Control and reduction where possible of resident undergraduate
8 and graduate tuition; and

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

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

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

20 (iv) A methodology for establishing a baseline level of state
21 funding that:

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

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

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

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

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

35 (5) \$121,000 of the general fund--state appropriation for fiscal
36 year 2015 is provided solely for the implementation of Substitute House
37 Bill No. 2651 (higher education transparency) and Substitute House Bill

1 No. 2336 (higher education department budgets). If neither of the
2 bills is enacted by June 30, 2014, the amount provided in this
3 subsection shall lapse.

4 (6) \$37,000 of the data processing revolving account--state
5 appropriation is provided solely for the implementation of Engrossed
6 Second Substitute House Bill No. 2192 (state agency permitting). If
7 the bill is not enacted by June 30, 2014, the amounts provided in this
8 subsection shall lapse.

9 (7) \$262,000 of the general fund--state appropriation for fiscal
10 year 2015 is provided solely for the implementation of Substitute House
11 Bill No. 2739 (student success in schools). If the bill is not enacted
12 by June 30, 2014, the amount provided in this subsection shall lapse.

13 (8) \$200,000 of the general fund--state appropriation for fiscal
14 year 2015 is provided solely for the office of financial management to
15 enter into a contract with a data collection expert and a mediator to
16 implement a process to develop solutions for maintaining the greatest
17 level of public access under the public records act, chapter 42.56 RCW,
18 with the least impact to government resources and operations. The
19 process must be completed in two phases in accordance with the
20 following requirements:

21 (a) In the first phase, the data collection expert, based on
22 guidance and input from a work group of stakeholders, shall conduct a
23 fact-finding effort to: (i) Determine the impact of overly broad and
24 harassing public records requests to state and local governments; and
25 (ii) identify resources and potential models that have been developed
26 by entities in Washington, as well as by other states facing these same
27 issues. The data collection expert must complete this fact-finding and
28 provide a report with this information to the office of financial
29 management and the mediator referenced in this subsection.

30 (b) In the second phase, the mediator shall facilitate discussions
31 between stakeholders. The goal of the discussions shall be to: (i)
32 Reevaluate best management practices for local governments to improve
33 records management and practices; (ii) develop alternative dispute
34 resolution options; and (iii) address the lack of resources available
35 within local governments to respond to public records requests. The
36 mediator must work and consult with willing participants including, but
37 not limited to, the state auditor's office, the state attorney
38 general's office, the secretary of state's office, a statewide

1 organization representing newspapers, a statewide coalition promoting
2 open government laws, a statewide association representing cities, a
3 statewide association representing counties, a statewide association
4 representing school districts, a statewide association representing
5 ports, a statewide association of hospital districts, and a statewide
6 association representing fire districts. The mediator must involve and
7 apprise legislators and legislative staff of these efforts. The
8 mediator must issue a final report of findings and recommendations to
9 the office of financial management, the governor, and the appropriate
10 committees of legislature by June 30, 2015.

11 (9) \$300,000 of the general fund--state appropriation for fiscal
12 year 2015 is provided solely for an analysis of statewide jail needs
13 and how operational costs are incurred among local governments. The
14 analysis must examine, among other things, how regional capacity is
15 currently being utilized at the state and local level and the financial
16 impact to counties of providing felon and juvenile detention. A report
17 of findings must be provided to the governor and legislative fiscal
18 committees by November 1, 2014.

19 (10) The office of the chief information officer shall survey and
20 review agency security policies and standards including, but not
21 limited to, compliance with employee information technology security
22 training policies and agency standards and policies for decommissioning
23 personal computers. The office must report to the legislature by
24 December 1, 2014 with findings and recommendations from the survey and
25 review.

26 (11) The office of financial management and the office of the chief
27 information officer shall survey and review agency policies and
28 standards for hardware, software, and information technology equipment
29 recycle or replacement. The review will include information on the
30 frequency of replacement, financing methods, extent that funds used to
31 recycle/refresh equipment are in the base budgets for agencies, and the
32 extent that agencies are meeting their policies and standards. The
33 office of financial management and the office of the chief information
34 officer must report to the legislature with findings and
35 recommendations from the review by December 1, 2014.

36 (12) The office of financial management shall direct state agencies
37 to include an information technology request summary table with each
38 agency budget submission. The table must provide summary information

1 on each budget request that has an information technology component,
2 and must include: The agency's priority ranking of the request among
3 all the agency's information technology requests; the amount of funding
4 being requested in the budget; the estimated total costs and time to
5 complete the item; and a categorization of the request as high, medium,
6 or low priority.

7 **Sec. 130.** 2013 2nd sp.s. c 4 s 131 (uncodified) is amended to read
8 as follows:

9 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

10 Administrative Hearings Revolving Account--State

11 Appropriation ((~~\$37,772,000~~))
12 \$38,212,000

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

15 (1) \$151,000 of the administrative hearings revolving account--
16 state appropriation is provided solely for replacement of computer
17 equipment, including servers, routers, and storage system upgrades.
18 The amount provided in this subsection is conditioned on the department
19 satisfying the requirements of the project management oversight
20 standards and policies established by the office of the chief
21 information officer.

22 (2) \$93,000 of the administrative hearings revolving account--state
23 appropriation is provided solely for the implementation of Substitute
24 House Bill No. 2146 (labor and industries appeal bonds). If the bill
25 is not enacted by June 30, 2014, the amount provided in this subsection
26 shall lapse.

27 **Sec. 131.** 2013 2nd sp.s. c 4 s 132 (uncodified) is amended to read
28 as follows:

29 **FOR THE WASHINGTON STATE LOTTERY**

30 Lottery Administrative Account--State

31 Appropriation ((~~\$25,696,000~~))
32 \$25,782,000

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

35 (1) \$596,000 of the lottery administrative account--state

1 appropriation is provided solely for the replacement of the lottery's
2 gaming systems vendor contract.

3 (2) No portion of this appropriation may be used for acquisition of
4 gaming system capabilities that violates state law.

5 **Sec. 132.** 2013 2nd sp.s. c 4 s 133 (uncodified) is amended to read
6 as follows:

7 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

| | | |
|----|---|------------------|
| 8 | General Fund--State Appropriation (FY 2014) | (((\$238,000)) |
| 9 | | <u>\$235,000</u> |
| 10 | General Fund--State Appropriation (FY 2015) | (((\$235,000)) |
| 11 | | <u>\$243,000</u> |
| 12 | TOTAL APPROPRIATION | (((\$473,000)) |
| 13 | | <u>\$478,000</u> |

14 **Sec. 133.** 2013 2nd sp.s. c 4 s 134 (uncodified) is amended to read
15 as follows:

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

| | | |
|----|---|------------------|
| 17 | General Fund--State Appropriation (FY 2014) | (((\$233,000)) |
| 18 | | <u>\$238,000</u> |
| 19 | General Fund--State Appropriation (FY 2015) | (((\$224,000)) |
| 20 | | <u>\$238,000</u> |
| 21 | TOTAL APPROPRIATION | (((\$457,000)) |
| 22 | | <u>\$476,000</u> |

23 **Sec. 134.** 2013 2nd sp.s. c 4 s 135 (uncodified) is amended to read
24 as follows:

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

| | | |
|----|--|---------------------|
| 26 | <u>General Fund--State Appropriation (FY 2015)</u> | <u>\$594,000</u> |
| 27 | Department of Retirement Systems Expense | |
| 28 | Account--State Appropriation | (((\$50,728,000)) |
| 29 | | <u>\$50,889,000</u> |
| 30 | <u>TOTAL APPROPRIATION</u> | <u>\$51,483,000</u> |

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

33 (1) \$250,000 of the general fund--state appropriation for fiscal
34 year 2015 is provided solely for the department of retirement systems
35 to investigate options for private sector retirement accounts. The

1 department of retirement systems is authorized to explore alternatives
 2 for retirement savings accounts for employees of private sector and
 3 nonprofit organizations, especially workers in small and medium-sized
 4 firms. This may include work to develop a plan or plans for submittal
 5 to the United States internal revenue service for approval under the
 6 tax code. In developing plans, the department shall minimize financial
 7 and other liability to the state, as well as the cost of the plan. The
 8 department of retirement systems may: (a) Consult with service
 9 organizations that promote retirement savings; and (b) partner with any
 10 other state, local, or federal agencies engaged in similar efforts to
 11 develop retirement savings programs for employees of private and
 12 nonprofit sector organizations. The department shall inform the office
 13 of financial management of the results of its work under this section
 14 by June 30, 2015. The department shall not implement or accept
 15 enrollments in any state-run or sponsored retirement savings plan under
 16 this subsection without prior legislative approval.

17 (2) \$344,000 of the general fund--state appropriation for fiscal
 18 year 2015 is provided solely for implementation of House Bill No. 2474
 19 (save toward retirement plan). If the bill is not enacted by June 30,
 20 2014, the amount provided in this subsection shall lapse.

21 (3) \$71,000 of the department of retirement systems expense
 22 account--state appropriation is provided solely to implement House Bill
 23 No. 2018 (individual employer contribution rates). If the bill is not
 24 enacted by June 30, 2014, the amount provided in this subsection shall
 25 lapse.

26 **Sec. 135.** 2013 2nd sp.s. c 4 s 136 (uncodified) is amended to read
 27 as follows:

28 **FOR THE DEPARTMENT OF REVENUE**

| | | |
|----|---|--------------------------------|
| 29 | General Fund--State Appropriation (FY 2014) | ((\$107,985,000)) |
| 30 | | <u>\$108,332,000</u> |
| 31 | General Fund--State Appropriation (FY 2015) | ((\$106,301,000)) |
| 32 | | <u>\$107,152,000</u> |
| 33 | Timber Tax Distribution Account--State | |
| 34 | Appropriation | ((\$6,102,000)) |
| 35 | | <u>\$6,113,000</u> |
| 36 | Waste Reduction/Recycling/Litter Control--State | |
| 37 | Appropriation | \$132,000 |

1 State Toxics Control Account--State Appropriation \$93,000
2 ((~~Master License Fund--State Appropriation \$17,082,000~~))
3 Business License Account Appropriation \$17,103,000
4 Data Processing Revolving Account--State Appropriation . . . \$6,751,000
5 TOTAL APPROPRIATION ((~~\$244,446,000~~))
6 \$245,676,000

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

9 (1) The department of revenue is authorized to increase the master
10 application fee to nineteen dollars and the renewal fee to eleven
11 dollars consistent with RCW 19.02.075.

12 (2) \$6,751,000 of the data processing revolving account--state
13 appropriation and \$4,853,000 of the master license fund--state
14 appropriation are provided solely for the replacement of the
15 department's legacy business systems. The amounts provided in this
16 subsection are conditioned on the department satisfying the
17 requirements of the project management oversight standards and policies
18 established by the office of the chief information officer.

19 (3) \$495,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$431,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the implementation of House
22 Bill No. 1971 or Senate Bill No. 5873 (communications services reform).
23 If neither bill is enacted by June 30, 2013, the amounts provided in
24 the subsection shall lapse.

25 (4) \$641,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$297,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for the implementation of Senate
28 Bill No. 5882 or House Bill No. 2081 (tax preferences and
29 transparency). If neither bill is enacted by June 30, 2013, the
30 amounts provided in the subsection shall lapse.

31 (5) \$65,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$93,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for implementation of Second
34 Substitute House Bill No. 1170 (property tax relief programs). If the
35 bill is not enacted by June 30, 2014, the amounts provided in this
36 subsection shall lapse.

37 (6) \$292,000 of the general fund--state appropriation for fiscal

1 year 2015 is provided solely for implementation of Substitute House
2 Bill No. 2201 (state tax preference). If the bill is not enacted by
3 June 30, 2014, the amount provided in this subsection shall lapse.

4 (7) \$78,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$262,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for implementation of Second
7 Engrossed Substitute House Bill No. 1467 (unpaid wage collection). If
8 the bill is not enacted by June 30, 2014, the amounts provided in this
9 subsection shall lapse.

10 (8) \$6,000 of the general fund--state appropriation for fiscal year
11 2014 is provided solely for implementation of Engrossed Substitute
12 House Bill No. 2306 (farm and agricultural land/current use). If the
13 bill is not enacted by June 30, 2014, the amount provided in this
14 subsection shall lapse.

15 (9) \$8,000 of the general fund--state appropriation for fiscal year
16 2014 is provided solely for implementation of Second Engrossed Second
17 Substitute House Bill No. 2493 (land use/horticulture). If the bill is
18 not enacted by June 30, 2014, the amount provided in this subsection
19 shall lapse.

20 (10) \$14,000 of the general fund--state appropriation for fiscal
21 year 2015 is provided solely for implementation of Engrossed Substitute
22 House Bill No. 1287 (Indian tribes/property tax). If the bill is not
23 enacted by June 30, 2014, the amount provided in this subsection shall
24 lapse.

25 (11) \$25,000 of the general fund--state appropriation for fiscal
26 year 2015 is provided solely for implementation of Substitute House
27 Bill No. 1634 (property tax levy limit). If the bill is not enacted by
28 June 30, 2014, the amount provided in this subsection shall lapse.

29 (12) The department must consult with counties it determines to be
30 directly affected by the United States open golf championship held in
31 June 2015 in Washington state for the purpose of establishing metrics
32 to estimate the additional state sales tax revenue attributable to that
33 event. The department must report the additional state sales tax
34 revenue attributable to the United States open golf championship to the
35 fiscal committees of the legislature not later than December 1, 2015.

36 **Sec. 136.** 2013 2nd sp.s. c 4 s 137 (uncodified) is amended to read
37 as follows:

1 **FOR THE BOARD OF TAX APPEALS**

| | | |
|---|---|------------------------------|
| 2 | General Fund--State Appropriation (FY 2014) | ((\$1,217,000)) |
| 3 | | <u>\$1,203,000</u> |
| 4 | General Fund--State Appropriation (FY 2015) | ((\$1,178,000)) |
| 5 | | <u>\$1,201,000</u> |
| 6 | TOTAL APPROPRIATION | ((\$2,395,000)) |
| 7 | | <u>\$2,404,000</u> |

8 **Sec. 137.** 2013 2nd sp.s. c 4 s 138 (uncodified) is amended to read
9 as follows:

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

| | | |
|----|--|------------------------------|
| 11 | OMWBE Enterprises Account--State Appropriation | ((\$4,077,000)) |
| 12 | | <u>\$3,500,000</u> |

13 The appropriation in this section is subject to the following
14 conditions and limitations: (~~(\$200,000 of the minority and women's~~
15 ~~business enterprises account state appropriation is provided for~~
16 ~~implementation of a certification program for small business~~
17 ~~enterprises.)) The agency will collaborate with the department of
18 transportation to certify small businesses as small business
19 enterprises. Funding for this work is provided through interagency
20 agreement with the state department of transportation.~~

21 **Sec. 138.** 2013 2nd sp.s. c 4 s 139 (uncodified) is amended to read
22 as follows:

23 **FOR THE INSURANCE COMMISSIONER**

| | | |
|----|--|-------------------------------|
| 24 | General Fund--State Appropriation (FY 2014) | \$300,000 |
| 25 | General Fund--State Appropriation (FY 2015) | \$100,000 |
| 26 | General Fund--Federal Appropriation | \$4,495,000 |
| 27 | Health Benefit Exchange Account--State Appropriation | \$676,000 |
| 28 | Insurance Commissioners Regulatory Account--State | |
| 29 | Appropriation | ((\$49,555,000)) |
| 30 | | <u>\$50,183,000</u> |
| 31 | TOTAL APPROPRIATION | ((\$55,126,000)) |
| 32 | | <u>\$55,754,000</u> |

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

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

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

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

7 (3) \$498,000 of the insurance commissioners regulatory account--
8 state appropriation is provided solely for the implementation of
9 Substitute House Bill No. 2461 (insurance company solvency). If the
10 bill is not enacted by June 30, 2014, the amount provided in this
11 subsection shall lapse.

12 **Sec. 139.** 2013 2nd sp.s. c 4 s 140 (uncodified) is amended to read
13 as follows:

14 **FOR THE STATE INVESTMENT BOARD**

15 State Investment Board Expense Account--State
16 Appropriation ((\$36,035,000))
17 \$36,059,000

18 **Sec. 140.** 2013 2nd sp.s. c 4 s 141 (uncodified) is amended to read
19 as follows:

20 **FOR THE LIQUOR CONTROL BOARD**

21 Dedicated Marijuana Fund--State Appropriation \$7,726,000
22 Liquor Revolving Account--State Appropriation ((\$65,146,000))
23 \$55,951,000
24 General Fund--Federal Appropriation \$945,000
25 General Fund--Private/Local Appropriation \$25,000
26 TOTAL APPROPRIATION ((\$66,116,000))
27 \$64,647,000

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

30 (1) ~~(\$2,494,000 of the liquor revolving account state~~
31 ~~appropriation is provided solely for the liquor control board to~~
32 ~~implement Initiative Measure No. 502.~~

33 ~~(2))~~(a) The liquor control board must work with the department of
34 health and the department of revenue to develop recommendations for the
35 legislature regarding the interaction of medical marijuana regulations

1 and the provisions of Initiative Measure No. 502. At a minimum, the
2 recommendations must include provisions addressing the following:

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

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

17 (2) For the purposes of RCW 43.88.110(7), any initial cash deficit
18 in the dedicated marijuana fund must be liquidated over the remainder
19 of the 2013-2015 fiscal biennium.

20 (3) \$376,000 of the dedicated marijuana fund--state appropriation
21 is provided solely for implementation of Engrossed Second Substitute
22 House Bill No. 2149 (medical marijuana). If the bill is not enacted by
23 June 30, 2014, the amount provided in this subsection shall lapse.

24 **Sec. 141.** 2013 2nd sp.s. c 4 s 142 (uncodified) is amended to read
25 as follows:

26 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

| | | |
|----|--|---------------------------|
| 27 | General Fund--Federal Appropriation | \$150,000 |
| 28 | General Fund--Private/Local Appropriation | (\$11,228,000) |
| 29 | | <u>\$11,230,000</u> |
| 30 | Public Service Revolving Account--State | |
| 31 | Appropriation | (\$29,893,000) |
| 32 | | <u>\$29,946,000</u> |
| 33 | Pipeline Safety Account--State Appropriation | (\$4,411,000) |
| 34 | | <u>\$4,414,000</u> |
| 35 | Pipeline Safety Account--Federal Appropriation | \$1,938,000 |
| 36 | TOTAL APPROPRIATION | (\$47,620,000) |
| 37 | | <u>\$47,678,000</u> |

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

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

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

16 **Sec. 142.** 2013 2nd sp.s. c 4 s 143 (uncodified) is amended to read
17 as follows:

18 **FOR THE MILITARY DEPARTMENT**

| | | |
|----|--|--------------------------------|
| 19 | General Fund--State Appropriation (FY 2014) | ((\$1,880,000)) |
| 20 | | <u>\$1,862,000</u> |
| 21 | General Fund--State Appropriation (FY 2015) | ((\$1,846,000)) |
| 22 | | <u>\$1,839,000</u> |
| 23 | General Fund--Federal Appropriation | ((\$140,135,000)) |
| 24 | | <u>\$140,213,000</u> |
| 25 | Enhanced 911 Account--State Appropriation | ((\$58,514,000)) |
| 26 | | <u>\$58,397,000</u> |
| 27 | Disaster Response Account--State Appropriation | ((\$14,531,000)) |
| 28 | | <u>\$20,292,000</u> |
| 29 | Disaster Response Account--Federal Appropriation | ((\$53,253,000)) |
| 30 | | <u>\$69,625,000</u> |
| 31 | Military Department Rent and Lease Account--State | |
| 32 | Appropriation | \$615,000 |
| 33 | Worker and Community Right-to-Know Account--State | |
| 34 | Appropriation | \$2,794,000 |
| 35 | TOTAL APPROPRIATION | ((\$273,568,000)) |
| 36 | | <u>\$295,637,000</u> |

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

3 (1) (~~(\$14,531,000)~~) \$20,292,000 of the disaster response account--
4 state appropriation and (~~(\$53,253,000)~~) \$69,625,000 of the disaster
5 response account--federal appropriation may be spent only on disasters
6 declared by the governor and with the approval of the office of
7 financial management. The military department shall submit a report to
8 the office of financial management and the legislative fiscal
9 committees on October 1st and February 1st of each year detailing
10 information on the disaster response account, including: (a) The
11 amount and type of deposits into the account; (b) the current available
12 fund balance as of the reporting date; and (c) the projected fund
13 balance at the end of the 2014-2015 biennium based on current revenue
14 and expenditure patterns.

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

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

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

27 (3) \$7,000 of the general fund--state appropriation for fiscal year
28 2014 and \$30,000 of the general fund--state appropriation for fiscal
29 year 2015 are provided solely for implementation of Engrossed Second
30 Substitute House Bill No. 2347 (oil transportation safety). If the
31 bill is not enacted by June 30, 2014, the amount provided in this
32 subsection shall lapse.

33 (4) \$160,000 of the general fund--federal appropriation is provided
34 solely for a grant to the Spokane regional health district for
35 operation of the biosafety level three laboratory in fiscal year 2015.

36 **Sec. 143.** 2013 2nd sp.s. c 4 s 144 (uncodified) is amended to read
37 as follows:

| | | |
|---|---|------------------------------|
| 1 | General Fund--State Appropriation (FY 2015) | ((\$3,628,000)) |
| 2 | | <u>\$3,637,000</u> |
| 3 | Building Code Council Account--State Appropriation | ((\$1,227,000)) |
| 4 | | <u>\$1,228,000</u> |
| 5 | <u>Data Processing Revolving Account--State</u> | |
| 6 | <u>Appropriation</u> | <u>\$7,062,000</u> |
| 7 | <u>Enterprise Services Account--State Appropriation</u> | <u>\$2,400,000</u> |
| 8 | TOTAL APPROPRIATION | ((\$8,509,000)) |
| 9 | | <u>\$17,988,000</u> |

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

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

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

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

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

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

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

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

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

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

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

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

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

13 (10) Pursuant to chapter 39.94 RCW, the department is authorized to
14 enter into a financing contract for up to \$69,000,000 plus financing
15 expenses and required reserves to construct a new office building at
16 1063 Capitol Way South, Olympia.

17 **Sec. 147.** 2013 2nd sp.s. c 4 s 149 (uncodified) is amended to read
18 as follows:

19 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
20 Volunteer Firefighters' and Reserve Officers'
21 Administrative Account--State Appropriation (~~(\$1,044,000)~~)
22 \$967,000

23 **Sec. 148.** 2013 2nd sp.s. c 4 s 150 (uncodified) is amended to read
24 as follows:

25 **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**
26 General Fund--State Appropriation (FY 2014) (~~(\$1,293,000)~~)
27 \$1,271,000
28 General Fund--State Appropriation (FY 2015) (~~(\$1,242,000)~~)
29 \$1,452,000
30 General Fund--Federal Appropriation \$1,950,000
31 General Fund--Private/Local Appropriation \$14,000
32 TOTAL APPROPRIATION (~~(\$4,499,000)~~)
33 \$4,687,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: \$120,000 of the general fund--state

1 appropriation for fiscal year 2015 is provided solely for costs
2 associated with the relocation of the department's operations from 1063
3 Capitol Way to the Lord mansion in Olympia.

4 NEW SECTION. **Sec. 149.** A new section is added to 2013 2nd sp.s.
5 c 4 (uncodified) to read as follows:

6 **FOR THE GAMBLING COMMISSION**

7 Pursuant to RCW 43.135.055, the commission is authorized to
8 increase license fees by up to five percent in fiscal year 2015.

(End of part)

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

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

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

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

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

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

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

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

1 transfer funds, and the director of financial management shall not
2 approve the transfer, unless the transfer is consistent with the
3 objective of conserving, to the maximum extent possible, the
4 expenditure of state funds. The director of financial management shall
5 notify the appropriate fiscal committees of the senate and house of
6 representatives in writing seven days prior to approving any allotment
7 modifications or transfers under this subsection. The written
8 notification shall include a narrative explanation and justification of
9 the changes, along with expenditures and allotments by budget unit and
10 appropriation, both before and after any allotment modifications or
11 transfers.

12 **Sec. 202.** 2013 2nd sp.s. c 4 s 202 (uncodified) is amended to read
13 as follows:

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

| | | |
|----|---|----------------------------------|
| 16 | General Fund--State Appropriation (FY 2014) | ((\$296,676,000)) |
| 17 | | <u>\$297,587,000</u> |
| 18 | General Fund--State Appropriation (FY 2015) | ((\$297,641,000)) |
| 19 | | <u>\$298,458,000</u> |
| 20 | General Fund--Federal Appropriation | ((\$489,939,000)) |
| 21 | | <u>\$493,925,000</u> |
| 22 | General Fund--Private/Local Appropriation | \$1,354,000 |
| 23 | Home Security Fund Account--State Appropriation | \$10,741,000 |
| 24 | Domestic Violence Prevention Account--State | |
| 25 | Appropriation | \$1,240,000 |
| 26 | Child and Family Reinvestment Account--State | |
| 27 | Appropriation | ((\$6,491,000)) |
| 28 | | <u>\$2,647,000</u> |
| 29 | TOTAL APPROPRIATION | ((\$1,104,082,000)) |
| 30 | | <u>\$1,105,952,000</u> |

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

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

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

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

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

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

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

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

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

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

37 (9) \$579,000 of the general fund--state appropriation for fiscal
38 year 2014, \$579,000 of the general fund--state appropriation for fiscal

1 year 2015, and \$109,000 of the general fund--federal appropriation are
2 provided solely for a receiving care center east of the Cascade
3 mountains.

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

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

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

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

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

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

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

35 (iii) Monitoring education progress of participating youth;

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

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

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

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

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

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

17 (11) \$50,000 of the general fund--state appropriation for fiscal
18 year 2014, and \$50,000 of the general fund--state appropriation for
19 fiscal year 2015, and \$256,000 of the general fund--federal
20 appropriation are provided solely for implementation of Substitute
21 Senate Bill No. 5315 (Powell fatality team). If the bill is not
22 enacted by June 30, 2013, the amounts provided in this subsection shall
23 lapse.

24 (12) \$670,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$670,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for services provided through
27 children's advocacy centers.

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

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

5 (14) \$244,000 of the general fund--state appropriation for fiscal
6 year 2014, ((~~\$1,783,000~~)) \$5,832,000 of the general fund--state
7 appropriation for fiscal year 2015, ((~~\$6,491,000~~)) \$2,647,000 of the
8 child and family reinvestment account--state appropriation, and
9 \$8,274,000 of the general fund--federal appropriation, are provided
10 solely for the implementation and operations of the family assessment
11 response program.

12 (15) \$100,000 of the general fund--state appropriation for fiscal
13 year 2015 and \$60,000 of the general fund--federal appropriation are
14 provided solely to implement Engrossed Second Substitute House Bill No.
15 1675 (adoption process). If the bill is not enacted by June 30, 2014,
16 the amounts provided in this subsection shall lapse.

17 (16) \$15,000 of the general fund--state appropriation for fiscal
18 year 2015 is provided solely to implement Second Substitute House Bill
19 No. 2616 (parents with developmental disabilities). If the bill is not
20 enacted by June 30, 2014, the amount provided in this subsection shall
21 lapse.

22 (17) \$150,000 of the general fund--state appropriation for fiscal
23 year 2015 is provided solely for training, technical assistance, and
24 fidelity oversight for an open source parenting program developed by a
25 university-based child welfare research entity. Expenditure of the
26 amount provided in this subsection is contingent upon the availability
27 of private funds necessary for the research entity to develop the open
28 source parenting curriculum. The children's administration must make
29 the open source parenting program available to parents with an open
30 child welfare case beginning in the last six months of fiscal year
31 2015.

32 (18) Effective January 2015, in addition to the youth eligible for
33 extended foster care services under RCW 13.34.267 and 74.13.031, the
34 department is authorized to provide extended foster care services to
35 nonminor dependents who are engaged in employment for eighty hours or
36 more per month. \$83,000 of the general fund--state appropriation for
37 fiscal year 2015 and \$23,000 of the general fund--federal appropriation
38 are provided solely for such services.

1 (2) \$2,716,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$2,716,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the implementation of chapter
4 338, Laws of 1997 (juvenile code revisions). The amounts provided in
5 this subsection are intended to provide funding for county impacts
6 associated with the implementation of chapter 338, Laws of 1997 and
7 shall be distributed to counties as prescribed in the current
8 consolidated juvenile services (CJS) formula.

9 (3) \$3,482,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$3,482,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely to implement community juvenile
12 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
13 code revisions). Funds provided in this subsection may be used solely
14 for community juvenile accountability grants, administration of the
15 grants, and evaluations of programs funded by the grants.

16 (4) \$1,130,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,130,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely to implement alcohol and substance
19 abuse treatment programs for locally committed offenders. The juvenile
20 rehabilitation administration shall award these moneys on a competitive
21 basis to counties that submitted a plan for the provision of services
22 approved by the division of alcohol and substance abuse. The juvenile
23 rehabilitation administration shall develop criteria for evaluation of
24 plans submitted and a timeline for awarding funding and shall assist
25 counties in creating and submitting plans for evaluation.

26 (5) \$3,123,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$3,123,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for grants to county juvenile
29 courts for the following programs identified by the Washington state
30 institute for public policy (institute) in its October 2006 report:
31 "Evidence-Based Public Policy Options to Reduce Future Prison
32 Construction, Criminal Justice Costs and Crime Rates": Functional
33 family therapy, multi-systemic therapy, aggression replacement training
34 and interagency coordination programs, or other programs with a
35 positive benefit-cost finding in the institute's report. County
36 juvenile courts shall apply to the juvenile rehabilitation
37 administration for funding for program-specific participation and the

1 administration shall provide grants to the courts consistent with the
2 per-participant treatment costs identified by the institute.

3 (6) \$1,537,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,537,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for expansion of the following
6 treatments and therapies in juvenile rehabilitation administration
7 programs identified by the Washington state institute for public policy
8 in its October 2006 report: "Evidence-Based Public Policy Options to
9 Reduce Future Prison Construction, Criminal Justice Costs and Crime
10 Rates": Multidimensional treatment foster care, family integrated
11 transitions, and aggression replacement training, or other programs
12 with a positive benefit-cost finding in the institute's report. The
13 administration may concentrate delivery of these treatments and
14 therapies at a limited number of programs to deliver the treatments in
15 a cost-effective manner.

16 (7)(a) The juvenile rehabilitation administration shall administer
17 a block grant, rather than categorical funding, of consolidated
18 juvenile service funds, community juvenile accountability act grants,
19 the chemical dependency disposition alternative funds, the mental
20 health disposition alternative, and the sentencing disposition
21 alternative for the purpose of serving youth adjudicated in the
22 juvenile justice system. In making the block grant, the juvenile
23 rehabilitation administration shall follow the following formula and
24 will prioritize evidence-based programs and disposition alternatives
25 and take into account juvenile courts program-eligible youth in
26 conjunction with the number of youth served in each approved evidence-
27 based program or disposition alternative: (i) Thirty-seven and one-
28 half percent for the at-risk population of youth ten to seventeen years
29 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
30 twenty-five percent for evidence-based program participation; (iv)
31 seventeen and one-half percent for minority populations; (v) three
32 percent for the chemical dependency disposition alternative; and (vi)
33 two percent for the mental health and sentencing dispositional
34 alternatives. Funding for the special sex offender disposition
35 alternative (SSODA) shall not be included in the block grant, but
36 allocated on the average daily population in juvenile courts. Funding
37 for the evidence-based expansion grants shall be excluded from the
38 block grant formula. Funds may be used for promising practices when

1 approved by the juvenile rehabilitation administration and juvenile
2 courts, through the community juvenile accountability act committee,
3 based on the criteria established in consultation with Washington state
4 institute for public policy and the juvenile courts.

5 (b) The juvenile rehabilitation administration and the juvenile
6 courts shall establish a block grant funding formula oversight
7 committee with equal representation from the juvenile rehabilitation
8 administration and the juvenile courts. The purpose of this committee
9 is to assess the ongoing implementation of the block grant funding
10 formula, utilizing data-driven decision making and the most current
11 available information. The committee will be cochaired by the juvenile
12 rehabilitation administration and the juvenile courts, who will also
13 have the ability to change members of the committee as needed to
14 achieve its purpose. Initial members will include one juvenile court
15 representative from the finance committee, the community juvenile
16 accountability act committee, the risk assessment quality assurance
17 committee, the executive board of the Washington association of
18 juvenile court administrators, the Washington state center for court
19 research, and a representative of the superior court judges
20 association; two representatives from the juvenile rehabilitation
21 administration headquarters program oversight staff, two
22 representatives of the juvenile rehabilitation administration regional
23 office staff, one representative of the juvenile rehabilitation
24 administration fiscal staff and a juvenile rehabilitation
25 administration division director. The committee may make changes to
26 the formula categories other than the evidence-based program and
27 disposition alternative categories if it is determined the changes will
28 increase statewide service delivery or effectiveness of evidence-based
29 program or disposition alternative resulting in increased cost benefit
30 savings to the state. Long-term cost benefit must be considered.
31 Percentage changes may occur in the evidence-based program or
32 disposition alternative categories of the formula should it be
33 determined the changes will increase evidence-based program or
34 disposition alternative delivery and increase the cost benefit to the
35 state. These outcomes will also be considered in determining when
36 evidence-based expansion or special sex offender disposition
37 alternative funds should be included in the block grant or left
38 separate.

1 (c) The juvenile courts and administrative office of the courts
2 shall be responsible for collecting and distributing information and
3 providing access to the data systems to the juvenile rehabilitation
4 administration and the Washington state institute for public policy
5 related to program and outcome data. The juvenile rehabilitation
6 administration and the juvenile courts will work collaboratively to
7 develop program outcomes that reinforce the greatest cost benefit to
8 the state in the implementation of evidence-based practices and
9 disposition alternatives.

10 (8) The juvenile courts and administrative office of the courts
11 shall collect and distribute information related to program outcome and
12 provide access to these data systems to the juvenile rehabilitation
13 administration and Washington state institute for public policy. The
14 agreements between administrative office of the courts, the juvenile
15 courts, and the juvenile rehabilitation administration shall be
16 executed to ensure that the juvenile rehabilitation administration
17 receives the data that the juvenile rehabilitation administration
18 identifies as needed to comply with this subsection. This includes,
19 but is not limited to, information by program at the statewide
20 aggregate level, individual court level, and individual client level
21 for the purpose of the juvenile rehabilitation administration providing
22 quality assurance and oversight for the locally committed youth block
23 grant and associated funds and at times as specified by the juvenile
24 rehabilitation administration as necessary to carry out these
25 functions. The data shall be provided in a manner that reflects the
26 collaborative work the juvenile rehabilitation administration and
27 juvenile courts have developed regarding program outcomes that
28 reinforce the greatest cost benefit to the state in the implementation
29 of evidence-based practices and disposition alternatives.

30 (9) \$445,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$445,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for funding of the teamchild
33 project.

34 (10) \$178,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$178,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the juvenile detention
37 alternatives initiative.

1 (11) \$250,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$250,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for a grant program focused on
4 criminal street gang prevention and intervention. The Washington state
5 partnership council on juvenile justice may award grants under this
6 subsection. The council shall give priority to applicants who have
7 demonstrated the greatest problems with criminal street gangs.
8 Applicants composed of, at a minimum, one or more local governmental
9 entities and one or more nonprofit, nongovernmental organizations that
10 have a documented history of creating and administering effective
11 criminal street gang prevention and intervention programs may apply for
12 funding under this subsection.

13 (12) \$100,000 of the general fund--state appropriation for fiscal
14 year 2015 is provided solely to implement Engrossed Substitute House
15 Bill No. 2164 (juvenile firearms offenders). If the bill is not
16 enacted by June 30, 2014, the amount provided in this subsection shall
17 lapse.

18 (13) \$500,000 of the general fund--state appropriation for fiscal
19 year 2015 is provided solely for competitive grants to community-based
20 organizations to provide at-risk youth intervention services, including
21 but not limited to, case management, employment services, educational
22 services, and street outreach intervention programs. Projects funded
23 should focus on preventing, intervening, and suppressing behavioral
24 problems and violence while linking at-risk youth to pro-social
25 activities. The costs of administration may not exceed four percent of
26 appropriated funding for each grant recipient. Each entity receiving
27 funds must report to the juvenile rehabilitation administration on the
28 number and types of youth served, the services provided, and the impact
29 of those services upon the youth and the community.

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

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

34 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

| | |
|--|----------------------|
| 35 General Fund--State Appropriation (FY 2014) | ((\$327,467,000)) |
| | <u>\$328,527,000</u> |
| 36 General Fund--State Appropriation (FY 2015) | ((\$308,723,000)) |

| | | |
|---|---|----------------------------------|
| 1 | | <u>\$329,211,000</u> |
| 2 | General Fund--Federal Appropriation | ((\$561,394,000)) |
| 3 | | <u>\$666,113,000</u> |
| 4 | General Fund--Private/Local Appropriation | \$17,864,000 |
| 5 | TOTAL APPROPRIATION | ((\$1,215,448,000)) |
| 6 | | <u>\$1,341,715,000</u> |

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

9 (a) \$104,999,000 of the general fund--state appropriation for
10 fiscal year 2014 and ((~~\$85,895,000~~)) \$88,895,000 of the general fund--
11 state appropriation for fiscal year 2015 are provided solely for
12 persons and services not covered by the medicaid program. To the
13 extent possible, levels of regional support network spending shall be
14 maintained in the following priority order: Crisis and commitment
15 services; community inpatient services; and residential care services,
16 including personal care and emergency housing assistance. This is a
17 reduction in flexible nonmedicaid funding of \$4,343,000 for fiscal year
18 2014 and ((~~\$23,446,000~~)) \$20,446,000 for fiscal year 2015. This
19 reduction reflects offsets in state funding related to services that
20 will now be funded with federal dollars through the affordable care act
21 medicaid expansion. This reduction shall be distributed ((~~as follows:~~

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

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

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

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

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

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

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

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

37 (g) \$750,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$750,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely to continue performance-based
2 incentive contracts to provide appropriate community support services
3 for individuals with severe mental illness who were discharged from the
4 state hospitals as part of the expanding community services initiative.
5 These funds will be used to enhance community residential and support
6 services provided by regional support networks through other state and
7 federal funding.

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

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

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

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

22 (iv) Services at the sixteen-bed evaluation and treatment facility.

23 At least annually, the Spokane regional support network shall
24 assess the effectiveness of these services in reducing utilization at
25 eastern state hospital, identify services that are not optimally
26 effective, and modify those services to improve their effectiveness.

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

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

1 additional medicaid match, but only to the extent that the application
2 of such funds to medicaid services does not diminish the level of
3 crisis and commitment, community inpatient, residential care, and
4 outpatient services presently available to persons not eligible for
5 medicaid.

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

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

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

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

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

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

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

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

23 (p) \$266,000 of the general fund--state appropriation for fiscal
24 year 2014 ~~((is))~~ and \$1,500,000 of the general fund--state
25 appropriation for fiscal year 2015 are provided solely to maintain
26 services for the King county regional support network as it works to
27 transition services to settings that are eligible for federal
28 participation for individuals covered under the medicaid program.

29 (q) Within the amounts appropriated in this section, funding is
30 provided for the department to develop and phase in intensive mental
31 health services for high needs youth consistent with the settlement
32 agreement in T.R. v. Dreyfus and Porter.

33 (r) \$7,281,000 of the general fund--state appropriation for fiscal
34 year 2015 and \$4,589,000 of the general fund--federal appropriation are
35 provided solely for implementation of Substitute House Bill No. 2725
36 (involuntary commitment) and enhancement of community mental health
37 services. The department must contract these funds for the operation
38 of the following community programs that allow individuals to be

1 diverted or transitioned from the state hospitals: (i) Community
2 hospital or free standing evaluation and treatment services providing
3 short-term detention and commitment services under the involuntary
4 treatment act to be located in the geographic areas of the King
5 regional support network, the Spokane regional support network outside
6 of Spokane county, and the Thurston Mason regional support network;
7 (ii) one new full program of an assertive community treatment team in
8 the King regional support network and two new half programs of
9 assertive community treatment teams in the Spokane regional support
10 network and the Pierce regional support network; and (iii) three new
11 recovery support services programs in the Grays Harbor regional support
12 network, the Greater Columbia regional support network, and the North
13 Sound regional support network. In contracting for community
14 evaluation and treatment services, the department may not use these
15 resources in facilities that meet the criteria to be classified under
16 federal law as institutions for mental diseases. If the department is
17 unable to come to a contract agreement with a designated regional
18 support network for any of the services identified above, it may
19 consider contracting for that service in another regional support
20 network that has the need for such service.

21 (2) INSTITUTIONAL SERVICES

| | | |
|----|---|----------------------|
| 22 | General Fund--State Appropriation (FY 2014) | ((\$135,246,000)) |
| 23 | | <u>\$141,113,000</u> |
| 24 | General Fund--State Appropriation (FY 2015) | ((\$131,863,000)) |
| 25 | | <u>\$130,819,000</u> |
| 26 | General Fund--Federal Appropriation | ((\$150,863,000)) |
| 27 | | <u>\$159,324,000</u> |
| 28 | General Fund--Private/Local Appropriation | ((\$63,097,000)) |
| 29 | | <u>\$58,848,000</u> |
| 30 | TOTAL APPROPRIATION | ((\$481,069,000)) |
| 31 | | <u>\$490,104,000</u> |

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

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

37 (b) \$231,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$231,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for a community partnership
2 between western state hospital and the city of Lakewood to support
3 community policing efforts in the Lakewood community surrounding
4 western state hospital. The amounts provided in this subsection (2)(b)
5 are for the salaries, benefits, supplies, and equipment for one full-
6 time investigator, one full-time police officer, and one full-time
7 community service officer at the city of Lakewood.

8 (c) \$45,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$45,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for payment to the city of
11 Lakewood for police services provided by the city at western state
12 hospital and adjacent areas.

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

18 (e) (~~(\$2,068,000)~~) \$6,194,000 of the general fund--state
19 appropriation for fiscal year 2014, \$2,066,000 of the general fund--
20 state appropriation for fiscal year 2015, and \$240,000 of the general
21 fund--federal appropriation are provided solely for the state
22 psychiatric hospitals to plan, procure, and implement the core elements
23 of an electronic medical record system that is compliant with the
24 international classification of diseases (ICD-10) by October 1, 2014.
25 These funds must only be used for an electronic medical record system
26 that meets federal criteria for electronic sharing of patient
27 information and clinical care summaries with doctors' offices,
28 hospitals, and health systems which use federally certified electronic
29 health record systems. The procurement and implementation shall be
30 conducted to allow for these services to be expanded to the department
31 of corrections. The amounts provided in this subsection are
32 conditioned on the department satisfying the requirements of the
33 project management oversight standards and policies established by the
34 office of the chief information officer.

35 (3) SPECIAL PROJECTS

36 General Fund--State Appropriation (FY 2014) (~~(\$1,609,000)~~)
37 \$1,612,000
38 General Fund--State Appropriation (FY 2015) (~~(\$1,610,000)~~)

| | | |
|---|---|------------------------------|
| 1 | | <u>\$1,613,000</u> |
| 2 | General Fund--Federal Appropriation | \$6,286,000 |
| 3 | TOTAL APPROPRIATION | ((\$9,505,000)) |
| 4 | | <u>\$9,511,000</u> |

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

7 (a) \$1,161,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$1,161,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for children's evidence-based
10 mental health services.

11 (b) \$446,000 of the general fund--state appropriation for fiscal
12 year 2014, \$446,000 of the general fund--state appropriation for fiscal
13 year 2015, and \$178,000 of the general fund--federal appropriation are
14 provided solely for the University of Washington's evidence-based
15 practice institute which supports the identification, evaluation, and
16 implementation of evidence-based or promising practices. The institute
17 must work with the department to develop a plan to seek private,
18 federal, or other grant funding in order to reduce the need for state
19 general funds. The institute and the department must submit this plan
20 to the office of financial management and the fiscal committees of the
21 legislature by December 1, 2013.

22 (4) PROGRAM SUPPORT

| | | |
|----|---|-------------------------------|
| 23 | General Fund--State Appropriation (FY 2014) | ((\$5,287,000)) |
| 24 | | <u>\$6,153,000</u> |
| 25 | General Fund--State Appropriation (FY 2015) | ((\$4,777,000)) |
| 26 | | <u>\$7,486,000</u> |
| 27 | General Fund--Federal Appropriation | ((\$7,711,000)) |
| 28 | | <u>\$9,443,000</u> |
| 29 | General Fund--Private/Local Appropriation | \$502,000 |
| 30 | TOTAL APPROPRIATION | ((\$18,277,000)) |
| 31 | | <u>\$23,584,000</u> |

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

34 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
35 the department is authorized to adopt license and certification fees in
36 fiscal years 2014 and 2015 to support the costs of the regulatory
37 program. The department's fee schedule shall have differential rates

1 for providers with proof of accreditation from organizations that the
2 department has determined to have substantially equivalent standards to
3 those of the department, including but not limited to the joint
4 commission on accreditation of health care organizations, the
5 commission on accreditation of rehabilitation facilities, and the
6 council on accreditation. To reflect the reduced costs associated with
7 regulation of accredited programs, the department's fees for
8 organizations with such proof of accreditation must reflect the lower
9 costs of licensing for these programs than for other organizations
10 which are not accredited.

11 (b) \$74,000 of the general fund--state appropriation for fiscal
12 year 2014, \$74,000 of the general fund--state appropriation for fiscal
13 year 2015, and \$78,000 of the general fund--federal appropriation are
14 provided solely for implementation of chapter 335, Laws of 2013 (ESSB
15 5480).

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

20 (d) In developing the new medicaid managed care rates under which
21 the public mental health managed care system will operate, the
22 department must seek to estimate the reasonable and necessary cost of
23 efficiently and effectively providing a comparable set of medically
24 necessary mental health benefits to persons of different acuity levels
25 regardless of where in the state they live. The department must report
26 to the office of financial management and to the relevant fiscal and
27 policy committees of the legislature on its proposed new mental health
28 managed care rate-setting approach by August 1, 2013, and again at
29 least sixty days prior to implementation of new capitation rates.

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

35 (f) The department shall work cooperatively with the health care
36 authority to explore the feasibility of incentivizing small, rural
37 hospitals to convert, in part or fully, some of their beds to
38 psychiatric treatment beds. No later than December 31, 2014, the

1 department shall report to the appropriate fiscal committees of the
2 legislature on the feasibility of such conversion. The report shall
3 consider rate enhancements and the ability to claim federal medicaid
4 matching funds on converted beds.

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

12 (h) Within the amounts appropriated in this section, funding is
13 provided for the department to continue to develop the child adolescent
14 needs and strengths assessment tool and build workforce capacity to
15 provide evidence based wraparound services for children, consistent
16 with the ((anticipated)) settlement agreement in *T.R. v. Dreyfus and*
17 *Porter*.

18 (i) \$610,000 of the general fund--state appropriation for fiscal
19 year 2014, \$1,193,000 of the general fund--state appropriation for
20 fiscal year 2015, and \$971,000 of the general fund--federal
21 appropriation are provided solely for the implementation of Engrossed
22 Second Substitute House Bill No. 2639 (mental health, chemical
23 dependency) and Engrossed Substitute House Bill No. 2315 (suicide
24 prevention). If Second Substitute House Bill No. 2639 (mental health,
25 chemical dependency) is not enacted by June 30, 2014, the amounts
26 provided in this subsection shall lapse.

27 (j) \$70,000 of the general fund--state appropriation for fiscal
28 year 2015 is provided solely for the department to contract with the
29 criminal justice training commission for training officers on working
30 with individuals with mental health issues.

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

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

35 (1) COMMUNITY SERVICES

| | |
|--|----------------------|
| 36 General Fund--State Appropriation (FY 2014) | ((\$439,963,000)) |
| 37 | <u>\$445,988,000</u> |

| | | |
|---|---|----------------------------------|
| 1 | General Fund--State Appropriation (FY 2015) | ((\$458,131,000)) |
| 2 | | <u>\$474,995,000</u> |
| 3 | General Fund--Federal Appropriation | ((\$820,769,000)) |
| 4 | | <u>\$838,228,000</u> |
| 5 | General Fund--Private/Local Appropriation | ((\$21,000)) |
| 6 | | <u>\$776,000</u> |
| 7 | TOTAL APPROPRIATION | ((\$1,718,884,000)) |
| 8 | | <u>\$1,759,987,000</u> |

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

11 (a) Individuals receiving services as supplemental security income
12 (SSI) state supplemental payments shall not become eligible for medical
13 assistance under RCW 74.09.510 due solely to the receipt of SSI state
14 supplemental payments.

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

23 (i) The current annual renewal license fee for adult family homes
24 shall be increased to \$225 per bed beginning in fiscal year 2014 and
25 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750
26 shall be charged to each adult family home when the home is initially
27 licensed. This fee is nonrefundable.

28 (ii) The current annual renewal license fee for assisted living
29 facilities shall be increased to \$106 per bed beginning in fiscal year
30 2014 and \$106 per bed beginning in fiscal year 2015.

31 (iii) The current annual renewal license fee for nursing facilities
32 shall be increased to \$359 per bed beginning in fiscal year 2014 and
33 \$359 per bed beginning in fiscal year 2015.

34 (c) ((~~\$13,301,000~~)) \$13,267,000 of the general fund--state
35 appropriation for fiscal year 2014, ((~~\$20,607,000~~)) \$20,754,000 of the
36 general fund--state appropriation for fiscal year 2015, and
37 ((~~\$33,910,000~~)) \$34,024,000 of the general fund federal appropriation
38 are provided solely for the implementation of the agreement reached

1 between the governor and the service employees international union
2 healthcare 775nw through an interest arbitration decision under the
3 provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal
4 biennium.

5 (d) \$6,244,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$6,244,000 of the general fund--state appropriation for
7 fiscal year 2015 are appropriated solely for the individual and family
8 support program. Within these amounts, the department shall expand the
9 current number of clients receiving services and focus on extending
10 services to individuals with developmental disabilities who are not
11 otherwise receiving paid services from the department.

12 (~~((f))~~ ~~\$1,547,000~~) (e) \$774,000 of the general fund--state
13 appropriation for fiscal year 2015, and (~~(\$4,790,000)~~) \$2,395,000 of
14 the general fund--federal appropriation are provided solely for a
15 payment system that satisfies medicaid requirements regarding time
16 reporting for W-2 providers. The amounts provided in this subsection
17 are conditioned on the department satisfying the requirements of the
18 project management oversight standards and policies established by the
19 office of the chief information officer.

20 (~~((g))~~) (f) \$1,707,000 of the general fund--state appropriation for
21 fiscal year 2014, \$2,670,000 of the general fund--state appropriation
22 for fiscal year 2015, and \$4,376,000 of the general fund--federal
23 appropriation are provided solely for the homecare agency parity
24 impacts of the service employees international union healthcare 775nw
25 arbitration award.

26 (~~((h))~~) (g) The department is authorized to establish limited
27 exemption criteria in rule to address RCW 74.39A.325 when a landline
28 phone is not available to the employee.

29 (h) \$242,000 of the general fund--federal appropriation and
30 \$241,000 of the general fund--local appropriation are provided solely
31 to implement Second Substitute House Bill No. 1574 (residential
32 services and supports). If the bill is not enacted by June 30, 2014,
33 the amounts provided in this subsection shall lapse. In accordance
34 with Second Substitute House Bill No. 1574, the department is
35 authorized to increase supported living fees as necessary to support
36 the actual costs of conducting the certification, inspection, and
37 regulatory programs. The certification fees may not exceed the
38 department's annual licensing and oversight activity costs and shall

1 include the department's cost of paying providers for the amount of the
2 certification fee attributed to medicaid clients. The annual
3 certification fee for supported living shall be \$128 per client
4 beginning in fiscal year 2015.

5 (i) \$91,000 of the general fund--state appropriation for fiscal
6 year 2015 is provided solely to implement Substitute House Bill No.
7 2310 (provider safety equipment). If the bill is not enacted by June
8 30, 2014, the amount provided in this subsection shall lapse.

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

16 (k) The department of social and health services shall increase the
17 benchmark rates for community residential service businesses providing
18 supported living, group home, and licensed staff residential services
19 for people with developmental disabilities by thirty cents starting
20 July 1, 2014.

21 (l) It is the intent of the legislature to use savings from the
22 community first choice option to make needed investments in home and
23 community-based services for seniors and people with disabilities,
24 including potential investments recommended by the joint legislative
25 executive committee on aging and disability and a development and
26 implementation council that the department of social and health
27 services must convene prior to submitting the proposed community first
28 choice option to the centers for medicare and medicaid services. At a
29 minimum, the final report to the legislature from the joint legislative
30 executive committee on aging and disability must explore the cost and
31 benefit of rate enhancements for providers of long-term services and
32 supports, restoration of hours for in-home clients, additional
33 investment in the family caregiver support program, and additional
34 investment in the individual and family services program or other
35 medicaid services to support individuals with developmental
36 disabilities.

37 (2) INSTITUTIONAL SERVICES

38 General Fund--State Appropriation (FY 2014) ((\$85,261,000))

| | | |
|---|---|--------------------------------|
| 1 | | <u>\$85,962,000</u> |
| 2 | General Fund--State Appropriation (FY 2015) | ((\$84,980,000)) |
| 3 | | <u>\$85,812,000</u> |
| 4 | General Fund--Federal Appropriation | ((\$160,021,000)) |
| 5 | | <u>\$161,630,000</u> |
| 6 | General Fund--Private/Local Appropriation | \$23,041,000 |
| 7 | TOTAL APPROPRIATION | ((\$353,303,000)) |
| 8 | | <u>\$356,445,000</u> |

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

11 (a) Individuals receiving services as supplemental security income
12 (SSI) state supplemental payments shall not become eligible for medical
13 assistance under RCW 74.09.510 due solely to the receipt of SSI state
14 supplemental payments.

15 (b) \$721,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$721,000 of the general fund--state appropriation for
17 fiscal year 2015 are for the department to fulfill its contracts with
18 the school districts under chapter 28A.190 RCW to provide
19 transportation, building space, and other support services as are
20 reasonably necessary to support the educational programs of students
21 living in residential habilitation centers.

22 (3) PROGRAM SUPPORT

| | | |
|----|---|------------------------------|
| 23 | General Fund--State Appropriation (FY 2014) | ((\$1,943,000)) |
| 24 | | <u>\$1,975,000</u> |
| 25 | General Fund--State Appropriation (FY 2015) | ((\$1,993,000)) |
| 26 | | <u>\$2,025,000</u> |
| 27 | General Fund--Federal Appropriation | ((\$1,957,000)) |
| 28 | | <u>\$2,068,000</u> |
| 29 | TOTAL APPROPRIATION | ((\$5,893,000)) |
| 30 | | <u>\$6,068,000</u> |

31 (4) SPECIAL PROJECTS

| | | |
|----|---|------------------------------|
| 32 | General Fund--State Appropriation (FY 2014) | ((\$1,400,000)) |
| 33 | | <u>\$1,403,000</u> |
| 34 | General Fund--State Appropriation (FY 2015) | ((\$1,400,000)) |
| 35 | | <u>\$1,403,000</u> |
| 36 | General Fund--Federal Appropriation | ((\$1,200,000)) |
| 37 | | <u>\$1,206,000</u> |

| | | |
|----|---|----------------------------------|
| 1 | TOTAL APPROPRIATION | ((\$4,000,000)) |
| 2 | | <u>\$4,012,000</u> |
| 3 | Sec. 206. 2013 2nd sp.s. c 4 s 206 (uncodified) is amended to read | |
| 4 | as follows: | |
| 5 | FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT | |
| 6 | SERVICES PROGRAM | |
| 7 | General Fund--State Appropriation (FY 2014) | ((\$869,628,000)) |
| 8 | | <u>\$860,212,000</u> |
| 9 | General Fund--State Appropriation (FY 2015) | ((\$923,218,000)) |
| 10 | | <u>\$915,709,000</u> |
| 11 | General Fund--Federal Appropriation | ((\$1,934,089,000)) |
| 12 | | <u>\$1,902,764,000</u> |
| 13 | General Fund--Private/Local Appropriation | ((\$30,122,000)) |
| 14 | | <u>\$33,707,000</u> |
| 15 | Traumatic Brain Injury Account--State Appropriation | \$3,393,000 |
| 16 | Skilled Nursing Facility Safety Net Trust Account--State | |
| 17 | Appropriation | ((\$88,000,000)) |
| 18 | | <u>\$110,681,000</u> |
| 19 | TOTAL APPROPRIATION | ((\$3,848,450,000)) |
| 20 | | <u>\$3,826,466,000</u> |

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

23 (1) For purposes of implementing chapter 74.46 RCW, the weighted
24 average nursing facility payment rate shall not exceed \$171.35 for
25 fiscal year 2014 and shall not exceed ((~~\$171.58~~)) \$178.82 for fiscal
26 year 2015, including the rate add-ons described in (a) and (b) of this
27 subsection. However, if the waiver requested from the federal centers
28 for medicare and medicaid services in relation to the safety net
29 assessment is for any reason disapproved, the weighted average nursing
30 facility payment rate shall not exceed \$162.43 for fiscal year 2014 and
31 shall not exceed \$163.58 for fiscal year 2015. There will be no
32 adjustments for economic trends and conditions in fiscal years 2014 and
33 2015. The economic trends and conditions factor or factors defined in
34 the biennial appropriations act shall not be compounded with the
35 economic trends and conditions factor or factors defined in any other
36 biennial appropriations acts before applying it to the component rate
37 allocations established in accordance with chapter 74.46 RCW. When no

1 economic trends and conditions factor for either fiscal year is defined
2 in a biennial appropriations act, no economic trends and conditions
3 factor or factors defined in any earlier biennial appropriations act
4 shall be applied solely or compounded to the component rate allocations
5 established in accordance with chapter 74.46 RCW.

6 (a) For fiscal year 2014 within the funds provided, the department
7 shall continue to provide an add-on per medicaid resident day per
8 facility not to exceed \$1.57. The add-on shall be used to increase
9 wages, benefits, and/or staffing levels for certified nurse aides; or
10 to increase wages and/or benefits for dietary aides, housekeepers,
11 laundry aides, or any other category of worker whose statewide average
12 dollars-per-hour wage was less than \$15 in calendar year 2008,
13 according to cost report data. The add-on may also be used to address
14 resulting wage compression for related job classes immediately affected
15 by wage increases to low-wage workers. For fiscal year 2015 within
16 funds provided, the department shall continue to provide an add-on per
17 medicaid resident day per facility not to exceed \$3.15. The add-on
18 shall be used to increase wages, benefits, and/or staffing levels for
19 certified nurse aides; or to increase wages and/or benefits for dietary
20 aides, housekeepers, laundry aides, or any other category of worker
21 whose statewide average dollars-per-hour wage was less than \$17 in
22 calendar year 2012, according to cost report data. The department
23 shall continue reporting requirements and a settlement process to
24 ensure that the funds are spent according to this subsection.

25 (b) The department shall do a comparative analysis of the facility-
26 based payment rates calculated on July 1, 2013, using the payment
27 methodology defined in chapter 74.46 RCW and as funded in the omnibus
28 appropriations act, excluding the low wage worker add-on, the direct
29 care add-on found in subsection (1)(g) of this section, the comparative
30 add-on, acuity add-on, and safety net reimbursement, to the facility-
31 based payment rates in effect June 30, 2010. If the facility-based
32 payment rate calculated on July 1, 2013, is smaller than the facility-
33 based payment rate on June 30, 2010, then the difference shall be
34 provided to the individual nursing facilities as an add-on payment per
35 medicaid resident day.

36 (c) During the comparative analysis performed in subsection (b) of
37 this section, if it is found that the direct care rate for any facility
38 calculated using the payment methodology defined in chapter 74.46 RCW

1 and as funded in the omnibus appropriations act, excluding the low wage
2 worker add-on, the direct care add-on found in subsection (1)(g) of
3 this section, the comparative add-on, acuity add-on, and safety net
4 reimbursement, is greater than the direct care rate in effect on June
5 30, 2010, then the facility shall receive a ten percent direct care
6 rate add-on to compensate that facility for taking on more acute
7 clients than they have in the past.

8 (d) The department shall provide a medicaid rate add-on to
9 reimburse the medicaid share of the skilled nursing facility safety net
10 assessment as a medicaid allowable cost. The nursing facility safety
11 net rate add-on may not be included in the calculation of the annual
12 statewide weighted average nursing facility payment rate.

13 (e) The rate add-on provided in (c) of this subsection is subject
14 to the reconciliation and settlement process provided in RCW
15 74.46.022(6).

16 (f) If the waiver requested from the federal centers for medicare
17 and medicaid services in relation to the safety net assessment is for
18 any reason disapproved, (b), (c), ~~((and))~~ (d), and (g) of this
19 subsection do not apply.

20 (g) For fiscal year 2015, the department shall provide a direct
21 care rate add-on applied evenly across all nursing facilities of no
22 more than six percent of the direct care payment rate calculated
23 according to chapter 74.46 RCW. This subsection (g) is subject to the
24 reconciliation and settlement process provided in RCW 74.46.022(6).

25 (2) In accordance with chapter 74.46 RCW, the department shall
26 issue no additional certificates of capital authorization for fiscal
27 year 2014 and no new certificates of capital authorization for fiscal
28 year 2015 and shall grant no rate add-ons to payment rates for capital
29 improvements not requiring a certificate of need and a certificate of
30 capital authorization for fiscal years 2014 and 2015.

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

1 (a) The current annual renewal license fee for adult family homes
2 shall be increased to \$225 per bed beginning in fiscal year 2014 and
3 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750
4 shall be charged to each adult family home when the home is initially
5 licensed. This fee is nonrefundable.

6 (b) The current annual renewal license fee for assisted living
7 facilities shall be increased to \$106 per bed beginning in fiscal year
8 2014 and \$106 per bed beginning in fiscal year 2015.

9 (c) The current annual renewal license fee for nursing facilities
10 shall be increased to \$359 per bed beginning in fiscal year 2014 and
11 \$359 per bed beginning in fiscal year 2015.

12 (4) The department is authorized to place long-term care clients
13 residing in nursing homes and paid for with state only funds into less
14 restrictive community care settings while continuing to meet the
15 client's care needs.

16 (5) (~~(\$30,640,000)~~) \$29,996,000 of the general fund--state
17 appropriation for fiscal year 2014, (~~(\$48,633,000)~~) \$49,061,000 of the
18 general fund--state appropriation for fiscal year 2015, and
19 (~~(\$79,273,000)~~) \$79,058,000 of the general fund--federal appropriation
20 are provided solely for the implementation of the agreement reached
21 between the governor and the service employees international union
22 healthcare 775nw through an interest arbitration decision under the
23 provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal
24 biennium.

25 (6) \$1,840,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$1,877,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for operation of the volunteer
28 services program. Funding shall be prioritized towards serving
29 populations traditionally served by long-term care services to include
30 senior citizens and persons with disabilities.

31 (7) (~~(\$4,894,000)~~) \$2,447,000 of the general fund--state
32 appropriation for fiscal year 2015, and (~~(\$15,150,000)~~) \$7,575,000 of
33 the general fund--federal appropriation are provided solely for a
34 payment system that satisfies medicaid requirements regarding time
35 reporting for W-2 providers. The amounts provided in this subsection
36 are conditioned on the department satisfying the requirements of the
37 project management oversight standards and policies established by the
38 office of the chief information officer.

1 (8) The department is authorized to establish limited exemption
2 criteria in rule to address RCW 74.39A.325 when a landline phone is not
3 available to the employee.

4 (9) Within the amounts appropriated in this section, in a report to
5 the appropriate fiscal committees of the legislature that must be
6 submitted by December 1, 2013, the department of social and health
7 services must describe the process for establishing medicaid rates for
8 assisted living and adult family homes. The report must include
9 information about licensing and physical plant standards, contracting
10 provisions, and per capita and biennial expenditures for assisted
11 living and adult family homes.

12 (10) \$10,800,000 of the general fund--state appropriation for
13 fiscal year 2014, \$17,768,000 of the general fund--state appropriation
14 for fiscal year 2015, and \$28,567,000 of the general fund--federal
15 appropriation are provided solely for the homecare agency parity
16 impacts of the service employees international union healthcare 775nw
17 arbitration award.

18 (11) \$33,000 of the general fund--state appropriation for fiscal
19 year 2014, \$17,000 of the general fund--state appropriation for fiscal
20 year 2015, and \$50,000 of the general fund--federal appropriation are
21 provided solely for staffing and other expenses associated with the
22 work of the joint legislative executive committee on planning for aging
23 and disability issues that is established by this subsection.

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

26 (i) Four members of the senate, with the leaders of the two largest
27 caucuses each appointing two members. Four members of the house of
28 representatives, with the leaders of the two largest caucuses each
29 appointing two members;

30 (ii) A member from the office of the governor, appointed by the
31 governor;

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

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

36 (v) The director of the department of retirement systems or his or
37 her designee.

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

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

8 (i) Establish a profile of Washington's current population of older
9 people and people with disabilities and a projection of population
10 growth through 2030;

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

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

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

23 (v) Identify policy options to create financing mechanisms for
24 long-term services and supports that will promote additional private
25 responsibility for individuals and families to meet their needs for
26 service;

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

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

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

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

1 (f) Within existing appropriations, the cost of meetings must be
2 paid jointly by the senate, house of representatives, and the office of
3 financial management. Joint committee expenditures are subject to
4 approval by the senate facilities and operations committee and the
5 house of representatives executive rules committee, or their successor
6 committees. The joint committee members may be reimbursed for travel
7 expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter
8 44.04 RCW as appropriate. Advisory committee members may not receive
9 compensation or reimbursement for travel and expenses.

10 (g) The committee shall issue an interim report to the legislature
11 by December 10, 2013, and issue final recommendations to the governor
12 and relevant standing committees of the legislature by December 10,
13 2014.

14 (12) \$240,000 of the general fund--state appropriation for fiscal
15 year 2014, \$1,342,000 of the general fund--state appropriation for
16 fiscal year 2015, and \$1,468,000 of the general fund--federal
17 appropriation are provided solely to implement chapter 320, Laws of
18 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

19 (13) The department shall review the capital add-on rate
20 established by RCW 74.39A.320 for effectiveness in incentivizing
21 assisted living facilities to serve Medicaid eligible clients. Upon
22 completing its review, the department shall submit its findings along
23 with recommendations for alternatives to the office of financial
24 management and the fiscal committees of the legislature by December 1,
25 2013. The department is encouraged to engage stakeholders in
26 developing alternatives.

27 (14) \$239,000 of the general fund--state appropriation for fiscal
28 year 2014, \$160,000 of the general fund--state appropriation for fiscal
29 year 2015, and \$398,000 of the general fund--federal appropriation are
30 provided solely to implement chapter 300, Laws of 2013 (SSB 5630).

31 (15) \$237,000 of the general fund--federal appropriation and
32 \$236,000 of the general fund--local appropriation are provided solely
33 to implement Second Substitute House Bill No. 1574 (residential
34 services and supports). If the bill is not enacted by June 30, 2014,
35 the amounts provided in this subsection shall lapse. In accordance
36 with Second Substitute House Bill No. 1574, the department is
37 authorized to increase supported living fees as necessary to support
38 the actual costs of conducting the certification, inspection, and

1 regulatory programs. The certification fees may not exceed the
2 department's annual licensing and oversight activity costs and shall
3 include the department's cost of paying providers for the amount of the
4 certification fee attributed to medicaid clients. The annual
5 certification fee for supported living shall be \$128 per client
6 beginning in fiscal year 2015.

7 (16) \$3,000 of the general fund--state appropriation for fiscal
8 year 2015 is provided solely to implement Substitute House Bill No.
9 2310 (provider safety equipment). If the bill is not enacted by June
10 30, 2014, the amount provided in this subsection shall lapse.

11 (17) \$296,000 of the general fund--state appropriation for fiscal
12 year 2015, and \$296,000 of the general fund--federal appropriation are
13 provided solely to implement Engrossed Substitute House Bill No. 2746
14 (medicaid personal care). If the bill is not enacted by June 30, 2014,
15 the amounts provided in this subsection shall lapse.

16 (18) \$500,000 of the general fund--state appropriation for fiscal
17 year 2015 is provided solely for the department to contract for an
18 independent feasibility study and actuarial modeling of public and
19 private options for leveraging private resources to help individuals
20 prepare for long-term services and supports needs. The study should
21 model at least three options, including a public long-term care
22 insurance benefit funded through a payroll deduction that would provide
23 a time-limited long-term care insurance benefit, regulatory changes
24 necessary to encourage the development and growth of new products on
25 the market that combine features of life insurance, long-term care
26 insurance and annuities or medicaid life settlements, and a public-
27 private option such as facilitating a new marketplace through the
28 Washington health plan finder for private long-term care insurance
29 policies that would provide a time-limited benefit, an age defined
30 individual mandate for purchasing these policies and subsidies to
31 ensure affordability for lower-income individuals. The report should
32 include an evaluation of each option based on (a) the expected costs
33 and benefits for participants, (b) the total anticipated number of
34 participants, and (c) the projected savings to the state medicaid
35 program. The aging and disability joint legislative executive
36 committee shall provide oversight and direction for this analysis and
37 will convene interested stakeholders to provide input on the study

1 design. The department shall provide a report on its findings and
2 recommendations to the relevant policy and fiscal committees of the
3 legislature by November 1, 2014.

4 (19) \$15,000 of the general fund--state appropriation for fiscal
5 year 2015 and \$15,000 of the general fund--federal appropriation are
6 provided solely to implement Substitute House Bill No. 2634
7 (residential enforcement standards). If the bill is not enacted by
8 June 30, 2014, the amounts provided in this subsection shall lapse.

9 (20) \$5,094,000 of the general fund--state appropriation for fiscal
10 year 2015 is provided solely for services and support to individuals
11 who are deaf, hard of hearing, or deaf-blind.

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

19 (22) It is the intent of the legislature to use savings from the
20 community first choice option to make needed investments in home and
21 community-based services for seniors and people with disabilities,
22 including potential investments recommended by the joint legislative
23 executive committee on aging and disability and the development and
24 implementation council that the department of social and health
25 services must convene prior to submitting the proposed community first
26 choice option to the centers for medicare and medicaid services. At a
27 minimum, the final report to the legislature from the joint legislative
28 executive committee on aging and disability must explore the cost and
29 benefit of rate enhancements for providers of long-term services and
30 supports, restoration of hours for in-home clients, additional
31 investment in the family caregiver support program, and additional
32 investment in the individual and family services program or other
33 medicaid services to support individuals with developmental
34 disabilities.

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

| | | |
|----|--|----------------------------------|
| 1 | FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES | |
| 2 | PROGRAM | |
| 3 | General Fund--State Appropriation (FY 2014) | ((\$402,504,000)) |
| 4 | | <u>\$377,188,000</u> |
| 5 | General Fund--State Appropriation (FY 2015) | ((\$405,019,000)) |
| 6 | | <u>\$392,445,000</u> |
| 7 | General Fund--Federal Appropriation | ((\$1,211,774,000)) |
| 8 | | <u>\$1,235,336,000</u> |
| 9 | General Fund--Private/Local Appropriation | ((\$30,594,000)) |
| 10 | | <u>\$36,450,000</u> |
| 11 | TOTAL APPROPRIATION | ((\$2,049,891,000)) |
| 12 | | <u>\$2,041,419,000</u> |

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

15 (1)(a) ((~~\$178,757,000~~)) \$154,439,000 of the general fund--state
16 appropriation for fiscal year 2014, ((~~\$172,999,000~~)) \$154,241,000 of
17 the general fund--state appropriation for fiscal year 2015, and
18 ((~~\$732,881,000~~)) \$771,147,000 of the general fund--federal
19 appropriation are provided solely for all components of the WorkFirst
20 program. Within the amounts provided for the WorkFirst program, the
21 department may provide assistance using state-only funds for families
22 eligible for temporary assistance for needy families. The department
23 must create a WorkFirst budget structure that allows for transparent
24 tracking of budget units and subunits of expenditures where these units
25 and subunits are mutually exclusive from other department budget units.
26 The budget structure must include budget units for the following: Cash
27 assistance, child care, WorkFirst activities, and administration of the
28 program. Within these budget units, the department must develop
29 program index codes for specific activities and develop allotments and
30 track expenditures using these codes. The department shall report to
31 the office of financial management and the relevant fiscal and policy
32 committees of the legislature prior to adopting the new structure. The
33 secretary of the department of social and health services, working with
34 WorkFirst partner agencies and in collaboration with the WorkFirst
35 oversight task force, shall develop a plan for maximizing the following
36 outcomes and shall report back to the legislature by November 1, 2013.
37 The outcomes to be measured are: (i) Increased employment; (ii)
38 completion of education or post-secondary training; (iii) completion of

1 barrier removal activity including drug and alcohol or mental health
2 treatment; (iv) housing stability; (v) child care or education
3 stability for the children of temporary assistance for needy families
4 recipients; (vi) reduced rate of return after exit from the WorkFirst
5 program; and (vii) work participation requirements.

6 (b) (~~(\$406,818,000)~~) \$374,937,000 of the amounts in (a) of this
7 subsection are provided solely for assistance to clients, including
8 grants, diversion cash assistance, and additional diversion emergency
9 assistance including but not limited to assistance authorized under RCW
10 74.08A.210. The department may use state funds to provide support to
11 working families that are eligible for temporary assistance for needy
12 families but otherwise not receiving cash assistance. Within these
13 amounts, funding is for implementation of House Bill No. 2585 (TANF
14 benefits for a child).

15 (c) (~~(\$168,019,000)~~) \$179,529,000 of the amounts in (a) of this
16 subsection are provided solely for WorkFirst job search, education and
17 training activities, barrier removal services, limited English
18 proficiency services, and tribal assistance under RCW 74.08A.040. The
19 department must allocate this funding based on client outcomes and cost
20 effectiveness measures.

21 (d) (~~(\$367,676,000)~~) \$354,360,000 of the amounts in (a) of this
22 subsection are provided solely for the working connections child care
23 program under RCW 43.215.135.

24 (e) (~~(\$142,124,000)~~) \$170,999,000 of the amounts in (a) of this
25 subsection are provided solely for WorkFirst and working connections
26 child care administration and overhead.

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

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

4 (3) \$2,366,000 of the general fund--state appropriation for fiscal
5 year 2014 is provided solely for employment services for refugees and
6 immigrants, of which \$1,774,000 is provided solely for the department
7 to pass through to statewide refugee and immigrant assistance
8 organizations for limited English proficiency pathway services; and
9 \$2,366,000 of the general fund--state appropriation for fiscal year
10 2015 is provided solely for employment services for refugees and
11 immigrants, of which \$1,774,000 is provided solely for the department
12 to pass through to statewide refugee and immigrant assistance
13 organizations for limited English proficiency pathway services.

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

20 (5) To ensure expenditures remain within available funds
21 appropriated in this section, the legislature establishes the benefit
22 under the state food assistance program, pursuant to RCW 74.08A.120, to
23 be no less than seventy-five percent of the federal supplemental
24 nutrition assistance program benefit amount.

25 (6) \$18,000 of the general fund--state appropriation for fiscal
26 year 2014 is provided solely for implementation of section 1, chapter
27 337, Laws of 2013 (2SSB 5595).

28 (7) \$4,729,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$4,729,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for implementation of the
31 telephone assistance program and the Washington information network 211
32 organization pursuant to Substitute House Bill No. 1971 (communication
33 services). Of these funds, \$500,000 of the general fund--state
34 appropriation for fiscal year 2014 and \$500,000 of the general fund--
35 state appropriation for fiscal year 2015 are provided solely for
36 operational support of the Washington information network 211
37 organization. If Substitute House Bill No. 1971 (communication

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

3 (8) The department shall review clients receiving services through
4 the aged, blind, or disabled assistance program, to determine whether
5 they would benefit from assistance in becoming naturalized citizens,
6 and thus be eligible to receive federal supplemental security income
7 benefits. Those cases shall be given high priority for naturalization
8 funding through the department.

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

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

20 (11) \$65,000 of the general fund--state appropriation for fiscal
21 year 2015 is provided solely for 211 call system networks in the
22 eastern Washington region and the peninsula region.

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

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
26 **SUBSTANCE ABUSE PROGRAM**

| | | |
|----|---|--------------------------------|
| 27 | General Fund--State Appropriation (FY 2014) | ((\$72,650,000)) |
| 28 | | <u>\$73,021,000</u> |
| 29 | General Fund--State Appropriation (FY 2015) | ((\$61,855,000)) |
| 30 | | <u>\$63,567,000</u> |
| 31 | General Fund--Federal Appropriation | ((\$277,248,000)) |
| 32 | | <u>\$279,072,000</u> |
| 33 | General Fund--Private/Local Appropriation | ((\$13,554,000)) |
| 34 | | <u>\$16,316,000</u> |
| 35 | Criminal Justice Treatment Account--State | |
| 36 | Appropriation | ((\$14,568,000)) |
| 37 | | <u>\$14,285,000</u> |

1 Problem Gambling Account--State Appropriation \$1,450,000
 2 TOTAL APPROPRIATION ((~~\$441,325,000~~))
 3 \$447,711,000

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

6 (1) Within the amounts appropriated in this section, the department
 7 may contract with the University of Washington and community-based
 8 providers for the provision of the parent-child assistance program or
 9 other specialized chemical dependency case management providers for
 10 pregnant, post-partum, and parenting women. For all contractors: (a)
 11 Service and other outcome data must be provided to the department by
 12 request; (b) program modifications needed to maximize access to federal
 13 medicaid matching funds will be phased in over the course of the 2013-
 14 2015 fiscal biennium; and (c) indirect charges for administering the
 15 program shall not exceed ten percent of the total contract amount.

16 (2) Within the amounts appropriated in this section, the department
 17 shall continue to provide for chemical dependency treatment services
 18 for adult medicaid eligible, pregnant and parenting women, disability
 19 lifeline, and alcoholism and drug addiction treatment and support act,
 20 and medical care services clients.

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

35 (4) \$3,500,000 of the general fund--federal appropriation (from the
 36 substance abuse prevention and treatment federal block grant) is
 37 provided solely for the continued funding of existing county drug and
 38 alcohol use prevention programs.

1 (5) \$2,600,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for the department to transition 128 beds
3 from settings that are considered institutions for mental diseases to
4 facilities with no more than 16 beds that are able to claim federal
5 match for services provided to medicaid clients or individuals covered
6 under the department's section 1115 medicaid waiver. The department
7 may conduct a request for proposal process to fulfill this requirement
8 and adopt rates that are comparable to the pilot projects implemented
9 in the 2011-13 fiscal biennium. The department may use these funds to
10 assist with the costs of providers in setting up or converting to 16-
11 bed facilities. This funding may also be used for providers that are
12 developing new capacity for clients who will become eligible for
13 services under the affordable care act medicaid expansion. The number
14 of beds available for pregnant and parenting women must not be reduced.

15 (6) \$283,000 of the (~~criminal justice treatment account~~) general
16 fund--state appropriation is provided solely for transitional funding
17 for the family drug court in Pierce county.

18 (7) Within the amounts appropriated in this section, the department
19 shall review differential rates paid for alcohol and substance abuse
20 assessment and treatment services for medicaid and nonmedicaid clients
21 and the impact to providers as previously uninsured clients become
22 eligible for services through the medicaid expansion under the federal
23 patient protection and affordable care act. By December 1, 2014, the
24 department must submit a report to the legislature which provides: (a)
25 The estimated impact on providers for each type of medicaid
26 reimbursable service as newly eligible clients shift from nonmedicaid
27 to medicaid rates; (b) identification of which types of providers will
28 be most significantly impacted by these shifts; (c) identification of
29 the estimated annual costs for increasing rates for each level of
30 service; and (d) a summary of federal requirements that must be
31 considered in determining how any future rate increase must be
32 implemented.

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

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
36 **REHABILITATION PROGRAM**

37 General Fund--State Appropriation (FY 2014) ((\$16,478,000))

| | | |
|---|---|--------------------------------|
| 1 | | <u>\$16,568,000</u> |
| 2 | General Fund--State Appropriation (FY 2015) | ((\$16,459,000)) |
| 3 | | <u>\$11,477,000</u> |
| 4 | General Fund--Federal Appropriation | ((\$99,413,000)) |
| 5 | | <u>\$99,397,000</u> |
| 6 | TOTAL APPROPRIATION | ((\$132,350,000)) |
| 7 | | <u>\$127,442,000</u> |

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

14 **Sec. 210.** 2013 2nd sp.s. c 4 s 210 (uncodified) is amended to read
15 as follows:

16 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
17 **PROGRAM**

| | | |
|----|---|-------------------------------|
| 18 | General Fund--State Appropriation (FY 2014) | ((\$36,420,000)) |
| 19 | | <u>\$37,796,000</u> |
| 20 | General Fund--State Appropriation (FY 2015) | ((\$35,813,000)) |
| 21 | | <u>\$37,017,000</u> |
| 22 | TOTAL APPROPRIATION | ((\$72,233,000)) |
| 23 | | <u>\$74,813,000</u> |

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

26 (1) The department of social and health services shall transfer the
27 stewardship of McNeil Island to the department of corrections
28 industries program, effective September 1, 2013. The transferred
29 responsibilities shall include marine operations, waste water
30 treatment, water treatment, road maintenance, and any other general
31 island maintenance that is not site specific to the operations of the
32 special commitment center or the Pierce county secure community
33 transition facility. Facility maintenance within the perimeter of the
34 special commitment center shall remain the responsibility of the
35 department of social and health services. Capital repairs and
36 maintenance necessary to maintain the special commitment center on
37 McNeil Island shall be managed by the department of social and health

1 services. The legislature directs both departments to enter into an
2 interagency agreement by August 1, 2013. The office of financial
3 management shall oversee the negotiations of the interagency agreement.
4 The interagency agreement must describe equipment that will transfer
5 between the departments, warehouse space that will be shared by the
6 departments, and occupancy requirements for any shops outside the
7 perimeter of the special commitment center. The office of financial
8 management will make the final determination on any disagreements
9 between the departments on the details of the interagency agreement.

10 (2) (~~(\$3,120,000)~~) \$3,042,000 of the general fund--state
11 appropriation for fiscal year 2014 and (~~(\$3,120,000)~~) \$3,024,000 of the
12 general fund--state appropriation for fiscal year 2015 are provided
13 solely for operational costs specific to island operations of the
14 special commitment center and the Pierce county secure community
15 transition facility. The department shall establish an accounting
16 structure that enables it to track and report on costs specific to
17 island operations.

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

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

29 (5) By November 1, 2014, the department of social and health
30 services shall provide a report to the office of financial management
31 and the appropriate fiscal and policy committees of the legislature
32 that evaluates the department's costs for certain medical and pharmacy
33 costs for its residents within the special commitment center. The
34 department as part of its evaluation shall consult with the health care
35 authority, the health benefits exchange, and the department of
36 corrections. At a minimum, the report should look at the following
37 items: (a) Obtaining medicaid eligibility for residents; (b)
38 feasibility of obtaining insurance for residents through the health

1 benefit exchange; (c) utilizing multistate consortiums for the purchase
2 of pharmaceuticals to reduce costs; and (d) consolidating contracts for
3 medical inpatient and outpatient services with western state hospital.

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

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
7 **SUPPORTING SERVICES PROGRAM**

| | | |
|----|---|-------------------------------|
| 8 | General Fund--State Appropriation (FY 2014) | ((\$30,127,000)) |
| 9 | | <u>\$29,773,000</u> |
| 10 | General Fund--State Appropriation (FY 2015) | ((\$29,333,000)) |
| 11 | | <u>\$28,989,000</u> |
| 12 | General Fund--Federal Appropriation | ((\$37,150,000)) |
| 13 | | <u>\$37,157,000</u> |
| 14 | General Fund--Private/Local Appropriation | \$654,000 |
| 15 | TOTAL APPROPRIATION | ((\$97,264,000)) |
| 16 | | <u>\$96,573,000</u> |

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

19 (1) \$395,000 of the general fund--state appropriation for fiscal
20 year 2014, \$228,000 of the general fund--state appropriation for fiscal
21 year 2015, and \$335,000 of the general fund--federal appropriation are
22 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
23 chapter 338, Laws of 2013 (2SSB 5732).

24 (2) \$300,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$300,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for the Washington state mentors
27 program to continue its public-private partnerships to provide
28 technical assistance and training to mentoring programs that serve
29 at-risk youth.

30 (3) \$82,000 of the general fund--state appropriation for fiscal
31 year 2014, \$44,000 of the general fund--state appropriation for fiscal
32 year 2015, and \$28,000 of the general fund--federal appropriation are
33 provided solely to develop a report on state efforts to prevent and
34 control diabetes. The department, the health care authority, and the
35 department of health shall submit a coordinated report to the governor
36 and the appropriate committees of the legislature by December 31, 2014,
37 on the following:

1 (a) The financial impacts and reach that diabetes of all types and
2 undiagnosed gestational diabetes are having on the programs
3 administered by each agency and individuals, including children with
4 mothers with undiagnosed gestational diabetes, enrolled in those
5 programs. Items in this assessment must include: (i) The number of
6 lives with diabetes and undiagnosed gestational diabetes impacted or
7 covered by the programs administered by each agency; (ii) the number of
8 lives with diabetes, or at risk for diabetes, and family members
9 impacted by prevention and diabetes control programs implemented by
10 each agency; (iii) the financial toll or impact diabetes and its
11 complications, and undiagnosed gestational diabetes and the
12 complications experienced during labor to children of mothers with
13 gestational diabetes places on these programs in comparison to other
14 chronic diseases and conditions; and (iv) the financial toll or impact
15 diabetes and its complications, and diagnosed gestational diabetes and
16 the complications experienced during labor to children of mothers with
17 gestational diabetes places on these programs;

18 (b) An assessment of the benefits of implemented and existing
19 programs and activities aimed at controlling all types of diabetes and
20 preventing the disease. This assessment must also document the amount
21 and source for any funding directed to each agency for the programs and
22 activities aimed at reaching those with diabetes of all types;

23 (c) A description of the level of coordination existing between the
24 agencies on activities, programmatic activities, and messaging on
25 managing, treating, or preventing all types of diabetes and its
26 complications;

27 (d) The development or revision of detailed policy-related action
28 plans and budget recommendations for battling diabetes and undiagnosed
29 gestational diabetes that includes a range of actionable items for
30 consideration by the legislature. The plans and budget recommendations
31 must identify proposed action steps to reduce the impact of diabetes,
32 prediabetes, related diabetes complications, and undiagnosed
33 gestational diabetes. The plans and budget recommendations must also
34 identify expected outcomes of the action steps proposed in the
35 following biennium while also establishing benchmarks for controlling
36 and preventing all types of diabetes; and

37 (e) An estimate of savings, efficiencies, costs, and budgetary

1 savings and resources required to implement the plans and budget
2 recommendations identified in (d) of this subsection (5).

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

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
6 **AGENCIES PROGRAM**

| | | |
|----|---|--------------------------------|
| 7 | General Fund--State Appropriation (FY 2014) | ((\$60,470,000)) |
| 8 | | <u>\$62,399,000</u> |
| 9 | General Fund--State Appropriation (FY 2015) | ((\$60,511,000)) |
| 10 | | <u>\$63,540,000</u> |
| 11 | General Fund--Federal Appropriation | ((\$55,264,000)) |
| 12 | | <u>\$57,061,000</u> |
| 13 | TOTAL APPROPRIATION | ((\$176,245,000)) |
| 14 | | <u>\$183,000,000</u> |

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

17 **FOR THE STATE HEALTH CARE AUTHORITY**

| | | |
|----|--|----------------------------------|
| 18 | General Fund--State Appropriation (FY 2014) | ((\$2,131,026,000)) |
| 19 | | <u>\$2,145,141,000</u> |
| 20 | General Fund--State Appropriation (FY 2015) | ((\$2,114,731,000)) |
| 21 | | <u>\$2,164,368,000</u> |
| 22 | General Fund--Federal Appropriation | ((\$7,245,749,000)) |
| 23 | | <u>\$7,906,018,000</u> |
| 24 | General Fund--Private/Local Appropriation | ((\$57,780,000)) |
| 25 | | <u>\$56,407,000</u> |
| 26 | Emergency Medical Services and Trauma Care Systems | |
| 27 | Trust Account--State Appropriation | \$15,082,000 |
| 28 | Hospital Safety Net Assessment Fund--State | |
| 29 | Appropriation | \$669,381,000 |
| 30 | Health Benefit Exchange Account--State Appropriation | ((\$17,277,000)) |
| 31 | | <u>\$16,207,000</u> |
| 32 | State Health Care Authority Administration Account-- | |
| 33 | State Appropriation | ((\$34,809,000)) |
| 34 | | <u>\$31,463,000</u> |
| 35 | Medical Aid Account--State Appropriation | \$528,000 |
| 36 | Medicaid Fraud Penalty Account--State Appropriation | \$21,206,000 |

1 TOTAL APPROPRIATION ((~~\$12,307,569,000~~))
2 \$13,025,801,000

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

5 (1) (~~(\$1,143,994,000)~~) \$1,900,484,000 of the general fund--federal
6 appropriation is provided solely to implement the medicaid expansion as
7 defined in the social security act, section 1902(a)(10)(A)(i)(VIII),
8 subject to the conditions and limitations in this subsection. If the
9 federal medical assistance percentage for the medicaid expansion falls
10 below the percentages in section 1905(y) of the social security act as
11 of July 1, 2013, the authority shall ensure that the state does not
12 incur any additional state costs above what would have been incurred
13 had the federal medical assistance percentages remained at the
14 percentages in section 1905(y) as of July 1, 2013. The director is
15 authorized to make any necessary program adjustments to comply with
16 this requirement, including adding or adjusting premiums, modifying
17 benefits, or reducing optional programs. To the extent a waiver is
18 needed to accomplish this, the director shall promptly apply for such
19 waiver. If a necessary waiver is not approved, the medicaid expansion
20 program shall be terminated upon appropriate notification to the
21 legislature and enrollees.

22 (2) The requirements of this subsection apply to the basic health
23 plan. This subsection is null and void and has no further effect upon
24 implementation of the medicaid expansion under subsection (1) of this
25 section.

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

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

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

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

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

27 (3) The legislature finds that medicaid payment rates, as
28 calculated by the health care authority pursuant to the appropriations
29 in this act, bear a reasonable relationship to the costs incurred by
30 efficiently and economically operated facilities for providing quality
31 services and will be sufficient to enlist enough providers so that care
32 and services are available to the extent that such care and services
33 are available to the general population in the geographic area. The
34 legislature finds that the cost reports, payment data from the federal
35 government, historical utilization, economic data, and clinical input
36 constitute reliable data upon which to determine the payment rates.

37 (4) Based on quarterly expenditure reports and caseload forecasts,
38 if the health care authority estimates that expenditures for the

1 medical assistance program will exceed the appropriations, the health
2 care authority shall take steps including but not limited to reduction
3 of rates or elimination of optional services to reduce expenditures so
4 that total program costs do not exceed the annual appropriation
5 authority.

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

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

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

18 (8) \$4,261,000 of the general fund--state appropriation for fiscal
19 year 2014, \$4,261,000 of the general fund--state appropriation for
20 fiscal year 2015, and \$8,522,000 of the general fund--federal
21 appropriation are provided solely for low-income disproportionate share
22 hospital payments.

23 (9) \$400,000 of the general fund--state appropriation for fiscal
24 year 2014, (~~(\$400,000)~~) \$200,000 of the general fund--state
25 appropriation for fiscal year 2015, and (~~(\$800,000)~~) \$600,000 of the
26 general fund--federal appropriation are provided solely for
27 disproportionate share hospital payments to rural hospitals certified
28 by the centers for medicare and medicaid services as sole community
29 hospitals as of January 1, 2013, with less than one hundred fifty acute
30 care licensed beds in fiscal year 2011 that do not participate in the
31 certified public expenditures program. The authority shall discontinue
32 these payments on January 1, 2015.

33 (10) \$100,000 of the general fund--state appropriation for fiscal
34 year 2014 and (~~(\$100,000)~~) \$50,000 of the general fund--state
35 appropriation for fiscal year 2015 are provided solely for grants to
36 rural hospitals in Clallam county that were certified by the centers
37 for medicare and medicaid services as sole community hospitals as of

1 January 1, 2013, with less than one hundred fifty acute care licensed
2 beds in fiscal year 2011. The authority shall discontinue these
3 payments on January 1, 2015.

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

9 (12) \$6,000,000 of the general fund--federal appropriation is
10 provided solely for supplemental payments to nursing homes operated by
11 public hospital districts. The public hospital district shall be
12 responsible for providing the required nonfederal match for the
13 supplemental payment, and the payments shall not exceed the maximum
14 allowable under federal rules. It is the legislature's intent that the
15 payments shall be supplemental to and shall not in any way offset or
16 reduce the payments calculated and provided in accordance with part E
17 of chapter 74.46 RCW. It is the legislature's further intent that
18 costs otherwise allowable for rate-setting and settlement against
19 payments under chapter 74.46 RCW shall not be disallowed solely because
20 such costs have been paid by revenues retained by the nursing home from
21 these supplemental payments. The supplemental payments are subject to
22 retrospective interim and final cost settlements based on the nursing
23 homes' as-filed and final medicare cost reports. The timing of the
24 interim and final cost settlements shall be at the health care
25 authority's discretion. During either the interim cost settlement or
26 the final cost settlement, the health care authority shall recoup from
27 the public hospital districts the supplemental payments that exceed the
28 medicaid cost limit and/or the medicare upper payment limit. The
29 health care authority shall apply federal rules for identifying the
30 eligible incurred medicaid costs and the medicare upper payment limit.

31 (13) The health care authority shall continue the inpatient
32 hospital certified public expenditures program for the 2013-2015 fiscal
33 biennium. The program shall apply to all public hospitals, including
34 those owned or operated by the state, except those classified as
35 critical access hospitals or state psychiatric institutions. The
36 health care authority shall submit reports to the governor and
37 legislature by November 1, 2013, and by November 1, 2014, that evaluate
38 whether savings continue to exceed costs for this program. If the

1 certified public expenditures (CPE) program in its current form is no
2 longer cost-effective to maintain, the health care authority shall
3 submit a report to the governor and legislature detailing
4 cost-effective alternative uses of local, state, and federal resources
5 as a replacement for this program. During fiscal year 2014 and fiscal
6 year 2015, hospitals in the program shall be paid and shall retain one
7 hundred percent of the federal portion of the allowable hospital cost
8 for each medicaid inpatient fee-for-service claim payable by medical
9 assistance and one hundred percent of the federal portion of the
10 maximum disproportionate share hospital payment allowable under federal
11 regulations. Inpatient medicaid payments shall be established using an
12 allowable methodology that approximates the cost of claims submitted by
13 the hospitals. Payments made to each hospital in the program in each
14 fiscal year of the biennium shall be compared to a baseline amount.
15 The baseline amount will be determined by the total of (a) the
16 inpatient claim payment amounts that would have been paid during the
17 fiscal year had the hospital not been in the CPE program based on the
18 reimbursement rates developed, implemented, and consistent with
19 policies approved in the 2013-2015 biennial operating appropriations
20 act and in effect on July 1, 2013, (b) one-half of the indigent
21 assistance disproportionate share hospital payment amounts paid to and
22 retained by each hospital during fiscal year 2005, and (c) all of the
23 other disproportionate share hospital payment amounts paid to and
24 retained by each hospital during fiscal year 2005 to the extent the
25 same disproportionate share hospital programs exist in the 2013-2015
26 fiscal biennium. If payments during the fiscal year exceed the
27 hospital's baseline amount, no additional payments will be made to the
28 hospital except the federal portion of allowable disproportionate share
29 hospital payments for which the hospital can certify allowable match.
30 If payments during the fiscal year are less than the baseline amount,
31 the hospital will be paid a state grant equal to the difference between
32 payments during the fiscal year and the applicable baseline amount.
33 Payment of the state grant shall be made in the applicable fiscal year
34 and distributed in monthly payments. The grants will be recalculated
35 and redistributed as the baseline is updated during the fiscal year.
36 The grant payments are subject to an interim settlement within eleven
37 months after the end of the fiscal year. A final settlement shall be
38 performed. To the extent that either settlement determines that a

1 hospital has received funds in excess of what it would have received as
2 described in this subsection, the hospital must repay the excess
3 amounts to the state when requested. (~~(\$3,860,000)~~) \$11,928,000 of the
4 general fund--state appropriation for fiscal year 2014 and
5 (~~(\$1,137,000)~~) \$14,821,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for state grants for the
7 participating hospitals.

8 (14) The health care authority shall seek public-private
9 partnerships and federal funds that are or may become available to
10 provide on-going support for outreach and education efforts under the
11 federal children's health insurance program reauthorization act of
12 2009.

13 (15) The health care authority shall target funding for maternity
14 support services towards pregnant women with factors that lead to
15 higher rates of poor birth outcomes, including hypertension, a preterm
16 or low birth weight birth in the most recent previous birth, a
17 cognitive deficit or developmental disability, substance abuse, severe
18 mental illness, unhealthy weight or failure to gain weight, tobacco
19 use, or African American or Native American race. The health care
20 authority shall prioritize evidence-based practices for delivery of
21 maternity support services. To the extent practicable, the health care
22 authority shall develop a mechanism to increase federal funding for
23 maternity support services by leveraging local public funding for those
24 services.

25 (16) \$170,000 of the general fund--state appropriation for fiscal
26 year 2014, \$121,000 of the general fund--state appropriation for fiscal
27 year 2015, and \$292,000 of the general fund--federal appropriation are
28 provided solely to implement Engrossed Substitute House Bill No. 1519
29 (service coordination organizations) and Second Substitute Senate Bill
30 No. 5732 (behavioral health services). If neither of the bills is
31 enacted by June 30, 2013, the amounts provided in this subsection shall
32 lapse.

33 (17) \$57,000 of the general fund--state appropriation for fiscal
34 year 2014, \$40,000 of the general fund--state appropriation for fiscal
35 year 2015, and \$55,000 of the general fund--federal appropriation are
36 provided solely to develop a report on state efforts to prevent and
37 control diabetes. The authority, the department of social and health

1 services, and the department of health shall submit a coordinated
2 report to the governor and the appropriate committees of the
3 legislature by December 31, 2014, on the following:

4 (a) The financial impacts and reach that diabetes of all types and
5 undiagnosed gestational diabetes are having on the programs
6 administered by each agency and individuals, including children with
7 mothers with undiagnosed gestational diabetes, enrolled in those
8 programs. Items in this assessment must include: (i) The number of
9 lives with diabetes and undiagnosed gestational diabetes impacted or
10 covered by the programs administered by each agency; (ii) the number of
11 lives with diabetes, or at risk for diabetes, and family members
12 impacted by prevention and diabetes control programs implemented by
13 each agency; (iii) the financial toll or impact diabetes and its
14 complications, and undiagnosed gestational diabetes and the
15 complications experienced during labor to children of mothers with
16 gestational diabetes places on these programs in comparison to other
17 chronic diseases and conditions; and (iv) the financial toll or impact
18 diabetes and its complications, and diagnosed gestational diabetes and
19 the complications experienced during labor to children of mothers with
20 gestational diabetes places on these programs;

21 (b) An assessment of the benefits of implemented and existing
22 programs and activities aimed at controlling all types of diabetes and
23 preventing the disease. This assessment must also document the amount
24 and source for any funding directed to each agency for the programs and
25 activities aimed at reaching those with diabetes of all types;

26 (c) A description of the level of coordination existing between the
27 agencies on activities, programmatic activities, and messaging on
28 managing, treating, or preventing all types of diabetes and its
29 complications;

30 (d) The development or revision of detailed policy-related action
31 plans and budget recommendations for battling diabetes and undiagnosed
32 gestational diabetes that includes a range of actionable items for
33 consideration by the legislature. The plans and budget recommendations
34 must identify proposed action steps to reduce the impact of diabetes,
35 prediabetes, related diabetes complications, and undiagnosed
36 gestational diabetes. The plans and budget recommendations must also
37 identify expected outcomes of the action steps proposed in the

1 following biennium while also establishing benchmarks for controlling
2 and preventing all types of diabetes; and

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

6 (18) Within the amounts appropriated in this section, the authority
7 shall identify strategies to improve patient adherence to treatment
8 plans for diabetes and implement these strategies as a pilot through
9 one health home program to be identified by the authority. The
10 authority shall report to the governor and the legislature in December
11 2014 on the progress of strategy implementation. The authority shall
12 report to the governor and legislature in December 2015 on patient
13 outcomes and cost savings derived from new adherence strategies in the
14 health home model and make recommendations for improving the
15 strategies.

16 (19) Effective January 1, 2014, managed care contracts must
17 incorporate accountability measures that monitor patient health and
18 improved health outcomes, and shall include an expectation that each
19 patient receive a wellness examination that documents the baseline
20 health status and allows for monitoring of health improvements and
21 outcome measures.

22 (20) \$25,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$25,000 of the general fund--federal appropriation are
24 provided solely for the development of recommendations for funding
25 integrated school nursing and outreach services. The authority shall
26 collaborate with the office of the superintendent of public instruction
27 to develop recommendations for increasing federal financial
28 participation for providing nursing services in schools with the goals
29 of integrating nursing and outreach services and supporting one nurse
30 for every four hundred fifty students in elementary schools and one
31 nurse for every seven hundred fifty students in secondary schools. In
32 developing these recommendations, the authority shall inquire with the
33 federal centers for medicare and medicaid services about state plan
34 amendment or waiver options for receiving additional federal matching
35 funds for school nursing services provided to children enrolled in
36 apple health for kids. The recommendations shall include proposals for
37 funding training and reimbursement for nurses that provide outreach
38 services to help eligible students enroll in apple health for kids and

1 other social services programs. The authority and the office of the
2 superintendent of public instruction shall provide these
3 recommendations to the governor and the legislature by December 1,
4 2013.

5 (21) \$430,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$500,000 of the general fund--federal appropriation are
7 provided solely to complete grant requirements for the health
8 information exchange.

9 (22) \$143,000 of the medicaid fraud penalty account--state
10 appropriation and \$423,000 of the general fund--federal appropriation
11 are provided solely for the rebasing of outpatient and inpatient
12 payment methods.

13 (23) \$1,163,000 of the medicaid fraud penalty account--state
14 appropriation and \$9,710,000 of the general fund--federal appropriation
15 are provided solely to implement the conversion to the tenth version of
16 the world health organization's international classification of
17 diseases.

18 (24) \$111,000 of the general fund--state appropriation for fiscal
19 year 2014, \$35,000 of the general fund--state appropriation for fiscal
20 year 2015, and \$359,000 of the general fund--federal appropriation are
21 provided solely to update the medicaid information technology
22 architecture state self-assessment and to develop the five year road
23 map for the medicaid information technology architecture architect.

24 (25) \$62,000 of the general fund--state appropriation for fiscal
25 year 2014, \$62,000 of the general fund--state appropriation for fiscal
26 year 2015, and \$126,000 of the general fund--federal appropriation are
27 provided solely to support the Robert Bree collaborative's efforts to
28 disseminate evidence-based best practices for preventing and treating
29 health problems.

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

34 (27) The authority shall seek a medicaid state plan amendment to
35 create a professional services supplemental payment managed care
36 program for professional services delivered to managed care recipients
37 by University of Washington medicine and other public professional
38 providers. This program shall be effective as soon as administratively

1 possible and shall operate concurrently with the existing professional
2 services supplemental payment program. The authority shall apply
3 federal rules for identifying the difference between average commercial
4 rates and fee-for-service medicaid payments. This difference will be
5 multiplied by the number of managed care encounters and incorporated
6 into the managed care plan capitation rates by a certified actuary.
7 The managed care plans will pay the providers the difference
8 attributable to the increased capitation rate. Participating providers
9 shall be solely responsible for providing the local funds required to
10 obtain federal matching funds. Any incremental costs incurred by the
11 authority in the development, implementation, and maintenance of this
12 program shall be the responsibility of the participating providers.
13 Participating providers shall retain the full amount of supplemental
14 payments provided under this program, net of any costs related to the
15 program that are disallowed due to audits or litigation against the
16 state.

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

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

23 (30) The authority shall facilitate enrollment under the medicaid
24 expansion for clients applying for or receiving state funded services
25 from the authority and its contractors. Prior to open enrollment, the
26 authority shall coordinate with the department of social and health
27 services to provide referrals to the Washington health benefit exchange
28 for clients that will be ineligible for the medicaid expansion but are
29 enrolled in coverage that will be eliminated in the transition to the
30 medicaid expansion.

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

37 (32) Within the amounts appropriated in this section, the authority
38 shall reduce premiums for children with family incomes above 200

1 percent of the federal poverty level in the state-funded children's
2 health program who are not eligible for coverage under the federal
3 children's health insurance program. Premiums in the state and federal
4 children's health insurance program shall be equal.

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

8 (34) \$150,000 of the general fund--state appropriation for fiscal
9 year 2014, \$436,000 of the general fund--state appropriation for fiscal
10 year 2015, and \$170,561,000 of the general fund--federal appropriation
11 are provided solely for the provider incentive program and other
12 initiatives related to the health information technology medicaid plan.

13 (~~(37)~~ ~~\$1,531,000~~) (35) \$1,528,000 of the general fund--state
14 appropriation for fiscal year 2014, (~~(\$280,000)~~) \$2,206,000 of the
15 general fund--state appropriation for fiscal year 2015, and
16 (~~(\$10,803,000)~~) \$17,912,000 of the general fund--federal appropriation
17 are provided solely to implement phase two of the project to create a
18 single provider payment system that consolidates medicaid medical and
19 social services payments and replaces the social service payment
20 system. The amounts provided in this subsection are conditioned on the
21 authority satisfying the requirements of the project management
22 oversight standards and policies established by the office of the chief
23 information officer.

24 (~~(38)~~) (36) Within the amounts appropriated in this section, the
25 health care authority and the department of social and health services
26 shall implement the state option to provide health homes for enrollees
27 with chronic conditions under section 2703 of the federal affordable
28 care act. The total state match for enrollees who are dually-eligible
29 for both medicare and medicaid and not enrolled in managed care shall
30 be no more than the net savings to the state from the enhanced match
31 rate for its medicaid-only managed care enrollees under section 2703.

32 (~~(39)~~) (37) The health care authority shall not initiate any
33 services that require expenditure of state general fund moneys unless
34 expressly authorized in this act or other law. The health care
35 authority may seek, receive, and spend, under RCW 43.79.260 through
36 43.79.282, federal moneys not anticipated in this act as long as the
37 federal funding does not require expenditure of state moneys for the
38 program in excess of amounts anticipated in this act. If the health

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

11 ~~((+40+))~~ (38) Within the amounts appropriated in this section, the
12 authority shall reimburse for primary care services provided by
13 naturopathic physicians.

14 ~~((+41+))~~ (39) Within amounts appropriated, the health care
15 authority shall conduct a review of its management and staffing
16 structure to identify efficiencies and opportunities to reduce full
17 time equivalent employees and other administrative costs. A report
18 summarizing the review and the authority's recommendations to reduce
19 costs and full time equivalent employees must be submitted to the
20 governor and legislature by November 1, 2013.

21 ~~((+42)---\$17,279,000))~~ (40) \$16,209,000 of the health benefit
22 exchange account--state appropriation and ~~((+\$2,721,000))~~ \$3,791,000 of
23 the general fund--federal appropriation are provided solely to support
24 the operations of the Washington health benefit exchange from January
25 1, 2015, to June 30, 2015. The Washington state health insurance pool
26 administrator shall transfer \$20,838,000 of pool contributions to the
27 treasurer for deposit into the health benefit exchange account in
28 calendar year 2014. The receipt and use of medicaid funds provided to
29 the health benefit exchange from the health care authority are subject
30 to compliance with state and federal regulations and policies governing
31 the Washington apple health programs, including timely and proper
32 application, eligibility, and enrollment procedures.

33 ~~((+43+))~~ (41) Within the amounts appropriated in this section, the
34 authority shall continue to provide coverage after December 31, 2013,
35 for pregnant teens that qualify under existing pregnancy medical
36 programs, but whose eligibility for pregnancy related services would
37 otherwise end due to the application of the new modified adjusted gross
38 income eligibility standard.

1 ~~((44))~~ (42) ~~((Upon implementation of the medicaid expansion under~~
2 ~~subsection (1) of this section, the breast and cervical cancer~~
3 ~~treatment program is eliminated. To maintain continuity of coverage,~~
4 ~~the authority shall offer the option to stay in a fee for service~~
5 ~~program to clients that are already enrolled in the breast and cervical~~
6 ~~cancer treatment program and will be transitioned into the new adult~~
7 ~~group upon implementation of the medicaid expansion. The authority~~
8 ~~will continue to provide coverage to clients that are already enrolled~~
9 ~~in the breast and cervical cancer treatment program at the time of~~
10 ~~program elimination until their courses of treatment are completed))~~
11 Sufficient amounts are appropriated in this section to restore medicaid
12 coverage under the breast and cervical cancer treatment program.

13 ~~((45))~~ (43) \$40,000 of the general fund--state appropriation for
14 fiscal year 2014 and \$40,000 of the general fund--federal appropriation
15 are provided solely for the authority to create a new position to
16 provide adequate oversight and assistance to managed care
17 organizations, rural health clinics, and federally qualified health
18 centers under a new administratively streamlined payment methodology.
19 Effective July 1, 2013, or upon obtaining any necessary federal
20 approval, but in no case during the first quarter of a calendar year,
21 the authority shall implement an administratively streamlined payment
22 methodology for federally qualified health centers and rural health
23 clinics. The authority's payments to managed care organizations shall
24 include the full encounter payment comprised of both the standard and
25 enhancement payments for federally qualified health centers and rural
26 health clinics as defined in the medicaid state plan and in accordance
27 with section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)).
28 At no time will a managed care organization be at risk for or have any
29 claim to the supplemental payment portion of the rate which will be
30 reconciled to ensure accurate payment and full pass through of the
31 obligated funds. For any services eligible for encounter payments, as
32 defined in the medicaid state plan, managed care organizations shall be
33 required to pay at least the full published encounter rates directly to
34 each clinic or center, and payments will be reconciled on at least an
35 annual basis between the managed care organization and the authority,
36 with final review and approval by the authority. At the option of any
37 clinic, the enhancement payment can be received from the managed care
38 organization on a per member per month basis for all assigned managed

1 care enrollees in an amount prescribed by the authority. Nothing in
2 this section is intended to disrupt mutually agreeable contractual
3 arrangements between managed care organizations and clinics that impact
4 how the standard payment for services is paid. The authority will
5 require participating managed care organizations to reimburse federally
6 qualified health centers and rural health clinics for clean claims in
7 strict adherence to the timeliness of payment standards established
8 under contract and specified for the medicaid fee-for-service program
9 in section 1902(a)(37) of the social security act (42 U.S.C.
10 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers
11 in WAC 284-43-321. The authority shall exercise all necessary options
12 under its existing sanctions policy to enforce timely payment of
13 claims. The authority shall ensure necessary staff and resources are
14 identified to actively monitor and enforce the timeliness and accuracy
15 of payments to federally qualified health centers and rural health
16 clinics. By January 1, 2014, and after collaboration with federally
17 qualified health centers, rural health clinics, managed care plans, and
18 the centers for medicare and medicaid services, the authority will
19 produce a report that provides options for a new payment methodology
20 that rewards innovation and outcomes over volume of services delivered,
21 and which maintains the integrity of the rural health clinic and
22 federally qualified health center programs as outlined under federal
23 law. The report will detail necessary federal authority for
24 implementation and provide the benefits and drawbacks of each option.

25 ~~((+46))~~ (44) \$3,605,000 of the general fund--state appropriation
26 for fiscal year 2014 is provided solely to proportionally reduce the
27 amounts that rural health clinics owe the state under the calendar year
28 2009 recoupment.

29 ~~((+47))~~ (45) Sufficient amounts are appropriated in this section
30 to remove the mental health visit limit and to provide the shingles
31 vaccine and screening, brief intervention, and referral to treatment
32 benefits that are available in the medicaid alternative benefit plan in
33 the current medicaid benefit plan beginning January 1, 2014. ~~((The
34 authority shall monitor the costs of the habilitative benefit as part
35 of the forecasting process but shall not provide this benefit in the
36 current medicaid benefit plan without a direct appropriation in the
37 omnibus appropriations act.~~

1 ~~(48))~~ (46) The appropriations in this section reflect savings and
2 efficiencies achieved by modifying dispensing methods of contraceptive
3 drugs. The authority must make arrangements for all medicaid programs
4 offered through managed care plans or fee-for-service programs to
5 require dispensing of contraceptive drugs with a one-year supply
6 provided at one time unless a patient requests a smaller supply or the
7 prescribing physician instructs that the patient must receive a smaller
8 supply. Contracts with managed care plans must allow on-site
9 dispensing of the prescribed contraceptive drugs at family planning
10 clinics. Dispensing practices must follow clinical guidelines for
11 appropriate prescribing and dispensing to ensure the health of the
12 patient while maximizing access to effective contraceptive drugs.

13 ~~((49))~~ (47)(a) \$75,000 of the general fund--state appropriation
14 for fiscal year 2014 and \$75,000 of the general fund--federal
15 appropriation are provided solely for preparing options with an expert
16 consultant for possible implementation of a targeted premium assistance
17 program and possible implementation of the federal basic health option.
18 \$75,000 of the amounts appropriated in this subsection is provided
19 solely for the development of options related to the targeted premium
20 assistance program. The authority shall develop options for a waiver
21 request to the federal centers for medicare and medicaid services to
22 implement a targeted premium assistance program for the expansion
23 adults, identified in section 1902(a)(10)(A)(i)(VIII) of the social
24 security act, with incomes above one hundred percent of the federal
25 poverty level, and for children covered in the children's health
26 insurance program with incomes above two hundred percent of the federal
27 poverty level, with a goal of providing seamless coverage through the
28 health benefit exchange and improving opportunities for families to be
29 covered in the same health plans. The options must include the
30 possibility of applying premiums for individuals and cost-sharing that
31 may exceed the five percent of family income cap under federal law, and
32 the options must include recommendations to make the targeted premium
33 assistance program cost neutral. The authority shall submit a report
34 on the options to the legislature and the governor by January 1, 2014.
35 The authority is encouraged to be creative, use subject matter experts,
36 and exhaust all possible options to achieve cost neutrality. The
37 report shall also include a detailed plan and timeline. \$75,000 of the
38 amounts appropriated in this subsection is provided solely for the

1 development of options related to the federal basic health option. The
2 authority shall prepare options for implementing the federal basic
3 health option as federal guidance becomes available. The authority
4 shall submit a report on the options to the legislature and the
5 governor by January 1, 2014, or ninety days following the release of
6 federal guidance. The report must include a comparison of the premiums
7 and cost-sharing under the federal basic health option with the premium
8 assistance options described in this subsection, options for
9 implementing the federal basic health option in combination with a
10 premium assistance program, a detailed fiscal analysis for each
11 coverage approach, including the estimated costs for system design and
12 implementation, and information about impacted populations.

13 (b) Where possible, the authority shall leverage the same expert
14 consultants to review each proposal and compare and contrast the
15 approaches to ensure seamless coordination with the health benefit
16 exchange.

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

19 (48) \$229,000 of the general fund--state appropriation for fiscal
20 year 2015 and \$195,000 of the general fund--federal appropriation are
21 provided solely to implement Engrossed Second Substitute House Bill No.
22 2639 (mental health, chemical dependency) and Engrossed Second
23 Substitute House Bill No. 2315 (suicide prevention). If Engrossed
24 Second Substitute House Bill No. 2639 (mental health, chemical
25 dependency) is not enacted by June 30, 2014, the amounts provided in
26 this subsection shall lapse.

27 (49) \$500,000 of the general fund--state appropriation for fiscal
28 year 2015 is provided solely to implement Engrossed Substitute House
29 Bill No. 2594 (federal basic health program). If the bill is not
30 enacted by June 30, 2014, the amount provided in this subsection shall
31 lapse.

32 (50) \$604,000 of the general fund--state appropriation for fiscal
33 year 2014, \$597,000 of the general fund--state appropriation for fiscal
34 year 2015, and \$18,320,000 of the general fund--federal appropriation
35 are provided solely to implement Engrossed Second Substitute House Bill
36 No. 2572 (health care purchasing, delivery). If the bill is not
37 enacted by June 30, 2014, the amounts provided in this subsection shall
38 lapse.

1 (51) \$306,000 of the general fund--state appropriation for fiscal
2 year 2015 and \$306,000 of the general fund--federal appropriation are
3 provided solely to implement Substitute House Bill No. 2310 (provider
4 safety equipment). If the bill is not enacted by June 30, 2014, the
5 amounts provided in this subsection shall lapse.

6 (52) The health care authority may contract with any managed health
7 care system to provide medicaid services to the extent that minimum
8 contracting requirements defined by the authority are met for a given
9 region. The authority shall respond to any request to contract from a
10 managed health care system with a written explanation of the
11 preliminary decision within ninety days, with a final decision
12 contingent on successful completion of an onsite readiness review
13 process conducted by the authority. New managed health care systems
14 will only be considered for inclusion during annual contract renewal
15 periods, and requests must be submitted no later than June 1 to be
16 considered for the next contract year. The authority must heavily
17 weigh the benefit of medicaid-exchange alignment in reaching its
18 decision.

19 (53) The appropriations to the authority in this act shall be
20 expended for the purposes and in the amounts specified in this act. To
21 the extent that appropriations in this section are insufficient to fund
22 actual expenditures in excess of caseload forecasts and utilization
23 assumptions, the authority, after May 1, 2014, may transfer general
24 fund--state appropriations for fiscal year 2014 that are provided
25 solely for a specified purpose. The authority shall not transfer
26 funds, and the director of financial management shall not approve the
27 transfer, unless the transfer is consistent with the objective of
28 conserving, to the maximum extent possible, the expenditure of state
29 funds. The director of financial management shall notify the
30 appropriate fiscal committees of the senate and house of
31 representatives in writing seven days prior to approving any allotment
32 modifications or transfers under this subsection. The written
33 notification shall include a narrative explanation and justification of
34 changes, along with expenditures and allotments by budget unit and
35 appropriation, both before and after any allotment modifications or
36 transfers.

37 (54) Moneys appropriated in this section shall not be used to pay
38 hospital owned physician practices or clinics a higher payment rate

1 than the maximum resource based relative value scale fee rate received
2 by nonhospital owned physician practices or clinics for the same
3 procedure.

4 (55) By January 1, 2015, the authority shall increase the fee-for-
5 service reimbursement rates for private duty nursing services for
6 medically fragile children, increase fee-for-service rates for home
7 health care services, and add licensed clinical medical social services
8 as covered home health services only to the extent that the authority
9 determines that the provider rate increases and the additional covered
10 services will not increase payment rates under healthy options managed
11 care contracts.

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

14 **FOR THE HUMAN RIGHTS COMMISSION**

| | | |
|----|---|------------------------------|
| 15 | General Fund--State Appropriation (FY 2014) | ((\$2,077,000)) |
| 16 | | <u>\$2,059,000</u> |
| 17 | General Fund--State Appropriation (FY 2015) | ((\$1,996,000)) |
| 18 | | <u>\$2,073,000</u> |
| 19 | General Fund--Federal Appropriation | \$2,185,000 |
| 20 | TOTAL APPROPRIATION | ((\$6,258,000)) |
| 21 | | <u>\$6,317,000</u> |

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

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

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

| | | |
|----|--|-------------------------------|
| 30 | Worker and Community Right-to-Know Account--State | |
| 31 | Appropriation | \$10,000 |
| 32 | Accident Account--State Appropriation | ((\$19,763,000)) |
| 33 | | <u>\$19,775,000</u> |
| 34 | Medical Aid Account--State Appropriation | ((\$19,763,000)) |
| 35 | | <u>\$19,775,000</u> |
| 36 | TOTAL APPROPRIATION | ((\$39,536,000)) |

1 \$39,560,000

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

4 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

| | | |
|----|---|-------------------------------|
| 5 | General Fund--State Appropriation (FY 2014) | ((\$14,257,000)) |
| 6 | | <u>\$14,538,000</u> |
| 7 | General Fund--State Appropriation (FY 2015) | ((\$14,159,000)) |
| 8 | | <u>\$14,178,000</u> |
| 9 | General Fund--Private/Local Appropriation | ((\$3,059,000)) |
| 10 | | <u>\$4,201,000</u> |
| 11 | Death Investigations Account--State Appropriation | \$148,000 |
| 12 | Municipal Criminal Justice Assistance Account-- | |
| 13 | State Appropriation | \$460,000 |
| 14 | Washington Auto Theft Prevention Authority Account-- | |
| 15 | State Appropriation | \$8,597,000 |
| 16 | TOTAL APPROPRIATION | ((\$40,680,000)) |
| 17 | | <u>\$42,122,000</u> |

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

20 (1) \$5,000,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$5,000,000 of the general fund--state appropriation for
22 fiscal year 2015, are provided to the Washington association of
23 sheriffs and police chiefs solely to verify the address and residency
24 of registered sex offenders and kidnapping offenders under RCW
25 9A.44.130.

26 (2) ((~~\$340,000~~)) \$378,000 of the general fund--local appropriation
27 is provided solely to purchase ammunition for the basic law enforcement
28 academy. Jurisdictions shall reimburse to the criminal justice
29 training commission the costs of ammunition, based on the average cost
30 of ammunition per cadet, for cadets that they enroll in the basic law
31 enforcement academy.

32 (3) The criminal justice training commission may not run a basic
33 law enforcement academy class of fewer than 30 students.

34 (4) \$100,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$100,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for a school safety program. The
37 commission, in collaboration with the school safety center advisory

1 committee, shall provide the school safety training for all school
2 administrators and school safety personnel hired after the effective
3 date of this section.

4 (5) \$96,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$96,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the school safety center
7 within the commission. The safety center shall act as an information
8 dissemination and resource center when an incident occurs in a school
9 district in Washington or in another state, coordinate activities
10 relating to school safety, and review and approve manuals and curricula
11 used for school safety models and training. Through an interagency
12 agreement, the commission shall provide funding for the office of the
13 superintendent of public instruction to continue to develop and
14 maintain a school safety information web site. The school safety
15 center advisory committee shall develop and revise the training
16 program, using the best practices in school safety, for all school
17 safety personnel. The commission shall provide research-related
18 programs in school safety and security issues beneficial to both law
19 enforcement and schools.

20 (6) \$123,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$123,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the costs of providing
23 statewide advanced driving training with the use of a driving
24 simulator.

25 (7) \$165,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$165,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for crisis intervention training
28 for peace officers. The commission shall incorporate eight hours of
29 crisis intervention curriculum into its basic law enforcement academy
30 and shall offer an eight-hour in-service crisis intervention training
31 course.

32 (8) \$35,000 of the general fund--state appropriation for fiscal
33 year 2015 is provided solely for a study to collect data on the number
34 of reserve officers statewide. By December 31, 2014, the commission
35 shall report to the legislature on the number of reserve peace officers
36 who are employed at each local law enforcement agency in Washington.

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

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

| | | |
|----|--|--------------------------------|
| 4 | General Fund--State Appropriation (FY 2014) | ((\$17,158,000)) |
| 5 | | <u>\$17,234,000</u> |
| 6 | General Fund--State Appropriation (FY 2015) | ((\$17,733,000)) |
| 7 | | <u>\$18,228,000</u> |
| 8 | General Fund--Federal Appropriation | \$11,876,000 |
| 9 | Asbestos Account--State Appropriation | \$366,000 |
| 10 | Electrical License Account--State Appropriation | ((\$37,124,000)) |
| 11 | | <u>\$40,274,000</u> |
| 12 | Farm Labor Contractor Account--State Appropriation | \$28,000 |
| 13 | Worker and Community Right-to-Know Account-- | |
| 14 | State Appropriation | \$903,000 |
| 15 | Public Works Administration Account--State | |
| 16 | Appropriation | ((\$6,252,000)) |
| 17 | | <u>\$7,860,000</u> |
| 18 | Manufactured Home Installation Training Account-- | |
| 19 | State Appropriation | \$353,000 |
| 20 | Accident Account--State Appropriation | ((\$258,440,000)) |
| 21 | | <u>\$259,475,000</u> |
| 22 | Accident Account--Federal Appropriation | \$13,626,000 |
| 23 | Medical Aid Account--State Appropriation | ((\$278,697,000)) |
| 24 | | <u>\$279,711,000</u> |
| 25 | Medical Aid Account--Federal Appropriation | \$3,186,000 |
| 26 | Plumbing Certificate Account--State Appropriation | ((\$1,732,000)) |
| 27 | | <u>\$1,746,000</u> |
| 28 | Pressure Systems Safety Account--State | |
| 29 | Appropriation | \$4,193,000 |
| 30 | TOTAL APPROPRIATION | ((\$651,667,000)) |
| 31 | | <u>\$659,059,000</u> |

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

35 (1) Pursuant to RCW 43.135.055, the department is authorized to
36 increase elevator fees by up to 13.1 percent during the 2013-2015
37 fiscal biennium. This increase is necessary to support expenditures
38 authorized in this section, consistent with chapter 70.87 RCW.

1 (2) \$1,336,000 of the medical aid account--state appropriation is
2 provided solely for implementation of Substitute Senate Bill No. 5362
3 (workers' compensation/vocational rehabilitation). If the bill is not
4 enacted by June 30, 2013, the amount provided in this subsection shall
5 lapse.

6 (3) \$279,000 of the public works administration account--state
7 appropriation, \$4,000 of the medical aid account--state appropriation,
8 and \$4,000 of the accident account--state appropriation are provided
9 solely for implementation of Substitute House Bill No. 1420
10 (transportation improvement projects). If the bill is not enacted by
11 June 30, 2013, the amounts provided in this subsection shall lapse.

12 (4) \$104,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$104,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely to implement Substitute Senate
15 Bill No. 5123 (farm internships). If the bill is not enacted by June
16 30, 2013, the amount provided in this subsection shall lapse.

17 ~~((+6))~~ (5) \$210,000 of the medical aid account--state
18 appropriation and \$630,000 of the accident account--state appropriation
19 are provided solely for the contract costs and one staff position at
20 the department for the purpose of implementing the logging safety
21 initiative in an effort to reduce the frequency and severity of
22 injuries in manual, or nonmechanized, logging. The department shall
23 reduce \$840,000 of workers compensation funding used for the safety and
24 health investment project to maintain cost neutrality. Additional
25 costs for the implementation of the logging safety initiative shall be
26 accomplished by the department within existing resources to include the
27 assignment of two full-time auditors specifically for this purpose.
28 The department is directed to include \$420,000 of these costs in its
29 calculation of workers' compensation premiums for the forest products
30 industry for 2014, 2015, and 2016 rates. The department shall report
31 to the legislature by December 31, 2014, an approach for using a third
32 party safety certification vendor, accomplishments of the taskforce,
33 accomplishments on this effort to-date, and future plans. The report
34 must identify options for future funding and make recommendations for
35 permanent funding for this program.

36 (6) \$132,000 of the accident account--state appropriation and
37 \$130,000 of the medical aid account--state appropriation are provided

1 solely to implement Engrossed Second Substitute House Bill No. 1467
2 (unpaid wages collection). If the bill is not enacted by June 30,
3 2014, the amounts provided in this subsection shall lapse.

4 (7) \$399,000 of the general fund--state appropriation for fiscal
5 year 2015 and \$21,000 of the electrical license account--state
6 appropriation are provided solely to implement Substitute House Bill
7 No. 2146 (labor and industries appeal bonds). If the bill is not
8 enacted by June 30, 2014, the amounts provided in this subsection shall
9 lapse.

10 (8) \$457,000 of the public works administration account--state
11 appropriation is provided solely to implement Substitute House Bill No.
12 2331 (public works payroll records). If the bill is not enacted by
13 June 30, 2014, the amount provided in this subsection shall lapse.

14 (9) \$129,000 of the accident account--state appropriation and
15 \$130,000 of the medical aid account--state appropriation are provided
16 solely to implement Substitute House Bill No. 2333 (employee
17 antiretaliation act). If the bill is not enacted by June 30, 2014, the
18 amounts provided in this subsection shall lapse.

19 (10) \$330,000 of the accident account--state appropriation and
20 \$330,000 of the medical aid account--state appropriation are provided
21 solely to implement House Bill No. 2334 (employee status). If the bill
22 is not enacted by June 30, 2014, the amounts provided in this
23 subsection shall lapse.

24 (11) \$33,000 of the medical aid account--state appropriation is
25 provided solely to implement Engrossed House Bill No. 2617 (interpreter
26 services). If the bill is not enacted by June 30, 2014, the amount
27 provided in this subsection shall lapse.

28 (12) \$15,000 of the general fund--state appropriation for fiscal
29 year 2014, and \$35,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for the department of labor and
31 industries to convene and provide support to a work group on
32 agricultural and agricultural labor-related issues. The goals of the
33 work group are to educate participants on relevant areas of regulation
34 and business practices of the agricultural industry and to foster
35 substantive, respectful, problem-solving oriented communication between
36 multiple state agencies and those in and affected by the agricultural
37 industry. The work group must strive to identify mutual points of

1 interest and concern, and collaborate to find administrative solutions
2 to issues affecting agriculture, including but not limited to, housing,
3 workplace standards, and agricultural labor supply.

4 (a) The work group must consist of ten members appointed by the
5 governor with balanced and diverse representation that must include
6 representatives from growers, agricultural industries, farmworker
7 advocates, and labor.

8 (b) State agencies including the department of agriculture, the
9 employment security department, the department of labor and industries,
10 the department of health, and the commission on Hispanic affairs must
11 each identify a representative to participate on the work group as an
12 ex officio member. The work group may invite other agencies to
13 participate as needed.

14 (c) The department of labor and industries must provide a
15 facilitator and coordinate no more than six meetings in 2014 with the
16 final number of meetings to be determined by the work group.

17 (d) The facilitator, who may be an employee or contractor
18 identified by the department of labor and industries, must assist work
19 group members to identify a list of issues that may be implemented
20 administratively for consideration by the work group and develop a work
21 plan for implementation.

22 (e) The department of labor and industries must submit a report by
23 December 1, 2014, to the office of financial management and to the
24 appropriate fiscal and policy committees of the legislature. The
25 report must include the following:

26 (i) The list of work group members;

27 (ii) The list of all issues identified by the work group that may
28 be implemented administratively, including those that are agreed to by
29 the entire work group and those that are supported by some members of
30 the work group but not all; and

31 (iii) The agreed upon work plan of administrative actions to be
32 taken, including progress made, status as of the date of the report,
33 and next steps.

34 (f) Work group members are entitled to be reimbursed for travel
35 expenses under RCW 43.03.050, 43.03.060, and 43.03.049.

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

1 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

2 (1) HEADQUARTERS

3 General Fund--State Appropriation (FY 2014) \$1,996,000
4 General Fund--State Appropriation (FY 2015) ((~~\$1,900,000~~))
5 \$1,902,000
6 Charitable, Educational, Penal, and Reformatory
7 Institutions Account--State Appropriation \$10,000
8 TOTAL APPROPRIATION ((~~\$3,906,000~~))
9 \$3,908,000

10 (2) FIELD SERVICES

11 General Fund--State Appropriation (FY 2014) ((~~\$5,340,000~~))
12 \$5,348,000
13 General Fund--State Appropriation (FY 2015) ((~~\$5,316,000~~))
14 \$5,322,000
15 General Fund--Federal Appropriation ((~~\$3,455,000~~))
16 \$3,460,000
17 General Fund--Private/Local Appropriation ((~~\$4,418,000~~))
18 \$4,550,000
19 Veteran Estate Management Account--Private/Local
20 Appropriation \$1,104,000
21 TOTAL APPROPRIATION ((~~\$19,633,000~~))
22 \$19,784,000

23 The appropriations in this subsection are subject to the following
24 conditions and limitations: \$300,000 of the general fund--state
25 appropriation for fiscal year 2014 and \$300,000 of the general fund--
26 state appropriation for fiscal year 2015 are provided solely to provide
27 crisis and emergency relief and education, training, and employment
28 assistance to veterans and their families in their communities through
29 the veterans innovation program.

30 (3) INSTITUTIONAL SERVICES

31 General Fund--State Appropriation (FY 2014) ((~~\$102,000~~))
32 \$239,000
33 General Fund--State Appropriation (FY 2015) ((~~\$20,000~~))
34 \$156,000
35 General Fund--Federal Appropriation ((~~\$68,981,000~~))
36 \$69,622,000
37 General Fund--Private/Local Appropriation ((~~\$39,355,000~~))

1 \$25,656,000
 2 TOTAL APPROPRIATION ((~~\$108,458,000~~))
 3 \$95,673,000

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

6 **FOR THE DEPARTMENT OF HEALTH**
 7 General Fund--State Appropriation (FY 2014) ((~~\$60,230,000~~))
 8 \$60,103,000
 9 General Fund--State Appropriation (FY 2015) ((~~\$59,198,000~~))
 10 \$64,363,000
 11 General Fund--Federal Appropriation ((~~\$536,074,000~~))
 12 \$535,692,000
 13 General Fund--Private/Local Appropriation ((~~\$139,455,000~~))
 14 \$139,290,000
 15 Hospital Data Collection Account--State Appropriation \$222,000
 16 Health Professions Account--State Appropriation ((~~\$104,722,000~~))
 17 \$104,898,000
 18 Aquatic Lands Enhancement Account--State Appropriation \$604,000
 19 Emergency Medical Services and Trauma Care Systems
 20 Trust Account--State Appropriation ((~~\$12,319,000~~))
 21 \$11,198,000
 22 Safe Drinking Water Account--State Appropriation ((~~\$5,267,000~~))
 23 \$5,255,000
 24 Drinking Water Assistance Account--Federal
 25 Appropriation ((~~\$14,806,000~~))
 26 \$14,747,000
 27 Waterworks Operator Certification--State
 28 Appropriation \$1,560,000
 29 Drinking Water Assistance Administrative Account--
 30 State Appropriation \$339,000
 31 Site Closure Account--State Appropriation \$159,000
 32 Biotoxin Account--State Appropriation \$1,323,000
 33 State Toxics Control Account--State Appropriation ((~~\$3,949,000~~))
 34 \$3,935,000
 35 Medical Test Site Licensure Account--State
 36 Appropriation ((~~\$4,737,000~~))
 37 \$4,730,000

1 the rule has been adopted in accordance with all applicable provisions
2 of law, or (iii) that the agency is using a policy or interpretive
3 statement in place of a rule. The rules review committee shall report
4 to the appropriate policy and fiscal committees of the legislature the
5 results of committee's review and any recommendations that the
6 committee deems advisable.

7 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
8 is authorized to establish and raise fees in fiscal year 2014 as
9 necessary to meet the actual costs of conducting business and the
10 appropriation levels in this section. This authorization applies to
11 fees required for newborn screening, and fees associated with the
12 following professions: Agency affiliated counselors; certified
13 counselors; and certified advisors.

14 (3) \$150,000 of the state toxics control account--state
15 appropriation is provided solely to provide water filtration systems
16 for low-income households with individuals at high public health risk
17 from nitrate-contaminated wells in the lower Yakima basin.

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

24 (b) The integration must provide prescription monitoring program
25 data to emergency department personnel when the patient registers in
26 the emergency department. Such exchange may be a private or public
27 joint venture, including the use of the state health information
28 exchange.

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

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

37 (ii) Information regarding any available care plans or treatment

1 plans for patients with higher utilization of services on a regular
2 basis. This information is to be provided to the treating provider.

3 (5) \$270,000 of the general fund--state appropriation for fiscal
4 year 2014 is provided solely for the Washington autism alliance to
5 assist autistic individuals and families with autistic children during
6 the transition to federal health reform.

7 (6) \$6,000 of the general fund--state appropriation for fiscal year
8 2014 and \$5,000 of the general fund--state appropriation for fiscal
9 year 2015 are provided solely for the department to convene a work
10 group to study and recommend language for standardized clinical
11 affiliation agreements for clinical placements associated with the
12 education and training of physicians licensed under chapter 18.71 RCW,
13 osteopathic physicians and surgeons licensed under chapter 18.57 RCW,
14 and nurses licensed under chapter 18.79 RCW. The work group shall
15 develop one recommended standardized clinical affiliation agreement for
16 each profession or one recommended standardized clinical affiliation
17 agreement for all three professions.

18 (a) When choosing members of the work group, the department shall
19 consult with the health care personnel shortage task force and shall
20 attempt to ensure that the membership of the work group is
21 geographically diverse. The work group must, at a minimum, include
22 representatives of the following:

- 23 (i) Two-year institutions of higher education;
- 24 (ii) Four-year institutions of higher education;
- 25 (iii) The University of Washington medical school;
- 26 (iv) The college of osteopathic medicine at the Pacific Northwest
27 University of Health Sciences;
- 28 (v) The health care personnel shortage task force;
- 29 (vi) Statewide organizations representing hospitals and other
30 facilities that accept clinical placements;
- 31 (vii) A statewide organization representing physicians;
- 32 (viii) A statewide organization representing osteopathic physicians
33 and surgeons;
- 34 (ix) A statewide organization representing nurses;
- 35 (x) A labor organization representing nurses; and
- 36 (xi) Any other groups deemed appropriate by the department in
37 consultation with the health care personnel shortage task force.

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

4 (7) \$65,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$65,000 of the general fund--state appropriation for
6 fiscal year 2015 are for the midwifery licensure and regulatory program
7 to supplement revenue from fees. The department shall charge no more
8 than five hundred twenty-five dollars annually for new or renewed
9 licenses for the midwifery program.

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

14 (9) \$654,000 of the health professions account--state appropriation
15 is provided solely for the implementation of Engrossed Senate Bill No.
16 5206 (health sciences library). If the bill is not enacted by June 30,
17 2013, the amount provided in this subsection shall lapse.

18 (10) \$35,000 of the health professions account--state appropriation
19 is provided solely for the implementation of House Bill No. 1003
20 (health professions licensees). If the bill is not enacted by June 30,
21 2013, the amount provided in this subsection shall lapse.

22 (11) \$10,000 of the health professions account--state appropriation
23 is provided solely for the implementation of Substitute House Bill No.
24 1270 (board of denturists). If the bill is not enacted by June 30,
25 2013, the amount provided in this subsection shall lapse.

26 (12) \$10,000 of the health professions account--state appropriation
27 is provided solely for the implementation of Substitute House Bill No.
28 1271 (denturism). If the bill is not enacted by June 30, 2013, the
29 amount provided in this subsection shall lapse.

30 (13) \$11,000 of the health professions account--state appropriation
31 is provided solely for the implementation of House Bill No. 1330
32 (dental hygienists, assistants). If the bill is not enacted by June
33 30, 2013, the amount provided in this subsection shall lapse.

34 ~~(14) ((\$1,008,000 of the health professions account--state~~
35 ~~appropriation is provided solely for the implementation of Substitute~~
36 ~~House Bill No. 1343 (nurses surcharge). If the bill is not enacted by~~
37 ~~June 30, 2013, the amount provided in this subsection shall lapse.~~

1 ~~(15)~~) \$34,000 of the health professions account--state
2 appropriation is provided solely for the implementation of Substitute
3 House Bill No. 1376 (suicide assessment training). If the bill is not
4 enacted by June 30, 2013, the amount provided in this subsection shall
5 lapse.

6 ~~((16))~~ (15) \$10,000 of the health professions account--state
7 appropriation is provided solely for the implementation of Engrossed
8 Substitute House Bill No. 1515 (medical assistants). If the bill is
9 not enacted by June 30, 2013, the amount provided in this subsection
10 shall lapse.

11 ~~((17))~~ (16) \$2,185,000 of the health professions account--state
12 appropriation is provided solely for the implementation of Second
13 Substitute House Bill No. 1518 (disciplinary authorities). If the bill
14 is not enacted by June 30, 2013, the amount provided in this subsection
15 shall lapse.

16 ~~((18))~~ (17) \$141,000 of the general fund--private/local
17 appropriation is provided solely for the implementation of Substitute
18 House Bill No. 1525 (birth certificates). If the bill is not enacted
19 by June 30, 2013, the amount provided in this subsection shall lapse.

20 ~~((19))~~ (18) \$220,000 of the health professions account--state
21 appropriation is provided solely for the implementation of House Bill
22 No. 1534 (impaired dentist program). If the bill is not enacted by
23 June 30, 2013, the amount provided in this subsection shall lapse.

24 ~~((20))~~ (19) \$51,000 of the health professions account--state
25 appropriation is provided solely for the implementation of House Bill
26 No. 1609 (board of pharmacy). If the bill is not enacted by June 30,
27 2013, the amount provided in this subsection shall lapse.

28 ~~((21))~~ (20) \$12,000 of the health professions account--state
29 appropriation is provided solely for the implementation of Substitute
30 House Bill No. 1629 (home care aide continuing education). If the bill
31 is not enacted by June 30, 2013, the amount provided in this subsection
32 shall lapse.

33 ~~((22))~~ (21) \$18,000 of the health professions account--state
34 appropriation is provided solely for the implementation of Substitute
35 House Bill No. 1737 (physician assistants). If the bill is not enacted
36 by June 30, 2013, the amount provided in this subsection shall lapse.

37 ~~((23))~~ (22) \$77,000 of the general fund--state appropriation for
38 fiscal year 2014 and \$38,000 of the general fund--state appropriation

1 for fiscal year 2015 are provided solely to develop a report on state
2 efforts to prevent and control diabetes. The department, the health
3 care authority, and the department of social and health services shall
4 submit a coordinated report to the governor and the appropriate
5 committees of the legislature by December 31, 2014, on the following:

6 (a) The financial impacts and reach that diabetes of all types and
7 undiagnosed gestational diabetes are having on the programs
8 administered by each agency and individuals, including children with
9 mothers with undiagnosed gestational diabetes, enrolled in those
10 programs. Items in this assessment must include: (i) The number of
11 lives with diabetes and undiagnosed gestational diabetes impacted or
12 covered by the programs administered by each agency; (ii) the number of
13 lives with diabetes, or at risk for diabetes, and family members
14 impacted by prevention and diabetes control programs implemented by
15 each agency; (iii) the financial toll or impact diabetes and its
16 complications, and undiagnosed gestational diabetes and the
17 complications experienced during labor to children of mothers with
18 gestational diabetes places on these programs in comparison to other
19 chronic diseases and conditions; and (iv) the financial toll or impact
20 diabetes and its complications, and diagnosed gestational diabetes and
21 the complications experienced during labor to children of mothers with
22 gestational diabetes places on these programs;

23 (b) An assessment of the benefits of implemented and existing
24 programs and activities aimed at controlling all types of diabetes and
25 preventing the disease. This assessment must also document the amount
26 and source for any funding directed to each agency for the programs and
27 activities aimed at reaching those with diabetes of all types;

28 (c) A description of the level of coordination existing between the
29 agencies on activities, programmatic activities, and messaging on
30 managing, treating, or preventing all types of diabetes and its
31 complications;

32 (d) The development or revision of detailed policy-related action
33 plans and budget recommendations for battling diabetes and undiagnosed
34 gestational diabetes that includes a range of actionable items for
35 consideration by the legislature. The plans and budget recommendations
36 must identify proposed action steps to reduce the impact of diabetes,
37 prediabetes, related diabetes complications, and undiagnosed
38 gestational diabetes. The plans and budget recommendations must also

1 identify expected outcomes of the action steps proposed in the
2 following biennium while also establishing benchmarks for controlling
3 and preventing all types of diabetes; and

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

7 ~~((+24))~~ (23) Within the general fund--state amounts appropriated
8 in this section, the department of health will develop and administer
9 the certified home care aide examination translated into at least seven
10 languages in addition to the languages in which the examination is
11 available on the effective date of this act. The purpose of offering
12 the examination in additional languages is to encourage an adequate
13 supply of certified home care aides to meet diverse long-term care
14 client needs.

15 (24) \$350,000 of the general fund--state appropriation for fiscal
16 year 2015 is provided solely to implement Second Substitute House Bill
17 No. 2643 (healthiest next generation). If the bill is not enacted by
18 June 30, 2014, the amount provided in this subsection shall lapse.

19 (25) \$2,950,000 of the general fund--state appropriation for fiscal
20 year 2015 and \$78,000 of the health professions account--state
21 appropriation are provided solely to implement Engrossed Second
22 Substitute House Bill No. 2149 (medical marijuana). If the bill is not
23 enacted by June 30, 2014, the amounts provided in this subsection shall
24 lapse.

25 (26) \$68,000 of the health professions account--state appropriation
26 is provided solely to implement Engrossed Substitute House Bill No.
27 2160 (physical therapists). If the bill is not enacted by June 30,
28 2014, the amount provided in this subsection shall lapse.

29 (27) \$251,000 of the health professions account--state
30 appropriation is provided solely to implement Engrossed Substitute
31 House Bill No. 2315 (suicide prevention). If the bill is not enacted
32 by June 30, 2014, the amount provided in this subsection shall lapse.

33 (28)(a) Within the appropriations provided in this section, the
34 department shall update its hepatitis C strategic plan for the state to
35 include recommended actions pertaining to, at a minimum:

36 (i) Using prevalence data to determine the number of undiagnosed
37 hepatitis C patients in the state;

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

(a) \$35,000 of the general fund--state appropriation for fiscal year 2014 and \$35,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

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

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

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

(iii) The WSIPP, in consultation with the department, shall systematically review selected programs to determine the effectiveness

1 of these programs at reducing recidivism or other outcomes. The WSIPP
2 shall conduct a benefit-cost analysis of these programs when feasible
3 and shall report to the legislature by December 1, 2013.

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

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

15 (vi) The department shall hold the consultant on retainer to assist
16 the department as needed throughout the implementation process. The
17 consultant shall review quarterly the actual implementation compared to
18 the written implementation plan and shall provide a report to the
19 secretary of the department. The department shall provide reports to
20 the office of financial management and legislative fiscal committees as
21 follows:

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

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

26 (2) CORRECTIONAL OPERATIONS

| | | |
|----|---|--------------------------------|
| 27 | General Fund--State Appropriation (FY 2014) | ((\$605,039,000)) |
| 28 | | <u>\$599,248,000</u> |
| 29 | General Fund--State Appropriation (FY 2015) | ((\$604,704,000)) |
| 30 | | <u>\$601,804,000</u> |
| 31 | General Fund--Federal Appropriation | ((\$3,322,000)) |
| 32 | | <u>\$3,356,000</u> |
| 33 | Washington Auto Theft Prevention Authority Account-- | |
| 34 | State Appropriation | \$7,585,000 |
| 35 | Environmental Legacy Stewardship Account--State | |
| 36 | Appropriation | \$105,000 |
| 37 | County Criminal Justice Assistance Account--State | |
| 38 | Appropriation | \$390,000 |

1 TOTAL APPROPRIATION ((~~\$1,221,145,000~~))
2 \$1,212,488,000

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

5 (a) During the 2013-2015 fiscal biennium, when contracts are
6 established or renewed for offender pay phone and other telephone
7 services provided to inmates, the department shall select the
8 contractor or contractors primarily based on the following factors:

9 (i) The lowest rate charged to both the inmate and the person paying
10 for the telephone call; and (ii) the lowest commission rates paid to
11 the department, while providing reasonable compensation to cover the
12 costs of the department to provide the telephone services to inmates
13 and provide sufficient revenues for the activities funded from the
14 institutional welfare betterment account.

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

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

30 (d) By December 1, 2013, the department of corrections shall
31 provide a report to the office of financial management and the
32 appropriate fiscal and policy committees of the legislature that
33 evaluates the department's use of partial confinement and work release
34 programs and makes recommendations for improving public safety and
35 decreasing recidivism through increasing participation in partial
36 confinement re-entry and work release programs. In making its
37 recommendations, the department shall identify:

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

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

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

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

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

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

34 (g)(i) The legislature finds that it has taken several steps to
35 mitigate the demand for prison capacity including funding evidence-
36 based programming for offenders which is proven to reduce recidivism,
37 funding evidence-based treatment alternatives to incarceration for
38 drug-addicted offenders, standardizing inconsistencies in the drug

1 sentencing grid, and authorizing the department to rent local jail
2 beds. These steps will also assist the department's implementation of
3 additional operational efficiencies by reducing costs related to
4 offender intake, processing, and transportation.

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

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

1 transferred to local jail facilities. If extraordinary medical
2 conditions develop for an inmate while at a jail facility the jail may
3 transfer the offender back to the department, subject to terms of the
4 negotiated agreement. Health care costs incurred prior to transfer
5 will be the responsibility of the jail. The department will report to
6 legislative fiscal committees and the office of financial management by
7 November 1, 2013, to provide a status update on implementation.

8 (i) The department shall convene a work group to develop health
9 care cost containment strategies at local jail facilities. The work
10 group shall identify cost containment strategies in place at the
11 department and at local jail facilities, identify the costs and
12 benefits of implementing strategies in jail health-care facilities, and
13 make recommendations on implementing beneficial strategies. The work
14 group shall submit a report on its findings and recommendations to the
15 fiscal committees of the legislature by October 1, 2013. The work
16 group shall include jail administrators, representatives from health
17 care facilities at the local jail level and the state prisons level,
18 and other representatives as deemed necessary.

19 (j) \$1,026,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$781,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely to expand the piloted
22 risk-needs-responsivity model to include the use of cognitive
23 behavioral therapy with evidence-based programming at two minimum
24 security prison facilities and at the Monroe correctional complex.

25 (k) \$23,653,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$24,919,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for offender programming.
28 Pursuant to section 220(1) of this act, the department shall develop
29 and implement a written comprehensive plan for offender programming
30 that prioritizes programs which follow the risk-needs-responsivity
31 model, are evidence-based, and have measurable outcomes. The
32 department is authorized to discontinue ineffective programs and to
33 repurpose underspent funds according to the priorities in the written
34 plan.

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

1 Senate Bill No. 5484 (assault in the third-degree). If the bill is not
2 enacted by June 30, 2013, the amounts provided in this subsection shall
3 lapse.

4 (m) \$48,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$48,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for implementation of Engrossed
7 Substitute House Bill No. 1383 (stalking protection orders). If the
8 bill is not enacted by June 30, 2013, the amounts provided in this
9 subsection shall lapse.

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

15 (o) \$24,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$24,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for implementation of Engrossed
18 Substitute Senate Bill No. 5669 (trafficking). If the bill is not
19 enacted by June 30, 2013, the amounts provided in this subsection shall
20 lapse.

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

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

31 (r) \$239,000 of the general fund--state appropriation for fiscal
32 year 2014, and \$1,431,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the department to contract
34 with Yakima county for the use of inmate bed capacity in lieu of prison
35 beds operated by the state. The contract must conform to the
36 provisions of subsection (h) of this section.

37 (s) \$50,000 of the general fund--state appropriation for fiscal
38 year 2015 is provided solely for the department to evaluate the

1 provision of post-secondary education to offenders in the prison system
 2 and prepare a report of the findings. The report is due to the office
 3 of financial management and the appropriate policy and fiscal
 4 committees of the legislature by December 1, 2014. The report must
 5 include an evaluation of the need for post-secondary education for the
 6 offender population, the opportunities that exist to provide this
 7 program, the available curriculum, the cost per participant, the impact
 8 on recidivism, prison safety and public safety, and the options
 9 available after the offender's release to assist with the reentry and
 10 the continuation of education for program participants.

11 (t) The department shall assess possible uses for the Yakima county
 12 jail facility, including but not limited to, housing for short-term
 13 offenders; housing for community supervision violators or absconders;
 14 housing for offenders with special program needs such as offenders with
 15 mental health issues; and housing for older or infirm offenders. The
 16 department shall report to the appropriate policy and fiscal committees
 17 of the legislature by December 1, 2014, with findings, cost estimates,
 18 and recommendations for the use of the facility.

19 (3) COMMUNITY SUPERVISION

| | | |
|----|--|----------------------|
| 20 | General Fund--State Appropriation (FY 2014) | ((\$130,568,000)) |
| 21 | | <u>\$149,938,000</u> |
| 22 | General Fund--State Appropriation (FY 2015) | ((\$131,973,000)) |
| 23 | | <u>\$153,322,000</u> |
| 24 | <u>General Fund--Federal Appropriation</u> | <u>\$750,000</u> |
| 25 | County Criminal Justice Assistance Account--State | \$2,249,000 |
| 26 | Ignition Interlock Device Revolving Account--State | \$2,200,000 |
| 27 | TOTAL APPROPRIATION | ((\$266,990,000)) |
| 28 | | <u>\$308,459,000</u> |

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

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

1 (b) \$4,186,000 of the general fund--state appropriation for fiscal
 2 year 2014 and \$6,362,000 of the general fund--state appropriation for
 3 fiscal year 2015 must be expended on evidence-based programs that
 4 follow the risk-needs-responsivity model. The department is authorized
 5 to use up to ten percent of these funds as necessary to secure physical
 6 space as needed to maximize program delivery of evidence-based
 7 treatment to all high-risk, high-need offenders in community
 8 supervision. Funding may be prioritized by the department to any
 9 program recognized as evidence-based for adult offenders by the
 10 Washington state institute for public policy.

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

21 (d) \$107,000 of the county criminal justice--state appropriation is
 22 provided solely for implementation of Engrossed Senate Bill No. 5105
 23 (rental vouchers for offenders). If the bill is not enacted by June
 24 30, 2013, the amount provided in this subsection shall lapse.

25 (e) \$250,000 of the general fund--state appropriation for fiscal
 26 year 2015 and \$750,000 of the general fund--federal appropriation are
 27 provided solely for the second chance reentry grant demonstration
 28 project.

29 (4) CORRECTIONAL INDUSTRIES

| | | |
|----|---|---------------------|
| 30 | General Fund--State Appropriation (FY 2014) | (\$6,780,000) |
| 31 | | <u>\$6,830,000</u> |
| 32 | General Fund--State Appropriation (FY 2015) | \$7,182,000 |
| 33 | TOTAL APPROPRIATION | (\$13,962,000) |
| 34 | | <u>\$14,012,000</u> |

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

37 (a) \$3,293,000 of the general fund--state appropriation for fiscal
 38 year 2014 and \$3,707,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the stewardship of McNeil
2 island. The department shall assume responsibility of all island
3 maintenance excluding site specific maintenance operations for the
4 special commitment center and the Pierce county secure transitional
5 facility. The department shall as part of its industries program
6 provide job skills to offenders while providing the minimum maintenance
7 and preservation necessary for the state to remain in compliance with
8 the federal deed for McNeil island. The department shall report on
9 efficiencies and potential cost reductions to the office of financial
10 management and legislative fiscal committees by December 15, 2013.

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

32 (ii) All employees of the department of social and health services
33 engaged in performing the powers, functions, and duties transferred to
34 the department of corrections industries program under this subsection,
35 are transferred to the department of corrections.

36 (iii) All classified employees of department of social and health
37 services assigned to the department of corrections under this
38 subsection whose positions are within an existing bargaining unit

1 description at the department of corrections shall become a part of the
2 existing bargaining unit at the department of corrections and shall be
3 considered an appropriate inclusion or modification of the existing
4 bargaining unit under the provisions of chapter 41.80 RCW.

5 (5) INTERAGENCY PAYMENTS

| | |
|---|-------------------------------|
| 6 General Fund--State Appropriation (FY 2014) | ((\$35,345,000)) |
| 7 | <u>\$41,726,000</u> |
| 8 General Fund--State Appropriation (FY 2015) | ((\$32,115,000)) |
| 9 | <u>\$38,111,000</u> |
| 10 TOTAL APPROPRIATION | ((\$67,460,000)) |
| 11 | <u>\$79,837,000</u> |

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

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

19 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

| | |
|--|-------------------------------|
| 20 General Fund--State Appropriation (FY 2014) | ((\$2,242,000)) |
| 21 | <u>\$2,227,000</u> |
| 22 General Fund--State Appropriation (FY 2015) | ((\$2,197,000)) |
| 23 | <u>\$2,217,000</u> |
| 24 General Fund--Federal Appropriation | ((\$21,060,000)) |
| 25 | <u>\$21,078,000</u> |
| 26 General Fund--Private/Local Appropriation | \$60,000 |
| 27 TOTAL APPROPRIATION | ((\$25,559,000)) |
| 28 | <u>\$25,582,000</u> |

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

31 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

| | |
|--|--------------------------------|
| 32 General Fund--Federal Appropriation | ((\$269,977,000)) |
| 33 | <u>\$269,835,000</u> |
| 34 General Fund--Private/Local Appropriation | ((\$34,206,000)) |
| 35 | <u>\$34,177,000</u> |
| 36 Unemployment Compensation Administration Account-- | |

| | | |
|----|--|--------------------------------|
| 1 | Federal Appropriation | ((\$320,006,000)) |
| 2 | | <u>\$332,472,000</u> |
| 3 | Administrative Contingency Account--State | |
| 4 | Appropriation | ((\$22,728,000)) |
| 5 | | <u>\$22,484,000</u> |
| 6 | Employment Service Administrative Account--State | |
| 7 | Appropriation | ((\$35,567,000)) |
| 8 | | <u>\$36,548,000</u> |
| 9 | TOTAL APPROPRIATION | ((\$682,484,000)) |
| 10 | | <u>\$695,516,000</u> |

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

13 (1) \$5,000,000 of the unemployment compensation administration
14 account--federal appropriation is from amounts made available to the
15 state by section 903(g) of the social security act (Reed act). This
16 amount is provided solely for continuing current unemployment insurance
17 functions and department services to employers and job seekers.

18 (2) ((~~\$12,386,000~~)) \$23,585,000 of the unemployment compensation
19 administration account--federal appropriation is from amounts made
20 available to the state by section 903(g) of the social security act
21 (Reed act). This amount is provided solely for the replacement of the
22 unemployment insurance tax information system for the employment
23 security department. The amounts provided in this subsection are
24 conditioned on the department satisfying the requirements of the
25 project management oversight standards and policies established by the
26 office of the chief information officer.

27 (3) \$3,735,000 of the unemployment compensation account--federal
28 appropriation is from amounts made available to the state by section
29 903(g) of the social security act (Reed act). This amount is provided
30 solely for the replacement of call center technology to improve the
31 integration of the telephone and computing systems to increase
32 efficiency and improve customer service.

33 (4) \$182,000 of the employment services administrative account--
34 state appropriation is provided for costs associated with the second
35 stage of the review and evaluation of the training benefits program as
36 directed in section 15(2), chapter 4, Laws of 2011 (unemployment
37 insurance program). This second stage shall be developed and conducted

1 by the joint legislative audit and review committee and shall consist
2 of further work on the process study and net-impact/cost-benefit
3 analysis components of the evaluation.

4 (5) \$240,000 of the administrative contingency account--state
5 appropriation is provided solely for the employment security department
6 to contract with a center for workers in King county. The amount
7 appropriated in this subsection shall be used by the contracted center
8 for workers to support initiatives that generate high-skill, high-wage
9 jobs; improve workforce and training systems; improve service delivery
10 for dislocated workers; and build alliances with community and
11 environmental organizations.

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

14 (7) The employment security department shall collaborate with the
15 workforce training and education coordinating board, the state board
16 for community and technical colleges, the economic service
17 administration, and the local workforce development councils to
18 coordinate a comprehensive report on short-term and long-term workforce
19 programs outcomes and funding. The employment security department
20 shall compile a single report and submit it to the governor and
21 appropriate committees of the legislature by December 1, 2014.
22 Specifically:

23 (a) The state board for community and technical colleges, in
24 coordination with the economic services administration, shall report on
25 short-term and long-term training outcomes for WorkFirst funded
26 programs by activity (basic education, vocational education iBest, life
27 skills, and any other related activities that are provided for
28 WorkFirst students), including but not limited to:

29 (i) The number and percent of individuals that complete educational
30 activities;

31 (ii) The number and percent of individuals employed within one
32 quarter after program completion and their average wage;

33 (iii) The number and percent of individuals employed within three
34 quarters after program completion and their average wage;

35 (iv) The number of students enrolled in short-term certificate
36 programs by certificate type;

37 (v) The number and percent of students who earn short-term
38 certificates by certificate type;

1 (vi) The number of students who accumulate at least forty-five
2 credits and an industry recognized credential; and

3 (vii) The amount of WorkFirst funds spent.

4 The report shall also include recommendations for improving student
5 retention and completion rates and any other system improvement
6 recommendations.

7 (b) The employment security department shall work with the
8 workforce training and education coordinating board, the state board
9 for community and technical colleges, and the local workforce
10 development councils to map the flow of federal workforce investment
11 act funds from initial receipt by the employment security department to
12 final expenditure. The report shall include:

13 (i) The total amount spent on direct training provided by the
14 community and technical colleges from workforce investment act funds;

15 (ii) The total amount spent by the employment security department
16 on direct service provision;

17 (iii) The number of students who enroll in short-term certificate
18 programs;

19 (iv) The number and percent of students who earn short-term
20 certificates; and

21 (v) The number and percent of students who accumulate at least
22 forty-five credits and an industry recognized credential.

23 (8) \$3,809,000 of the unemployment compensation administration
24 account--federal appropriation is from amounts made available to the
25 state by section 903(g) of the social security act (Reed act). This
26 amount is provided solely for the replacement of the unemployment
27 insurance benefit system for the employment security department. The
28 amounts provided in this subsection are conditioned on the department
29 satisfying the requirements of the project management oversight
30 standards and policies established by the office of the chief
31 information officer.

(End of part)

PART III
NATURAL RESOURCES

Sec. 301. 2013 2nd sp.s. c 4 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

| | |
|---|--------------------|
| General Fund--State Appropriation (FY 2014) | (\$445,000) |
| | <u>\$442,000</u> |
| General Fund--State Appropriation (FY 2015) | (\$446,000) |
| | <u>\$458,000</u> |
| General Fund--Federal Appropriation | \$31,000 |
| General Fund--Private/Local Appropriation | (\$874,000) |
| | <u>\$883,000</u> |
| TOTAL APPROPRIATION | (\$1,796,000) |
| | <u>\$1,814,000</u> |

Sec. 302. 2013 2nd sp.s. c 4 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

| | |
|---|----------------------|
| General Fund--State Appropriation (FY 2014) | (\$25,929,000) |
| | <u>\$25,983,000</u> |
| General Fund--State Appropriation (FY 2015) | (\$25,506,000) |
| | <u>\$25,524,000</u> |
| General Fund--Federal Appropriation | (\$105,230,000) |
| | <u>\$103,230,000</u> |
| General Fund--Private/Local Appropriation | \$16,912,000 |
| Reclamation Account--State Appropriation | (\$3,735,000) |
| | <u>\$3,998,000</u> |
| Flood Control Assistance Account--State Appropriation | \$1,985,000 |
| State Emergency Water Projects Revolving | |
| Account--State Appropriation | \$40,000 |
| Waste Reduction/Recycling/Litter Control--State | |
| Appropriation | (\$9,722,000) |
| | <u>\$9,726,000</u> |
| State Drought Preparedness Account--State Appropriation | \$204,000 |
| State and Local Improvements Revolving Account | |
| (Water Supply Facilities)--State Appropriation | \$426,000 |

| | | |
|---|--|--------------------------------|
| 1 | Water Pollution Control Revolving Account--Federal | |
| 2 | Appropriation | \$1,505,000 |
| 3 | Water Pollution Control Revolving Administration | |
| 4 | Account--State Appropriation | \$1,021,000 |
| 5 | Radioactive Mixed Waste Account--State | |
| 6 | Appropriation | ((\$13,800,000)) |
| 7 | | <u>\$14,336,000</u> |
| 8 | TOTAL APPROPRIATION | ((\$455,316,000)) |
| 9 | | <u>\$456,974,000</u> |

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

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

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

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

1 must be sequenced geographically and provided in time for local
2 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By
3 August 1, 2013, the department of ecology shall provide the governor
4 and appropriate legislative committees a plan for how low-impact
5 development training funds will be spent during fiscal years 2014
6 through 2017.

7 (4) \$440,000 of the state toxics control account--state
8 appropriation is provided solely for administering the water pollution
9 control facilities financial assistance program authorized in chapter
10 90.50A RCW.

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

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

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

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

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

35 (b) Of the amounts provided in (a) of this subsection, \$500,000 of
36 the general fund--state appropriation for fiscal year 2015 is provided
37 solely for processing water right permit applications only if the
38 department of ecology issues at least five hundred water right

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

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

29 (11) \$157,000 of the oil spill prevention account--state
30 appropriation is provided solely for implementation of Engrossed Second
31 Substitute House Bill No. 2347 (oil transportation safety). If the
32 bill is not enacted by June 30, 2014, the amount provided in this
33 subsection shall lapse.

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

36 **FOR THE STATE PARKS AND RECREATION COMMISSION**
37 General Fund--State Appropriation (FY 2014) ~~((4,254,000))~~

| | | |
|----|---|--------------------------------|
| 1 | | <u>\$4,308,000</u> |
| 2 | General Fund--State Appropriation (FY 2015) | ((\$4,254,000)) |
| 3 | | <u>\$4,430,000</u> |
| 4 | General Fund--Federal Appropriation | \$6,014,000 |
| 5 | Winter Recreation Program Account--State | |
| 6 | Appropriation | ((\$2,065,000)) |
| 7 | | <u>\$2,465,000</u> |
| 8 | ORV and Nonhighway Vehicle Account--State Appropriation | \$215,000 |
| 9 | Snowmobile Account--State Appropriation | \$4,859,000 |
| 10 | Aquatic Lands Enhancement Account--State Appropriation | \$363,000 |
| 11 | Parks Renewal and Stewardship Account--State | |
| 12 | Appropriation | ((\$103,065,000)) |
| 13 | | <u>\$105,935,000</u> |
| 14 | Parks Renewal and Stewardship Account--Private/Local | |
| 15 | Appropriation | \$300,000 |
| 16 | Waste Reduction/Recycling/Litter Control Account--State | |
| 17 | Appropriation | \$1,700,000 |
| 18 | TOTAL APPROPRIATION | ((\$127,089,000)) |
| 19 | | <u>\$130,589,000</u> |

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

22 (1) \$79,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$79,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for a grant for the operation of
25 the Northwest weather and avalanche center.

26 (2) Prior to closing any state park, the commission must notify all
27 affected local governments and relevant nonprofit organizations of the
28 intended closure and provide an opportunity for the notified local
29 governments and nonprofit organizations to elect to acquire, or enter
30 into, a maintenance and operating contract with the commission that
31 would allow the park to remain open.

32 (3) The commission shall prepare a report on its efforts to
33 increase revenue from all sources, including the discover pass. The
34 report shall also include a status update on the fiscal health of the
35 state parks system, and shall be submitted to the office of financial
36 management and the appropriate committees of the legislature by October
37 28, 2013.

Sec. 306. 2013 2nd sp.s. c 4 s 306 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

| | |
|---|--------------------|
| General Fund--State Appropriation (FY 2014) | (\$6,841,000) |
| | <u>\$6,819,000</u> |
| General Fund--State Appropriation (FY 2015) | (\$6,738,000) |
| | <u>\$6,760,000</u> |
| General Fund--Federal Appropriation | \$2,301,000 |
| State Toxics Control Account--State Appropriation | \$1,000,000 |
| TOTAL APPROPRIATION | \$16,880,000 |

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

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

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

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

(4) The conservation commission must evaluate the current system for the election of conservation district board supervisors and recommend improvements to ensure the highest degree of public involvement in these elections. The commission must engage with

1 stakeholder groups and conservation districts to gather a set of
 2 options for improvement to district elections, which must include an
 3 option aligning district elections with state and local general
 4 elections. The commission must submit a report detailing the options
 5 to the office of financial management and appropriate committees of the
 6 legislature by December 10, 2013.

7 (5) \$975,000 of the general fund--state appropriation for fiscal
 8 year 2014 and \$975,000 of the general fund--state appropriation for
 9 fiscal year 2015 are provided solely for state conservation commission
 10 category one funding distribution to conservation districts in the
 11 amount of \$25,000 in fiscal year 2014 and \$25,000 in fiscal year 2015
 12 for each county. If a county contains only one conservation district,
 13 the county may receive more funding at the discretion of the state
 14 conservation commission.

15 (6) The state conservation commission may provide additional
 16 funding to a conservation district if the conservation district
 17 conducts elections at such times as and consistent with the general
 18 election law, chapter 29A.04 RCW.

19 **Sec. 307.** 2013 2nd sp.s. c 4 s 307 (uncodified) is amended to read
 20 as follows:

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

| | | |
|----|---|--------------------------------|
| 22 | General Fund--State Appropriation (FY 2014) | ((\$30,321,000)) |
| 23 | | <u>\$30,732,000</u> |
| 24 | General Fund--State Appropriation (FY 2015) | ((\$28,999,000)) |
| 25 | | <u>\$30,291,000</u> |
| 26 | General Fund--Federal Appropriation | ((\$107,585,000)) |
| 27 | | <u>\$107,914,000</u> |
| 28 | General Fund--Private/Local Appropriation | ((\$58,784,000)) |
| 29 | | <u>\$58,680,000</u> |
| 30 | ORV and Nonhighway Vehicle Account--State Appropriation . . . | \$397,000 |
| 31 | Aquatic Lands Enhancement Account--State | |
| 32 | Appropriation | ((\$15,919,000)) |
| 33 | | <u>\$15,941,000</u> |
| 34 | Recreational Fisheries Enhancement--State | |
| 35 | Appropriation | ((\$2,590,000)) |
| 36 | | <u>\$2,617,000</u> |
| 37 | Environmental Legacy Stewardship Account--State | |

| | | |
|----|---|--------------------------------|
| 1 | Appropriation | \$1,224,000 |
| 2 | Warm Water Game Fish Account--State Appropriation | ((\$2,507,000)) |
| 3 | | <u>\$2,509,000</u> |
| 4 | Eastern Washington Pheasant Enhancement Account--State | |
| 5 | Appropriation | \$849,000 |
| 6 | Aquatic Invasive Species Enforcement Account--State | |
| 7 | Appropriation | \$209,000 |
| 8 | Aquatic Invasive Species Prevention Account--State | |
| 9 | Appropriation | \$737,000 |
| 10 | State Wildlife Account--State Appropriation | ((\$103,460,000)) |
| 11 | | <u>\$103,522,000</u> |
| 12 | Special Wildlife Account--State Appropriation | \$2,405,000 |
| 13 | Special Wildlife Account--Federal Appropriation | \$500,000 |
| 14 | Special Wildlife Account--Private/Local Appropriation | \$3,446,000 |
| 15 | Wildlife Rehabilitation Account--State Appropriation | \$259,000 |
| 16 | Hydraulic Project Approval Account--State | |
| 17 | Appropriation | ((\$674,000)) |
| 18 | | <u>\$966,000</u> |
| 19 | Regional Fisheries Enhancement Salmonid Recovery | |
| 20 | Account--Federal Appropriation | \$5,001,000 |
| 21 | Oil Spill Prevention Account--State Appropriation | ((\$917,000)) |
| 22 | | <u>\$941,000</u> |
| 23 | Oyster Reserve Land Account--State Appropriation | \$773,000 |
| 24 | TOTAL APPROPRIATION | ((\$367,556,000)) |
| 25 | | <u>\$369,913,000</u> |

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

28 (1) ((~~\$130,000~~)) \$675,000 of the general fund--state appropriation
29 for fiscal year 2014 and \$130,000 of the general fund--state
30 appropriation for fiscal year 2015 are provided solely to pay for
31 emergency fire suppression costs. These amounts may not be used to
32 fund agency indirect and administrative expenses.

33 (2) Prior to submitting its 2015-2017 biennial operating and
34 capital budget request related to state fish hatcheries to the office
35 of financial management, the department shall contract with the
36 hatchery scientific review group (HSRG) to review this request. This
37 review shall: (a) Determine if the proposed requests are consistent
38 with HSRG recommendations; (b) prioritize the components of the

1 requests based on their contributions to protecting wild salmonid
2 stocks and meeting the recommendations of the HSRG; and (c) evaluate
3 whether the proposed requests are being made in the most cost effective
4 manner. The department shall provide a copy of the HSRG review to the
5 office of financial management with their agency budget proposal.

6 (3) \$400,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$400,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for a state match to support the
9 Puget Sound nearshore partnership between the department and the U.S.
10 army corps of engineers.

11 (4) Within the amounts appropriated in this section, the department
12 shall identify additional opportunities for partnerships in order to
13 keep fish hatcheries operational. Such partnerships shall aim to
14 maintain fish production and salmon recovery with less reliance on
15 state operating funds.

16 (5) During the 2013-2015 fiscal biennium, the department must
17 retain ownership and continue to occupy the downtown Olympia office
18 building at 600 Capitol Way.

19 (6) \$1,000,000 of the state wildlife account--state appropriation
20 is provided solely to the department for resources that serve to
21 promote and engage nonlethal deterrence methods relating to wolf and
22 livestock interaction with a priority given to funding cooperative
23 agreements with livestock producers, and of this amount, \$250,000 in
24 fiscal year 2014 is provided solely for compensation for injury or loss
25 of livestock caused by wolves as prescribed in chapter 77.36 RCW.

26 (7) \$100,000 of the state wildlife account--state appropriation is
27 provided solely for the transfer of trout from the Clarks creek
28 hatchery to the Lakewood hatchery.

29 (8) \$100,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$100,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the production of steelhead,
32 coho, and Chinook salmon at the Clarks creek hatchery.

33 (9) \$200,000 of the state wildlife account--state appropriation,
34 \$50,000 of the general fund--state appropriation for fiscal year 2014,
35 and \$50,000 of the general fund--state appropriation for fiscal year
36 2015 are provided solely for the department to increase production of
37 juvenile fall Chinook on the Cowlitz river. The funds provided may be

1 used to match or leverage funds from private or public sources for the
2 same purpose.

3 (10) \$596,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$596,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for weed assessments and for
6 payments in lieu of real property taxes to counties that elect to
7 receive the payments for department owned game lands within the county.

8 (11) \$10,000 of the aquatic lands enhancement account--state
9 appropriation is provided solely for development of an aquatic invasive
10 species passport program to improve the efficiency and effectiveness of
11 watercraft inspections by expediting aquatic invasive species
12 watercraft inspections for watercraft at low risk of transmitting
13 invasive species and prioritizing the use of available resources for
14 the inspection of high risk vessels.

15 (12) Within the amounts appropriated in this section, the
16 department must deploy additional wildlife conflict specialists to
17 provide landowner assistance and address wildlife conflicts, with at
18 least one additional specialist primarily assigned to each of the
19 following areas: Administrative region six of the department; Okanogan
20 and Chelan counties in administrative region two of the department; and
21 Whatcom and Skagit counties in administrative region four of the
22 department.

23 (13) \$25,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$25,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for implementation of House Bill
26 No. 1112 (science and public policy). If the bill is not enacted by
27 June 30, 2013, the amounts provided in this subsection shall lapse.

28 (14) Within the amounts appropriated in this section the department
29 shall work with the regional fisheries enhancement groups to identify
30 a revenue source or sources capable of providing long-term funding to
31 support the community-based salmon restoration work of regional
32 fisheries enhancement groups. The department shall work with the
33 regional fisheries enhancement group coalition to submit a report to
34 the office of financial management and the appropriate legislative
35 committees by December 1, 2013, with the outcomes and recommendations.

36 (15) \$24,000 of the oil spill prevention account--state
37 appropriation is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 2347 (oil transportation safety). If the
2 bill is not enacted by June 30, 2014, the amount provided in this
3 subsection shall lapse.

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

6 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

| | | |
|----|---|--------------------------------|
| 7 | General Fund--State Appropriation (FY 2014) | ((\$42,515,000)) |
| 8 | | <u>\$51,674,000</u> |
| 9 | General Fund--State Appropriation (FY 2015) | ((\$45,092,000)) |
| 10 | | <u>\$45,073,000</u> |
| 11 | General Fund--Federal Appropriation | \$26,963,000 |
| 12 | General Fund--Private/Local Appropriation | \$2,372,000 |
| 13 | Forest Development Account--State Appropriation | ((\$49,054,000)) |
| 14 | | <u>\$50,687,000</u> |
| 15 | ORV and Nonhighway Vehicle Account--State Appropriation . . | \$4,494,000 |
| 16 | Surveys and Maps Account--State Appropriation | ((\$2,170,000)) |
| 17 | | <u>\$1,680,000</u> |
| 18 | Aquatic Lands Enhancement Account--State | |
| 19 | Appropriation | ((\$3,634,000)) |
| 20 | | <u>\$3,628,000</u> |
| 21 | Snowmobile Account--State Appropriation | \$100,000 |
| 22 | Environmental Legacy Stewardship Account--State | |
| 23 | Appropriation | \$3,948,000 |
| 24 | Resources Management Cost Account--State | |
| 25 | Appropriation | ((\$111,073,000)) |
| 26 | | <u>\$116,498,000</u> |
| 27 | Surface Mining Reclamation Account--State | |
| 28 | Appropriation | ((\$3,972,000)) |
| 29 | | <u>\$3,969,000</u> |
| 30 | Disaster Response Account--State Appropriation | \$5,000,000 |
| 31 | Forest and Fish Support Account--State Appropriation . . . | \$11,759,000 |
| 32 | Aquatic Land Dredged Material Disposal Site | |
| 33 | Account--State Appropriation | ((\$843,000)) |
| 34 | | <u>\$463,000</u> |
| 35 | Natural Resources Conservation Areas Stewardship | |
| 36 | Account--State Appropriation | \$34,000 |
| 37 | Marine Resources Stewardship Trust Account--State | |

| | | |
|----|--|--------------------------------|
| 1 | Appropriation | \$3,700,000 |
| 2 | State Toxics Control Account--State Appropriation | \$80,000 |
| 3 | Forest Practices Application Account--State | |
| 4 | Appropriation | \$1,697,000 |
| 5 | Air Pollution Control Account--State Appropriation | \$785,000 |
| 6 | NOVA Program Account--State Appropriation | \$950,000 |
| 7 | Derelict Vessel Removal Account--State Appropriation | \$1,770,000 |
| 8 | Agricultural College Trust Management Account--State | |
| 9 | Appropriation | \$2,712,000 |
| 10 | TOTAL APPROPRIATION | ((\$324,717,000)) |
| 11 | | <u>\$340,036,000</u> |

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

14 (1) \$1,389,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$1,323,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for deposit into the agricultural
17 college trust management account and are provided solely to manage
18 approximately 70,700 acres of Washington State University's
19 agricultural college trust lands.

20 (2) ~~((\$19,099,000))~~ \$28,271,000 of the general fund--state
21 appropriation for fiscal year 2014, \$19,099,000 of the general fund--
22 state appropriation for fiscal year 2015, and \$5,000,000 of the
23 disaster response account--state appropriation are provided solely for
24 emergency fire suppression. None of the general fund and disaster
25 response account amounts provided in this subsection may be used to
26 fund agency indirect and administrative expenses. Agency indirect and
27 administrative costs shall be allocated among the agency's remaining
28 accounts and appropriations. The department of natural resources shall
29 submit a quarterly report to the office of financial management and the
30 legislative fiscal committees detailing information on current and
31 planned expenditures from the disaster response account. This work
32 shall be done in coordination with the military department.

33 (3) \$5,000,000 of the forest and fish support account--state
34 appropriation is provided solely for outcome-based, performance
35 contracts with tribes to participate in the implementation of the
36 forest practices program. Contracts awarded may only contain indirect
37 costs set at or below the rate in the contracting tribe's indirect cost

1 agreement with the federal government. If federal funding for this
2 purpose is reinstated, the amount provided in this subsection shall
3 lapse.

4 (4) \$518,000 of the forest and fish support account--state
5 appropriation is provided solely for outcome-based performance
6 contracts with nongovernmental organizations to participate in the
7 implementation of the forest practices program. Contracts awarded may
8 only contain indirect cost set at or below a rate of eighteen percent.

9 (5) \$717,000 of the forest and fish support account--state
10 appropriation is provided solely to fund interagency agreements with
11 the department of ecology and the department of fish and wildlife as
12 part of the adaptive management process.

13 (6) \$440,000 of the state general fund--state appropriation for
14 fiscal year 2014 and \$440,000 of the state general fund--state
15 appropriation for fiscal year 2015 are provided solely for forest work
16 crews that support correctional camps and are contingent upon
17 continuing operations of Naselle youth camp.

18 (7) \$2,382,000 of the resource management cost account--state
19 appropriation is for addressing the growing backlog of expired aquatic
20 leases and new aquatic lease applications. The department shall
21 implement a Lean process to improve the lease review process and
22 further reduce the backlog, and submit a report on its progress in
23 addressing the backlog and implementation of the Lean process to the
24 governor and the appropriate committees of the legislature by October
25 1, 2013.

26 (8) \$1,948,000 of the environmental legacy stewardship account--
27 state appropriation is provided solely for the department to pay a
28 portion of the costs to complete remedial investigation work at
29 Whitmarsh landfill and Mill site A and perform final-year maintenance
30 of the Olympic view triangle site in Commencement Bay.

31 (9) \$265,000 of the resources management cost account--state
32 appropriation is provided solely for implementation of Second
33 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill
34 is not enacted by June 30, 2013, the amount provided in this subsection
35 shall lapse.

36 (10) \$425,000 of the derelict vessel removal account--state
37 appropriation is provided solely for implementation of Engrossed

1 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
2 the bill is not enacted by June 30, 2013, the amount provided in this
3 subsection shall lapse.

4 (11) \$3,700,000 of the marine resources stewardship trust account--
5 state appropriation is provided solely for implementation of priority
6 marine management planning efforts including mapping activities,
7 ecological assessment, data tools, stakeholder engagement, and all
8 other work identified in Engrossed Senate Bill No. 5603 (marine
9 advisory councils) during the 2013-2015 fiscal biennium.

10 **Sec. 309.** 2013 2nd sp.s. c 4 s 309 (uncodified) is amended to read
11 as follows:

12 **FOR THE DEPARTMENT OF AGRICULTURE**

| | | |
|----|---|-------------------------------|
| 13 | General Fund--State Appropriation (FY 2014) | ((\$15,300,000)) |
| 14 | | <u>\$15,274,000</u> |
| 15 | General Fund--State Appropriation (FY 2015) | ((\$15,294,000)) |
| 16 | | <u>\$16,333,000</u> |
| 17 | General Fund--Federal Appropriation | ((\$23,098,000)) |
| 18 | | <u>\$23,054,000</u> |
| 19 | General Fund--Private/Local Appropriation | \$192,000 |
| 20 | Aquatic Lands Enhancement Account--State | |
| 21 | Appropriation | ((\$2,837,000)) |
| 22 | | <u>\$2,839,000</u> |
| 23 | State Toxics Control Account--State Appropriation . . . | ((\$5,203,000)) |
| 24 | | <u>\$5,206,000</u> |
| 25 | Water Quality Permit Account--State Appropriation | ((\$70,000)) |
| 26 | | <u>\$73,000</u> |
| 27 | TOTAL APPROPRIATION | ((\$61,994,000)) |
| 28 | | <u>\$62,971,000</u> |

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

31 (1) \$5,308,445 of the general fund--state appropriation for fiscal
32 year 2014 and ((~~\$5,302,905~~)) \$6,302,905 of the general fund--state
33 appropriation for fiscal year 2015 are provided solely for implementing
34 the food assistance program as defined in RCW 43.23.290.

35 (2) Pursuant to RCW 43.135.055 and 16.57.220, the department is
36 authorized to institute livestock inspection fees in the 2013-2015
37 fiscal biennium for calves less than thirty days old.

1 (3) Pursuant to RCW 43.135.055 and 16.36.150, the department is
2 authorized to establish a fee for the sole purpose of purchasing and
3 operating a database and any other technology or software needed to
4 administer animal disease traceability activities for cattle sold or
5 slaughtered in the state or transported out of the state.

6 (4) Within the amounts appropriated in this section, the department
7 of agriculture must convene and facilitate a work group with
8 appropriate stakeholders to review fees supporting programs within the
9 department that are also supported with state general fund. In
10 developing strategies to make the program work more self-supporting,
11 the workgroup will consider, at minimum, the length of time since the
12 last fee increase, similar fees that exist in neighboring states, and
13 fee increases that will ensure reasonable competitiveness in the
14 respective industries. The workgroup must submit a report containing
15 recommendations that will make each of the fee supported programs
16 within the department less reliant on state general fund to the office
17 of financial management and legislative fiscal committees by December
18 1, 2013.

19 (5) \$72,000 of the general fund--state appropriation for fiscal
20 year 2015 is provided solely for implementation of House Bill No. 2405
21 (hemp/commercial animal feed). If the bill is not enacted by June 30,
22 2014, the amount provided in this subsection shall lapse.

23 **Sec. 310.** 2013 2nd sp.s. c 4 s 310 (uncodified) is amended to read
24 as follows:

25 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

26 Pollution Liability Insurance Program Trust
27 Account--State Appropriation ((~~\$987,000~~))
28 \$1,000,000

29 **Sec. 311.** 2013 2nd sp.s. c 4 s 311 (uncodified) is amended to read
30 as follows:

31 **FOR THE PUGET SOUND PARTNERSHIP**

32 General Fund--State Appropriation (FY 2014) ((~~\$2,416,000~~))
33 \$2,398,000
34 General Fund--State Appropriation (FY 2015) ((~~\$2,318,000~~))
35 \$2,403,000
36 General Fund--Federal Appropriation ((~~\$11,570,000~~))

| | | |
|---|--|-------------------------------|
| 1 | | <u>\$11,630,000</u> |
| 2 | Aquatic Lands Enhancement Account--State Appropriation . . . | \$1,920,000 |
| 3 | State Toxics Control Account--State Appropriation | ((\$676,000)) |
| 4 | | <u>\$682,000</u> |
| 5 | TOTAL APPROPRIATION | ((\$18,900,000)) |
| 6 | | <u>\$19,033,000</u> |

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

9 (1) \$788,000 of the aquatic lands enhancement account--state
10 appropriation is provided solely for coordinating a study of Puget
11 Sound juvenile steelhead marine survival conducted by the department of
12 fish and wildlife and based on a study plan developed in cooperation
13 with federal, tribal, and nongovernmental entities.

14 (2) By October 1, 2014, the Puget Sound partnership shall provide
15 the governor a single, prioritized list of state agency 2015-2017
16 capital and operating budget requests related to Puget Sound
17 restoration.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2013 2nd sp.s. c 4 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

| | |
|--|-------------------------------|
| General Fund--State Appropriation (FY 2014) | ((\$1,103,000)) |
| | <u>\$1,087,000</u> |
| General Fund--State Appropriation (FY 2015) | ((\$1,341,000)) |
| | <u>\$1,326,000</u> |
| Architects' License Account--State Appropriation | \$902,000 |
| Professional Engineers' Account--State | |
| Appropriation | ((\$3,558,000)) |
| | <u>\$3,545,000</u> |
| Real Estate Commission Account--State Appropriation | ((\$9,929,000)) |
| | <u>\$9,935,000</u> |
| Uniform Commercial Code Account--State | |
| Appropriation | ((\$3,154,000)) |
| | <u>\$3,145,000</u> |
| Real Estate Education Account--State Appropriation | \$276,000 |
| Real Estate Appraiser Commission Account--State | |
| Appropriation | ((\$1,703,000)) |
| | <u>\$1,705,000</u> |
| Business and Professions Account--State | |
| Appropriation | ((\$17,454,000)) |
| | <u>\$17,596,000</u> |
| Funeral and Cemetery Account--State Appropriation | \$5,000 |
| Landscape Architects' License Account--State Appropriation | \$4,000 |
| Appraisal Management Company Account--State | |
| Appropriation | \$4,000 |
| Real Estate Research Account--State Appropriation | \$415,000 |
| Wildlife Account--State Appropriation | \$32,000 |
| Geologists' Account--State Appropriation | \$52,000 |
| Derelict Vessel Removal Account--State Appropriation | \$31,000 |
| TOTAL APPROPRIATION | ((\$39,963,000)) |
| | <u>\$40,060,000</u> |

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

3 (1) \$566,000 of the business and professions account--state
4 appropriation is provided solely for the implementation of Engrossed
5 Substitute House Bill No. 1552 (scrap metal theft reduction). If the
6 bill is not enacted by June 30, 2013, the amount provided in this
7 subsection shall lapse.

8 (2) \$166,000 of the business and professions account--state
9 appropriation in fiscal year 2014 only is provided solely for the
10 implementation of Substitute House Bill No. 1779 (esthetics). If the
11 bill is not enacted by June 30, 2013, the amount provided in this
12 subsection shall lapse.

13 (3) \$592,000 of the business and professions account--state
14 appropriation is provided solely for the implementation of Substitute
15 House Bill No. 1822 (debt collection practices). If the bill is not
16 enacted by June 30, 2013, the amount provided in this subsection shall
17 lapse.

18 (4) \$32,000 of the state wildlife account--state appropriation is
19 provided solely for the implementation of Engrossed Second Substitute
20 Senate Bill No. 5193 (wolf conflict management). If the bill is not
21 enacted by June 30, 2013, the amount provided in this subsection shall
22 lapse.

23 (5) \$112,000 of the business and professions account--state
24 appropriation is provided solely for the implementation of Engrossed
25 Substitute House Bill No. 2512 (cosmetology, hair design, etc.). If
26 the bill is not enacted by June 30, 2014, the amount provided in this
27 subsection shall lapse.

28 **Sec. 402.** 2013 2nd sp.s. c 4 s 402 (uncodified) is amended to read
29 as follows:

30 **FOR THE STATE PATROL**

| | | |
|----|---|-------------------------------|
| 31 | General Fund--State Appropriation (FY 2014) | ((\$34,653,000)) |
| 32 | | <u>\$35,679,000</u> |
| 33 | General Fund--State Appropriation (FY 2015) | ((\$32,485,000)) |
| 34 | | <u>\$34,407,000</u> |
| 35 | General Fund--Federal Appropriation | ((\$16,189,000)) |
| 36 | | <u>\$15,882,000</u> |
| 37 | General Fund--Private/Local Appropriation | \$3,020,000 |

| | | |
|----|--|--------------------------------|
| 1 | Death Investigations Account--State Appropriation . . . | ((\$9,956,000)) |
| 2 | | <u>\$9,960,000</u> |
| 3 | Enhanced 911 Account--State Appropriation | \$3,480,000 |
| 4 | County Criminal Justice Assistance Account--State | |
| 5 | Appropriation | \$3,332,000 |
| 6 | Municipal Criminal Justice Assistance Account--State | |
| 7 | Appropriation | \$1,351,000 |
| 8 | Fire Service Trust Account--State Appropriation | \$131,000 |
| 9 | Disaster Response Account--State Appropriation | \$8,000,000 |
| 10 | Fire Service Training Account--State Appropriation | \$9,797,000 |
| 11 | Aquatic Invasive Species Enforcement Account--State | |
| 12 | Appropriation | \$54,000 |
| 13 | State Toxics Control Account--State Appropriation | \$516,000 |
| 14 | Fingerprint Identification Account--State | |
| 15 | Appropriation | ((\$10,747,000)) |
| 16 | | <u>\$10,841,000</u> |
| 17 | Vehicle License Fraud Account--State Appropriation | ((\$447,000)) |
| 18 | | <u>\$337,000</u> |
| 19 | TOTAL APPROPRIATION | ((\$134,158,000)) |
| 20 | | <u>\$136,787,000</u> |

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

23 (1) \$200,000 of the fire service training account--state
24 appropriation is provided solely for two FTEs in the office of the
25 state director of fire protection to exclusively review K-12
26 construction documents for fire and life safety in accordance with the
27 state building code. It is the intent of this appropriation to provide
28 these services only to those districts that are located in counties
29 without qualified review capabilities.

30 (2) \$8,000,000 of the disaster response account--state
31 appropriation is provided solely for Washington state fire service
32 resource mobilization costs incurred in response to an emergency or
33 disaster authorized under RCW 43.43.960 through 43.43.964. The state
34 patrol shall submit a report quarterly to the office of financial
35 management and the legislative fiscal committees detailing information
36 on current and planned expenditures from this account. This work shall
37 be done in coordination with the military department.

1 (3) \$700,000 of the fire service training account--state
2 appropriation is provided solely for the firefighter apprenticeship
3 training program.

4 (4) \$3,480,000 of the enhanced 911 account--state appropriation is
5 provided solely for upgrades to the Washington state identification
6 system and the Washington crime information center. Amounts provided
7 in this subsection may not be expended until the office of the chief
8 information officer approves a plan to move the Washington state
9 patrol's servers and data center equipment into the state data center
10 in the 1500 Jefferson building, and the office of the chief information
11 officer certifies that the Washington state patrol has begun the move.
12 The amounts provided in this subsection are conditioned on the
13 department satisfying the requirements of the project management
14 oversight standards and policies established by the office of the chief
15 information officer.

16 (5) \$154,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Substitute House
18 Bill No. 1612 (firearms offenders). If the bill is not enacted by June
19 30, 2013, the amount provided in this subsection shall lapse.

20 (6) \$94,000 of the fingerprint identification account--state
21 appropriation is provided solely for implementation of House Bill No.
22 2534 (fingerprint background checks). If the bill is not enacted by
23 June 30, 2014, the amount provided in this subsection shall lapse.

(End of part)

PART V
EDUCATION

Sec. 501. 2013 2nd sp.s. c 4 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

| | |
|---|--------------------------------|
| General Fund--State Appropriation (FY 2014) | ((\$27,264,000)) |
| | <u>\$27,325,000</u> |
| General Fund--State Appropriation (FY 2015) | ((\$26,041,000)) |
| | <u>\$27,394,000</u> |
| General Fund--Federal Appropriation | ((\$63,826,000)) |
| | <u>\$71,064,000</u> |
| General Fund--Private/Local Appropriation | \$4,005,000 |
| Performance Audits of Government Account--State | |
| Appropriation | \$200,000 |
| TOTAL APPROPRIATION | ((\$121,336,000)) |
| | <u>\$129,988,000</u> |

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

(1) A maximum of ((~~\$16,881,000~~)) \$17,048,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$16,602,000~~)) \$17,595,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) ((~~\$8,846,000~~)) \$9,013,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$8,910,000~~)) \$8,838,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

1 (iii) By September of each year, the office of the superintendent
2 of public instruction shall produce an annual status report of the
3 budget provisos in sections 501 and 513 of this act. The status report
4 of each proviso shall include, but not be limited to, the following
5 information: Purpose and objective, number of staff, number of
6 contractors, status of proviso implementation, number of beneficiaries
7 by year, list of beneficiaries, and proviso outcomes and achievements.

8 (iv) The superintendent of public instruction shall update the
9 program prepared and distributed under RCW 28A.230.150 for the
10 observation of temperance and good citizenship day to include providing
11 an opportunity for eligible students to register to vote at school.

12 ~~((vi) Appropriations in this section are sufficient for the office
13 of the superintendent of public instruction to conduct ongoing
14 consolidated program reviews of alternative learning experience
15 programs and dropout reengagement programs established under chapter
16 20, Laws of 2010. The office of the superintendent of public
17 instruction shall include alternative learning education and dropout
18 reengagement programs in their ongoing consolidated program reviews, as
19 well as provide outreach and training to school districts regarding
20 implementation of the programs. Findings from the program reviews will
21 be used to support and prioritize office of the superintendent outreach
22 and education efforts that assist school districts in implementing the
23 programs in accordance with statute and legislative intent, as well as
24 to support financial and performance audit work conducted by the office
25 of the state auditor.))~~

26 (b) \$1,017,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$1,017,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for activities associated with the
29 implementation of new school finance systems required by chapter 236,
30 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
31 (state's education system), including technical staff, systems
32 reprogramming, and workgroup deliberations, including the quality
33 education council and the data governance working group.

34 (c) \$1,012,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$1,012,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the operation and expenses of
37 the state board of education, including basic education assistance
38 activities. Of these amounts, \$161,000 of the general fund--state

1 appropriation for fiscal year 2014 and \$161,000 of the general fund--
2 state appropriation for fiscal year 2015 are provided for
3 implementation of Initiative Measure No. 1240 (charter schools).

4 (d) \$1,325,000 of the general fund--state appropriation for fiscal
5 year 2014 and (~~(\$1,325,000)~~) \$1,642,000 of the general fund--state
6 appropriation for fiscal year 2015 are provided solely to the
7 professional educator standards board for the following:

8 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year
9 2015 are for the operation and expenses of the Washington professional
10 educator standards board;

11 (ii) \$250,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$250,000 of the general fund--state appropriation for
13 fiscal year 2015 are for mentor stipends provided through the
14 alternative routes to certification program administered by the
15 professional educator standards board, including the pipeline for
16 paraeducators program and the retooling to teach conditional loan
17 programs. Funding within this subsection (1)(d)(ii) is also provided
18 for the recruiting Washington teachers program; (~~and~~)

19 (iii) \$25,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$25,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the professional educator
22 standards board to develop educator interpreter standards and identify
23 interpreter assessments that are available to school districts.
24 Interpreter assessments should meet the following criteria: (A)
25 Include both written assessment and performance assessment; (B) be
26 offered by a national organization of professional sign language
27 interpreters and transliterators; and (C) be designed to assess
28 performance in more than one sign system or sign language. The board
29 shall establish a performance standard, defining what constitutes a
30 minimum assessment result, for each educational interpreter assessment
31 identified. The board shall publicize the standards and assessments
32 for school district use;

33 (iv) \$24,000 of the general fund--state appropriation for fiscal
34 year 2015 is provided solely for the professional educator standards
35 board to: (A) Disseminate information about principles of language
36 acquisition as a critical knowledge and skill for educators in support
37 of instruction for English language learners; and (B) in conjunction
38 with the office of the superintendent of public instruction, revise the

1 model framework and curriculum for high school career and technical
2 education courses related to careers in education to incorporate
3 standards of cultural competence, new research on educator preparation,
4 and curriculum and activities from the recruiting Washington teacher
5 program; and

6 (v) \$293,000 of the general fund--state appropriation for fiscal
7 year 2015 is provided solely for implementation of Substitute House
8 Bill No. 2365 (paraeducator development). If the bill is not enacted
9 by June 30, 2014, the amount provided in this subsection shall lapse.

10 (e) \$133,000 of the general fund--state appropriation for fiscal
11 year 2014 and (~~(\$133,000)~~) \$266,000 of the general fund--state
12 appropriation for fiscal year 2015 are provided solely for the
13 implementation of chapter 240, Laws of 2010, including staffing the
14 office of equity and civil rights.

15 (f) \$50,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$50,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the ongoing work of the
18 education opportunity gap oversight and accountability committee.

19 (g) \$45,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$45,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the implementation of chapter
22 380, Laws of 2009 (enacting the interstate compact on educational
23 opportunity for military children).

24 (h) \$131,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$131,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for the implementation of
27 Initiative Measure No. 1240 (charter schools).

28 (i) \$1,826,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$1,802,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for implementing a comprehensive
31 data system to include financial, student, and educator data, including
32 development and maintenance of the comprehensive education data and
33 research system (CEDARS).

34 (j) \$25,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$25,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for project citizen, a program
37 sponsored by the national conference of state legislatures and the

1 center for civic education to promote participation in government by
2 middle school students.

3 (k) \$1,500,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,500,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for collaborative schools for
6 innovation and success authorized under chapter 53, Laws of 2012. The
7 office of the superintendent of public instruction shall award \$500,000
8 per year in funding for each collaborative school for innovation and
9 success selected for participation in the pilot program during 2012.

10 (l) \$123,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$123,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for implementation of chapter 163,
13 Laws of 2012 (foster care outcomes). The office of the superintendent
14 of public instruction shall annually report each December on the
15 implementation of the state's plan of cross-system collaboration to
16 promote educational stability and improve education outcomes of foster
17 youth.

18 (m) \$250,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$250,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for implementation of chapter 178,
21 Laws of 2012 (open K-12 education resources).

22 (n) \$93,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$93,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for chapter 185, Laws of 2011
25 (bullying prevention, which requires the office of the superintendent
26 of public instruction to convene an ongoing workgroup on school
27 bullying and harassment prevention. Within the amounts provided,
28 \$140,000 is for youth suicide prevention activities.

29 (o) \$138,000 of the general fund--state appropriation for fiscal
30 year 2014 is provided solely for implementation of House Bill No. 1336
31 (troubled youth in school). If the bill is not enacted by June 30,
32 2013, the amounts provided in this subsection shall lapse.

33 (p) \$68,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$14,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for implementation of House Bill
36 No. 1134 (state-tribal education compacts). If the bill is not enacted
37 by June 30, 2013, the amounts provided in this subsection shall lapse.

1 (q) \$62,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$62,000 of the general fund--state appropriation for
3 fiscal year 2015 are for competitive grants to school districts to
4 increase the capacity of high schools to offer AP computer science
5 courses. In making grant allocations, the office of the superintendent
6 of public instruction must give priority to schools and districts in
7 rural areas, with substantial enrollment of low-income students, and
8 that do not offer AP computer science. School districts may apply to
9 receive either or both of the following grants:

10 (i) A grant to establish partnerships to support computer science
11 professionals from private industry serving on a voluntary basis as
12 coinstructors along with a certificated teacher, including via
13 synchronous video, for AP computer science courses; or

14 (ii) A grant to purchase or upgrade technology and curriculum
15 needed for AP computer science, as well as provide opportunities for
16 professional development for classroom teachers to have the requisite
17 knowledge and skills to teach AP computer science.

18 (r) \$27,000 of the general fund--state appropriation for fiscal
19 year 2014 is provided solely for implementation of House Bill No. 1556
20 (cardiac arrest education).

21 (s) \$50,000 of the general fund--state appropriation for fiscal
22 year 2014 is provided solely for the development of recommendations for
23 funding integrated school nursing and outreach services. The office of
24 the superintendent of public instruction shall collaborate with the
25 health care authority to develop recommendations for increasing federal
26 financial participation for providing nursing services in schools with
27 the goals of integrating nursing and outreach services and supporting
28 one nurse for every four-hundred fifty students in elementary schools
29 and one nurse for every seven-hundred fifty students in secondary
30 schools. The recommendations shall include proposals for funding
31 training and reimbursement for nurses that provide outreach services to
32 help eligible students enroll in apple health for kids and other social
33 services programs. The authority and the office of the superintendent
34 of public instruction shall provide these recommendations to the
35 governor and the legislature by December 1, 2013.

36 (t) \$50,000 of the general fund--state appropriation for fiscal
37 year 2014 is provided solely for the office of the superintendent of
38 public instruction to contract with an organization to develop a model

1 plan for evaluating the outcomes of state funded pilot education
2 programs, including guidelines for standard data that must be gathered
3 throughout any education pilot program, as well as guidance for data
4 and evaluation methods depending on the design of the program and the
5 target population. The contract must also include a provision to
6 provide guidance for the evaluation of existing pilot programs.

7 (u) \$10,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$10,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the superintendent of public
10 instruction to convene a committee for the selection and recognition of
11 Washington innovative schools. The committee shall select and
12 recognize Washington innovative schools based on the selection criteria
13 established by the office of the superintendent of public instruction,
14 in accordance with chapter 202, Laws of 2011 (innovation schools--
15 recognition) and chapter 260, Laws of 2011 (innovation schools and
16 zones).

17 (v) \$100,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$100,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the Mobius science center to
20 expand mobile outreach of science, technology, engineering, and
21 mathematics (STEM) education to students in rural, tribal, and
22 low-income communities.

23 (w) \$28,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely for the office of the superintendent of
25 public instruction to create a clearinghouse of research-based best
26 practices for school districts to provide academic and nonacademic
27 support for students while they are subject to disciplinary action and
28 after their reengagement in school.

29 (x) \$49,000 of the general fund--state appropriation for fiscal
30 year 2015 is provided solely for the office of the superintendent of
31 public instruction, in collaboration with the educational opportunity
32 gap oversight and accountability committee, the professional educator
33 standards board, colleges of education, and representatives from
34 diverse communities and community-based organizations, to develop a
35 content outline for professional development and training in cultural
36 competence for school staff, which educational service districts and
37 school districts are encouraged to use.

1 (y) \$117,000 of the general fund--state appropriation for fiscal
2 year 2015 is provided solely for the office of the superintendent of
3 public instruction to convene a task force to design a performance-
4 based assistance and accountability system for the transitional
5 bilingual instruction program. The office must submit a report with
6 recommendations from the task force to the education and fiscal
7 committees of the legislature by January 15, 2016.

8 (z) \$134,000 of the general fund--state appropriation for fiscal
9 year 2015 is provided solely for the office of the superintendent of
10 public instruction to perform on-going program reviews of alternative
11 learning experience programs and dropout reengagement programs.
12 Appropriations in this subsection are sufficient for the office of the
13 superintendent of public instruction to conduct ongoing consolidated
14 program reviews of alternative learning experience programs and dropout
15 reengagement programs established under chapter 20, Laws of 2010. The
16 office of the superintendent of public instruction shall include
17 alternative learning education and dropout reengagement programs in its
18 ongoing consolidated program reviews, as well as provide outreach and
19 training to school districts regarding implementation of the programs.
20 Findings from the program reviews will be used to support and
21 prioritize the office of the superintendent of public instruction
22 outreach and education efforts that assist school districts in
23 implementing the programs in accordance with statute and legislative
24 intent, as well as to support financial and performance audit work
25 conducted by the office of the state auditor.

26 (aa) \$287,000 of the general fund--state appropriation for fiscal
27 year 2015 is provided solely for implementation of Second Substitute
28 House Bill No. 2540 (career and tech course equivalencies). If the
29 bill is not enacted by June 30, 2014, the amounts provided in this
30 subsection shall lapse.

31 (bb) Appropriations in this section are sufficient for the office
32 of the superintendent of public instruction to implement Second
33 Substitute House Bill No. 2166 (students/military families).

34 (cc) Appropriations in this section are sufficient for the office
35 of the superintendent of public instruction to implement Substitute
36 House Bill No. 2536 (breakfast after the bell).

37 (dd) Appropriations in this section are sufficient for the office

1 of the superintendent of public instruction to implement Engrossed
2 Second Substitute House Bill No. 2383 (career and college readiness).

3 (2) \$200,000 of the performance audits of government account--state
4 appropriation is provided solely for a one-time workload increase to
5 address additional audit resolutions and appeals in the alternative
6 learning experience programs.

7 (3) \$10,277,000 of the general fund--state appropriation for fiscal
8 year 2014 and (~~(\$9,565,000)~~) \$9,799,000 of the general fund--state
9 appropriation for fiscal year 2015 are for statewide programs.

10 (a) HEALTH AND SAFETY

11 (i) \$2,541,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$2,541,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for a corps of nurses located at
14 educational service districts, as determined by the superintendent of
15 public instruction, to be dispatched to the most needy schools to
16 provide direct care to students, health education, and training for
17 school staff.

18 (ii) \$135,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$135,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for a nonviolence and leadership
21 training program provided by the institute for community leadership.

22 (b) TECHNOLOGY

23 \$1,221,000 of the general fund--state appropriation for fiscal year
24 2014 and \$1,221,000 of the general fund--state appropriation for fiscal
25 year 2015 are provided solely for K-20 telecommunications network
26 technical support in the K-12 sector to prevent system failures and
27 avoid interruptions in school utilization of the data processing and
28 video-conferencing capabilities of the network. These funds may be
29 used to purchase engineering and advanced technical support for the
30 network.

31 (c) GRANTS AND ALLOCATIONS

32 (i) \$1,875,000 of the general fund--state appropriation for fiscal
33 year 2014 and (~~(\$1,875,000)~~) \$2,109,000 of the general fund--state
34 appropriation for fiscal year 2015 are provided solely for the
35 Washington state achievers scholarship program. The funds shall be
36 used to support community involvement officers that recruit, train, and
37 match community volunteer mentors with students selected as achievers
38 scholars.

1 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$1,000,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for contracting with a college
4 scholarship organization with expertise in conducting outreach to
5 students concerning eligibility for the Washington college bound
6 scholarship consistent with chapter 405, Laws of 2007.

7 (iii) \$1,000,000 of the general fund--state appropriation for
8 fiscal year 2014 and \$1,000,000 of the general fund--state
9 appropriation for fiscal year 2015 are provided solely for dropout
10 prevention, intervention, and reengagement programs, including the jobs
11 for America's graduates (JAG) program and the building bridges
12 statewide program. Students in the foster care system shall be given
13 priority by districts offering the jobs for America's graduates
14 program.

15 (iv) \$2,112,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$1,400,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the implementation of chapter
18 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the
19 development and implementation of the Washington kindergarten inventory
20 of developing skills (WaKIDS).

21 (v) \$100,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$100,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely to subsidize advanced placement
24 exam fees and international baccalaureate class fees and exam fees for
25 low-income students. To be eligible for the subsidy, a student must be
26 either enrolled or eligible to participate in the federal free or
27 reduced price lunch program, and the student must have maximized the
28 allowable federal contribution. The office of the superintendent of
29 public instruction shall set the subsidy in an amount so that the
30 advanced placement exam fee does not exceed \$15.00 and the combined
31 class and exam fee for the international baccalaureate does not exceed
32 \$14.50.

33 (vi) \$293,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$293,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the office of the
36 superintendent of public instruction to support (~~the dissemination of~~
37 ~~the navigation 101 curriculum to all districts~~) district

1 implementation of comprehensive guidance and planning programs
2 consistent with RCW 28A.600.045.

3 **Sec. 502.** 2013 2nd sp.s. c 4 s 502 (uncodified) is amended to read
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
6 **APPORTIONMENT**

7 General Fund--State Appropriation (FY 2014) ((~~\$5,395,289,000~~))
8 \$5,386,820,000

9 General Fund--State Appropriation (FY 2015) ((~~\$5,581,336,000~~))
10 \$5,571,788,000

11 Education Legacy Trust Account--State
12 Appropriation ((~~\$328,563,000~~))
13 \$410,655,000

14 TOTAL APPROPRIATION ((~~\$11,305,188,000~~))
15 \$11,369,263,000

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

18 (1)(a) Each general fund fiscal year appropriation includes such
19 funds as are necessary to complete the school year ending in the fiscal
20 year and for prior fiscal year adjustments.

21 (b) For the 2013-14 and 2014-15 school years, the superintendent
22 shall allocate general apportionment funding to school districts as
23 provided in the funding formulas and salary schedules in sections 502
24 and 503 of this act, excluding (c) of this subsection.

25 (c) From July 1, 2013, to August 31, 2013, the superintendent shall
26 allocate general apportionment funding to school districts programs as
27 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.
28 sess., as amended.

29 (d) The enrollment of any district shall be the annual average
30 number of full-time equivalent students and part-time students as
31 provided in RCW 28A.150.350, enrolled on the fourth day of school in
32 September and on the first school day of each month October through
33 June, including students who are in attendance pursuant to RCW
34 28A.335.160 and 28A.225.250 who do not reside within the servicing
35 school district. Any school district concluding its basic education
36 program in May must report the enrollment of the last school day held
37 in May in lieu of a June enrollment.

1 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

2 Allocations for certificated instructional staff salaries for the
3 2013-14 and 2014-15 school years are determined using formula-generated
4 staff units calculated pursuant to this subsection.

5 (a) Certificated instructional staff units, as defined in RCW
6 28A.150.410, shall be allocated to reflect the minimum class size
7 allocations, requirements, and school prototypes assumptions as
8 provided in RCW 28A.150.260, except that the allocation for guidance
9 counselors in a middle school shall be 1.216 and the allocation for
10 guidance counselors in a high school shall be 2.009, which enhancements
11 are within the program of basic education. The superintendent shall
12 make allocations to school districts based on the district's annual
13 average full-time equivalent student enrollment in each grade.

14 (b) Additional certificated instructional staff units provided in
15 this subsection (2) that exceed the minimum requirements in RCW
16 28A.150.260 are enhancements outside the program of basic education,
17 except as otherwise provided in this section.

18 (c)(i) The superintendent shall base allocations for each level of
19 prototypical school on the following regular education average class
20 size of full-time equivalent students per teacher, except as provided
21 in (c)(ii) of this subsection:

22 General education class size:

| 23 Grade | RCW 28A.150.260 | 2013-14 | 2014-15 |
|----------------|-----------------|-------------|-------------|
| | | School Year | School Year |
| 24 Grades K-3 | | 25.23 | 25.23 |
| 25 Grade 4 | | 27.00 | 27.00 |
| 26 Grades 5-6 | | 27.00 | 27.00 |
| 27 Grades 7-8 | | 28.53 | 28.53 |
| 28 Grades 9-12 | | 28.74 | 28.74 |

29
30 The superintendent shall base allocations for career and technical
31 education (CTE) and skill center programs average class size as
32 provided in RCW 28A.150.260.

33 (ii) For each level of prototypical school at which more than fifty
34 percent of the students were eligible for free and reduced-price meals

1 in the prior school year, the superintendent shall allocate funding
2 based on the following average class size of full-time equivalent
3 students per teacher:

4 (A) General education class size in high poverty schools:

| 5 | Grade | RCW 28A.150.260 |
|----|-------------------|-----------------|
| 6 | Grade 2 | 24.10 |
| 7 | Grade 3 | 24.10 |
| 8 | Grade 4 | 27.00 |
| 9 | Grades 5-6 | 27.00 |
| 10 | Grades 7-8 | 28.53 |
| 11 | Grades 9-12 | 28.74 |

12 (B) For grades K-1, class size of 20.85 is provided for high
13 poverty schools for the 2013-14 school year;

14 (C) For grades K through 1, the superintendent shall, at a minimum,
15 allocate funding to high-poverty schools for the 2014-15 school year
16 based on an average class size of 24.10 full-time equivalent students
17 per teacher. The superintendent shall provide enhanced funding for
18 class size reduction in grades K through 1 to the extent of, and
19 proportionate to, the school's demonstrated actual average class size
20 up to a class size of 20.30 full-time equivalent students per teacher.
21 The office of the superintendent of public instruction shall develop
22 rules to implement the enhanced funding authorized under (ii)(C) of
23 this subsection and shall distribute draft rules for review no later
24 than December 1, 2013. The office of the superintendent of public
25 instruction shall report the draft rules and proposed methodology to
26 the governor and the appropriate policy and fiscal committees of the
27 legislature by December 1, 2013.

28 (D) The enhancement in this subsection (2)(c)(ii) is within the
29 program of basic education.

30 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
31 planning period, expressed as a percentage of a teacher work day, is:

32 (A) 13.42 percent in grades K-6 (, and 16.67 percent in grades 7-
33 12; and)) for the 2013-14 and 2014-15 school years; and

34 (B) 16.67 percent in grades 7-12 for the 2013-14 school year, and
35 22.14 percent in grades 7-12 for the 2014-15 school year. The

1 enhancement in this subsection (2)(c)(iii)(B) is within the program of
2 basic education and is sufficient to fund increased instructional hours
3 under 28A.150.220(2)(a). School districts shall implement the
4 increased instructional hours for the program of basic education
5 required under the provisions of RCW 28A.150.220(2)(a) beginning with
6 the 2014-15 school year.

7 (iv) Laboratory science, advanced placement, and international
8 baccalaureate courses are funded at the same class size assumptions as
9 general education schools in the same grade; and

10 (d)(i) Funding for teacher librarians, school nurses, social
11 workers, school psychologists, and guidance counselors is allocated
12 based on the school prototypes as provided in RCW 28A.150.260 and (a)
13 of this subsection and is considered certificated instructional staff,
14 except as provided in (d)(ii) of this subsection.

15 (ii) Students in approved career and technical education and skill
16 center programs generate certificated instructional staff units to
17 provide for the services of teacher librarians, school nurses, social
18 workers, school psychologists, and guidance counselors at the following
19 combined rate per 1000 students:

20 Career and Technical Education

| | |
|------------------------------------|-----------------------------|
| 21 students | 2.02 per 1000 student FTE's |
| 22 Skill Center students | 2.36 per 1000 student FTE's |

23 (3) ADMINISTRATIVE STAFF ALLOCATIONS

24 (a) Allocations for school building-level certificated
25 administrative staff salaries for the 2013-14 and 2014-15 school years
26 for general education students are determined using the formula
27 generated staff units calculated pursuant to this subsection. The
28 superintendent shall make allocations to school districts based on the
29 district's annual average full-time equivalent enrollment in each
30 grade. The following prototypical school values shall determine the
31 allocation for principals, assistance principals, and other
32 certificated building level administrators:

33 Prototypical School Building:

| | | |
|----------------------|-------|-------|
| 34 Elementary School | | 1.253 |
| 35 Middle School | | 1.353 |

1 High School 1.880

2 (b) Students in approved career and technical education and skill
3 center programs generate certificated school building-level
4 administrator staff units at per student rates that are a multiple of
5 the general education rate in (a) of this subsection by the following
6 factors: Career and Technical Education students1.025
7 Skill Center students1.198

8 (4) CLASSIFIED STAFF ALLOCATIONS

9 Allocations for classified staff units providing school building-
10 level and district-wide support services for the 2013-14 and 2014-15
11 school years are determined using the formula-generated staff units
12 provided in RCW 28A.150.260, and adjusted based on each district's
13 annual average full-time equivalent student enrollment in each grade,
14 except that the allocation for parent involvement coordinators in an
15 elementary school shall be 0.0825, which enhancement is within the
16 program of basic education.

17 (5) CENTRAL OFFICE ALLOCATIONS

18 In addition to classified and administrative staff units allocated
19 in subsections (3) and (4) of this section, classified and
20 administrative staff units are provided for the 2013-14 and 2014-15
21 school year for the central office administrative costs of operating a
22 school district, at the following rates:

23 (a) The total central office staff units provided in this
24 subsection (5) are calculated by first multiplying the total number of
25 eligible certificated instructional, certificated administrative, and
26 classified staff units providing school-based or district-wide support
27 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

28 (b) Of the central office staff units calculated in (a) of this
29 subsection, 74.53 percent are allocated as classified staff units, as
30 generated in subsection (4) of this section, and 25.47 percent shall be
31 allocated as administrative staff units, as generated in subsection (3)
32 of this section.

33 (c) Staff units generated as enhancements outside the program of
34 basic education to the minimum requirements of RCW 28A.150.260, and
35 staff units generated by skill center and career-technical students,

1 are excluded from the total central office staff units calculation in
2 (a) of this subsection.

3 (d) For students in approved career-technical and skill center
4 programs, central office classified units are allocated at the same
5 staff unit per student rate as those generated for general education
6 students of the same grade in this subsection (5), and central office
7 administrative staff units are allocated at staff unit per student
8 rates that exceed the general education rate established for students
9 in the same grade in this subsection (5) by 1.71 percent in the 2013-14
10 school year and (~~(2.00)~~) 1.99 percent in the 2014-15 school year for
11 career and technical education students, and (~~(21.60)~~) 21.57 percent in
12 the 2013-14 school year and (~~(15.98)~~) 16.00 percent in the 2014-15
13 school year for skill center students.

14 (6) FRINGE BENEFIT ALLOCATIONS

15 Fringe benefit allocations shall be calculated at a rate of 18.68
16 percent in the 2013-14 school year and 18.68 percent in the 2014-15
17 school year for certificated salary allocations provided under
18 subsections (2), (3), and (5) of this section, and a rate of 20.95
19 percent in the 2013-14 school year and 20.95 percent in the 2014-15
20 school year for classified salary allocations provided under
21 subsections (4) and (5) of this section.

22 (7) INSURANCE BENEFIT ALLOCATIONS

23 Insurance benefit allocations shall be calculated at the
24 maintenance rate specified in section 504 of this act, based on the
25 number of benefit units determined as follows:

26 (a) The number of certificated staff units determined in
27 subsections (2), (3), and (5) of this section; and

28 (b) The number of classified staff units determined in subsections
29 (4) and (5) of this section multiplied by 1.152. This factor is
30 intended to adjust allocations so that, for the purposes of
31 distributing insurance benefits, full-time equivalent classified
32 employees may be calculated on the basis of 1440 hours of work per
33 year, with no individual employee counted as more than one full-time
34 equivalent.

35 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

36 Funding is allocated per annual average full-time equivalent

1 student for the materials, supplies, and operating costs (MSOC)
 2 incurred by school districts, consistent with the requirements of RCW
 3 28A.150.260.

4 (a) MSOC funding for general education students are allocated at
 5 the following per student rates:

6 MSOC RATES/STUDENT FTE

| 7 MSOC Component | 8 2013-14 | 9 2014-15 |
|---|----------------|--|
| 10 | 11 SCHOOL YEAR | 12 SCHOOL YEAR |
| 13 Technology | 14 \$77.46 | 15 (\$82.16) <u>\$89.13</u> |
| 16 Utilities and Insurance | 17 \$210.46 | 18 (\$223.23) <u>\$242.18</u> |
| 19 Curriculum and Textbooks | \$83.17 | (\$88.21) <u>\$95.69</u> |
| Other Supplies and Library Materials | \$176.56 | (\$187.27) <u>\$203.16</u> |
| Instructional Professional Development for Certificated and Classified Staff | \$12.86 | (\$13.64) <u>\$14.80</u> |
| Facilities Maintenance | \$104.27 | (\$110.59) <u>\$119.97</u> |
| Security and Central Office | \$72.24 | (\$76.62) <u>\$83.12</u> |
| 20 TOTAL BASIC EDUCATION MSOC/STUDENT FTE | 21 \$737.02 | 22 (\$781.72) <u>\$848.04</u> |

23 (b) Students in approved skill center programs generate per student
 24 FTE MSOC allocations of \$1,244.25 for the 2013-14 school year and
 25 ~~(\$1,262.92)~~ \$1,260.41 for the 2014-15 school year.

26 (c) Students in approved exploratory and preparatory career and
 27 technical education programs generate a per student MSOC allocation of
 28 \$1,399.30 for the 2013-14 school year and ~~(\$1,420.29)~~ \$1,417.48 for
 29 the 2014-15 school year.

30 (d) Students in laboratory science courses generate per student FTE
 31 MSOC allocations which equal the per student FTE rate for general
 32 education students established in (a) of this subsection.

33 (9) SUBSTITUTE TEACHER ALLOCATIONS

34 For the 2013-14 and 2014-15 school years, funding for substitute
 costs for classroom teachers is based on four (4) funded substitute
 days per classroom teacher unit generated under subsection (2) of this
 section, at a daily substitute rate of \$151.86.

1 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

2 (a) Amounts provided in this section from July 1, 2013, to August
3 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of
4 2011 1st sp. sess. (allocation of funding for funding for students
5 enrolled in alternative learning experiences).

6 (b) Amounts provided in this section beginning September 1, 2013,
7 are adjusted to reflect modifications to alternative learning
8 experience courses in Engrossed Substitute Senate Bill No. 5946
9 (student educational outcomes).

10 (c) The superintendent of public instruction shall require all
11 districts receiving general apportionment funding for alternative
12 learning experience (ALE) programs as defined in WAC 392-121-182 to
13 provide separate financial accounting of expenditures for the ALE
14 programs offered in district or with a provider, including but not
15 limited to private companies and multidistrict cooperatives, as well as
16 accurate, monthly headcount and FTE enrollment claimed for basic
17 education, including separate counts of resident and nonresident
18 students.

19 (11) DROPOUT REENGAGEMENT PROGRAM

20 The superintendent shall adopt rules to require students claimed
21 for general apportionment funding based on enrollment in dropout
22 reengagement programs authorized under RCW 28A.175.100 through
23 28A.175.115 to meet requirements for at least weekly minimum
24 instructional contact, starting with the 2014-15 school year.
25 Districts must also provide separate financial accounting of
26 expenditures for the programs offered by the district or under contract
27 with a provider, as well as accurate monthly headcount and full-time
28 equivalent enrollment claimed for basic education, including separate
29 enrollment counts of resident and nonresident students.

30 (12) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

31 Funding in this section is sufficient to fund voluntary full day
32 kindergarten programs in qualifying high poverty schools, pursuant to
33 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
34 for the voluntary full-day program in a qualifying school shall count
35 as one-half of one full-time equivalent student for purpose of making
36 allocations under this section. Funding in this section provides full-

1 day kindergarten programs for 43.75 percent of kindergarten enrollment
2 in the 2013-14 school year and 43.75 percent in the 2014-15 school
3 year, which enhancement is within the program of basic education.

4 ~~((12) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH~~
5 ~~TWELVE~~

6 ~~(a) School districts shall implement the increased instructional~~
7 ~~hours for the instructional program of basic education required under~~
8 ~~the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15~~
9 ~~school year, which enhancement is within the program of basic~~
10 ~~education.~~

11 ~~(b) Amounts provided in this section are sufficient to fund~~
12 ~~increased instructional hours in grades seven through twelve. For the~~
13 ~~2014-15 school year, the superintendent shall allocate funding to~~
14 ~~school districts for increased instructional hours. In calculating the~~
15 ~~allocations, the superintendent shall assume the following averages:~~
16 ~~(a) Additional instruction of 2.2222 hours per week per full-time~~
17 ~~equivalent student in grades seven through twelve in school year 2014-~~
18 ~~15; (b) the general education average class sizes specified in section~~
19 ~~502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional~~
20 ~~hours per teacher; and (e) the district's average staff mix and~~
21 ~~compensation rates as provided in sections 503 and 504 of this act.)~~

22 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
23 NECESSARY PLANTS

24 For small school districts and remote and necessary school plants
25 within any district which have been judged to be remote and necessary
26 by the superintendent of public instruction, additional staff units are
27 provided to ensure a minimum level of staffing support. Additional
28 administrative and certificated instructional staff units provided to
29 districts in this subsection shall be reduced by the general education
30 staff units, excluding career and technical education and skills center
31 enhancement units, otherwise provided in subsections (2) through (5) of
32 this section on a per district basis.

33 (a) For districts enrolling not more than twenty-five average
34 annual full-time equivalent students in grades K-8, and for small
35 school plants within any school district which have been judged to be
36 remote and necessary by the superintendent of public instruction and
37 enroll not more than twenty-five average annual full-time equivalent
38 students in grades K-8:

1 (i) For those enrolling no students in grades 7 and 8, 1.76
2 certificated instructional staff units and 0.24 certificated
3 administrative staff units for enrollment of not more than five
4 students, plus one-twentieth of a certificated instructional staff unit
5 for each additional student enrolled; and

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

11 (b) For specified enrollments in districts enrolling more than
12 twenty-five but not more than one hundred average annual full-time
13 equivalent students in grades K-8, and for small school plants within
14 any school district which enroll more than twenty-five average annual
15 full-time equivalent students in grades K-8 and have been judged to be
16 remote and necessary by the superintendent of public instruction:

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

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

23 (c) For districts operating no more than two high schools with
24 enrollments of less than three hundred average annual full-time
25 equivalent students, for enrollment in grades 9-12 in each such school,
26 other than alternative schools, except as noted in this subsection:

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

32 (ii) For all other small high schools under this subsection, nine
33 certificated instructional staff units and one-half of a certificated
34 administrative staff unit for the first sixty average annual full-time
35 equivalent students, and additional staff units based on a ratio of
36 0.8732 certificated instructional staff units and 0.1268 certificated
37 administrative staff units per each additional forty-three and one-half
38 average annual full-time equivalent students;

1 (iii) Districts receiving staff units under this subsection shall
2 add students enrolled in a district alternative high school and any
3 grades nine through twelve alternative learning experience programs
4 with the small high school enrollment for calculations under this
5 subsection;

6 (d) For each nonhigh school district having an enrollment of more
7 than seventy annual average full-time equivalent students and less than
8 one hundred eighty students, operating a grades K-8 program or a grades
9 1-8 program, an additional one-half of a certificated instructional
10 staff unit;

11 (e) For each nonhigh school district having an enrollment of more
12 than fifty annual average full-time equivalent students and less than
13 one hundred eighty students, operating a grades K-6 program or a grades
14 1-6 program, an additional one-half of a certificated instructional
15 staff unit;

16 (f)(i) For enrollments generating certificated staff unit
17 allocations under (a) through (e) of this subsection, one classified
18 staff unit for each 2.94 certificated staff units allocated under such
19 subsections;

20 (ii) For each nonhigh school district with an enrollment of more
21 than fifty annual average full-time equivalent students and less than
22 one hundred eighty students, an additional one-half of a classified
23 staff unit; and

24 (g) School districts receiving additional staff units to support
25 small student enrollments and remote and necessary plants under this
26 subsection (12) shall generate additional MSOC allocations consistent
27 with the nonemployee related costs (NERC) allocation formula in place
28 for the 2010-11 school year as provided section 502, chapter 37, Laws
29 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for
30 inflation.

31 (14) Any school district board of directors may petition the
32 superintendent of public instruction by submission of a resolution
33 adopted in a public meeting to reduce or delay any portion of its basic
34 education allocation for any school year. The superintendent of public
35 instruction shall approve such reduction or delay if it does not impair
36 the district's financial condition. Any delay shall not be for more
37 than two school years. Any reduction or delay shall have no impact on

1 levy authority pursuant to RCW 84.52.0531 and local effort assistance
2 pursuant to chapter 28A.500 RCW.

3 (15) The superintendent may distribute funding for the following
4 programs outside the basic education formula during fiscal years 2014
5 and 2015 as follows:

6 (a) \$605,000 of the general fund--state appropriation for fiscal
7 year 2014 and (~~(\$614,000)~~) \$613,000 of the general fund--state
8 appropriation for fiscal year 2015 are provided solely for fire
9 protection for school districts located in a fire protection district
10 as now or hereafter established pursuant to chapter 52.04 RCW.

11 (b) \$436,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$436,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for programs providing skills
14 training for secondary students who are enrolled in extended day
15 school-to-work programs, as approved by the superintendent of public
16 instruction. The funds shall be allocated at a rate not to exceed \$500
17 per full-time equivalent student enrolled in those programs.

18 (16) \$214,000 of the general fund--state appropriation for fiscal
19 year 2014 and (~~(\$217,000)~~) \$216,000 of the general fund--state
20 appropriation for fiscal year 2015 are provided solely for school
21 district emergencies as certified by the superintendent of public
22 instruction. At the close of the fiscal year the superintendent of
23 public instruction shall report to the office of financial management
24 and the appropriate fiscal committees of the legislature on the
25 allocations provided to districts and the nature of the emergency.

26 (17) Funding in this section is sufficient to fund a maximum of 1.6
27 FTE enrollment for skills center students pursuant to chapter 463, Laws
28 of 2007.

29 (18) Students participating in running start programs may be funded
30 up to a combined maximum enrollment of 1.2 FTE including school
31 district and institution of higher education enrollment. In
32 calculating the combined 1.2 FTE, the office of the superintendent of
33 public instruction may average the participating student's September
34 through June enrollment to account for differences in the start and end
35 dates for courses provided by the high school and higher education
36 institution. Additionally, the office of the superintendent of public
37 instruction, in consultation with the state board for community and
38 technical colleges, the student achievement council, and the education

1 data center, shall annually track and report to the fiscal committees
2 of the legislature on the combined FTE experience of students
3 participating in the running start program, including course load
4 analyses at both the high school and community and technical college
5 system.

6 (19) If two or more school districts consolidate and each district
7 was receiving additional basic education formula staff units pursuant
8 to subsection (12) of this section, the following apply:

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

13 (b) For the fourth through eighth school years following
14 consolidation, the difference between the basic education formula staff
15 units received by the districts for the school year prior to
16 consolidation and the basic education formula staff units after
17 consolidation pursuant to subsection (12) of this section shall be
18 reduced in increments of twenty percent per year.

19 (20)(a) Indirect cost charges by a school district to approved
20 career and technical education middle and secondary programs shall not
21 exceed 15 percent of the combined basic education and career and
22 technical education program enhancement allocations of state funds.
23 Middle and secondary career and technical education programs are
24 considered separate programs for funding and financial reporting
25 purposes under this section.

26 (b) Career and technical education program full-time equivalent
27 enrollment shall be reported on the same monthly basis as the
28 enrollment for students eligible for basic support, and payments shall
29 be adjusted for reported career and technical education program
30 enrollments on the same monthly basis as those adjustments for
31 enrollment for students eligible for basic support.

32 (21) Appropriations in this section are sufficient for the office
33 of the superintendent of public instruction to implement House Bill No.
34 2207 (basic education funding).

35 **Sec. 503.** 2013 2nd sp.s. c 4 s 505 (uncodified) is amended to read
36 as follows:

| | | |
|---|---|----------------------|
| 1 | FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION | |
| 2 | General Fund--State Appropriation (FY 2014) | ((\$365,120,000)) |
| 3 | | <u>\$365,048,000</u> |
| 4 | General Fund--State Appropriation (FY 2015) | ((\$427,408,000)) |
| 5 | | <u>\$429,312,000</u> |
| 6 | TOTAL APPROPRIATION | ((\$792,528,000)) |
| 7 | | <u>\$794,360,000</u> |

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

10 (1) Each general fund fiscal year appropriation includes such funds
11 as are necessary to complete the school year ending in the fiscal year
12 and for prior fiscal year adjustments.

13 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
14 shall allocate funding to school district programs for the
15 transportation of eligible students as provided in RCW 28A.160.192.
16 Funding in this section for school year 2014-15 constitutes full
17 implementation of RCW 28A.160.192, which enhancement is within the
18 program of basic education. Students are considered eligible only if
19 meeting the definitions provided in RCW 28A.160.160.

20 (b) For the 2014-15 school year, the superintendent shall allocate
21 funding for approved and operating charter schools as provided in RCW
22 28A.710.220(3). Per-student allocations for pupil transportation must
23 be calculated using the allocation for the previous school year to the
24 school district in which the charter school is located and the total
25 number of students in the district, and must be distributed to the
26 charter school based on the total number of students enrolled.

27 ~~((b))~~ (c) From July 1, 2013 to August 31, 2013, the
28 superintendent shall allocate funding to school districts programs for
29 the transportation of students as provided in section 505, chapter 50,
30 Laws of 2011 1st sp. sess., as amended.

31 (3) \$558,000 of the general fund--state appropriation for fiscal
32 year 2015 is provided solely for pupil transportation expected cost
33 funding formula adjustments as provided under this subsection. School
34 districts whose efficiency rating is at least ninety-five percent and
35 whose actual prior year costs exceed the expected cost allocations
36 provided through the pupil transportation funding formula due to
37 exceptional circumstances may apply to the superintendent of public
38 instruction to receive a supplemental funding adjustments for a one-

1 year period to offset the excess costs in whole or in part. The
2 superintendent shall adopt criteria for review of applications, which
3 may include exceptional issues related to geography, student
4 demographics, or other one-time circumstances that are not otherwise
5 addressed in the expected cost model. Differences in costs related to
6 district philosophy, service delivery choice, or accounting practices
7 are not a legitimate basis for transportation adjustments. School
8 districts that receive adjustments under this subsection are not
9 guaranteed adjustments in future years and must reapply. Adjustments
10 may not exceed the total appropriation provided in this subsection for
11 fiscal year 2015.

12 ((+3)) (4) A maximum of \$892,000 of this fiscal year 2014
13 appropriation and a maximum of \$892,000 of the fiscal year 2015
14 appropriation may be expended for regional transportation coordinators
15 and related activities. The transportation coordinators shall ensure
16 that data submitted by school districts for state transportation
17 funding shall, to the greatest extent practical, reflect the actual
18 transportation activity of each district.

19 ((+4)) (5) The office of the superintendent of public instruction
20 shall provide reimbursement funding to a school district for school bus
21 purchases only after the superintendent of public instruction
22 determines that the school bus was purchased from the list established
23 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
24 based on the lowest price quote based on similar bus categories to
25 those used to establish the list pursuant to RCW 28A.160.195.

26 ((+5)) (6) The superintendent of public instruction shall base
27 depreciation payments for school district buses on the pre-sales tax
28 five-year average of lowest bids in the appropriate category of bus.
29 In the final year on the depreciation schedule, the depreciation
30 payment shall be based on the lowest bid in the appropriate bus
31 category for that school year.

32 ((+6)) (7) Funding levels in this section reflect waivers granted
33 by the state board of education for four-day school weeks as allowed
34 under RCW 28A.305.141.

35 ((+7)) (8) The office of the superintendent of public instruction
36 shall annually disburse payments for bus depreciation in August.

1 **Sec. 504.** 2013 2nd sp.s. c 4 s 506 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
4 **PROGRAMS**

| | | |
|----|---|----------------------------|
| 5 | General Fund--State Appropriation (FY 2014) | \$7,111,000 |
| 6 | General Fund--State Appropriation (FY 2015) | \$7,111,000 |
| 7 | General Fund--Federal Appropriation | (\$473,326,000) |
| 8 | | <u>\$501,326,000</u> |
| 9 | TOTAL APPROPRIATION | (\$487,548,000) |
| 10 | | <u>\$515,548,000</u> |

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

13 (1) \$7,111,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$7,111,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for state matching money for
16 federal child nutrition programs, and may support the meals for kids
17 program through the following allowable uses:

18 (a) Elimination of breakfast copays for eligible public school
19 students and lunch copays for eligible public school students in grades
20 kindergarten through third grade who are eligible for reduced price
21 lunch;

22 (b) Assistance to school districts and authorized public and
23 private nonprofit organizations for supporting summer food service
24 programs, and initiating new summer food service programs in low-income
25 areas;

26 (c) Reimbursements to school districts for school breakfasts served
27 to students eligible for free and reduced price lunch, pursuant to
28 chapter 287, Laws of 2005; and

29 (d) Assistance to school districts in initiating and expanding
30 school breakfast programs.

31 The office of the superintendent of public instruction shall report
32 annually to the fiscal committees of the legislature on annual
33 expenditures in (a), (b), and (c) of this subsection.

34 **Sec. 505.** 2013 2nd sp.s. c 4 s 507 (uncodified) is amended to read
35 as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**

| | | |
|----|---|----------------------------------|
| 1 | PROGRAMS | |
| 2 | General Fund--State Appropriation (FY 2014) | ((\$702,149,000)) |
| 3 | | <u>\$693,894,000</u> |
| 4 | General Fund--State Appropriation (FY 2015) | ((\$738,043,000)) |
| 5 | | <u>\$731,244,000</u> |
| 6 | General Fund--Federal Appropriation | ((\$462,022,000)) |
| 7 | | <u>\$476,122,000</u> |
| 8 | Education Legacy Trust Account--State Appropriation . . | ((\$46,151,000)) |
| 9 | | <u>\$56,122,000</u> |
| 10 | TOTAL APPROPRIATION | ((\$1,948,365,000)) |
| 11 | | <u>\$1,957,382,000</u> |

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

14 (1) Funding for special education programs is provided on an excess
15 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
16 that special education students as a class receive their full share of
17 the general apportionment allocation accruing through sections 502 and
18 504 of this act. To the extent a school district cannot provide an
19 appropriate education for special education students under chapter
20 28A.155 RCW through the general apportionment allocation, it shall
21 provide services through the special education excess cost allocation
22 funded in this section.

23 (2)(a) The superintendent of public instruction shall ensure that:
24 (i) Special education students are basic education students first;
25 (ii) As a class, special education students are entitled to the
26 full basic education allocation; and
27 (iii) Special education students are basic education students for
28 the entire school day.

29 (b) The superintendent of public instruction shall continue to
30 implement the full cost method of excess cost accounting, as designed
31 by the committee and recommended by the superintendent, pursuant to
32 section 501(1)(k), chapter 372, Laws of 2006.

33 (3) Each fiscal year appropriation includes such funds as are
34 necessary to complete the school year ending in the fiscal year and for
35 prior fiscal year adjustments.

36 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent
37 shall allocate funding to school district programs for special
38 education students as provided in RCW 28A.150.390, except that the

1 calculation of the base allocation also includes allocations for
2 increased instructional hours (~~(for grades seven through twelve)~~) as
3 provided under section 502(~~((12)(b), which enhancement is)~~)
4 (2)(c)(iii)(B); allocations for parent involvement coordinators in
5 prototypical elementary schools as provided under section 502(4); and
6 guidance counselors in prototypical middle and high schools as provided
7 under section 502(2)(a), which enhancements are within the program of
8 basic education.

9 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
10 allocate funding to school district programs for special education
11 students as provided in section 507, chapter 50, Laws of 2011 1st sp.
12 sess., as amended.

13 (5) The following applies throughout this section: The definitions
14 for enrollment and enrollment percent are as specified in RCW
15 28A.150.390(3). Each district's general fund--state funded special
16 education enrollment shall be the lesser of the district's actual
17 enrollment percent or 12.7 percent.

18 (6) At the request of any interdistrict cooperative of at least 15
19 districts in which all excess cost services for special education
20 students of the districts are provided by the cooperative, the maximum
21 enrollment percent shall be calculated in accordance with RCW
22 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
23 rather than individual district units. For purposes of this
24 subsection, the average basic education allocation per full-time
25 equivalent student shall be calculated in the aggregate rather than
26 individual district units.

27 (7) (~~(\$22,263,000)~~) \$17,578,000 of the general fund--state
28 appropriation for fiscal year 2014, (~~(\$34,392,000)~~) \$29,948,000 of the
29 general fund--state appropriation for fiscal year 2015, and \$29,574,000
30 of the general fund--federal appropriation are provided solely for
31 safety net awards for districts with demonstrated needs for special
32 education funding beyond the amounts provided in subsection (4) of this
33 section. If the federal safety net awards based on the federal
34 eligibility threshold exceed the federal appropriation in this
35 subsection (7) in any fiscal year, the superintendent shall expend all
36 available federal discretionary funds necessary to meet this need. At
37 the conclusion of each school year, the superintendent shall recover

1 safety net funds that were distributed prospectively but for which
2 districts were not subsequently eligible.

3 (a) For the 2013-14 and 2014-15 school years, safety net funds
4 shall be awarded by the state safety net oversight committee as
5 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

6 (b) The office of the superintendent of public instruction shall
7 make award determinations for state safety net funding in August of
8 each school year. Determinations on school district eligibility for
9 state safety net awards shall be based on analysis of actual
10 expenditure data from the current school year.

11 (8) A maximum of \$678,000 may be expended from the general fund--
12 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
13 full-time equivalent aides at children's orthopedic hospital and
14 medical center. This amount is in lieu of money provided through the
15 home and hospital allocation and the special education program.

16 (9) The superintendent shall maintain the percentage of federal
17 flow-through to school districts at 85 percent. In addition to other
18 purposes, school districts may use increased federal funds for high-
19 cost students, for purchasing regional special education services from
20 educational service districts, and for staff development activities
21 particularly relating to inclusion issues.

22 (10) A school district may carry over from one year to the next
23 year up to 10 percent of the general fund--state funds allocated under
24 this program; however, carryover funds shall be expended in the special
25 education program.

26 (11) \$252,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$252,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for two additional full-time
29 equivalent staff to support the work of the safety net committee and to
30 provide training and support to districts applying for safety net
31 awards.

32 (12) \$50,000 of the general fund--state appropriation for fiscal
33 year 2014(~~(, \$50,000 of the general fund--state appropriation for~~
34 ~~fiscal year 2015,)) and ((~~\$100,000~~)) \$50,000 of the general fund--
35 federal appropriation shall be expended to support a special education
36 ombudsman program within the office of superintendent of public
37 instruction.~~

1 recommendations for school accreditation. The educational service
2 districts may assess a cooperative service fee to recover actual plus
3 reasonable indirect costs for the purposes of this subsection.

4 (4) \$100,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for educational service district no. 101
6 to design, develop, and implement an authentic-learning crowdsourcing
7 platform prototype.

8 **Sec. 507.** 2013 2nd sp.s. c 4 s 509 (uncodified) is amended to read
9 as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
11 **ASSISTANCE**

| | | |
|----|---|--------------------------------|
| 12 | General Fund--State Appropriation (FY 2014) | ((\$311,174,000)) |
| 13 | | <u>\$311,882,000</u> |
| 14 | General Fund--State Appropriation (FY 2015) | ((\$335,533,000)) |
| 15 | | <u>\$340,444,000</u> |
| 16 | TOTAL APPROPRIATION | ((\$646,707,000)) |
| 17 | | <u>\$652,326,000</u> |

18 The appropriations in this section are subject to the following
19 conditions and limitations: For purposes of RCW 84.52.0531, the
20 increase per full-time equivalent student is 4.914 percent from the
21 2012-13 school year to the 2013-14 school year and 4.914 percent from
22 the 2013-14 school year to the 2014-15 school year.

23 **Sec. 508.** 2013 2nd sp.s. c 4 s 510 (uncodified) is amended to read
24 as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
26 **EDUCATION PROGRAMS**

| | | |
|----|---|-------------------------------|
| 27 | General Fund--State Appropriation (FY 2014) | ((\$15,291,000)) |
| 28 | | <u>\$13,968,000</u> |
| 29 | General Fund--State Appropriation (FY 2015) | ((\$15,493,000)) |
| 30 | | <u>\$13,964,000</u> |
| 31 | TOTAL APPROPRIATION | ((\$30,784,000)) |
| 32 | | <u>\$27,932,000</u> |

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

35 (1) Each general fund--state fiscal year appropriation includes

1 such funds as are necessary to complete the school year ending in the
2 fiscal year and for prior fiscal year adjustments.

3 (2) State funding provided under this section is based on salaries
4 and other expenditures for a 220-day school year. The superintendent
5 of public instruction shall monitor school district expenditure plans
6 for institutional education programs to ensure that districts plan for
7 a full-time summer program.

8 (3) State funding for each institutional education program shall be
9 based on the institution's annual average full-time equivalent student
10 enrollment. Staffing ratios for each category of institution shall
11 remain the same as those funded in the 1995-97 biennium.

12 (4) The funded staffing ratios for education programs for juveniles
13 age 18 or less in department of corrections facilities shall be the
14 same as those provided in the 1997-99 biennium.

15 (5) (~~(\$1,070,000)~~) \$569,000 of the general fund--state
16 appropriation for fiscal year 2014 and (~~(\$1,070,000)~~) \$569,000 of the
17 general fund--state appropriation for fiscal year 2015 are provided
18 solely to maintain at least one certificated instructional staff and
19 related support services at an institution whenever the K-12 enrollment
20 is not sufficient to support one full-time equivalent certificated
21 instructional staff to furnish the educational program. The following
22 types of institutions are included: Residential programs under the
23 department of social and health services for developmentally disabled
24 juveniles, programs for juveniles under the department of corrections,
25 programs for juveniles under the juvenile rehabilitation
26 administration, and programs for juveniles operated by city and county
27 jails.

28 (6) Ten percent of the funds allocated for each institution may be
29 carried over from one year to the next.

30 **Sec. 509.** 2013 2nd sp.s. c 4 s 511 (uncodified) is amended to read
31 as follows:

| | | |
|----|---|---------------------------|
| 32 | FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS | |
| 33 | General Fund--State Appropriation (FY 2014) | (\$9,555,000) |
| 34 | | <u>\$9,539,000</u> |
| 35 | General Fund--State Appropriation (FY 2015) | (\$9,677,000) |
| 36 | | <u>\$9,685,000</u> |
| 37 | TOTAL APPROPRIATION | (\$19,232,000) |

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 50, Laws of 2011 1st sp. sess., as amended.

(3) \$85,000 of the general fund--state appropriation for fiscal year 2014 and \$85,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the centrum program at Fort Worden state park.

Sec. 510. 2013 2nd sp.s. c 4 s 512 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT

General Fund--Federal Appropriation ((~~\$4,052,000~~))
\$4,302,000

Sec. 511. 2013 2nd sp.s. c 4 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS

General Fund--State Appropriation (FY 2014) ((~~\$121,840,000~~))
\$114,798,000

| | | |
|---|---|--------------------------------|
| 1 | General Fund--State Appropriation (FY 2015) | ((\$104,524,000)) |
| 2 | | <u>\$101,692,000</u> |
| 3 | General Fund--Federal Appropriation | ((\$206,234,000)) |
| 4 | | <u>\$217,834,000</u> |
| 5 | General Fund--Private/Local Appropriation | \$4,002,000 |
| 6 | Education Legacy Trust Account--State Appropriation | \$1,599,000 |
| 7 | TOTAL APPROPRIATION | ((\$438,199,000)) |
| 8 | | <u>\$439,925,000</u> |

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

11 (1)(a) ((~~\$44,575,000~~)) \$38,031,000 of the general fund--state
12 appropriation for fiscal year 2014, ((~~\$27,134,000~~)) \$23,131,000 of the
13 general fund--state appropriation for fiscal year 2015, \$1,350,000 of
14 the education legacy trust account--state appropriation, and
15 \$15,868,000 of the general fund--federal appropriation are provided
16 solely for development and implementation of the Washington state
17 assessment system, including: (i) Development and implementation of
18 retake assessments for high school students who are not successful in
19 one or more content areas and (ii) development and implementation of
20 alternative assessments or appeals procedures to implement the
21 certificate of academic achievement. The superintendent of public
22 instruction shall report quarterly on the progress on development and
23 implementation of alternative assessments or appeals procedures.
24 Within these amounts, the superintendent of public instruction shall
25 contract for the early return of 10th grade student assessment results,
26 on or around June 10th of each year. State funding to districts shall
27 be limited to one collection of evidence payment per student, per
28 content-area assessment.

29 (b) The superintendent of public instruction shall modify the
30 statewide student assessment system and implement assessments developed
31 with a multistate consortium beginning in the 2014-15 school year to
32 assess student proficiency on the standards adopted under RCW
33 28A.655.071 and including the provisions of House Bill No. 1450.

34 (2) \$356,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$356,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the Washington state
37 leadership and assistance for science education reform (LASER) regional

1 partnership activities coordinated at the Pacific science center,
2 including instructional material purchases, teacher and principal
3 professional development, and school and community engagement events.

4 (3) \$5,851,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$3,935,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for implementation of a new
7 performance-based evaluation for certificated educators and other
8 activities as provided in chapter 235, Laws of 2010 (education reform)
9 and chapter 35, Laws of 2012 (certificated employee evaluations).

10 (4)(a) (~~(\$45,263,000)~~) \$44,879,000 of the general fund--state
11 appropriation for fiscal year 2014 and (~~(\$49,673,000)~~) \$48,746,000 of
12 the general fund--state appropriation for fiscal year 2015 are provided
13 solely for the following bonuses for teachers who hold valid, unexpired
14 certification from the national board for professional teaching
15 standards and who are teaching in a Washington public school, subject
16 to the following conditions and limitations:

17 (i) For national board certified teachers, a bonus of \$5,090 per
18 teacher in the 2013-14 and 2014-15 school years;

19 (ii) An additional \$5,000 annual bonus shall be paid to national
20 board certified teachers who teach in either: (A) High schools where
21 at least 50 percent of student headcount enrollment is eligible for
22 federal free or reduced price lunch, (B) middle schools where at least
23 60 percent of student headcount enrollment is eligible for federal free
24 or reduced price lunch, or (C) elementary schools where at least 70
25 percent of student headcount enrollment is eligible for federal free or
26 reduced price lunch;

27 (iii) The superintendent of public instruction shall adopt rules to
28 ensure that national board certified teachers meet the qualifications
29 for bonuses under (a)(ii) of this subsection for less than one full
30 school year receive bonuses in a pro-rated manner. All bonuses in
31 (a)(i) and (ii) of this subsection will be paid in July of each school
32 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced
33 by a factor of 40 percent for first year NBPTS certified teachers, to
34 reflect the portion of the instructional school year they are
35 certified; and

36 (iv) During the 2013-14 and 2014-15 school years, and within
37 available funds, certificated instructional staff who have met the
38 eligibility requirements and have applied for certification from the

1 national board for professional teaching standards may receive a
2 conditional loan of two thousand dollars or the amount set by the
3 office of the superintendent of public instruction to contribute toward
4 the current assessment fee, not including the initial up-front
5 candidacy payment. The fee shall be an advance on the first annual
6 bonus under RCW 28A.405.415. The conditional loan is provided in
7 addition to compensation received under a district's salary schedule
8 and shall not be included in calculations of a district's average
9 salary and associated salary limitation under RCW 28A.400.200.
10 Recipients who fail to receive certification after three years are
11 required to repay the conditional loan. The office of the
12 superintendent of public instruction shall adopt rules to define the
13 terms for initial grant of the assessment fee and repayment, including
14 applicable fees. To the extent necessary, the superintendent may use
15 revenues from the repayment of conditional loan scholarships to ensure
16 payment of all national board bonus payments required by this section
17 in each school year.

18 (5) \$477,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$477,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for the leadership internship
21 program for superintendents, principals, and program administrators.

22 (6) \$950,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$950,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for the Washington reading corps.
25 The superintendent shall allocate reading corps members to low-
26 performing schools and school districts that are implementing
27 comprehensive, proven, research-based reading programs. Two or more
28 schools may combine their Washington reading corps programs.

29 (7) \$810,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$810,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the development of a
32 leadership academy for school principals and administrators. The
33 superintendent of public instruction shall contract with an independent
34 organization to operate a state-of-the-art education leadership academy
35 that will be accessible throughout the state. Semiannually the
36 independent organization shall report on amounts committed by
37 foundations and others to support the development and implementation of
38 this program. Leadership academy partners shall include the state

1 level organizations for school administrators and principals, the
2 superintendent of public instruction, the professional educator
3 standards board, and others as the independent organization shall
4 identify.

5 (8) \$2,000,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$2,000,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for a statewide information
8 technology (IT) academy program. This public-private partnership will
9 provide educational software, as well as IT certification and software
10 training opportunities for students and staff in public schools.

11 (9) \$1,277,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$1,277,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for secondary career and technical
14 education grants pursuant to chapter 170, Laws of 2008. If equally
15 matched by private donations, \$300,000 of the 2014 appropriation and
16 \$300,000 of the 2015 appropriation shall be used to support FIRST
17 robotics programs. Of the amounts in this subsection, \$100,000 of the
18 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015
19 appropriation are provided solely for the purpose of statewide
20 supervision activities for career and technical education student
21 leadership organizations.

22 (10) \$125,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$125,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for (a) staff at the office of the
25 superintendent of public instruction to coordinate and promote efforts
26 to develop integrated math, science, technology, and engineering
27 programs in schools and districts across the state; and (b) grants of
28 \$2,500 to provide twenty middle and high school teachers each year with
29 professional development training for implementing integrated math,
30 science, technology, and engineering programs in their schools.

31 (11) \$135,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$135,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for science, technology,
34 engineering and mathematics lighthouse projects, consistent with
35 chapter 238, Laws of 2010.

36 (12) \$1,000,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$1,000,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for a beginning educator support

1 program. School districts and/or regional consortia may apply for
2 grant funding. The superintendent shall implement this program in 5 to
3 15 school districts and/or regional consortia. The program provided by
4 a district and/or regional consortia shall include: A paid
5 orientation; assignment of a qualified mentor; development of a
6 professional growth plan for each beginning teacher aligned with
7 professional certification; release time for mentors and new teachers
8 to work together; and teacher observation time with accomplished peers.
9 \$250,000 may be used to provide statewide professional development
10 opportunities for mentors and beginning educators.

11 (13) \$250,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$250,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for advanced project lead the way
14 courses at ten high schools. To be eligible for funding in 2014, a
15 high school must have offered a foundational project lead the way
16 course during the 2012-13 school year. The 2014 funding must be used
17 for one-time start-up course costs for an advanced project lead the way
18 course, to be offered to students beginning in the 2013-14 school year.
19 To be eligible for funding in 2015, a high school must have offered a
20 foundational project lead the way course during the 2013-14 school
21 year. The 2015 funding must be used for one-time start-up course costs
22 for an advanced project lead the way course, to be offered to students
23 beginning in the 2014-15 school year. The office of the superintendent
24 of public instruction and the education research and data center at the
25 office of financial management shall track student participation and
26 long-term outcome data.

27 (14) \$300,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$300,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for annual start-up grants for
30 aerospace and manufacturing technical programs housed at four skill
31 centers. The grants are provided for start-up equipment and curriculum
32 purchases. To be eligible for funding, the skill center must agree to
33 provide regional high schools with access to a technology laboratory,
34 expand manufacturing certificate and course offerings at the skill
35 center, and provide a laboratory space for local high school teachers
36 to engage in professional development in the instruction of courses
37 leading to student employment certification in the aerospace and
38 manufacturing industries. Once a skill center receives a start-up

1 grant, it is ineligible for additional start-up funding in the
2 following school year. The office of the superintendent of public
3 instruction shall administer the grants in consultation with the center
4 for excellence for aerospace and advanced materials manufacturing.

5 (15) \$150,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$150,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for annual start-up grants to six
8 high schools to implement the aerospace assembler program.
9 Participating high schools must agree to offer the aerospace assembler
10 training program to students by spring semester of school year 2013-14.
11 Once a high school receives a start-up grant, it is ineligible for
12 additional start-up funding in the following school year. The office
13 of the superintendent of public instruction and the education research
14 and data center at the office of financial management shall track
15 student participation and long-term outcome data.

16 (16) \$10,000,000 of the general fund--state appropriation for
17 fiscal year 2014 and (~~(\$5,000,000)~~) \$5,027,000 of the general fund--
18 state appropriation for fiscal year 2015 are provided solely for the
19 provision of training for teachers in the performance-based teacher
20 principal evaluation program. Of the amounts appropriated in this
21 subsection, \$5,000,000 for fiscal year 2014 is a one-time
22 appropriation, and \$27,000 for fiscal year 2015 is a one-time
23 appropriation provided solely for the office of the superintendent of
24 public instruction to include foundational elements of cultural
25 competence that are aligned with standards developed by the
26 professional educator standards board within the content of the
27 training.

28 (17) \$3,600,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$6,681,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for the implementation of
31 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing
32 schools). If the bill is not enacted by June 30, 2013, the amounts
33 provided in this subsection shall lapse.

34 (18) \$100,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$100,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely to promote the financial literacy
37 of students. The effort will be coordinated through the financial
38 literacy public-private partnership.

1 (19) \$109,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$99,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the office of the
4 superintendent of public instruction to implement a youth dropout
5 prevention program that incorporates partnerships between community-
6 based organizations, schools, food banks and farms or gardens. The
7 office of the superintendent of public instruction shall select one
8 school district that must partner with an organization that is
9 operating an existing similar program and that also has the ability to
10 serve at least 40 students. Of the amount appropriated in this
11 subsection, up to \$10,000 may be used by the office of the
12 superintendent of public instruction for administration of the program.

13 (20) (~~(\$2,399,000)~~) \$2,285,000 of the general fund--state
14 appropriation for fiscal year 2014 and (~~(\$2,035,000)~~) \$1,912,000 of the
15 general fund--state appropriation for fiscal year 2015 are provided
16 solely to implement Engrossed Substitute Senate Bill No. 5946
17 (strengthening student educational outcomes). If the bill is not
18 enacted by June 30, 2013, the amounts provided in this subsection shall
19 lapse.

20 (21) \$1,110,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$1,061,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for chapter 184, Laws of 2013
23 (Second Substitute House Bill No. 1642) (academic acceleration). Of
24 the amount appropriated in this section, forty-nine thousand is
25 provided as one-time funding.

26 (22) \$200,000 of the general fund--state appropriation for fiscal
27 year 2015 is provided solely for implementation of House Bill No. 2553
28 (lowest-achieving schools). If the bill is not enacted by June 30,
29 2014, the amount provided in this subsection shall lapse.

30 (23) \$1,994,000 of the general fund--state appropriation for fiscal
31 year 2015 is provided solely for grants to school districts to provide
32 a continuum of care for children and families to help children become
33 ready to learn. Grant proposals from school districts shall contain
34 local plans designed collaboratively with community service providers.
35 If a continuum of care program exists in the area in which the school
36 district is located, the local plan shall provide for coordination with
37 existing programs to the greatest extent possible. Grant funds shall
38 be allocated pursuant to RCW 70.190.040.

1 **Sec. 512.** 2013 2nd sp.s. c 4 s 514 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
4 **BILINGUAL PROGRAMS**

| | | |
|----|---|--------------------------------|
| 5 | General Fund--State Appropriation (FY 2014) | ((\$95,500,000)) |
| 6 | | <u>\$97,796,000</u> |
| 7 | General Fund--State Appropriation (FY 2015) | ((\$106,120,000)) |
| 8 | | <u>\$110,084,000</u> |
| 9 | General Fund--Federal Appropriation | ((\$71,016,000)) |
| 10 | | <u>\$72,116,000</u> |
| 11 | TOTAL APPROPRIATION | ((\$272,636,000)) |
| 12 | | <u>\$279,996,000</u> |

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

15 (1) Each general fund fiscal year appropriation includes such funds
16 as are necessary to complete the school year ending in the fiscal year
17 and for prior fiscal year adjustments.

18 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
19 shall allocate funding to school districts for transitional bilingual
20 programs under RCW 28A.180.010 through 28A.180.080, including programs
21 for exited students, as provided in RCW 28A.150.260(10)(b) and the
22 provisions of this section. In calculating the allocations, the
23 superintendent shall assume the following averages: (i) Additional
24 instruction of 4.7780 hours per week per transitional bilingual program
25 student in grades kindergarten through twelve in school years 2013-14
26 and 2014-15; (ii) additional instruction of 3.0000 hours per week in
27 school year 2013-14 for the head count number of students who have
28 exited the transitional bilingual instruction program within the
29 previous school year based on their performance on the English
30 proficiency assessment; (iii) additional instruction of 3.0000 hours
31 per week in school year 2014-15 for the head count number of students
32 who have exited the transitional bilingual instruction program within
33 the previous two years based on their performance on the English
34 proficiency assessment; (iv) fifteen transitional bilingual program
35 students per teacher; (v) 36 instructional weeks per year; (vi) 900
36 instructional hours per teacher; and (vii) the district's average staff
37 mix and compensation rates as provided in sections 503 and 504 of this
38 act.

1 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
2 allocate funding to school districts for transitional bilingual
3 instruction programs as provided in section 514, chapter 50, Laws of
4 2011 1st sp. sess., as amended.

5 (3) The superintendent may withhold allocations to school districts
6 in subsection (2) of this section solely for the central provision of
7 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
8 following amounts: (~~(1.76)~~) 1.70 percent for school year 2013-14 and
9 (~~(1.59)~~) 1.53 percent for school year 2014-15.

10 (4) The general fund--federal appropriation in this section is for
11 migrant education under Title I Part C and English language
12 acquisition, and language enhancement grants under Title III of the
13 elementary and secondary education act.

14 (5) \$35,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$35,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely to track current and former
17 transitional bilingual program students.

18 **Sec. 513.** 2013 2nd sp.s. c 4 s 515 (uncodified) is amended to read
19 as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
21 **ASSISTANCE PROGRAM**

| | | |
|----|---|--------------------------------|
| 22 | General Fund--State Appropriation (FY 2014) | ((\$196,356,000)) |
| 23 | | <u>\$194,728,000</u> |
| 24 | General Fund--State Appropriation (FY 2015) | ((\$218,335,000)) |
| 25 | | <u>\$214,877,000</u> |
| 26 | General Fund--Federal Appropriation | ((\$448,434,000)) |
| 27 | | <u>\$450,534,000</u> |
| 28 | TOTAL APPROPRIATION | ((\$863,125,000)) |
| 29 | | <u>\$860,139,000</u> |

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

32 (1) The general fund--state appropriations in this section are
33 subject to the following conditions and limitations:

34 (a) The appropriations include such funds as are necessary to
35 complete the school year ending in the fiscal year and for prior fiscal
36 year adjustments.

1 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent
2 shall allocate funding to school districts for learning assistance
3 programs as provided in RCW 28A.150.260(10)(a), except that the
4 allocation for the additional instructional hours shall be enhanced as
5 provided in this section, which enhancements are within the program of
6 the basic education. In calculating the allocations, the
7 superintendent shall assume the following averages: (A) Additional
8 instruction of 2.3975 hours per week per funded learning assistance
9 program student for the 2013-14 school year and the 2014-15 school
10 year; (B) fifteen learning assistance program students per teacher; (C)
11 36 instructional weeks per year; (D) 900 instructional hours per
12 teacher; and (E) the district's average staff mix and compensation
13 rates as provided in sections 503 and 504 of this act.

14 (ii) From July 1, 2013, to August 31, 2013, the superintendent
15 shall allocate funding to school districts for learning assistance
16 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.
17 sess., as amended.

18 (c) A school district's funded students for the learning assistance
19 program shall be the sum of the district's full-time equivalent
20 enrollment in grades K-12 for the prior school year multiplied by the
21 district's percentage of October headcount enrollment in grades K-12
22 eligible for free or reduced price lunch in the prior school year.
23 Starting with the allocation for the 2014-15 school year, the prior
24 school year's October headcount enrollment for free and reduced price
25 lunch shall be as reported in the comprehensive education data and
26 research system.

27 (2) Allocations made pursuant to subsection (1) of this section
28 shall be adjusted to reflect ineligible applications identified through
29 the annual income verification process required by the national school
30 lunch program, as recommended in the report of the state auditor on the
31 learning assistance program dated February, 2010.

32 (3) The general fund--federal appropriation in this section is
33 provided for Title I Part A allocations of the no child left behind act
34 of 2001.

35 (4) A school district may carry over from one year to the next up
36 to 10 percent of the general fund--state funds allocated under this
37 program; however, carryover funds shall be expended for the learning
38 assistance program.

1 **Sec. 514.** 2013 2nd sp.s. c 4 s 516 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

4 (1) Amounts distributed to districts by the superintendent through
5 part V of this act are for allocations purposes only, unless specified
6 by part V of this act, and do not entitle a particular district,
7 district employee, or student to a specific service, beyond what has
8 been expressly provided in statute. Part V of this act restates the
9 requirements of various sections of Title 28A RCW. If any conflict
10 exists, the provisions of Title 28A RCW control unless this act
11 explicitly states that it is providing an enhancement. Any amounts
12 provided in part V of this act in excess of the amounts required by
13 Title 28A RCW provided in statute, are not within the program of basic
14 education unless clearly stated by this act.

15 (2) To the maximum extent practicable, when adopting new or revised
16 rules or policies relating to the administration of allocations in part
17 V of this act that result in fiscal impact, the office of the
18 superintendent of public instruction shall attempt to seek legislative
19 approval through the budget request process.

20 (3) Appropriations made in this act to the office of the
21 superintendent of public instruction shall initially be allotted as
22 required by this act. Subsequent allotment modifications shall not
23 include transfers of moneys between sections of this act, except as
24 expressly provided in subsection (4) of this section.

25 (4) The appropriations to the office of the superintendent of
26 public instruction in this act shall be expended for the programs and
27 amounts specified in this act. However, after May 1, 2014, unless
28 specifically prohibited by this act and after approval by the director
29 of financial management, the superintendent of public instruction may
30 transfer state general fund appropriations for fiscal year 2014 among
31 the following programs to meet the apportionment schedule for a
32 specified formula in another of these programs: General apportionment;
33 employee compensation adjustments; pupil transportation; special
34 education programs; institutional education programs; transitional
35 bilingual programs; highly capable; and learning assistance programs.

36 (5) The director of financial management shall notify the
37 appropriate legislative fiscal committees in writing prior to approving
38 any allotment modifications or transfers under this section.

1 NEW SECTION. **Sec. 515.** A new section is added to 2013 2nd sp.s.
2 c 4 (uncodified) to read as follows:

3 **FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION**

| | | |
|---|---|-------------|
| 4 | General Fund--State Appropriation (FY 2014) | \$466,000 |
| 5 | General Fund--State Appropriation (FY 2015) | \$572,000 |
| 6 | TOTAL APPROPRIATION | \$1,038,000 |

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

9 (1) \$125,000 of the general fund--state appropriation for fiscal
10 year 2014 is provided solely for the office of the attorney general
11 costs related to *League of Women Voters v. State of Washington*.

12 (2) \$137,000 of the general fund--state appropriation for fiscal
13 year 2015 is provided solely for charter school evaluation and
14 oversight.

(End of part)

PART VI
HIGHER EDUCATION

Sec. 601. 2013 2nd sp.s. c 4 s 602 (uncodified) is amended to read as follows:

(1) Within the amounts appropriated in this act and chapter 1, Laws of 2013 3rd sp. sess. (aerospace industry appropriations), each institution of higher education is expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

| | 2013-14 | 2014-15 |
|---|-------------------------------------|---------------------------------------|
| | Annual Average | Annual Average |
| University of Washington | 37,162 | 37,162 |
| Washington State University | 22,228 | ((22,228)) <u>22,538</u> |
| Central Washington University | 9,105 | 9,105 |
| Eastern Washington University | 8,734 | 8,734 |
| The Evergreen State College | ((4,335)) <u>4,213</u> | ((4,335)) <u>4,213</u> |
| Western Washington University | ((12,710)) <u>11,762</u> | ((12,710)) <u>11,762</u> |
| State Board for Community & Technical Colleges | | |
| Adult Students | 139,237 | ((139,237)) <u>139,927</u> |
| Running Start Students | 11,558 | 11,558 |

(2) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

1 (3) For purposes of monitoring and reporting statewide enrollment,
2 the University of Washington and Washington State University shall
3 notify the office of financial management of the number of full-time
4 student equivalent enrollments budgeted for each of their campuses.

5 **Sec. 602.** 2013 2nd sp.s. c 4 s 603 (uncodified) is amended to read
6 as follows:

7 **PUBLIC BACCALAUREATE INSTITUTIONS**

8 (1) In order to operate within the state funds appropriated in this
9 act, the governing boards of the state research universities, the state
10 regional universities, and The Evergreen State College are authorized
11 to adopt and adjust tuition and fees for the 2013-14 and 2014-15
12 academic years as provided in this section.

13 (2) For the purposes of chapter 28B.15 RCW, the omnibus
14 appropriations act assumes no increase of tuition levels for resident
15 undergraduate students over the amounts charged to resident
16 undergraduate students for the prior year.

17 (3) Appropriations in sections 606 through 611 of this act are
18 sufficient to maintain resident undergraduate tuition levels at the
19 levels charged to resident undergraduate students during the 2012-13
20 academic year. As a result, for the 2013-14 academic year, the
21 institutions of higher education shall not adopt resident undergraduate
22 tuition levels that are greater than the tuition levels assumed in
23 subsection (2) of this section. For the 2014-15 academic year, the
24 institutions of higher education are authorized to adopt tuition levels
25 for resident undergraduate students that are less than, equal to, or
26 greater than tuition levels assumed in the omnibus appropriations act
27 in subsection (2) of this section. However, ~~((to the extent))~~ every
28 year that tuition levels ~~((exceed the))~~ are maintained above tuition
29 ~~((levels))~~ increases assumed in subsection (2) of this section and
30 section 603, chapter 50, Laws of 2011, the institution of higher
31 education shall be subject to the conditions and limitations provided
32 in RCW 28B.15.102.

33 (4) Each governing board is authorized to increase tuition charges
34 to graduate and professional students, and to nonresident undergraduate
35 students, by amounts judged reasonable and necessary by the governing
36 board.

1 (5) Each governing board is authorized to increase summer quarter
2 or semester tuition fees for resident and nonresident undergraduate,
3 graduate, and professional students pursuant to RCW 28B.15.067.

4 (6) Each governing board is authorized to adopt or increase charges
5 for fee-based, self-sustaining degree programs, credit courses,
6 noncredit workshops and courses, and special contract courses by
7 amounts judged reasonable and necessary by the governing board.

8 (7) Each governing board is authorized to adopt or increase
9 services and activities fees for all categories of students as provided
10 in RCW 28B.15.069.

11 (8) Each governing board is authorized to adopt or increase
12 technology fees as provided in RCW 28B.15.069.

13 (9) Each governing board is authorized to adopt or increase special
14 course and lab fees, and health and counseling fees, to the extent
15 necessary to cover the reasonable and necessary exceptional cost of the
16 course or service.

17 (10) Each governing board is authorized to adopt or increase
18 administrative fees such as, but not limited to, those charged for
19 application, matriculation, special testing, and transcripts by amounts
20 judged reasonable and necessary by the governing board.

21 (11) The state universities, the regional universities, and The
22 Evergreen State College must accept the transfer of college-level
23 courses taken by running start students if a student seeking a transfer
24 of the college-level courses has been admitted to the state university,
25 the regional university, or The Evergreen State College, and if the
26 college-level courses are recognized as transferrable by the admitting
27 institution of higher education.

28 (12) Appropriations in sections 606 through 611 of this act are
29 sufficient to implement 2013-2015 collective bargaining agreements at
30 institutions of higher education negotiated under chapter 41.80 RCW.
31 The institutions may also use these funds for any other purpose
32 including restoring prior compensation reductions, increasing
33 compensation, and implementing other collective bargaining agreements.

34 **Sec. 603.** 2013 2nd sp.s. c 4 s 604 (uncodified) is amended to read
35 as follows:

36 **STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

1 (1) In order to operate within the state funds appropriated in this
2 act, the state board is authorized to adopt and adjust tuition and fees
3 for the 2013-14 and 2014-15 academic years as provided in this section.

4 (2) For the purposes of chapter 28B.15 RCW, appropriations in the
5 omnibus appropriations act assumes no increase in tuition levels for
6 resident undergraduate students over the amounts charged to resident
7 undergraduate students for the prior year. For the 2014-15 academic
8 year, the state board is authorized to adopt tuition levels for
9 resident undergraduate students that are less than, equal to, or
10 greater than tuition levels assumed in the omnibus appropriations act
11 in this subsection. However, to the extent that tuition levels exceed
12 the tuition levels assumed in this subsection, the state board shall
13 retain an additional one percent of operating fees above what is
14 already retained pursuant to RCW 28B.15.031 for the purposes of RCW
15 28B.15.820. (~~For the 2013-2015 fiscal biennium,~~) When expending this
16 additional retained amount, the community and technical colleges are
17 subject to the conditions and limitations in RCW 28B.15.102.

18 (3) For the 2013-14 and 2014-15 academic years, the state board may
19 increase tuition fees charged to resident undergraduates enrolled in
20 upper division applied baccalaureate programs as specified in
21 subsection (2) of this section.

22 (4) Appropriations in section 605 include the restoration of the
23 three percent reduction in compensation costs taken in the 2011-2013
24 fiscal biennium. This funding is sufficient to implement 2013-2015
25 collective bargaining agreements at institutions of higher education
26 negotiated under chapter 41.80 RCW. The colleges may also use the
27 restored funds for any other purpose including restoring prior
28 compensation reductions, increasing compensation, and implementing
29 other collective bargaining agreements.

30 (5) The state board may increase the tuition fees charged to
31 nonresident students by amounts judged reasonable and necessary by the
32 board.

33 (6) The trustees of the technical colleges are authorized to either
34 (a) increase operating fees by no more than the percentage increases
35 authorized for community colleges by the state board; or (b) fully
36 adopt the tuition fee charge schedule adopted by the state board for
37 community colleges.

1 (7) For academic years 2013-14 and 2014-15, the trustees of the
2 technical colleges are authorized to increase building fees by an
3 amount judged reasonable in order to progress toward parity with the
4 building fees charged students attending the community colleges.

5 (8) The state board is authorized to increase the maximum allowable
6 services and activities fees as provided in RCW 28B.15.069. The
7 trustees of the community and technical colleges are authorized to
8 increase services and activities fees up to the maximum level
9 authorized by the state board.

10 (9) The trustees of the community and technical colleges are
11 authorized to adopt or increase charges for fee-based, self-sustaining
12 programs such as summer session, international student contracts, and
13 special contract courses by amounts judged reasonable and necessary by
14 the trustees.

15 (10) The trustees of the community and technical colleges are
16 authorized to adopt or increase special course and lab fees to the
17 extent necessary to cover the reasonable and necessary exceptional cost
18 of the course or service.

19 (11) The trustees of the community and technical colleges are
20 authorized to adopt or increase administrative fees such as but not
21 limited to those charged for application, matriculation, special
22 testing, and transcripts by amounts judged reasonable and necessary by
23 the trustees.

24 **Sec. 604.** 2013 2nd sp.s. c 4 s 605 (uncodified) is amended to read
25 as follows:

26 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

| | | |
|----|---|----------------------------------|
| 27 | General Fund--State Appropriation (FY 2014) | ((\$570,262,000)) |
| 28 | | <u>\$570,075,000</u> |
| 29 | General Fund--State Appropriation (FY 2015) | ((\$568,999,000)) |
| 30 | | <u>\$568,035,000</u> |
| 31 | Community/Technical College Capital Projects | |
| 32 | Account--State Appropriation | \$17,548,000 |
| 33 | Education Legacy Trust Account--State | |
| 34 | Appropriation | \$95,373,000 |
| 35 | TOTAL APPROPRIATION | ((\$1,252,182,000)) |
| 36 | | <u>\$1,251,031,000</u> |
| 37 | | |

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

3 (1) \$33,261,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$33,261,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely as special funds for training and
6 related support services, including financial aid, as specified in RCW
7 28C.04.390. Funding is provided to support at least 7,170 full-time
8 equivalent students in fiscal year 2014 and at least 7,170 full-time
9 equivalent students in fiscal year 2015.

10 (2) \$5,450,000 of the education legacy trust account--state
11 appropriation is provided solely for administration and customized
12 training contracts through the job skills program. The state board
13 shall make an annual report by January 1st of each year to the governor
14 and to the appropriate policy and fiscal committees of the legislature
15 regarding implementation of this section, listing the scope of grant
16 awards, the distribution of funds by educational sector and region of
17 the state, and the results of the partnerships supported by these
18 funds.

19 (3) \$100,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$100,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the aerospace center of
22 excellence currently hosted by Everett community college to:

23 (a) Increase statewide communications and outreach between industry
24 sectors, industry organizations, businesses, K-12 schools, colleges,
25 and universities;

26 (b) Enhance information technology to increase business and student
27 accessibility and use of the center's web site; and

28 (c) Act as the information entry point for prospective students and
29 job seekers regarding education, training, and employment in the
30 industry.

31 (4) \$181,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$181,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the opportunity center for
34 employment and education internet technology integration project at
35 north Seattle community college.

36 (5) \$255,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$255,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for implementation of a maritime
2 industries training program at south Seattle community college.

3 (6) \$5,250,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$5,250,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the student achievement
6 initiative.

7 (7) \$500,000 of the general fund--state appropriation for fiscal
8 year 2014 is provided solely for implementation of Second Substitute
9 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not
10 enacted by June 30, 2013, the amount provided in this subsection shall
11 lapse.

12 (8) \$300,000 of the general fund--state appropriation for fiscal
13 year 2015 is provided solely for Seattle community college to conduct
14 planning for establishing a health training center at the Pacific
15 medical center.

16 (9) \$350,000 of the general fund--state appropriation for fiscal
17 year 2015 is provided solely for a pilot project to embed the year up
18 model within community college campuses.

19 (10) \$13,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$168,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the implementation of
22 Substitute House Bill No. 2365 (paraeducator development). If the bill
23 is not enacted by June 30, 2014, the amounts provided in this
24 subsection shall lapse.

25 (11) \$410,000 of the general fund--state appropriation for fiscal
26 year 2015 is provided solely for the mathematics engineering science
27 achievement community college programs.

28 ~~((+8))~~ (12) Community and technical colleges are not required to
29 send mass mailings of course catalogs to residents of their districts.
30 Community and technical colleges shall consider lower cost
31 alternatives, such as mailing postcards or brochures that direct
32 individuals to online information and other ways of acquiring print
33 catalogs.

34 ~~((+9))~~ (13) The state board for community and technical colleges
35 shall not use funds appropriated in this section to support
36 intercollegiate athletics programs.

1 **Sec. 605.** 2013 2nd sp.s. c 4 s 606 (uncodified) is amended to read
2 as follows:

3 **FOR THE UNIVERSITY OF WASHINGTON**

| | | |
|----|---|--------------------------------|
| 4 | General Fund--State Appropriation (FY 2014) | ((\$246,897,000)) |
| 5 | | <u>\$247,277,000</u> |
| 6 | General Fund--State Appropriation (FY 2015) | ((\$245,200,000)) |
| 7 | | <u>\$246,732,000</u> |
| 8 | Geoduck Aquaculture Research Account--State | |
| 9 | Appropriation | \$300,000 |
| 10 | Education Legacy Trust Account--State Appropriation | \$13,998,000 |
| 11 | Economic Development Strategic Reserve Account-- | |
| 12 | State Appropriation | \$3,000,000 |
| 13 | Biotoxin Account--State Appropriation | \$390,000 |
| 14 | Accident Account--State Appropriation | \$6,741,000 |
| 15 | Medical Aid Account--State Appropriation | \$6,546,000 |
| 16 | Aquatic Land Enhancement Account--State Appropriation | \$700,000 |
| 17 | State Toxics Control Account--State Appropriation | \$1,120,000 |
| 18 | TOTAL APPROPRIATION | ((\$524,892,000)) |
| 19 | | <u>\$526,804,000</u> |

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

22 (1) \$300,000 of the geoduck aquaculture research account--state
23 appropriation is provided solely for the University of Washington sea
24 grant program to commission scientific research studies that examine
25 possible negative and positive effects, including the cumulative
26 effects and the economic contribution, of evolving shellfish
27 aquaculture techniques and practices on Washington's economy and marine
28 ecosystems. The research conducted for the studies is not intended to
29 be a basis for an increase in the number of shellfish harvesting
30 permits available and should be coordinated with any research efforts
31 related to ocean acidification. The University of Washington must
32 submit an annual report detailing any findings and outline the progress
33 of the study, consistent with RCW 43.01.036, to the appropriate
34 legislative committees by December 1st of each year.

35 (2) \$52,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$52,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for the center for international
38 trade in forest products in the college of forest resources.

1 (3) \$4,459,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$4,459,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the expansion of computer
4 science and engineering enrollments. The university will work with the
5 education research and data center to establish program baselines and
6 demonstrate enrollment increases. By September 1, 2014, and each
7 September 1st thereafter, the university shall provide a report that
8 provides the specific detail on how these amounts were spent in the
9 preceding fiscal year, including but not limited to the cost per
10 student, student completion rates, and the number of low-income
11 students enrolled in each program, any process changes or best-
12 practices implemented by the college, and how many students are
13 enrolled in computer science and engineering programs above the 2012-
14 2013 academic year baseline.

15 (4) \$3,000,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$3,000,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for creation of a clean energy
18 institute. The institute shall integrate physical sciences and
19 engineering with a research focus on energy storage and solar energy.

20 (5) \$3,000,000 of the economic development strategic reserve
21 account appropriation is provided solely to support the joint center
22 for aerospace innovation technology.

23 (6) Within existing resources the University of Washington may:
24 (a) Form and implement an integrated innovation institute and research,
25 planning, and outreach initiatives at the Olympic national resources
26 center; and (b) accredit a four-year undergraduate forestry program
27 from the society of American foresters. Accreditation may occur in
28 conjunction with reaccreditation of the master of forest resources
29 program.

30 (7) \$700,000 of the aquatic lands enhancement account--state
31 appropriation and \$1,120,000 of the state toxics control account--state
32 appropriation are provided solely for the center on ocean acidification
33 and related work necessary to implement the recommendations of the
34 governor's blue ribbon task force on ocean acidification. The
35 university shall provide staffing for this purpose.

36 (8) \$1,000,000 of the general fund--state appropriation for fiscal
37 year 2015 is provided solely for the institute of protein design to
38 support the commercialization of translational projects.

1 (9) \$150,000 of the general fund--state appropriation for fiscal
2 year 2015 is provided solely for the Burke museum's hands-on science
3 curriculum.

4 ~~((+8))~~ (10) The University of Washington shall not use funds
5 appropriated in this section to support intercollegiate athletics
6 programs.

7 **Sec. 606.** 2013 2nd sp.s. c 4 s 607 (uncodified) is amended to read
8 as follows:

9 **FOR WASHINGTON STATE UNIVERSITY**

| | | |
|----|---|----------------------------|
| 10 | General Fund--State Appropriation (FY 2014) | (\$156,616,000) |
| 11 | | <u>\$157,108,000</u> |
| 12 | General Fund--State Appropriation (FY 2015) | (\$157,701,000) |
| 13 | | <u>\$160,494,000</u> |
| 14 | Education Legacy Trust Account--State Appropriation | \$33,995,000 |
| 15 | TOTAL APPROPRIATION | (\$348,312,000) |
| 16 | | <u>\$351,597,000</u> |

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

19 (1) Within existing resources, Washington State University shall
20 establish an accredited forestry program.

21 (2) \$2,856,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$2,857,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the expansion of computer
24 science and engineering enrollments. The university will work with the
25 education research and data center to establish program baselines and
26 demonstrate enrollment increases. By September 1, 2014, and each
27 September 1st thereafter, the university shall provide a report that
28 provides the specific detail on how these amounts were spent in the
29 preceding fiscal year, including but not limited to the cost per
30 student, student completion rates, and the number of low-income
31 students enrolled in each program, any process changes or best-
32 practices implemented by the college, and how many students are
33 enrolled in computer science and engineering programs above the 2012-
34 2013 academic year baseline.

35 (3) \$25,000 of the general fund--state appropriation for fiscal
36 year 2014 is provided solely for the Ruckelshaus center to collaborate
37 with local governments, the media, and representatives of the public

1 regarding public record requests made to local government. The center
2 shall facilitate meetings and discussions and report to the appropriate
3 committees of the legislature. The report shall include information
4 on:

- 5 (a) Recommendations related to balancing open public records with
6 concerns of local governments related to interfering with the work of
7 the local government;
- 8 (b) Resources necessary to accommodate requests;
- 9 (c) Potential harassment of government employees;
- 10 (d) Potential safety concerns of people named in the record;
- 11 (e) Potentially assisting criminal activity; and
- 12 (f) Other issues brought forward by the participants.

13 The center shall report to the appropriate committees of the
14 legislature by December 15, 2013.

15 (4) \$300,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$300,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the Washington State
18 University agricultural research center to conduct public outreach and
19 education related to nonlethal methods of mitigating conflicts between
20 livestock and large wild carnivores. Of the amounts provided in this
21 subsection, \$200,000 of the general fund--state appropriation for
22 fiscal year 2014 and \$200,000 of the general fund--state appropriation
23 for fiscal year 2015 are provided solely to the center to conduct a
24 detailed analysis of such methods. The amounts appropriated in this
25 subsection may not be subject to an administrative fee or charge, and
26 must be used for costs directly associated with the research and
27 analysis.

28 (5) \$2,400,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$3,600,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for expansion of medical education
31 and biomedical research in Spokane.

32 (6) \$1,989,000 of the general fund--state appropriation for fiscal
33 year 2015 is provided solely for the transfer of the university center
34 of north Puget Sound from the state board of community and technical
35 colleges to the Washington State University. Funding is sufficient to
36 support 310 full-time equivalent students.

37 (7) \$250,000 of the general fund--state appropriation for fiscal

1 year 2014 and \$500,000 of the general fund--state appropriation for
2 fiscal year 2015 are provided solely for state match requirements
3 related to the federal aviation administration grant.

4 (8) \$300,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for implementation of Engrossed Second
6 Substitute House Bill No. 2347 (oil transportation safety). If the
7 bill is not enacted by June 30, 2014, the amount provided in this
8 subsection shall lapse.

9 ((+6)) (9) Washington State University shall not use funds
10 appropriated in this section to support intercollegiate athletic
11 programs.

12 **Sec. 607.** 2013 2nd sp.s. c 4 s 608 (uncodified) is amended to read
13 as follows:

14 **FOR EASTERN WASHINGTON UNIVERSITY**

| | | |
|----|---|-------------------------------|
| 15 | General Fund--State Appropriation (FY 2014) | ((\$31,674,000)) |
| 16 | | <u>\$31,428,000</u> |
| 17 | General Fund--State Appropriation (FY 2015) | ((\$31,619,000)) |
| 18 | | <u>\$31,374,000</u> |
| 19 | Education Legacy Trust Account--State Appropriation | \$15,470,000 |
| 20 | TOTAL APPROPRIATION | ((\$78,763,000)) |
| 21 | | <u>\$78,272,000</u> |

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

24 (1) At least \$200,000 of the general fund--state appropriation for
25 fiscal year 2014 and at least \$200,000 of the general fund--state
26 appropriation for fiscal year 2015 shall be expended on the Northwest
27 autism center.

28 (2) Eastern Washington University shall not use funds appropriated
29 in this section to support intercollegiate athletics programs.

30 **Sec. 608.** 2013 2nd sp.s. c 4 s 609 (uncodified) is amended to read
31 as follows:

32 **FOR CENTRAL WASHINGTON UNIVERSITY**

| | | |
|----|---|-------------------------------|
| 33 | General Fund--State Appropriation (FY 2014) | ((\$29,719,000)) |
| 34 | | <u>\$29,764,000</u> |
| 35 | General Fund--State Appropriation (FY 2015) | ((\$29,533,000)) |
| 36 | | <u>\$29,577,000</u> |

| | | |
|---|---|---------------------------|
| 1 | Education Legacy Trust Account--State Appropriation | \$19,076,000 |
| 2 | TOTAL APPROPRIATION | (\$78,328,000) |
| 3 | | <u>\$78,417,000</u> |

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

6 (1) \$25,000 of the general fund--state appropriation for fiscal
7 year 2014 is provided solely for the college of education to conduct a
8 study identifying the duties encompassed in a state-funded teacher's
9 typical work day. The study must include an estimate of the percent of
10 a teacher's typical day that is spent on teaching related duties and
11 the percentage of the teacher's day that is spent on duties that are
12 not directly related to teaching. The university shall submit a report
13 to the appropriate committees of the legislature by December 1, 2013.

14 (2) Amounts appropriated in this section are sufficient for the
15 university to develop a plan to create an online degree granting entity
16 that awards degrees based on an alternative credit model. The
17 university shall submit a final plan by December 1, 2013, to the higher
18 education committees of the legislature.

19 (3) Central Washington University shall not use funds appropriated
20 in this section to support intercollegiate athletics programs.

21 **Sec. 609.** 2013 2nd sp.s. c 4 s 610 (uncodified) is amended to read
22 as follows:

23 **FOR THE EVERGREEN STATE COLLEGE**

| | | |
|----|---|---------------------------|
| 24 | General Fund--State Appropriation (FY 2014) | (\$18,563,000) |
| 25 | | <u>\$18,368,000</u> |
| 26 | General Fund--State Appropriation (FY 2015) | (\$17,911,000) |
| 27 | | <u>\$18,079,000</u> |
| 28 | Education Legacy Trust Account--State Appropriation | \$5,450,000 |
| 29 | TOTAL APPROPRIATION | (\$41,924,000) |
| 30 | | <u>\$41,897,000</u> |

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

33 ~~((+3))~~ (1) \$100,000 of the general fund--state appropriation for
34 fiscal year 2014 and \$50,000 of the general fund--state appropriation
35 for fiscal year 2015 are provided solely for the Washington state
36 institute for public policy to conduct a comprehensive retrospective
37 outcome evaluation and return on investment analysis of the early

1 learning childhood program pursuant to Senate Bill No. 5904 (high
2 quality early learning). This evaluation is due December 15, 2014. If
3 the bill is not enacted by June 30, 2013, the amount provided in this
4 subsection shall lapse.

5 ~~((+4))~~ (2) \$50,000 of the general fund--state appropriation for
6 fiscal year 2014 and \$50,000 of the general fund--state appropriation
7 for fiscal year 2015 are provided solely for the Washington state
8 institute for public policy to develop a risk assessment instrument for
9 patients committed for involuntary treatment in Washington state.

10 ~~((+5))~~ (3) \$58,000 of the general fund--state appropriation for
11 fiscal year 2014 and \$27,000 of the general fund--state appropriation
12 for fiscal year 2015 are provided solely for the Washington state
13 institute for public policy to prepare an inventory of evidence-based
14 and research-based effective practices, activities, and programs for
15 use by school districts in the learning assistance program pursuant to
16 Engrossed Second Substitute Senate Bill No. 5946 (student educational
17 outcomes). The initial inventory is due by August 1, 2014, and shall
18 be updated every two years thereafter. If the bill is not enacted by
19 June 30, 2013, the amounts provided in this subsection shall lapse.

20 ~~((+6))~~ (4) \$50,000 of the general fund--state appropriation for
21 fiscal year 2014 are provided solely for the Washington state institute
22 for public policy to provide expertise to the department of corrections
23 on the implementation of programming that follows the risk needs
24 responsivity model. In consultation with the department of
25 corrections, the institute will systematically review selected programs
26 for outcome measures.

27 (5) The Washington state institute for public policy shall examine
28 the drug offender sentencing alternative for offenders sentenced to
29 residential treatment in the community. The institute shall examine
30 its effectiveness on recidivism and conduct a benefit-cost analysis.
31 The institute shall report its findings by December 1, 2014.

32 (6) \$98,000 of the general fund--state appropriation for fiscal
33 year 2015 is provided solely for the implementation of Substitute House
34 Bill No. 2610 (homeless youth population). If the bill is not enacted
35 by June 30, 2014, the amount provided in this subsection shall lapse.

36 (7) Funding provided in this section is sufficient for The
37 Evergreen State College to continue operations of the Longhouse Center
38 and the Northwest Indian applied research institute.

1 ((+9)) (8) Notwithstanding other provisions in this section, the
2 board of directors for the Washington state institute for public policy
3 may adjust due dates for projects included on the institute's 2013-2015
4 work plan as necessary to efficiently manage workload.

5 ((+10)) (9) The Evergreen State College shall not use funds
6 appropriated in this section to support intercollegiate athletics
7 programs.

8 **Sec. 610.** 2013 2nd sp.s. c 4 s 611 (uncodified) is amended to read
9 as follows:

10 **FOR WESTERN WASHINGTON UNIVERSITY**

| | | |
|----|---|--------------------------------|
| 11 | General Fund--State Appropriation (FY 2014) | ((\$44,542,000)) |
| 12 | | <u>\$44,552,000</u> |
| 13 | General Fund--State Appropriation (FY 2015) | ((\$44,377,000)) |
| 14 | | <u>\$44,386,000</u> |
| 15 | Education Legacy Trust Account--State | |
| 16 | Appropriation | \$13,050,000 |
| 17 | TOTAL APPROPRIATION | ((\$101,969,000)) |
| 18 | | <u>\$101,988,000</u> |

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

21 (1) \$1,497,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$1,498,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the expansion of computer
24 science and engineering enrollments. The university will work with the
25 education research and data center to establish program baselines and
26 demonstrate enrollment increases. By September 1, 2014, and each
27 September 1st thereafter, the university shall provide a report that
28 provides the specific detail on how these amounts were spent in the
29 preceding fiscal year, including but not limited to the cost per
30 student, student completion rates, and the number of low-income
31 students enrolled in each program, any process changes or best-
32 practices implemented by the college, and how many students are
33 enrolled in computer science and engineering programs above the 2012-
34 2013 academic year baseline.

35 (2) Western Washington University shall not use funds appropriated
36 in this section to support intercollegiate athletics programs.

1 **Sec. 611.** 2013 2nd sp.s. c 4 s 612 (uncodified) is amended to read
2 as follows:

3 **FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND**
4 **ADMINISTRATION**

| | | |
|----|---|-------------------------------|
| 5 | General Fund--State Appropriation (FY 2014) | ((\$5,307,000)) |
| 6 | | <u>\$5,320,000</u> |
| 7 | General Fund--State Appropriation (FY 2015) | ((\$5,318,000)) |
| 8 | | <u>\$5,403,000</u> |
| 9 | General Fund--Federal Appropriation | \$4,817,000 |
| 10 | TOTAL APPROPRIATION | ((\$15,442,000)) |
| 11 | | <u>\$15,540,000</u> |

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

14 (1) The student achievement council is authorized to increase or
15 establish fees for initial degree authorization, degree authorization
16 renewal, degree authorization reapplication, new program applications,
17 and new site applications pursuant to RCW 28B.85.060.

18 (2) \$50,000 of the general fund--state appropriation for fiscal
19 year 2015 is provided solely for the student achievement council to
20 convene a task force of representatives from the four-year institutions
21 of higher education and the state board for community and technical
22 colleges in consultation with the office of financial management. The
23 council shall also invite other independent research organizations and
24 experts to participate. The task force shall provide a report to the
25 legislature by December 1, 2014, including a series of strategy options
26 for future directions in tuition, state higher education funding, and
27 student aid policy in order to support the postsecondary certificate,
28 credential, and degree production goals set forth in the council's ten-
29 year roadmap report prepared under RCW 28B.77.020. The task force
30 shall focus on affordability and access for low-income and other
31 populations that have been historically underrepresented in higher
32 education, as well as students who do not have access to traditional
33 need-based aid. The task force must consider the full range of
34 financial aid, tuition waivers, and work study programs, projections
35 for high school graduates and the demography of this student
36 population, and the counseling and other student support measures
37 needed to assure the cost-effective investment of state funding toward
38 high levels of student success in light of the evolving needs of the

1 state for growing numbers of increasingly educated citizens. The task
2 force must report its progress to the joint higher education committee
3 at intervals during the work program. The taskforce shall work in
4 coordination with the work group created in Engrossed Substitute Senate
5 Bill No. 6436 (college bound scholarship).

6 (3) \$17,000 of the general fund--state appropriation for fiscal
7 year 2015 is provided solely for the implementation of House Bill No.
8 2285 (dual credit coursework). If the bill is not enacted by June 30,
9 2014, the amount provided in this subsection shall lapse.

10 **Sec. 612.** 2013 2nd sp.s. c 4 s 613 (uncodified) is amended to read
11 as follows:

12 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
13 **ASSISTANCE**

| | | |
|----|---|----------------------|
| 14 | General Fund--State Appropriation (FY 2014) | ((\$245,122,000)) |
| 15 | | <u>\$245,124,000</u> |
| 16 | General Fund--State Appropriation (FY 2015) | ((\$244,674,000)) |
| 17 | | <u>\$244,676,000</u> |
| 18 | General Fund--Federal Appropriation | ((\$11,648,000)) |
| 19 | | <u>\$11,655,000</u> |
| 20 | General Fund--Private/Local Appropriation | ((\$34,000)) |
| 21 | | <u>\$334,000</u> |
| 22 | Education Legacy Trust Account--State Appropriation | ((\$36,036,000)) |
| 23 | | <u>\$54,297,000</u> |
| 24 | Washington Opportunity Pathways Account--State | |
| 25 | Appropriation | ((\$147,000,000)) |
| 26 | | <u>\$141,000,000</u> |
| 27 | TOTAL APPROPRIATION | ((\$684,514,000)) |
| 28 | | <u>\$697,086,000</u> |

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

31 (1) \$237,454,000 of the general fund--state appropriation for
32 fiscal year 2014, \$237,455,000 of the general fund--state appropriation
33 for fiscal year 2015, \$6,000,000 of the education legacy trust
34 account--state appropriation, and ((\$147,000,000)) \$141,000,000 of the
35 Washington opportunity pathways account--state appropriation are
36 provided solely for student financial aid payments under the state need
37 grant and state work study programs including up to four percent

1 administrative allowance for the state work study program. Of the
2 amounts provided in this subsection, \$100,000 of the general fund--
3 state appropriation for fiscal year 2015 is provided solely for the
4 council to develop an alternative financial aid application system to
5 implement Senate Bill No. 6523 (higher education opportunities).

6 (2) Changes made to the state need grant program in the 2011-2013
7 fiscal biennium are continued in the 2013-2015 fiscal biennium
8 including aligning increases in awards given to private institutions
9 with the annual tuition increases for public research institutions or
10 the private institution's average annual tuition increase experience of
11 3.5 percent per year, whichever is less, and reducing the awards for
12 students who first enrolled as a new student in for-profit institutions
13 as of the 2011-2012 academic year or thereafter by fifty percent,
14 except that one-half of the fifty percent reduction shall be restored
15 on July 1, 2013, for students attending regionally accredited for-
16 profit institutions.

17 (3) Changes made to the state work study program in the 2009-2011
18 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal
19 biennium including maintaining the increased required employer share of
20 wages; adjusted employer match rates; discontinuation of nonresident
21 student eligibility for the program; and revising distribution methods
22 to institutions by taking into consideration other factors such as off-
23 campus job development, historical utilization trends, and student
24 need.

25 (4) Within the funds appropriated in this section, eligibility for
26 the state need grant shall include students with family incomes at or
27 below 70 percent of the state median family income (MFI), adjusted for
28 family size, and shall include students enrolled in three to five
29 credit-bearing quarter credits, or the equivalent semester credits.
30 Awards for all students shall be adjusted by the estimated amount by
31 which Pell grant increases exceed projected increases in the
32 noninstructional costs of attendance. Awards for students with incomes
33 between 51 and 70 percent of the state median shall be prorated at the
34 following percentages of the award amount granted to those with incomes
35 below 51 percent of the MFI: 70 percent for students with family
36 incomes between 51 and 55 percent MFI; 65 percent for students with
37 family incomes between 56 and 60 percent MFI; 60 percent for students

1 with family incomes between 61 and 65 percent MFI; and 50 percent for
2 students with family incomes between 66 and 70 percent MFI.

3 (5)(a) Students who are eligible for the college bound scholarship
4 shall be given priority for the state need grant program if the
5 students have applied by the institution's priority financial aid
6 deadline and have completed their financial aid file in a timely
7 manner. These eligible college bound students whose family incomes are
8 in the 0-65 median family income ranges shall be awarded the maximum
9 state need grant for which they are eligible under state policies and
10 may not be denied maximum state need grant funding due to institutional
11 policies or delayed awarding of college bound scholarship students.

12 (b) In calculating the college bound award, public institutions of
13 higher education shall be subject to the conditions and limitations in
14 RCW 28B.15.102 and shall not utilize college bound funds to offset
15 tuition costs from rate increases in excess of levels authorized in
16 section 603, chapter 50, Laws of 2011 and those assumed in section 602
17 or 603 of this act.

18 (6) (~~(\$36,036,000)~~) \$48,297,000 of the education legacy trust
19 account--state appropriation is provided solely for the college bound
20 scholarship program and may support scholarships for summer session.
21 This amount assumes that college bound scholarship recipients will
22 receive priority for state need grant awards in fiscal year 2014 and
23 fiscal year 2015. If this policy of prioritization is not fully
24 achieved, it is the intent of this legislation to provide supplemental
25 appropriations in the 2014 supplemental operating budget.

26 (7) \$2,236,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$2,236,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the passport to college
29 program. The maximum scholarship award shall be \$5,000. The board
30 shall contract with a nonprofit organization to provide support
31 services to increase student completion in their postsecondary program
32 and shall, under this contract, provide a minimum of \$500,000 in fiscal
33 years 2014 and 2015 for this purpose.

34 (8) The amounts provided in this section are sufficient for
35 implementation of Engrossed Second Substitute House Bill No. 2694
36 (higher ed/low-income students).

37 (9) In developing the skilled and educated workforce report
38 pursuant to RCW 28B.77.080(3), the council shall use the bureau of

1 labor statistics analysis of the education and training requirements of
2 occupations, in addition to any other method the council may choose to
3 use, to assess the number and type of higher education and training
4 credentials required to match employer demand for a skilled and
5 educated workforce.

6 **Sec. 613.** 2013 2nd sp.s. c 4 s 614 (uncodified) is amended to read
7 as follows:

8 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

| | | |
|----|---|-------------------------------|
| 9 | General Fund--State Appropriation (FY 2014) | ((\$1,582,000)) |
| 10 | | <u>\$1,556,000</u> |
| 11 | General Fund--State Appropriation (FY 2015) | ((\$1,478,000)) |
| 12 | | <u>\$1,464,000</u> |
| 13 | General Fund--Federal Appropriation | ((\$54,260,000)) |
| 14 | | <u>\$54,823,000</u> |
| 15 | <u>General Fund--Private/Local</u> | <u>\$44,000</u> |
| 16 | TOTAL APPROPRIATION | ((\$57,320,000)) |
| 17 | | <u>\$57,887,000</u> |

18 The appropriations in this section are subject to the following
19 conditions and limitations: For the 2013-2015 fiscal biennium the
20 board shall not designate recipients of the Washington award for
21 vocational excellence or recognize them at award ceremonies as provided
22 in RCW 28C.04.535.

23 **Sec. 614.** 2013 2nd sp.s. c 4 s 615 (uncodified) is amended to read
24 as follows:

25 **FOR THE DEPARTMENT OF EARLY LEARNING**

| | | |
|----|---|--------------------------------|
| 26 | General Fund--State Appropriation (FY 2014) | ((\$34,253,000)) |
| 27 | | <u>\$30,609,000</u> |
| 28 | General Fund--State Appropriation (FY 2015) | ((\$48,689,000)) |
| 29 | | <u>\$49,940,000</u> |
| 30 | General Fund--Federal Appropriation | ((\$293,652,000)) |
| 31 | | <u>\$295,427,000</u> |
| 32 | <u>General Fund--Private/Local</u> | <u>\$50,000</u> |
| 33 | Opportunity Pathways Account--State Appropriation | \$80,000,000 |
| 34 | Home Visiting Services Account--State Appropriation | \$2,868,000 |
| 35 | Home Visiting Services Account--Federal Appropriation | ((\$22,756,000)) |
| 36 | | <u>\$22,757,000</u> |

| | | |
|---|---|--------------------------------|
| 1 | Children's Trust Account--State Appropriation | \$180,000 |
| 2 | TOTAL APPROPRIATION | ((\$482,398,000)) |
| 3 | | <u>\$481,831,000</u> |

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

6 (1) \$20,229,000 of the general fund--state appropriation for fiscal
7 year 2014, \$36,474,000 of the general fund--state appropriation for
8 fiscal year 2015, and \$80,000,000 of the opportunity pathways account
9 appropriation are provided solely for the early childhood education
10 assistance program services. Of these amounts, \$10,284,000 is a
11 portion of the biennial amount of state maintenance of effort dollars
12 required to receive federal child care and development fund grant
13 dollars.

14 (2) \$638,000 of the general fund--state appropriation for fiscal
15 year 2014, and \$638,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for child care resource and
17 referral network services.

18 (3) \$200,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$200,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely to develop and provide culturally
21 relevant supports for parents, family, and other caregivers.

22 (4) The department is the lead agency for and recipient of the
23 federal child care and development fund grant. Amounts within this
24 grant shall be used to fund child care licensing, quality initiatives,
25 agency administration, and other costs associated with child care
26 subsidies. The department shall transfer a portion of this grant to
27 the department of social and health services to fund the child care
28 subsidies paid by the department of social and health services on
29 behalf of the department of early learning.

30 (5) \$1,434,000 of the general fund--state appropriation for fiscal
31 year 2014, \$1,434,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for expenditure into the home
33 visiting services account. This funding is intended to meet federal
34 maintenance of effort requirements and to secure private matching
35 funds.

36 (6)(a) \$153,717,000 of the general fund--federal appropriation is
37 provided solely for the working connections child care program under
38 RCW 43.215.135.

1 (b) In addition to groups that were given prioritized access to the
2 working connections child care program effective March 1, 2011, the
3 department shall also give prioritized access into the program to
4 families in which a parent of a child in care is a minor who is not
5 living with a parent or guardian and who is a full-time student in a
6 high school that has a school-sponsored on-site child care center.

7 (c) Within the amounts provided in (a) of this subsection, the
8 department is authorized to serve up to 20 percent of the working
9 connections households through contracted slots. The department may
10 achieve this by contracting with the working connections child care
11 providers and with early childhood education assistance program
12 providers to braid funding between working connection child care
13 program and the education assistance program to support a full-day
14 preschool experience for eligible children.

15 (7) Within available amounts, the department in consultation with
16 the office of financial management and the department of social and
17 health services shall report quarterly enrollments and active caseload
18 for the working connections child care program to the legislative
19 fiscal committees and the legislative-executive WorkFirst oversight
20 task force. The report shall also identify the number of cases
21 participating in both temporary assistance for needy families and
22 working connections child care. The department must also report on the
23 number of children served through contracted slots.

24 (8) (~~(\$1,025,000)~~) \$1,194,000 of the general fund--state
25 appropriation for fiscal year 2014, (~~(\$1,025,000)~~) \$1,738,000 of the
26 general fund--state appropriation for fiscal year 2015, and \$13,424,000
27 of the general fund--federal appropriation are provided solely for the
28 seasonal child care program. If federal sequestration cuts are
29 realized, cuts to the seasonal child care program must be proportional
30 to other federal reductions made within the department.

31 (9) (~~(\$3,572,000)~~) \$4,438,000 of the general fund--state
32 appropriation for fiscal year 2014, (~~(\$2,522,000)~~) \$4,674,000 of the
33 general fund--state appropriation for fiscal year 2015, and
34 (~~(\$4,304,000)~~) \$236,000 of the general fund--federal appropriation are
35 provided solely for the medicaid treatment child care (MTCC) program.
36 The department shall contract for MTCC services to provide therapeutic
37 child care and other specialized treatment services to abused,
38 neglected, at-risk, and/or drug-affected children. Priority for

1 services shall be given to children referred from the department of
2 social and health services children's administration. In addition to
3 referrals made by children's administration, the department shall
4 authorize services for children referred to the MTCC program, as long
5 as the children meet the eligibility requirements as outlined in the
6 Washington state plan for the MTCC program.

7 (a) Of the amounts appropriated in this subsection, \$60,000 per
8 fiscal year may be used by the department for administering the MTCC
9 program, if needed.

10 (b) Of the amounts provided in this subsection, (~~(\$1,050,000)~~)
11 \$1,916,000 of the general fund--state appropriation for fiscal year
12 2014 is provided solely to continue providing services in the event of
13 losing federal funding for the MTCC program. To the extent that the
14 moneys provided in this subsection (9)(b) are not necessary for this
15 purpose, the amounts provided shall lapse.

16 (10) \$150,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$150,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for a contract with a nonprofit
19 entity experienced in the provision of promoting early literacy for
20 children through pediatric office visits.

21 (11) \$721,000 of the general fund--state appropriation for fiscal
22 year 2014 is provided solely for the department to complete development
23 work of the electronic benefits transfer system.

24 (12) (~~(\$793,000)~~) \$221,000 of the general fund--state appropriation
25 for fiscal year 2014 and (~~(\$796,000)~~) \$1,233,577 of the general fund--
26 state appropriation for fiscal year 2015 are provided solely for
27 implementation of an electronic benefits transfer system. To the
28 maximum extent possible, the department shall work to integrate this
29 system with the department of social and health services payment
30 system. The amounts provided in this subsection are conditioned on the
31 department satisfying the requirements of the project management
32 oversight standards and policies established by the office of the chief
33 information officer.

34 (13) \$32,000 of the general fund--state appropriation for fiscal
35 year 2014 is provided solely for implementation of Second Substitute
36 Senate Bill No. 5595 (child care reform). If the bill is not enacted
37 by June 30, 2013, the amounts provided in this subsection shall lapse.

1 (14)(a)(i) The department of early learning is required to provide
2 to the education research and data center, housed at the office of
3 financial management, data on all state-funded early childhood
4 programs. These programs include the early support for infants and
5 toddlers, early childhood education and assistance program (ECEAP), and
6 the working connections and seasonal subsidized childcare programs
7 including license exempt facilities or family, friend, and neighbor
8 care. The data provided by the department to the education research
9 data center must include information on children who participate in
10 these programs, including their name and date of birth, and dates the
11 child received services at a particular facility.

12 (ii) The ECEAP early learning professionals must enter
13 qualifications into the department's professional development registry
14 during the 2013-14 school year. By October 2015, the department must
15 provide ECEAP early learning professional data to the education
16 research data center.

17 (iii) The department must request federally funded head start
18 programs to voluntarily provide data to the department and the
19 education research data center that is equivalent to what is being
20 provided for state-funded programs.

21 (iv) The education research and data center must provide a report
22 on early childhood program participation and K-12 outcomes to the house
23 of representatives appropriations committee and the senate ways and
24 means committee using available data by November 2013 for the school
25 year ending in 2012 and again in March 2014 for the school year ending
26 in 2013.

27 (b) The department, in consultation with the department of social
28 and health services, must withhold payment for services to early
29 childhood programs that do not report on the name, date of birth, and
30 the dates a child received services at a particular facility.

31 (15) Appropriations in this section are sufficient for the
32 department to maintain the early achievers program, improve program
33 data collection and evaluation, implement contracted child care slots,
34 continue the early childhood education and assistance program
35 expansion, and develop a single set of licensing standards for child
36 care and early childhood education and assistance programs pursuant to
37 Engrossed Second Substitute House Bill No. 2377 (early care and
38 education).

1 **Sec. 615.** 2013 2nd sp.s. c 4 s 616 (uncodified) is amended to read
2 as follows:

3 **FOR THE STATE SCHOOL FOR THE BLIND**

| | | |
|----|---|---------------------------------|
| 4 | General Fund--State Appropriation (FY 2014) | (((\$6,032,000))) |
| 5 | | <u>\$5,975,000</u> |
| 6 | General Fund--State Appropriation (FY 2015) | (((\$5,805,000))) |
| 7 | | <u>\$5,951,000</u> |
| 8 | General Fund--Private/Local Appropriation | \$15,000 |
| 9 | TOTAL APPROPRIATION | (((\$11,852,000))) |
| 10 | | <u>\$11,941,000</u> |

11 **Sec. 616.** 2013 2nd sp.s. c 4 s 617 (uncodified) is amended to read
12 as follows:

13 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
14 **LOSS**

| | | |
|----|---|---------------------------------|
| 15 | General Fund--State Appropriation (FY 2014) | (((\$8,615,000))) |
| 16 | | <u>\$8,764,000</u> |
| 17 | General Fund--State Appropriation (FY 2015) | (((\$8,591,000))) |
| 18 | | <u>\$8,739,000</u> |
| 19 | TOTAL APPROPRIATION | (((\$17,206,000))) |
| 20 | | <u>\$17,503,000</u> |

21 **Sec. 617.** 2013 2nd sp.s. c 4 s 618 (uncodified) is amended to read
22 as follows:

23 **FOR THE WASHINGTON STATE ARTS COMMISSION**

| | | |
|----|---|--------------------------------|
| 24 | General Fund--State Appropriation (FY 2014) | (((\$1,125,000))) |
| 25 | | <u>\$1,093,000</u> |
| 26 | General Fund--State Appropriation (FY 2015) | (((\$1,101,000))) |
| 27 | | <u>\$1,120,000</u> |
| 28 | General Fund--Federal Appropriation | \$2,074,000 |
| 29 | General Fund--Private/Local Appropriation | (((\$12,000))) |
| 30 | | <u>\$31,000</u> |
| 31 | TOTAL APPROPRIATION | (((\$4,312,000))) |
| 32 | | <u>\$4,318,000</u> |

33 **Sec. 618.** 2013 2nd sp.s. c 4 s 619 (uncodified) is amended to read
34 as follows:

| | | |
|---|---|------------------------------|
| 1 | FOR THE WASHINGTON STATE HISTORICAL SOCIETY | |
| 2 | General Fund--State Appropriation (FY 2014) | ((\$2,123,000)) |
| 3 | | <u>\$2,134,000</u> |
| 4 | General Fund--State Appropriation (FY 2015) | ((\$2,150,000)) |
| 5 | | <u>\$2,159,000</u> |
| 6 | TOTAL APPROPRIATION | ((\$4,273,000)) |
| 7 | | <u>\$4,293,000</u> |

8 The appropriations in this section are subject to the following
9 conditions and limitations: The Washington state historical society
10 shall operate the state capital historical museum as a heritage
11 outreach center. The structure is to be used to support the mission of
12 the society, including but not limited to leasing of the building, the
13 proceeds of which shall be retained by the society as a source of
14 funding for mission-related activities.

15 **Sec. 619.** 2013 2nd sp.s. c 4 s 620 (uncodified) is amended to read
16 as follows:

| | | |
|----|--|------------------------------|
| 17 | FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY | |
| 18 | General Fund--State Appropriation (FY 2014) | ((\$1,600,000)) |
| 19 | | <u>\$1,624,000</u> |
| 20 | General Fund--State Appropriation (FY 2015) | ((\$1,530,000)) |
| 21 | | <u>\$1,612,000</u> |
| 22 | TOTAL APPROPRIATION | ((\$3,130,000)) |
| 23 | | <u>\$3,236,000</u> |

(End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2013 2nd sp.s. c 4 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

| | |
|--|----------------------------------|
| General Fund--State Appropriation (FY 2014) | ((\$741,362,000)) |
| | <u>\$812,140,000</u> |
| General Fund--State Appropriation (FY 2015) | ((\$1,060,322,000)) |
| | <u>\$991,532,000</u> |
| State Building Construction Account--State | |
| Appropriation | ((\$4,297,000)) |
| | <u>\$8,164,000</u> |
| Columbia River Basin Water Supply Development | |
| Account--State Appropriation | ((\$269,000)) |
| | <u>\$473,000</u> |
| State Taxable Building Construction Account--State | |
| Appropriation | ((\$211,000)) |
| | <u>\$2,621,000</u> |
| Debt-Limit Reimbursable Bond Retire Account--State | |
| Appropriation | \$2,320,000 |
| <u>Hood Canal Aquatic Rehabilitation Bond Account--State</u> | |
| <u>Appropriation</u> | <u>\$1,000</u> |
| <u>Columbia River Basin Taxable Bond Water Supply</u> | |
| <u>Development Account--State Appropriation</u> | <u>\$182,000</u> |
| TOTAL APPROPRIATION | ((\$1,808,781,000)) |
| | <u>\$1,817,433,000</u> |

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

1 **Sec. 702.** 2013 2nd sp.s. c 4 s 702 (uncodified) is amended to read
2 as follows:

3 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
4 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**
5 **BE REIMBURSED BY ENTERPRISE ACTIVITIES**

| | | |
|----|--|------------------------------|
| 6 | Accident Account--State Appropriation | ((\$4,138,000)) |
| 7 | | <u>\$4,139,000</u> |
| 8 | Medical Aid Account--State Appropriation | ((\$4,138,000)) |
| 9 | | <u>\$4,139,000</u> |
| 10 | TOTAL APPROPRIATION | ((\$8,276,000)) |
| 11 | | <u>\$8,278,000</u> |

12 **Sec. 703.** 2013 2nd sp.s. c 4 s 703 (uncodified) is amended to read
13 as follows:

14 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
15 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**
16 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

| | | |
|----|---|--------------------------------|
| 17 | General Fund--State Appropriation (FY 2014) | \$25,636,000 |
| 18 | General Fund--State Appropriation (FY 2015) | ((\$16,102,000)) |
| 19 | | <u>\$16,103,000</u> |
| 20 | Nondebt-Limit Reimbursable Bond Retirement Account--State | |
| 21 | Appropriation | ((\$140,215,000)) |
| 22 | | <u>\$139,953,000</u> |
| 23 | TOTAL APPROPRIATION | ((\$181,953,000)) |
| 24 | | <u>\$181,692,000</u> |

25 The appropriations in this section are subject to the following
26 conditions and limitations: The general fund appropriation is for
27 expenditure into the nondebt-limit general fund bond retirement
28 account. The entire general fund--state appropriation for fiscal year
29 2014 shall be expended into the nondebt-limit general fund bond
30 retirement account by June 30, 2014.

31 **Sec. 704.** 2013 2nd sp.s. c 4 s 704 (uncodified) is amended to read
32 as follows:

33 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
34 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

| | | |
|----|---|------------------------------|
| 35 | General Fund--State Appropriation (FY 2014) | ((\$1,726,000)) |
| 36 | | <u>\$1,401,000</u> |

| | | |
|----|--|------------------------------|
| 1 | General Fund--State Appropriation (FY 2015) | ((\$1,726,000)) |
| 2 | | <u>\$1,401,000</u> |
| 3 | State Building Construction Account--State | |
| 4 | Appropriation | ((\$867,000)) |
| 5 | | <u>\$2,156,000</u> |
| 6 | Columbia River Basin Water Supply Development | |
| 7 | Account--State Appropriation | ((\$57,000)) |
| 8 | | <u>\$66,000</u> |
| 9 | State Taxable Building Construction Account--State | |
| 10 | Appropriation | ((\$45,000)) |
| 11 | | <u>\$324,000</u> |
| 12 | <u>Hood Canal Aquatic Rehabilitation Bond Account--State</u> | |
| 13 | <u>Appropriation</u> | <u>\$1,000</u> |
| 14 | <u>Columbia River Basin Taxable Bond Water Supply</u> | |
| 15 | <u>Development Account--State Appropriation</u> | <u>\$18,000</u> |
| 16 | TOTAL APPROPRIATION | ((\$4,421,000)) |
| 17 | | <u>\$5,367,000</u> |

18 **Sec. 705.** 2013 2nd sp.s. c 4 s 710 (uncodified) is amended to read
19 as follows:

20 **FOR THE STATE TREASURER--COUNTY PUBLIC HEALTH ASSISTANCE**

| | | |
|----|---|--------------|
| 21 | General Fund--State Appropriation (FY 2014) | \$36,386,000 |
| 22 | General Fund--State Appropriation (FY 2015) | \$36,386,000 |
| 23 | TOTAL APPROPRIATION | \$72,772,000 |

24 The appropriations in this section are subject to the following
25 conditions and limitations: The state treasurer shall distribute the
26 appropriations to the following counties and health districts in the
27 amounts designated to support public health services, including public
28 health nursing:

| 29 | Health District | FY 2014 | FY 2015 | 2013-15 |
|----|---------------------------------|----------------|----------------|-----------------|
| 30 | | | | Biennium |
| 31 | Adams County Health District | \$121,213 | \$121,213 | \$242,426 |
| 32 | Asotin County Health District | \$159,890 | \$159,890 | \$319,780 |
| 33 | Benton-Franklin Health District | \$1,614,337 | \$1,614,337 | \$3,228,674 |
| 34 | Chelan-Douglas Health District | \$399,634 | \$399,634 | \$799,268 |

| | | | | |
|----|---|--------------|---------------------|---------------------|
| 1 | Clallam County Health and Human Services | \$291,401 | \$291,401 | \$582,802 |
| 2 | Department | | | |
| 3 | Clark County Health District | \$1,767,341 | \$1,767,341 | \$3,534,682 |
| 4 | Skamania County Health Department | \$111,327 | \$111,327 | \$222,654 |
| 5 | Columbia County Health District | \$119,991 | \$119,991 | \$239,982 |
| 6 | Cowlitz County Health Department | \$477,981 | \$477,981 | \$955,962 |
| 7 | Garfield County Health District | \$93,154 | \$93,154 | \$186,308 |
| 8 | Grant County Health District | \$297,761 | \$297,762 | \$595,523 |
| 9 | Grays Harbor Health Department | \$335,666 | \$335,666 | \$671,332 |
| 10 | Island County Health Department | \$255,224 | \$225,224 | \$510,448 |
| 11 | Jefferson County Health and Human Services | \$184,080 | \$184,080 | \$368,160 |
| 12 | Seattle-King County Department of Public Health | \$10,558,598 | (\$10,558,598) | (\$21,117,196) |
| 13 | | | <u>\$12,685,521</u> | <u>\$23,244,119</u> |
| 14 | Bremerton-Kitsap County Health District | \$997,476 | \$997,476 | \$1,994,952 |
| 15 | Kittitas County Health Department | \$198,979 | \$198,979 | \$397,958 |
| 16 | Klickitat County Health Department | \$153,784 | \$153,784 | \$307,568 |
| 17 | Lewis County Health Department | \$263,134 | \$263,134 | \$526,268 |
| 18 | Lincoln County Health Department | \$113,917 | \$113,917 | \$227,834 |
| 19 | Mason County Department of Health Services | \$227,448 | \$227,448 | \$454,896 |
| 20 | Okanogan County Health District | \$169,882 | \$169,882 | \$339,764 |
| 21 | Pacific County Health Department | \$169,075 | \$169,075 | \$338,150 |
| 22 | Tacoma-Pierce County Health Department | \$4,143,169 | \$4,143,169 | \$8,286,338 |
| 23 | San Juan County Health and Community Services | \$2,253,493 | (\$2,253,493) | (\$4,506,986) |
| 24 | | | <u>\$126,569</u> | <u>\$2,380,062</u> |
| 25 | Skagit County Health Department | \$449,745 | \$449,745 | \$899,490 |
| 26 | Snohomish Health District | \$3,433,291 | \$3,433,291 | \$6,866,582 |
| 27 | Spokane County Health District | \$2,877,318 | \$2,877,318 | \$5,574,636 |
| 28 | Northeast Tri-County Health District | \$249,303 | \$249,303 | \$498,606 |
| 29 | Thurston County Health Department | \$1,046,897 | \$1,046,897 | \$2,093,794 |
| 30 | Wahkiakum County Health Department | \$93,181 | (\$9,180) | (\$186,361) |
| 31 | | | <u>\$93,181</u> | <u>\$186,362</u> |
| 32 | Walla Walla County-City Health Department | \$302,173 | \$302,173 | \$604,346 |
| 33 | Whatcom County Health Department | \$1,214,301 | \$1,214,301 | \$2,428,602 |
| 34 | Whitman County Health Department | \$189,355 | \$189,355 | \$378,710 |
| 35 | Yakima Health District | \$1,052,482 | \$1,052,482 | \$2,104,964 |
| 36 | | | | |
| 37 | TOTAL APPROPRIATIONS | \$36,386,001 | \$36,386,001 | \$72,772,002 |

1 NEW SECTION. **Sec. 706.** A new section is added to 2013 2nd sp.s.
2 c 4 (uncodified) to read as follows:

3 **FOR SUNDRY CLAIMS**

4 The following sums, or so much thereof as may be necessary, are
5 appropriated from the general fund for fiscal year 2014, unless
6 otherwise indicated, for relief of various individuals, firms, and
7 corporations for sundry claims. These appropriations are to be
8 disbursed on vouchers approved by the director of the department of
9 enterprise services, except as otherwise provided, for reimbursement of
10 criminal defendants acquitted on the basis of self-defense, pursuant to
11 RCW 9A.16.110, as follows:

- 12 (1) Tony M. Noble, claim number 99970075 \$5,670
- 13 (2) Patrick Earl, claim number 99970076 \$2,799
- 14 (3) Stephen J. Felice, claim number 99970076 \$17,275
- 15 (4) Michael Felice, claim number 99970076 \$93,809
- 16 (5) Noe Angel Aranda Hernandez, claim number 99970077 . . . \$12,500
- 17 (6) Anderson Durham, claim number 99970071 \$11,000
- 18 (7) Chase Balzer, claim number 99970078 \$5,953
- 19 (8) Kent Wescott, claim number 99970079 \$13,447
- 20 (9) Tommy Villanueva, claim number 99970080 \$70,099

21 NEW SECTION. **Sec. 707.** A new section is added to 2013 2nd sp.s.
22 c 4 (uncodified) to read as follows:

23 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS FOR STATE**
24 **EMPLOYEE HEALTH INSURANCE**

| | | |
|----|---|----------------|
| 25 | General Fund--State Appropriation (FY 2015) | (\$62,932,000) |
| 26 | General Fund--Federal Appropriation | (\$9,175,000) |
| 27 | General Fund--Local Appropriation | (\$1,177,000) |
| 28 | Other Dedicated Funds Appropriations | (\$15,698,000) |
| 29 | TOTAL APPROPRIATION | (\$88,982,000) |

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

- 32 (1) The appropriations in this section are provided solely to
33 reduce agency and institution appropriations to reflect the reductions
34 in the state employer funding rate for health insurance, and decreased
35 employer health insurance costs consistent with the contribution rates
36 included in sections 901, 902, and 904 of this act.

1 (2) To facilitate the transfer of moneys from dedicated funds and
2 accounts, the state treasurer shall transfer sufficient moneys from
3 each dedicated fund or account in accordance with LEAP document H010
4 dated February 22, 2014, and schedules provided by the office of
5 financial management. The office shall reduce allotments for all
6 agencies to reflect these savings.

7 NEW SECTION. **Sec. 708.** A new section is added to 2013 2nd sp.s.
8 c 4 (uncodified) to read as follows:

9 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--THURSTON COUNTY CAPITAL**
10 **FACILITIES ACCOUNT**

11 General Fund--State Appropriation (FY 2014) \$900,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The appropriation in this section is
14 provided solely for expenditure into the Thurston county capital
15 facilities account--state.

16 NEW SECTION. **Sec. 709.** A new section is added to 2013 2nd sp.s.
17 c 4 (uncodified) to read as follows:

18 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--PARKLAND TRUST REVOLVING**
19 **ACCOUNT**

20 General Fund--State Appropriation (FY 2014) \$639,000

21 The appropriation in this section is subject to the following
22 conditions and limitations: The appropriation in this section is
23 provided solely for expenditure into the Parkland trust revolving
24 account--state.

25 NEW SECTION. **Sec. 710.** A new section is added to 2013 2nd sp.s.
26 c 4 (uncodified) to read as follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
28 **COSTS**

29 General Fund--State Appropriation (FY 2014) \$343,000

30 The appropriation in this section is subject to the following
31 conditions and limitations: The director of financial management shall
32 distribute funds to Clallam county for extraordinary criminal justice
33 costs.

1 of financial management shall increase allotments in the amounts
2 specified, and to the state agencies specified in LEAP omnibus document
3 92E1-2014, dated February 22, 2014, and adjust appropriation schedules
4 accordingly.

5 NEW SECTION. **Sec. 715.** A new section is added to 2013 2nd sp.s.
6 c 4 (uncodified) to read as follows:

7 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF THE CHIEF**
8 **INFORMATION OFFICER**

| | | |
|----|---|-----------|
| 9 | General Fund--State Appropriation (FY 2015) | \$67,000 |
| 10 | General Fund--Federal Appropriation | \$13,000 |
| 11 | General Fund--Local/Private Appropriation | \$2,000 |
| 12 | Other Appropriated Funds | \$36,000 |
| 13 | TOTAL APPROPRIATION | \$118,000 |

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations in this section reflect
16 increases in agency appropriations related to corresponding increases
17 in the office of the chief information officer's billing authority.
18 The office of financial management shall increase allotments in the
19 amounts specified, and to the state agencies specified in LEAP omnibus
20 document 92F-2014, dated February 24, 2014, and adjust appropriation
21 schedules accordingly.

22 NEW SECTION. **Sec. 716.** A new section is added to 2013 2nd sp.s.
23 c 4 (uncodified) to read as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF ADMINISTRATIVE**
25 **HEARINGS**

| | | |
|----|--|----------|
| 26 | Minority and Business Account--State Appropriation | \$67,000 |
|----|--|----------|

27 The appropriation in this section is subject to the following
28 conditions and limitations: The appropriation in this section reflects
29 increases in agency appropriations related to the office of
30 administrative hearings. The office of financial management shall
31 increase allotments in the amounts specified, and to the state agencies
32 specified in LEAP omnibus document 92G-2014, dated February 24, 2014,
33 and adjust appropriation schedules accordingly.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2013 2nd sp.s. c 4 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions ((~~\$8,248,000~~))
\$8,591,000

General Fund Appropriation for public utility district excise tax distributions ((~~\$50,894,000~~))
\$53,709,000

General Fund Appropriation for prosecuting attorney distributions ((~~\$6,068,000~~))
\$5,985,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions \$65,000

General Fund Appropriation for habitat conservation program distributions ((~~\$3,000,000~~))
\$3,154,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$3,158,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$146,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((~~\$72,120,000~~))
\$76,932,000

County Criminal Justice Assistance Appropriation ((~~\$78,983,000~~))
\$78,861,000

Municipal Criminal Justice Assistance Appropriation ((~~\$30,550,000~~))
\$30,519,000

City-County Assistance Account Appropriation for local government financial assistance

| | | |
|----|---|--------------------------------|
| 1 | distribution | ((\$17,134,000)) |
| 2 | | <u>\$19,584,000</u> |
| 3 | Liquor Excise Tax Account Appropriation for liquor | |
| 4 | excise tax distribution | ((\$24,744,000)) |
| 5 | | <u>\$23,906,000</u> |
| 6 | Streamlined Sales and Use Tax Mitigation Account | |
| 7 | Appropriation for distribution to local taxing | |
| 8 | jurisdictions to mitigate the unintended revenue | |
| 9 | redistribution effect of the sourcing law | |
| 10 | changes | ((\$50,488,000)) |
| 11 | | <u>\$49,420,000</u> |
| 12 | Columbia River Water Delivery Account Appropriation for | |
| 13 | the Confederated Tribes of the Colville | |
| 14 | Reservation | ((\$7,760,000)) |
| 15 | | <u>\$7,752,000</u> |
| 16 | Columbia River Water Delivery Account Appropriation for | |
| 17 | the Spokane Tribe of Indians | ((\$5,025,000)) |
| 18 | | <u>\$5,011,000</u> |
| 19 | Liquor Revolving Account Appropriation for liquor | |
| 20 | profits distribution | \$98,876,000 |
| 21 | TOTAL APPROPRIATION | ((\$434,259,000)) |
| 22 | | <u>\$469,667,000</u> |

23 The total expenditures from the state treasury under the
24 appropriations in this section shall not exceed the funds available
25 under statutory distributions for the stated purposes.

26 **Sec. 802.** 2013 2nd sp.s. c 4 s 802 (uncodified) is amended to read
27 as follows:

28 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
29 **ACCOUNT**

| | | |
|----|--|------------------------------|
| 30 | Impaired Driver Safety Account Appropriation | ((\$2,469,000)) |
| 31 | | <u>\$2,409,000</u> |

32 The appropriation in this section is subject to the following
33 conditions and limitations: The amount appropriated in this section
34 shall be distributed quarterly during the 2013-2015 fiscal biennium in
35 accordance with RCW 82.14.310. This funding is provided to counties
36 for the costs of implementing criminal justice legislation including,
37 but not limited to: Chapter 206, Laws of 1998 (drunk driving

1 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
2 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
3 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
4 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
5 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
6 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
7 215, Laws of 1998 (DUI provisions).

8 **Sec. 803.** 2013 2nd sp.s. c 4 s 803 (uncodified) is amended to read
9 as follows:

10 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
11 Impaired Driver Safety Account Appropriation (~~(\$1,646,000)~~)
12 \$1,606,000

13 The appropriation in this section is subject to the following
14 conditions and limitations: The amount appropriated in this section
15 shall be distributed quarterly during the 2013-2015 fiscal biennium to
16 all cities ratably based on population as last determined by the office
17 of financial management. The distributions to any city that
18 substantially decriminalizes or repeals its criminal code after July 1,
19 1990, and that does not reimburse the county for costs associated with
20 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the
21 county in which the city is located. This funding is provided to
22 cities for the costs of implementing criminal justice legislation
23 including, but not limited to: Chapter 206, Laws of 1998 (drunk
24 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter
25 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
26 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
27 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
28 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
29 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
30 215, Laws of 1998 (DUI provisions).

31 **Sec. 804.** 2013 2nd sp.s. c 4 s 804 (uncodified) is amended to read
32 as follows:

33 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**
34 General Fund Appropriation for federal flood control
35 funds distribution \$66,000
36 General Fund Appropriation for federal grazing fees

1 distribution \$1,706,000
 2 Forest Reserve Fund Appropriation for federal forest
 3 reserve fund distribution ((~~\$5,636,000~~))
 4 \$24,446,000
 5 TOTAL APPROPRIATION ((~~\$7,408,000~~))
 6 \$26,218,000

7 The total expenditures from the state treasury under the
 8 appropriations in this section shall not exceed the funds available
 9 under statutory distributions for the stated purposes.

10 **Sec. 805.** 2013 2nd sp.s. c 4 s 805 (uncodified) is amended to read
 11 as follows:

12 **FOR THE STATE TREASURER--TRANSFERS**

13 State Treasurer's Service Account: For transfer to
 14 the state general fund, \$10,100,000 for fiscal
 15 year 2014 ((~~and \$10,100,000 for fiscal year 2015 \$20,200,000~~))
 16 \$10,100,000

17 Drinking Water Assistance Account: For transfer to
 18 the drinking water assistance repayment account \$32,000,000

19 General Fund: For transfer to the streamlined sales
 20 and use tax account, ((~~\$25,284,000~~)) \$24,436,000
 21 for fiscal year 2014 and ((~~\$25,204,000~~)) \$24,984,000
 22 for fiscal year 2015 ((~~\$50,488,000~~))
 23 \$49,420,000

24 Public Works Assistance Account: For transfer to the
 25 education legacy trust account, \$138,622,000 for
 26 fiscal year 2014 and \$138,622,000 for fiscal year
 27 2015 \$277,244,000

28 Local Toxics Control Account: For transfer to the
 29 state general fund, \$9,000,000 for fiscal year
 30 2014 and \$9,000,000 for fiscal year 2015 \$18,000,000

31 State Taxable Building Construction Account: For
 32 transfer to the Columbia River basin taxable bond
 33 water supply development account, an amount not to
 34 exceed \$32,000,000

35 Employment Training Finance Account: For transfer to
 36 the state general fund, \$1,000,000 for fiscal year
 37 2014 ((~~and \$1,000,000 for fiscal year 2015 \$2,000,000~~))

1 sciences discovery fund, in an amount not to exceed
2 the actual remaining amount of the annual strategic
3 contribution payment to the tobacco settlement account
4 for fiscal year 2014 \$9,515,000

5 Tobacco Settlement Account: For transfer to the life
6 sciences discovery fund, in an amount not to exceed
7 the actual remaining amount of the annual strategic
8 contribution payment to the tobacco settlement account
9 for fiscal year 2015 \$9,515,000

10 The transfer to the life sciences discovery fund is subject to the
11 following conditions:

12 (1) The life sciences discovery fund authority board of trustees
13 shall begin preparing to become a self-sustaining entity capable of
14 operating without direct state subsidy by the time the tobacco
15 strategic contribution supplemental payments end in fiscal year 2017.

16 (2) \$250,000 of the appropriation in fiscal year 2014 and \$250,000
17 of the appropriation in fiscal year 2015 are provided solely to promote
18 the development and delivery of global health technologies and
19 products.

20 (a) The life sciences discovery fund authority must either
21 administer a grant application, review, and reward process, or contract
22 with a qualified nonprofit organization for these services. State
23 moneys must be provided for grants to entities for the development,
24 production, promotion, and delivery of global health technologies and
25 products. Grant award criteria must include:

26 (i) The quality of the proposed research or the proposed technical
27 assistance in product development or production process design. Any
28 grant funds awarded for research activities must be awarded for
29 nonbasic research that will assist in the commercialization or
30 manufacture of global health technologies;

31 (ii) The potential for the grant recipient to improve global health
32 outcomes;

33 (iii) The potential for the grant to leverage additional funding
34 for the development of global health technologies and products;

35 (iv) The potential for the grant to stimulate, or promote technical
36 skills training for, employment in the development of global health
37 technologies in the state; and

1 (v) The willingness of the grant recipient, when appropriate, to
2 enter into royalty or licensing income agreements with the authority.

3 (b) The authority, or the contractor of the authority, must report
4 information including the types of products and research funded, the
5 funding leveraged by the grants, and the number and types of jobs
6 created as a result of the grants, to the economic development
7 committees of the legislature by December 1, 2014.

8 Aquatic Lands Enhancement Account: For transfer to the
9 geoduck aquaculture research account, \$150,000 for
10 fiscal year 2014 and \$150,000 for fiscal year 2015 \$300,000

11 Health Benefit Exchange Account: For transfer to the
12 state general fund for fiscal year 2015 \$21,514,000

13 Criminal Justice Treatment Account: For transfer to the
14 state general fund, \$437,000 for fiscal year 2014
15 and \$2,746,000 for fiscal year 2015 \$3,183,000

16 Resources Management Cost Account--Aquatics: For transfer
17 to the marine resources stewardship trust account,
18 \$1,850,000 for fiscal year 2014 and \$1,850,000 for
19 fiscal year 2015 \$3,700,000

20 Legal Services Revolving Account: For transfer to the
21 state general fund, \$976,000 for fiscal year 2014
22 ((and ~~\$1,477,000 for fiscal year 2015 \$2,453,000~~))
23 \$976,000

24 Personnel Service Account: For transfer to the state
25 general fund, \$733,000 for fiscal year 2014 ((and
26 ~~\$733,000 for fiscal year 2015 \$1,466,000~~))
27 \$733,000

28 Data Processing Revolving Account: For transfer to the
29 state general fund, \$4,069,000 for fiscal year 2014
30 ((and ~~\$4,070,000 for fiscal year 2015 \$8,139,000~~))
31 \$4,069,000

32 Home Security Fund Account: For transfer to the
33 transitional housing operating and rent account \$7,500,000

34 Professional Engineers' Account: For transfer to the
35 state general fund, \$956,000 for fiscal year 2014 and
36 \$957,000 for fiscal year 2015 \$1,913,000

37 Electrical License Account: For transfer to the state
38 general fund, \$1,700,000 for fiscal year 2014 and

1 \$1,700,000 for fiscal year 2015 \$3,400,000
2 Business and Professions Account: For transfer to the
3 state general fund, \$1,838,000 for fiscal year 2014
4 and \$1,800,000 for fiscal year 2015 \$3,638,000
5 Energy Freedom Account: For transfer to the state
6 general fund, \$1,000,000 for fiscal year 2014
7 ((and ~~\$1,000,000 for fiscal year 2015 \$2,000,000~~))
8 \$1,000,000
9 Pollution Liability Insurance Program Trust Account:
10 For transfer to the state general fund, \$2,500,000
11 for fiscal year 2014 and \$2,500,000 for fiscal year
12 2015 \$5,000,000
13 Real Estate Commission Account: For transfer to the
14 state general fund, \$1,700,000 for fiscal year 2014
15 and \$1,700,000 for fiscal year 2015 \$3,400,000
16 State Lottery Account: For transfer to the education
17 legacy trust account, \$6,050,000 for fiscal year 2014
18 and \$6,050,000 for fiscal year 2015 \$12,100,000
19 State Toxics Control Account: For transfer to the
20 radioactive mixed waste account, \$2,000,000 for fiscal
21 year 2014 \$2,000,000
22 Energy Freedom Account: For transfer to
23 the education legacy trust account,
24 \$1,000,000 for fiscal year 2015 \$1,000,000
25 Legal Services Revolving Account: For
26 transfer to the education legacy
27 trust account, \$1,477,000 for fiscal year 2015 \$1,477,000
28 Employment Training Finance Account:
29 For transfer to the education legacy
30 trust account, \$1,000,000 for fiscal year 2015 \$1,000,000
31 Tuition Recovery Trust Account: For transfer
32 to the education legacy trust account,
33 \$1,250,000 for fiscal year 2015 \$1,250,000
34 State Treasurer's Service Account: For
35 transfer to the education legacy
36 trust account, \$10,100,000 for fiscal
37 year 2015 \$10,100,000
38 Personnel Service Account: For transfer to

1 the education legacy trust account,
2 \$733,000 for fiscal year 2015 \$733,000
3 Data Processing Revolving Account: For
4 transfer to the education legacy trust
5 account, \$4,070,000 for fiscal year 2015 \$4,070,000

(End of part)

1 health insurance that has benefits and premiums with an actuarial value
2 of not less than 95 percent of the actuarial value of the public
3 employees' benefits board plan with the largest enrollment.

4 (c) The health care authority shall deposit any moneys received on
5 behalf of the uniform medical plan as a result of rebates on
6 prescription drugs, audits of hospitals, subrogation payments, or any
7 other moneys recovered as a result of prior uniform medical plan claims
8 payments, into the public employees' and retirees' insurance account to
9 be used for insurance benefits. Such receipts shall not be used for
10 administrative expenditures.

11 (d) To the extent that the agreement between the governor and the
12 super coalition contains terms that are effective after June 30, 2015,
13 those terms exceed the fiscal biennium and are outside the bounds
14 permitted by RCW 41.80.001. Nothing in this section obligates the
15 legislature for funding after June 30, 2015.

16 (2) The health care authority, subject to the approval of the
17 public employees' benefits board, shall provide subsidies for health
18 benefit premiums to eligible retired or disabled public employees and
19 school district employees who are eligible for medicare, pursuant to
20 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
21 shall be up to \$150 per month.

22 **Sec. 902.** 2013 2nd sp.s. c 4 s 933 (uncodified) is amended to read
23 as follows:

24 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**
25 **BENEFITS**

26 Appropriations for state agencies in this act are sufficient for
27 represented employees outside the super coalition for health benefits,
28 and are subject to the following conditions and limitations:

29 (1)(a) The monthly employer funding rate for insurance benefit
30 premiums, public employees' benefits board administration, and the
31 uniform medical plan, shall not exceed \$782 per eligible employee for
32 fiscal year 2014. For fiscal year 2015 the monthly employer funding
33 rate shall not exceed (~~(\$763)~~) \$658 per eligible employee.

34 (b) In order to achieve the level of funding provided for health
35 benefits, the public employees' benefits board shall require or make
36 any or all of the following: Employee premium copayments, increases in
37 point-of-service cost sharing, the implementation of managed

1 competition, or other changes to benefits consistent with RCW
2 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
3 surcharge to the premiums due from members who use tobacco products and
4 a surcharge of not less than \$50 per month to the premiums due from
5 members who cover a spouse or domestic partner where the spouse or
6 domestic partner has chosen not to enroll in other employer-based group
7 health insurance that has benefits and premiums with an actuarial value
8 of not less than 95 percent of the actuarial value of the public
9 employees' benefits board plan with the largest enrollment.

10 (c) The health care authority shall deposit any moneys received on
11 behalf of the uniform medical plan as a result of rebates on
12 prescription drugs, audits of hospitals, subrogation payments, or any
13 other moneys recovered as a result of prior uniform medical plan claims
14 payments, into the public employees' and retirees' insurance account to
15 be used for insurance benefits. Such receipts shall not be used for
16 administrative expenditures.

17 (2) The health care authority, subject to the approval of the
18 public employees' benefits board, shall provide subsidies for health
19 benefit premiums to eligible retired or disabled public employees and
20 school district employees who are eligible for medicare, pursuant to
21 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
22 shall be up to \$150 per month.

23 **Sec. 903.** 2013 2nd sp.s. c 4 s 937 (uncodified) is amended to read
24 as follows:

25 **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU LOCAL 925**
26 **CHILDCARE WORKERS**

27 (1) An agreement has been reached between the governor and the
28 service employees international union local 925 under the provisions of
29 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is
30 provided for increases to health care, scholarship funding and
31 non-standard hours bonus.

32 (2) An agreement has been reached between the governor and the
33 service employees international union local 925 under the provisions of
34 chapter 41.56 RCW for fiscal year 2015. Funding is provided to
35 increase the child care subsidy rates for licensed and exempt family
36 child care providers by four percent on July 1, 2014, and another four

1 percent on January 1, 2015. Two million dollars is also provided to
2 fund an early achievers tiered reimbursement pilot project for licensed
3 family child care providers.

4 **Sec. 904.** 2013 2nd sp.s. c 4 s 939 (uncodified) is amended to read
5 as follows:

6 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

7 Appropriations for state agencies in this act are sufficient for
8 nonrepresented state employee health benefits for state agencies,
9 including institutions of higher education, and are subject to the
10 following conditions and limitations:

11 (1)(a) The monthly employer funding rate for insurance benefit
12 premiums, public employees' benefits board administration, and the
13 uniform medical plan, shall not exceed \$782 per eligible employee for
14 fiscal year 2014. For fiscal year 2015 the monthly employer funding
15 rate shall not exceed (~~(\$763)~~) \$658 per eligible employee.

16 (b) In order to achieve the level of funding provided for health
17 benefits, the public employees' benefits board shall require or make
18 any or all of the following: Employee premium copayments, increases in
19 point-of-service cost sharing, the implementation of managed
20 competition, or other changes to benefits consistent with RCW
21 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
22 surcharge to the premiums due from members who use tobacco products and
23 a surcharge of not less than \$50 per month to the premiums due from
24 members who cover a spouse or domestic partner where the spouse or
25 domestic partner has chosen not to enroll in other employer-based group
26 health insurance that has benefits and premiums with an actuarial value
27 of not less than 95 percent of the actuarial value of the public
28 employees' benefits board plan with the largest enrollment.

29 (c) The health care authority shall deposit any moneys received on
30 behalf of the uniform medical plan as a result of rebates on
31 prescription drugs, audits of hospitals, subrogation payments, or any
32 other moneys recovered as a result of prior uniform medical plan claims
33 payments, into the public employees' and retirees' insurance account to
34 be used for insurance benefits. Such receipts shall not be used for
35 administrative expenditures.

36 (2) The health care authority, subject to the approval of the
37 public employees' benefits board, shall provide subsidies for health

1 benefit premiums to eligible retired or disabled public employees and
2 school district employees who are eligible for medicare, pursuant to
3 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
4 shall be up to \$150 per month.

5 (3) Technical colleges, school districts, and educational service
6 districts shall remit to the health care authority for deposit into the
7 public employees' and retirees' insurance account established in RCW
8 41.05.120 the following amounts:

9 (a) For each full-time employee, \$64.40 per month beginning
10 September 1, 2013, and (~~(\$70.39)~~) \$66.70 beginning September 1, 2014;
11 and

12 (b) For each part-time employee, who at the time of the remittance
13 is employed in an eligible position as defined in RCW 41.32.010 or
14 41.40.010 and is eligible for employer fringe benefit contributions for
15 basic benefits, \$64.40 each month beginning September 1, 2013, and
16 (~~(\$70.39)~~) \$66.70 beginning September 1, 2014, prorated by the
17 proportion of employer fringe benefit contributions for a full-time
18 employee that the part-time employee receives. The remittance
19 requirements specified in this subsection (3) shall not apply to
20 employees of a technical college, school district, or educational
21 service district who purchase insurance benefits through contracts with
22 the health care authority.

23 **Sec. 905.** 2013 2nd sp.s. c 4 s 943 (uncodified) is amended to read
24 as follows:

25 **ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL**
26 **CONTRACTS**

27 (1) Financial contracts for the acquisition of the information
28 technology projects authorized in this section must be approved jointly
29 by the office of the financial management and the office of the chief
30 information officer. Information technology projects funded under this
31 section shall meet the following requirements:

32 (a) The project reduces costs and achieves economies of scale by
33 leveraging statewide investments in systems and data and other common
34 or enterprise-wide solutions within and across state agencies;

35 (b) The project begins or continues replacement of legacy
36 information technology systems and replacing these systems with modern
37 and more efficient information technology systems;

1 (c) The project improves the ability of an agency to recover from
2 major disaster;

3 (d) The project provides future savings and efficiencies for an
4 agency through reduced operating costs, improved customer service, or
5 increased revenue collections; and

6 (e) Preference for project approval must be given to an agency that
7 has prior approval from the office of the chief information officer, an
8 approved business plan, and where the primary hurdle to project funding
9 is the lack of funding capacity.

10 (2) The following state agencies may enter into financial contracts
11 to finance expenditures for the acquisition and implementation of the
12 following information technology projects for up to the respective
13 amounts indicated, plus financing expenses and required reserves
14 pursuant to chapter 39.94 RCW:

15 (a) Subject to subsection (4) of this section, (~~(\$10,000,000)~~)
16 \$13,500,000 for the department of enterprise services time, leave, and
17 attendance pilot project;

18 (b) \$3,867,000 for the Washington state patrol for continuation of
19 the mobile office platform;

20 (~~(c) (\$8,500,000 for the department of social and health services~~
21 ~~conversion to the tenth version of the world health organization's~~
22 ~~international classification of diseases;~~

23 ~~(d) \$5,558,000)~~ \$3,314,670 for the department of early learning
24 system implementation of electronic benefit transfers;

25 (~~(e)~~) (d) \$4,323,000 for the department of corrections for radio
26 infrastructure upgrades.

27 (3) The office of financial management with assistance from the
28 office of the chief information officer will report to the governor and
29 fiscal committees of the legislature by November 1st of each year on
30 the status of distributions and expenditures on information technology
31 projects and improved statewide or agency performance results achieved
32 by project funding.

33 (4) If the Washington state department of transportation enters
34 into financial contracts pursuant to chapter 39.94 RCW for the
35 acquisition and implementation of a time, leave, and labor distribution
36 system, the authorization provided to the department of enterprise
37 services in subsection (2)(a) of this section expires.

1 **Sec. 906.** RCW 28B.67.030 and 2013 2nd sp.s. c 4 s 961 are each
2 amended to read as follows:

3 (1) All payments received from a participant in the Washington
4 customized employment training program created in RCW 28B.67.020 must
5 be deposited into the employment training finance account, which is
6 hereby created in the custody of the state treasurer. Only the state
7 board for community and technical colleges may authorize expenditures
8 from the account and no appropriation is required for expenditures.
9 The money in the account must be used solely for training allowances
10 under the Washington customized employment training program created in
11 RCW 28B.67.020 and for providing up to seventy-five thousand dollars
12 per year for training, marketing, and facilitation services to increase
13 the use of the program. The deposit of payments under this section
14 from a participant ceases when the board specifies that the participant
15 has met the monetary obligations of the program. During the 2013-2015
16 fiscal biennium, the legislature may transfer from the employment
17 training finance account to the state general fund and the education
18 legacy trust account such amounts as reflect the excess fund balance in
19 the account.

20 (2) All revenue solicited and received under the provisions of RCW
21 28B.67.020(4) must be deposited into the employment training finance
22 account to provide training allowances.

23 (3) The definitions in RCW 28B.67.010 apply to this section.

24 (4) This section expires July 1, 2017.

25 **Sec. 907.** RCW 28C.10.082 and 2013 2nd sp.s. c 4 s 965 are each
26 amended to read as follows:

27 The tuition recovery trust fund is hereby established in the
28 custody of the state treasurer. The agency shall deposit in the fund
29 all moneys received under RCW 28C.10.084. Moneys in the fund may be
30 spent only for the purposes under RCW 28C.10.084. Disbursements from
31 the fund shall be on authorization of the agency. During the 2013-2015
32 fiscal biennium, the legislature may transfer from the tuition recovery
33 trust fund to the state general fund and the education legacy trust
34 account such amounts as reflect the excess fund balance in the fund.
35 The fund is subject to the allotment procedure provided under chapter
36 43.88 RCW, but no appropriation is required for disbursements.

1 **Sec. 908.** RCW 36.28A.300 and 2013 2nd sp.s. c 35 s 23 are each
2 amended to read as follows:

3 There is created a 24/7 sobriety program to be administered by the
4 (~~Washington traffic safety~~) criminal justice training commission in
5 conjunction with the Washington association of sheriffs and police
6 chiefs. The program shall coordinate efforts among various local
7 government entities for the purpose of implementing alternatives to
8 incarceration for offenders convicted under RCW 46.61.502 or 46.61.504
9 with one or more prior convictions under RCW 46.61.502 or 46.61.504.

10 **Sec. 909.** RCW 36.28A.320 and 2013 2nd sp.s. c 35 s 25 are each
11 amended to read as follows:

12 There is hereby established in the state treasury the 24/7 sobriety
13 account. The account shall be maintained and administered by the
14 (~~Washington traffic safety~~) criminal justice training commission to
15 reimburse the state for costs associated with establishing the program
16 and the Washington association of sheriffs and police chiefs for
17 ongoing program administration costs. (~~The Washington traffic~~
18 ~~safety~~) criminal justice training commission may accept for deposit in
19 the account money from donations, gifts, grants, participation fees,
20 and user fees or payments. Expenditures from the account shall be
21 budgeted through the normal budget process.

22 **Sec. 910.** RCW 41.06.280 and 2013 2nd sp.s. c 4 s 968 are each
23 amended to read as follows:

24 There is hereby created a fund within the state treasury,
25 designated as the "personnel service fund," to be used by the office of
26 financial management as a revolving fund for the payment of salaries,
27 wages, and operations required for the administration of the provisions
28 of this chapter, applicable provisions of chapter 41.04 RCW, and
29 chapter 41.60 RCW. An amount not to exceed one and one-half percent of
30 the salaries and wages for all positions in the classified service in
31 each of the agencies subject to this chapter, except the institutions
32 of higher education, shall be charged to the operations appropriations
33 of each agency and credited to the personnel service fund as the
34 allotments are approved pursuant to chapter 43.88 RCW. Subject to the
35 above limitations, the amount shall be charged against the allotments
36 pro rata, at a rate to be fixed by the director from time to time

1 which, together with income derived from services rendered under RCW
2 41.06.080, will provide the office of financial management with funds
3 to meet its anticipated expenditures during the allotment period,
4 including the training requirements in RCW 41.06.500 and 41.06.530.
5 All revenues, net of expenditures, previously derived from services
6 provided by the department of enterprise services under RCW 41.06.080
7 must be transferred to the enterprise services account.

8 The director shall fix the terms and charges for services rendered
9 by the office of financial management pursuant to RCW 41.06.080, which
10 amounts shall be credited to the personnel service fund and charged
11 against the proper fund or appropriation of the recipient of such
12 services on a monthly basis. Payment for services so rendered under
13 RCW 41.06.080 shall be made on a monthly basis to the state treasurer
14 and deposited in the personnel service fund.

15 Moneys from the personnel service fund shall be disbursed by the
16 state treasurer by warrants on vouchers duly authorized by the office
17 of financial management.

18 During the 2013-2015 fiscal biennium, the legislature may transfer
19 from the personnel service fund to the state general fund and the
20 education legacy trust account such amounts as reflect the excess fund
21 balance of the account.

22 **Sec. 911.** RCW 43.08.190 and 2013 2nd sp.s. c 4 s 973 are each
23 amended to read as follows:

24 There is hereby created a fund within the state treasury to be
25 known as the "state treasurer's service fund." Such fund shall be used
26 solely for the payment of costs and expenses incurred in the operation
27 and administration of the state treasurer's office.

28 Moneys shall be allocated monthly and placed in the state
29 treasurer's service fund equivalent to a maximum of one percent of the
30 trust and treasury average daily cash balances from the earnings
31 generated under the authority of RCW 43.79A.040 and 43.84.080 other
32 than earnings generated from investment of balances in funds and
33 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
34 precede the distribution of the remaining earnings as prescribed under
35 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
36 uniform allocation rate for all funds and accounts; except that the
37 state treasurer may negotiate a different allocation rate with any

1 state agency that has independent authority over funds not statutorily
2 required to be held in the state treasury or in the custody of the
3 state treasurer. In no event shall the rate be less than the actual
4 costs incurred by the state treasurer's office. If no rate is
5 separately negotiated, the default rate for any funds held shall be the
6 rate set for funds held pursuant to statute.

7 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-
8 2015 fiscal biennia, the legislature may transfer from the state
9 treasurer's service fund to the state general fund such amounts as
10 reflect the excess fund balance of the fund. Additionally, during the
11 2013-2015 fiscal biennium, the legislature may transfer from the state
12 treasurer's service fund to the education legacy trust account such
13 amounts as reflect the excess balance of the fund.

14 **Sec. 912.** RCW 43.10.150 and 2013 2nd sp.s. c 4 s 975 are each
15 amended to read as follows:

16 A legal services revolving fund is hereby created in the state
17 treasury for the purpose of a centralized funding, accounting, and
18 distribution of the actual costs of the legal services provided to
19 agencies of the state government by the attorney general. During the
20 2013-2015 fiscal biennium, the legislature may transfer from the legal
21 services revolving account to the state general fund and the education
22 legacy trust account such amounts as reflect the excess fund balance of
23 the account.

24 **Sec. 913.** RCW 43.19.791 and 2013 2nd sp.s. c 4 s 976 are each
25 amended to read as follows:

26 There is created a revolving fund to be known as the data
27 processing revolving fund in the custody of the state treasurer. The
28 revolving fund shall be used for the acquisition of equipment,
29 software, supplies, and services and the payment of salaries, wages,
30 and other costs incidental to the acquisition, development, operation,
31 and administration of information services, telecommunications,
32 systems, software, supplies and equipment, including the payment of
33 principal and interest on bonds issued for capital projects, by the
34 department, Washington State University's computer services center, the
35 department of enterprise services' personnel information systems group
36 and financial systems management group, and other users as determined

1 by the office of financial management. The revolving fund is subject
2 to the allotment procedure provided under chapter 43.88 RCW. The chief
3 information officer or the chief information officer's designee, with
4 the approval of the technology services board, is authorized to expend
5 up to one million dollars per fiscal biennium for the technology
6 services board to conduct independent technical and financial analysis
7 of proposed information technology projects, and such an expenditure
8 does not require an appropriation. Disbursements from the revolving
9 fund for the services component of the department are not subject to
10 appropriation. Disbursements for the strategic planning and policy
11 component of the department are subject to appropriation. All
12 disbursements from the fund are subject to the allotment procedures
13 provided under chapter 43.88 RCW. The department shall establish and
14 implement a billing structure to assure all agencies pay an equitable
15 share of the costs.

16 During the 2011-2013 and the 2013-2015 fiscal biennia, the
17 legislature may transfer from the data processing revolving account to
18 the state general fund such amounts as reflect the excess fund balance
19 and may use the data processing revolving account for information
20 technology projects. Additionally, during the 2013-2015 fiscal
21 biennium, the legislature may transfer from the data processing
22 revolving account to the education legacy trust account such amounts as
23 reflect the excess balance of the fund.

24 As used in this section, the word "supplies" shall not be
25 interpreted to delegate or abrogate the division of purchasing's
26 responsibilities and authority to purchase supplies as described in RCW
27 43.19.190 and 43.19.200.

28 **Sec. 914.** RCW 43.79.480 and 2013 2nd sp.s. c 4 s 980 are each
29 amended to read as follows:

30 (1) Moneys received by the state of Washington in accordance with
31 the settlement of the state's legal action against tobacco product
32 manufacturers, exclusive of costs and attorneys' fees, shall be
33 deposited in the tobacco settlement account created in this section
34 except as these moneys are sold or assigned under chapter 43.340 RCW.

35 (2) The tobacco settlement account is created in the state
36 treasury. Moneys in the tobacco settlement account may only be
37 transferred to the state general fund, and to the tobacco prevention

1 and control account for purposes set forth in this section. The
2 legislature shall transfer amounts received as strategic contribution
3 payments as defined in RCW 43.350.010 to the life sciences discovery
4 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013
5 fiscal biennia, the legislature may transfer less than the entire
6 strategic contribution payments, and may transfer amounts attributable
7 to strategic contribution payments into the basic health plan
8 stabilization account. During the 2013-2015 fiscal biennium, the
9 legislature may transfer less than the entire strategic contribution
10 payments, and may transfer amounts attributable to strategic
11 contribution payments into the state general fund and the education
12 legacy trust account.

13 (3) The tobacco prevention and control account is created in the
14 state treasury. The source of revenue for this account is moneys
15 transferred to the account from the tobacco settlement account,
16 investment earnings, donations to the account, and other revenues as
17 directed by law. Expenditures from the account are subject to
18 appropriation. During the 2009-2011 fiscal biennium, the legislature
19 may transfer from the tobacco prevention and control account to the
20 state general fund such amounts as represent the excess fund balance of
21 the account.

22 **Sec. 915.** RCW 43.325.040 and 2013 2nd sp.s. c 4 s 984 are each
23 amended to read as follows:

24 (1) The energy freedom account is created in the state treasury.
25 All receipts from appropriations made to the account and any loan
26 payments of principal and interest derived from loans made under the
27 energy freedom account must be deposited into the account. Moneys in
28 the account may be spent only after appropriation. Expenditures from
29 the account may be used only for financial assistance for further
30 funding for projects consistent with this chapter or otherwise
31 authorized by the legislature.

32 (2) The green energy incentive account is created in the state
33 treasury as a subaccount of the energy freedom account. All receipts
34 from appropriations made to the green energy incentive account shall be
35 deposited into the account, and may be spent only after appropriation.
36 Expenditures from the account may be used only for:

37 (a) Refueling projects awarded under this chapter;

1 (b) Pilot projects for plug-in hybrids, including grants provided
2 for the electrification program set forth in RCW 43.325.110; and

3 (c) Demonstration projects developed with state universities as
4 defined in RCW 28B.10.016 and local governments that result in the
5 design and building of a hydrogen vehicle fueling station.

6 (3)(a) The energy recovery act account is created in the state
7 treasury. State and federal funds may be deposited into the account
8 and any loan payments of principal and interest derived from loans made
9 from the energy recovery act account must be deposited into the
10 account. Moneys in the account may be spent only after appropriation.

11 (b) Expenditures from the account may be used only for loans, loan
12 guarantees, and grants that encourage the establishment of innovative
13 and sustainable industries for renewable energy and energy efficiency
14 technology, including but not limited to:

15 (i) Renewable energy projects or programs that require interim
16 financing to complete project development and implementation;

17 (ii) Companies with innovative, near-commercial or commercial,
18 clean energy technology; and

19 (iii) Energy efficiency technologies that have a viable repayment
20 stream from reduced utility costs.

21 (c) The director shall establish policies and procedures for
22 processing, reviewing, and approving applications for funding under
23 this section. When developing these policies and procedures, the
24 department must consider the clean energy leadership strategy developed
25 under section 2, chapter 318, Laws of 2009.

26 (d) The director shall enter into agreements with approved
27 applicants to fix the term and rates of funding provided from this
28 account.

29 (e) The policies and procedures of this subsection (3) do not apply
30 to assistance awarded for projects under RCW 43.325.020(3).

31 (4) Any state agency receiving funding from the energy freedom
32 account is prohibited from retaining greater than three percent of any
33 funding provided from the energy freedom account for administrative
34 overhead or other deductions not directly associated with conducting
35 the research, projects, or other end products that the funding is
36 designed to produce unless this provision is waived in writing by the
37 director.

1 (5) Any university, institute, or other entity that is not a state
2 agency receiving funding from the energy freedom account is prohibited
3 from retaining greater than fifteen percent of any funding provided
4 from the energy freedom account for administrative overhead or other
5 deductions not directly associated with conducting the research,
6 projects, or other end products that the funding is designed to
7 produce.

8 (6) Subsections (2), (4), and (5) of this section do not apply to
9 assistance awarded for projects under RCW 43.325.020(3).

10 (7) During the 2013-2015 fiscal biennium, the legislature may
11 transfer from the energy freedom account to the state general fund and
12 the education legacy trust account such amounts as reflect the excess
13 fund balance of the account.

14 **Sec. 916.** RCW 67.70.260 and 2011 1st sp.s. c 50 s 962 are each
15 amended to read as follows:

16 There is hereby created the lottery administrative account in the
17 state treasury. The account shall be managed, controlled, and
18 maintained by the director. The legislature may appropriate from the
19 account for the payment of costs incurred in the operation and
20 administration of the lottery. During the 2001-2003 fiscal biennium,
21 the legislature may transfer from the lottery administrative account to
22 the state general fund such amounts as reflect the appropriations
23 reductions made by the 2002 supplemental appropriations act for
24 administrative efficiencies and savings. During the ((2011-2013))
25 2013-2015 fiscal biennium, the lottery administrative account may also
26 be used to fund an independent forecast of the lottery revenues
27 conducted by the economic and revenue forecast council.

28 **Sec. 917.** RCW 77.36.170 and 2013 c 329 s 2 are each amended to
29 read as follows:

30 (1) The department may pay no more than fifty thousand dollars per
31 fiscal year from the state wildlife account created in RCW 77.12.170
32 for claims and assessment costs for injury or loss of livestock caused
33 by wolves submitted under RCW 77.36.100.

34 (2) Notwithstanding other provisions of this chapter, the
35 department may also accept and expend money from other sources to

1 address injury or loss of livestock or other property caused by wolves
2 consistent with the requirements on that source of funding.

3 (3) If any wildlife account expenditures authorized under
4 subsections (1) and (4) of this section are unspent as of June 30th of
5 a fiscal year, the state treasurer shall transfer the unspent amount to
6 the wolf-livestock conflict account created in RCW 77.36.180.

7 (4) During the 2014 fiscal year, the department may pay no more
8 than two hundred and fifty thousand dollars from the state wildlife
9 account created in RCW 77.12.170 for claims and assessment costs for
10 injury or loss of livestock caused by wolves submitted under RCW
11 77.36.100.

12 **Sec. 918.** RCW 82.08.160 and 2013 2nd sp.s. c 4 s 1003 are each
13 amended to read as follows:

14 (1) On or before the twenty-fifth day of each month, all taxes
15 collected under RCW 82.08.150 during the preceding month must be
16 remitted to the state department of revenue, to be deposited with the
17 state treasurer. Except as provided in subsections (2), (3), and (4)
18 of this section, upon receipt of such moneys the state treasurer must
19 credit sixty-five percent of the sums collected and remitted under RCW
20 82.08.150 (1) and (2) and one hundred percent of the sums collected and
21 remitted under RCW 82.08.150 (3) and (4) to the state general fund and
22 thirty-five percent of the sums collected and remitted under RCW
23 82.08.150 (1) and (2) to a fund which is hereby created to be known as
24 the "liquor excise tax fund."

25 (2) During the 2012 fiscal year, 66.19 percent of the sums
26 collected and remitted under RCW 82.08.150 (1) and (2) must be
27 deposited in the state general fund and the remainder collected and
28 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
29 liquor excise tax fund.

30 (3) During fiscal year 2013, all funds collected under RCW
31 82.08.150 (1), (2), (3), and (4) must be deposited into the state
32 general fund.

33 (4) During the 2013-2015 fiscal biennium, (~~eighty-two~~)
34 seventy-seven and one-half percent of the sums collected and remitted
35 under RCW 82.08.150 (1) and (2) must be deposited in the state general
36 fund and the remainder collected and remitted under RCW 82.08.150 (1)

1 and (2) must be deposited in the liquor excise tax fund. The
2 amendments in this section are curative, clarifying, and remedial and
3 apply retroactively to July 1, 2013.

4 **Sec. 919.** 2013 2nd sp.s. c 35 s 39 (uncodified) is amended to read
5 as follows:

6 The sum of one hundred seventy-six thousand dollars of the state
7 general fund for the fiscal year ending June 30, 2014, and one hundred
8 seventy-six thousand dollars of the state general fund for the fiscal
9 year ending June 30, 2015, or as much thereof as may be necessary, are
10 appropriated to the (~~Washington traffic safety~~) criminal justice
11 training commission solely for the purposes of (~~section 25 of this~~
12 ~~act~~) RCW 36.28A.320.

13 NEW SECTION. **Sec. 920.** 2013 2nd sp.s. c 35 s 40 (uncodified) is
14 repealed.

15 NEW SECTION. **Sec. 921.** A new section is added to 2013 2nd sp.s.
16 c 4 (uncodified) to read as follows:

17 The sum of one hundred seventy thousand dollars from the state
18 general fund for the fiscal year ending June 30, 2014, and two hundred
19 twenty-seven thousand dollars of the state general fund for the fiscal
20 year ending June 30, 2015, or as much thereof as may be necessary, are
21 appropriated for expenditure into the county criminal justice
22 assistance account. The treasurer shall make quarterly distributions
23 from the county criminal justice assistance account of the amounts
24 provided in this section in accordance with RCW 82.14.310 for the
25 purposes of reimbursing local jurisdictions for increased costs
26 incurred as a result of the mandatory arrest of repeat offenders
27 pursuant to chapter 35, Laws of 2013 2nd sp. sess. The first
28 distribution for fiscal year 2014 shall include amounts from previous
29 quarters for which distributions were not made. The appropriations and
30 distributions made under this section constitute appropriate
31 reimbursement for costs for any new programs or increased level of
32 services for the purposes of RCW 43.135.060.

33 NEW SECTION. **Sec. 922.** A new section is added to 2013 2nd sp.s.
34 c 4 (uncodified) to read as follows:

1 The sum of one hundred thousand dollars from the state general fund
2 for the fiscal year ending June 30, 2014, and one hundred thirty-three
3 thousand dollars from the state general fund for the fiscal year ending
4 June 30, 2015, or as much thereof as may be necessary, are appropriated
5 for expenditure into the municipal criminal justice assistance account.
6 The treasurer shall make quarterly distributions from the municipal
7 criminal justice assistance account of the amounts provided in this
8 section in accordance with RCW 82.14.320, for the purposes of
9 reimbursing local jurisdictions for increased costs incurred as a
10 result of the mandatory arrest of repeat offenders pursuant to chapter
11 35, Laws of 2013 2nd sp. sess. The first distribution for fiscal year
12 2014 shall include amounts from previous quarters for which
13 distributions were not made. The appropriations and distributions made
14 under this section constitute appropriate reimbursement for costs for
15 any new programs or increased level of services for the purposes of RCW
16 43.135.060.

17 NEW SECTION. **Sec. 923.** Section 915 of this act expires June 30,
18 2016.

19 **Sec. 924.** 2007 c 465 s 3 (uncodified) is amended to read as
20 follows:

21 This act expires June 30, ((2014)) 2015.

22 **Sec. 925.** 2009 c 520 s 96 (uncodified) is amended to read as
23 follows:

24 Section 63 of this act expires June 30, ((2014)) 2015.

25 NEW SECTION. **Sec. 926.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

29 NEW SECTION. **Sec. 927.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 immediately.

(End of Bill)

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