#### SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

#### ONE HUNDRED SECOND DAY

House Chamber, Olympia, Thursday, April 22, 2021

The House was called to order at 10:00 a.m. by the Speaker (Representative Orwall presiding). The Clerk called the roll and a quorum was present.

The Speaker (Representative Orwall presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Rob Chase, 4th Legislative District.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the fifth order of business.

#### REPORTS OF STANDING COMMITTEES

April 21, 2021

ESB 5476

Prime Sponsor, Senator Dhingra: Addressing the State v. Blake decision. (REVISED FOR ENGROSSED: Responding to the State v. Blake decision by addressing justice system responses and behavioral health prevention, treatment, and related services. ) Reported by Committee on Appropriations

#### MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority, in collaboration with the substance use recovery services advisory committee established subsection (2) of this section, shall establish a substance use recovery services plan. The purpose of the plan is to implement measures to assist persons with substance use disorder in accessing outreach, treatment, and recovery support services that are low-barrier, person-centered, informed by people with lived experience, and culturally and linguistically appropriate. The plan must articulate the manner in which continual, rapid, and widespread access to a comprehensive continuum of care will be provided to all persons with substance use disorder.

- (2) (a) The authority shall establish the substance use recovery services advisory committee to collaborate with the authority in the development and implementation of the substance use recovery services plan under section. The authority must, in consultation with the University of Washington department of psychiatry and behavioral sciences and an organization that represents the interests of people who have been directly impacted by substance use and the criminal legal system, appoint members to the advisory committee who have relevant background related to the needs of persons with substance use disorder.
- (b) In its collaboration with the advisory committee to develop the substance use recovery services plan, the authority must give due consideration to the recommendations of the advisory committee. If the authority determines that any of the advisory committee's recommendations are not feasible to adopt and implement, the authority must notify the advisory committee and request refinement or modification of those recommendations.
- (c) The advisory committee must convene as necessary for the development of the substance use recovery services plan and to provide consultation and advice related to the development and adoption of rules to implement the plan. The advisory committee must convene to monitor implementation of the plan and advise the authority.
  - (3) The plan must consider:
- (a) The manner in which persons with substance use disorder currently access and interact with the behavioral health system;
- (b) The points of intersection that persons with substance use disorder have with the health care, criminal, civil legal, and child welfare systems, including emergency departments, syringe service programs, law enforcement, correctional facilities, and dependency court;

- (c) The various locations in which persons with untreated substance use disorder congregate, including homeless encampments, motels, and casinos;
- (d) New community-based care access points, including the safe station model in partnership with fire departments;
- (e) Current regional capacity for existing public and private programs providing substance use disorder assessments, each of the American society of addiction medicine levels of care, and recovery support services;
- (f) Barriers to accessing the existing behavioral health system for (i) indigent youth and adult populations in need of assessments, services, treatment, and waivers of civil infraction penalties; and (ii) populations chronically exposed to criminal legal system responses relating to complex behavioral health conditions and the consequences of trauma, and possible innovations that could reduce those barriers and improve the quality and accessibility of care for those populations;
- (g) Evidence-based, research-based, and promising treatment and recovery services appropriate for target populations;
- (h) Workforce needs for the behavioral health services sector, including addressing wage and retention challenges;
- (i) Options for leveraging existing integrated managed care, medicaid waiver, American Indian or Alaska Native fee-for-service behavioral health benefits, and private insurance service capacity for substance use disorders, including but not limited to coordination with managed care organizations, behavioral health administrative services organizations, the Washington health benefit exchange, accountable communities of health, and the office of the insurance commissioner;
- (j) Framework and design assistance for jurisdictions to assist in compliance with the requirements of RCW 10.31.110 for diversion of individuals with complex behavioral health conditions to community-based care whenever possible and appropriate, and identifying resource gaps that impede jurisdictions in fully realizing the potential impact of this approach;

- (k) The design of recovery navigator programs in section 2 of this act, including reporting requirements by behavioral health administrative services organizations to monitor the effectiveness of the programs and recommendations for program improvement;
- (1) The design of ongoing qualitative and quantitative research about the types of services desired by people with substance use disorders and barriers they experience in accessing existing and recommended services;
- (m) The proposal of a funding framework in which, over time, resources are shifted from punishment sectors to community-based care interventions such that community-based care becomes the primary strategy for addressing and resolving public order issues related to behavioral health conditions;
- (n) Strategic grant making to community organizations to promote public understanding and eradicate stigma and prejudice against persons with substance use disorder by promoting hope, empathy, and recovery;
- (o) Innovative mechanisms for real-time, peer-driven, noncoercive outreach and engagement to individuals in active substance use disorder across all settings and develop measures to enhance the effectiveness of and opportunities for intervention across new and existing points of contact with this population; and
- (p) Diversion to community-based care for individuals with substance use disorder across all points of the sequential intercept model.
- (4) The plan and related rules adopted by the authority must give due consideration to the needs of youth and include the following substance use outreach, treatment, and recovery services, which must be available in or accessible by all jurisdictions: Fieldbased outreach and engagement; intensive case management; all American society of addiction medicine substance use disorder treatment levels of care, including evidence-based treatment, promising practices, and innovative approaches; access to all medications for opioid use disorder; and recovery support services. These services must be equitably distributed across urban and rural settings. If feasible and appropriate, service initiation shall be made available on demand through 24 hour,

seven days a week peer recovery coach response, behavioral health walk-in centers, or other innovative rapid response models. These services must, at a minimum, incorporate the following principles: Establish low barriers to entry and reentry; improve the health and safety of the individual; reduce the harm of substance use and related activity for the public; include integrated and coordinated services; incorporate structural competency and antiracism; use noncoercive methods of retaining people in treatment and recovery including contingency services, management; consider the unique needs of rural communities; and have a focus on services that increase social determinants of health.

- (5) In developing the plan, the authority shall:
- (a) Align the components of the plan with previous and ongoing studies, plans, and reports, including the Washington state opioid overdose and response plan, published by the authority, the roadmap to recovery planning grant strategy being developed by the authority, and plans associated with federal block grants; and
- (b) Coordinate its work with the efforts of the blue ribbon commission on the intersection of the criminal justice and behavioral health crisis systems established in the governor's executive order 21-03 and the crisis response improvement strategy committee established in chapter . . ., Laws of 2021 (Engrossed Second Substitute House Bill No. 1477).
- (6) The authority must submit the substance use recovery services plan to the governor and the legislature by December 1, 2021. After submitting the plan, the authority shall adopt rules and enter into contracts with providers to implement the plan by December 1, 2022. In addition to seeking public comment under chapter 34.05 RCW, the authority must adopt rules in accordance with the recommendations of the substance use recovery services advisory committee as provided in subsection (2) of this section.
- (7) In consultation with the substance use recovery services advisory committee, the authority must submit a report on the implementation of the substance use recovery services plan to the appropriate committees of the legislature and governor by December 1st

- of each year, beginning in 2022. This report shall include progress on the substance use disorder continuum of care, including availability of outreach, treatment, and recovery support services statewide.
- (8) For the purposes of this section, "recovery support services" means a collection of nontreatment resources that sustain long-term recovery from substance use disorder, including recovery housing, employment and education supports, peer recovery coaching, family education, technological recovery supports, transportation and child care assistance to facilitate treatment participation and early recovery, and social connectedness.
- (9) This section expires December 31, 2026.

 $\underline{\text{NEW}}$  SECTION. Sec. 2. A new section is added to chapter 71.24 RCW to read as follows:

- (1) Each behavioral health administrative services organization shall establish a recovery navigator program. The program shall provide community-based outreach, intake, assessment, and connection to services and, as appropriate, long-term intensive case management and recovery coaching services, to youth and adults with substance use disorder who are referred to the program from diverse sources and shall facilitate and coordinate connections to a broad range of community resources for youth and adults with substance use disorder, including treatment and recovery support services.
- (2) The authority shall establish uniform program standards for behavioral health administrative services organizations to follow in the design of their recovery navigator programs. The uniform program standards must be modeled upon the components of the law enforcement assisted diversion program and address project management, field engagement, biopsychosocial assessment, intensive case management and care coordination, stabilization housing when available and appropriate, and, as necessary, legal system coordination. The authority must adopt the uniform program standards from the components of the law enforcement assisted diversion program to accommodate an expanded population of persons with substance use disorder and allow for referrals from a

broad range of sources. In addition to accepting referrals from law enforcement, the uniform program standards must provide guidance for accepting referrals on behalf of an individual with substance use disorder from various sources including, but not limited to, self-referral, family members of the individual, emergency department personnel, persons engaged with serving homeless encampments, fire department personnel, emergency medical service personnel, community-based organizations, members of the business community, harm reduction program faith-based organization personnel, staff, and other sources within the criminal legal system, as outlined within the sequential intercept model. In developing response time requirements within the statewide program standards, the authority shall require responses to referrals from law enforcement occur immediately for incustody referrals and shall strive for rapid response times to other appropriate settings such as emergency departments.

- (3) The authority shall provide funding to each behavioral health administrative services organization for the development of its recovery navigator program. Before receiving funding for implementation and ongoing administration, each behavioral health administrative services organization must submit a program plan that demonstrates the ability to fully comply with statewide program standards. The authority shall establish a schedule for the regular review of behavioral health administrative services organizations' programs. The authority shall arrange for technical assistance to be provided by the LEAD national support bureau to all behavioral health administrative services organizations.
- Each behavioral health administrative services organization must have a substance use disorder regional administrator for its recovery navigator program. The regional administrator shall be responsible for assuring compliance with program standards, including staffing standards. Each recovery navigator program must maintain a sufficient number appropriately trained personnel number providing intake and referral services, conducting comprehensive biopsychosocial assessments, providing intensive case management services, and making warm handoffs to treatment and recovery

- support services along the continuum of care. Program staff must include people with lived experience with substance use disorder to the extent possible. The substance use disorder regional administrator must assure that staff who are conducting intake and referral services and field assessments are paid a livable and competitive wage and have appropriate initial training and receive continuing education.
- (5) Each recovery navigator program must submit quarterly reports to the authority with information identified by the authority and the substance use recovery services advisory committee. The reports must be provided to the substance use recovery services advisory committee for discussion at meetings following the submission of the reports.
- $\underline{\text{NEW}}$  SECTION. Sec. 3. A new section is added to chapter 71.24 RCW to read as follows:
- (1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish a grant program to:
- (a) Provide treatment services for low-income individuals with substance use disorder who are not eligible for medical assistance programs under chapter 74.09 RCW, with priority for the use of the funds for very low-income individuals; and
- (b) Provide treatment services that are not eligible for federal matching funds to individuals who are enrolled in medical assistance programs under chapter 74.09 RCW.
- (2) In establishing the grant program, the authority shall consult with the substance use recovery services advisory committee established in section 1 of this act, behavioral health administrative services organizations, managed care organizations, and regional behavioral health providers to adopt regional standards that are consistent with the substance use recovery services plan developed under section 1 of this act to provide sufficient access for youth and adults to meet each region's needs for:
  - (a) Opioid treatment programs;
  - (b) Low-barrier buprenorphine clinics;
- (c) Outpatient substance use disorder
  treatment;

- (d) Withdrawal management services, including both subacute and medically managed withdrawal management;
- (e) Secure withdrawal management and stabilization services;
- (f) Inpatient substance use disorder
  treatment services;
- (g) Inpatient co-occurring disorder treatment services; and
- (h) Behavioral health crisis walk-in and drop-off services.
- (3) Funds in the grant program must be used to reimburse providers for the provision of services to individuals identified in subsection (1) of this section. The authority may use the funds to support evidence-based practices and promising practices that are not reimbursed by medical assistance or private insurance, including contingency management. In addition, funds may be used to provide assistance to organizations to establish or expand services as reasonably necessary and feasible to increase the availability of services to achieve the regional access standards developed under subsection (2) of this section, including such items as training and recruitment of personnel, reasonable modifications to existing facilities to accommodate additional clients, start-up funding, and similar forms of assistance. Funds may not be used to support the ongoing operational costs of a provider or organization, except in relation to payments for specific service encounters with an individual identified in subsection (1) of this section or for noninsurance reimbursable services.
- (4) The authority must establish regional access standards under subsection (2) of this section by January 1, 2022, and begin distributing grant funds by March 1, 2022.
- $\underline{\text{NEW}}$  SECTION. Sec. 4. A new section is added to chapter 71.24 RCW to read as follows:
- (1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish the expanded recovery support services program to increase access to recovery services for individuals in recovery from substance use disorder.
- (2) In establishing the program, the authority shall consult with the substance use recovery services advisory

committee established in section 1 of this act, behavioral health administrative services organizations, regional behavioral health providers, and regional community organizations that support individuals in recovery from substance use disorder to adopt regional expanded recovery plans that are consistent with the substance use recovery services plan developed under section 1 of this act to provide sufficient access for youth and adults to meet each region's needs for:

- (a) Recovery housing;
- (b) Employment pathways, support, training, and job placement;
- (c) Education pathways, including recovery high schools and collegiate recovery programs;
- (d) Recovery coaching and substance
  use disorder peer support;
- (e) Social connectedness initiatives, including the recovery café model;
- (f) Family support services, including family reconciliation services;
- (g) Technology-based recovery support services;
  - (h) Transportation assistance; and
  - (i) Legal support services.
- (3) Funds in the expanded recovery support services program must be used to reimburse providers for the provision of services to individuals in recovery from substance use disorder. In addition, the funds may be used to provide assistance to organizations to establish or expand recovery support services as reasonably necessary and feasible to increase the availability of services to achieve the regional access standards developed under subsection (2) of this section, including such items as training and recruitment of personnel, reasonable modifications to existing facilities to accommodate additional clients, and similar forms of assistance.
- (4) The authority must establish regional expanded recovery plans under subsection (2) of this section by January 1, 2022, and begin distributing grant funds by March 1, 2022.

 $\underline{\text{NEW}}$  SECTION. Sec. 5. A new section is added to chapter 71.24 RCW to read as follows:

- (1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish a outreach stabilization homeless transition program to expand access to modified assertive community treatment services provided by multidisciplinary behavioral health outreach teams to serve people who are living with serious substance use disorders or co-occurring substance use disorders and mental health conditions, are experiencing homelessness, and whose severity of behavioral health symptom acuity level creates a barrier to accessing and receiving conventional behavioral health services and outreach models.
- (a) In establishing the program, the authority shall consult with behavioral health outreach organizations who have experience delivering this service model in order to establish program guidelines regarding multidisciplinary team staff types, service intensity and quality fidelity standards, and criteria to ensure programs are reaching the appropriate priority population.
- (b) Funds for the homeless outreach stabilization transition program must be used to reimburse organizations for the provision of multidisciplinary outreach services to individuals who are living with substance use disorders or cooccurring substance use and mental health disorders and are experiencing homelessness or transitioning from homelessness to housing. The funds may be used to provide assistance to organizations to establish or expand services as reasonably necessary to create a homeless outreach stabilization transition program, including items such as training and recruitment of personnel, outreach and engagement resources, client engagement and health supplies, medications for people who do not have access to insurance, and similar forms of assistance.
- (c) The authority must establish one or more homeless outreach stabilization transition programs by January 1, 2022, and begin distributing grant funds by March 1, 2022.
- (2) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish a project for psychiatric outreach to the homeless program to expand access to behavioral health medical services for people who are experiencing homelessness

- and living in permanent supportive housing.
- (a) In establishing the program, the authority shall consult with behavioral health medical providers, homeless service providers, and permanent supportive housing providers that support people living with substance use disorders, co-occurring substance use and mental health conditions, and people who are currently or have formerly experienced homelessness.
- (b) Funds for the project for psychiatric outreach to the homeless program must be used to reimburse organizations for the provision of medical services to individuals who are living with or in recovery from substance use disorders, co-occurring substance use and mental health disorders, or other behavioral and physical health conditions. Organizations must provide medical services to people who are experiencing homelessness or are living in permanent supportive housing and would be at risk of homelessness without access to appropriate services. The funds may be used to provide assistance organizations to establish or expand behavioral health medical services as reasonably necessary to create a project for psychiatric outreach to the homeless program, including items such as training and recruitment of personnel, outreach engagement resources, equipment and health supplies, medications for people who do not have access to insurance, and similar forms of assistance.
- (c) The authority must establish one or more projects for psychiatric outreach to the homeless programs by January 1, 2022, and begin distributing grant funds by March 1, 2022.
- (3) Subject to the availability of amounts appropriated for this specific purpose, the authority shall increase contingency management resources for opioid treatment networks that are serving people living with co-occurring stimulant use and opioid use disorder.
- (4) Subject to the availability of amounts appropriated for this specific purpose, the authority shall develop a plan for implementing a comprehensive statewide substance misuse prevention effort. The plan must be completed by January 1, 2022.
- (5) Subject to the availability of amounts appropriated for this specific

purpose, the authority shall administer a competitive grant process to broaden existing local community coalition efforts to prevent substance misuse by increasing relevant protective factors while decreasing risk factors. Coalitions are to be open to all stakeholders interested in substance misuse prevention, including, but not limited to, representatives from people in recovery, law enforcement, education, behavioral health, parent organizations, treatment organizations, organizations serving youth, prevention professionals, and business.

- **Sec. 6.** RCW 10.31.110 and 2019 c 326 s 3 and 2019 c 325 s 5004 are each reenacted and amended to read as follows:
- (1) When a police officer has reasonable cause to believe that the individual has committed acts constituting a crime, and the individual is known by history or consultation with the behavioral health administrative services organization, managed care organization, ((behavioral health administrative services organization,)) crisis hotline, ((ex)) local crisis services providers, or community health providers to suffer from a mental disorder or substance use disorder, in addition to existing authority under state law or local policy, as an alternative to arrest, the arresting officer is authorized and encouraged to:
- (a) Take the individual to a crisis stabilization unit as defined in RCW 71.05.020. Individuals delivered to a crisis stabilization unit pursuant to this section may be held by the facility for a period of up to twelve hours. The individual must be examined by a mental health professional or substance use disorder professional within three hours of arrival;
- (b) Take the individual to a triage facility as defined in RCW 71.05.020. An individual delivered to a triage facility which has elected to operate as an involuntary facility may be held up to a period of twelve hours. The individual must be examined by a mental health professional or substance use disorder professional within three hours of arrival;
- (c) Refer the individual to a ((mental health professional)) designated crisis responder for evaluation for initial detention and proceeding under chapter 71.05 RCW; ((ex))

- (d) Release the individual upon agreement to voluntary participation in outpatient treatment;
- (e) Refer the individual to youth, adult, or geriatric mobile crisis response services, as appropriate; or
- (f) Refer the individual to the regional entity responsible to receive referrals in lieu of legal system involvement, including the recovery navigator program described in section 2 of this act.
- (2) If the individual is released to the community from the facilities in subsection (1)(a) through (c) of this section, the mental health provider or substance use disorder professional shall make reasonable efforts to inform the arresting officer of the planned release prior to release if the arresting officer has specifically requested notification and provided contact information to the provider.
- (3) In deciding whether to refer the individual to treatment under this section, the police officer must be guided by local law enforcement diversion guidelines for behavioral health developed and mutually agreed upon with the prosecuting authority with an opportunity for consultation and comment by the defense bar and disability community. These guidelines must address, at a minimum, the length, seriousness, and recency of the known criminal history of the individual, the mental health history of the individual, if available, the substance use disorder history of the individual, if available, the opinions of a mental health professional, if available, the opinions of a substance use disorder professional, if available, and the circumstances surrounding the commission of the alleged offense. The guidelines must include a process for clearing outstanding warrants or referring the individual for assistance in clearing outstanding warrants, if any, and issuing a new court date, if appropriate, without booking or incarcerating the individual or disqualifying ((him or her)) individual from referral to treatment under this section, and define the circumstances under which such action is permissible. Referrals to services, care, and treatment for substance use disorder must be made in accordance with protocols developed for the recovery navigator program described in section 2 of this act.

- (4) Any agreement to participate in treatment or services in lieu of jail booking or referring a case for prosecution shall not require individuals to stipulate to any of the alleged facts regarding the criminal activity as a prerequisite to participation in ((a mental health treatment)) the alternative response described in this section. ((The)) Any agreement is inadmissible in any criminal or civil proceeding. ((The agreement does)) Such agreements do not create immunity from prosecution for the alleged criminal activity.
- (5) If ((an individual violates such agreement and the mental health treatment alternative is no longer appropriate)) there are required terms of participation in the services or treatment to which an individual was referred under this section, and if the individual violates such terms and is therefore no longer participating in services:
- (a) The ((mental health)) behavioral health or service provider shall inform the referring law enforcement agency of the violation, if consistent with the terms of the program and applicable law; and
- (b) The original charges may be filed or referred to the prosecutor, as appropriate, and the matter may proceed accordingly, unless filing or referring the charges is inconsistent with the terms of a local diversion program or a recovery navigator program described in section 2 of this act.
- (6) The police officer is immune from liability for any good faith conduct under this section.
- $\underline{\text{NEW SECTION.}}$  Sec. 7. A new section is added to chapter 43.101 RCW to read as follows:
- (1) Beginning July 1, 2022, all law enforcement personnel required to complete basic law enforcement training under RCW 43.101.200 must receive training on law enforcement interaction with persons with substance use disorders, including referral to treatment and recovery services and the unique referral processes for youth, as part of the basic law enforcement training. The training must be developed by the University of Washington behavioral health institute in collaboration with the commission and agencies that have expertise in the area of working with persons with substance

- use disorders, including law enforcement diversion of such individuals to community-based care. In developing the training, the behavioral health institute must also examine existing courses certified by the commission that relate to persons with a substance use disorder, and should draw on existing training partnerships with the Washington association of sheriffs and police chiefs.
- (2) The training must consist of classroom instruction or internet instruction and shall replicate likely field situations to the maximum extent possible. The training should include, at a minimum, core instruction in all of the following:
- (a) Proper procedures for referring persons to the recovery navigator program in accordance with section 2 of this act;
- (b) The etiology of substance use disorders, including the role of trauma;
- (c) Barriers to treatment engagement experienced by many with such disorders who have contact with the legal system;
- (d) How to identify indicators of substance use disorder and how to respond appropriately in a variety of common situations;
- (e) Conflict resolution and deescalation techniques for potentially dangerous situations involving persons with a substance use disorder;
- (f) Appropriate language usage when interacting with persons with a substance use disorder;
- (g) Alternatives to lethal force when interacting with potentially dangerous persons with a substance use disorder;
- (h) The principles of recovery and the multiple pathways to recovery; and  $% \left( 1\right) =\left( 1\right) ^{2}$
- (i) Community and state resources available to serve persons with substance use disorders and how these resources can be best used by law enforcement to support persons with a substance use disorder in their communities.
- (3) In addition to incorporation into the basic law enforcement training under RCW 43.101.200, training must be made available to law enforcement agencies, through electronic means, for use at their convenience and determined by the internal training needs and resources of each agency.

- **Sec. 8.** RCW 69.50.4011 and 2003 c 53 s 332 are each amended to read as follows:
- (1) Except as authorized by this chapter, it is unlawful for  $((\frac{any}{any}))$ :
- (a) Any person to create(( $\tau$ )) or deliver(( $\tau$  or possess)) a counterfeit substance; or
- (b) Any person to knowingly possess a counterfeit substance.
- (2) Any person who violates <u>subsection</u>(1) (a) of this section with respect to:
- (a) A counterfeit substance classified in Schedule I or II which is a narcotic drug, or flunitrazepam classified in Schedule IV, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;
- (b) A counterfeit substance which is methamphetamine, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;
- (c) Any other counterfeit substance classified in Schedule I, II, or III, is guilty of a class C felony punishable according to chapter 9A.20 RCW;
- (d) A counterfeit substance classified in Schedule IV, except flunitrazepam, is guilty of a class C felony punishable according to chapter 9A.20 RCW;
- (e) A counterfeit substance classified in Schedule V, is guilty of a class C felony punishable according to chapter 9A.20 RCW.
- (3) A violation of subsection (1) (b) of this section is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.
- **Sec. 9.** RCW 69.50.4013 and 2017 c 317 s 15 are each amended to read as follows:
- (1) It is unlawful for any person to knowingly possess a controlled substance unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his or her

- professional practice, or except as otherwise authorized by this chapter.
- (2) ((Except as provided in RCW 69.50.4014, any))  $\underline{A}$  person who violates this section is guilty of a ((elass C felony punishable under chapter 9A.20 RCW)) misdemeanor.
- (3) Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation is the person's first or second violation of this section. On a person's third and subsequent violation of this section, the prosecutor is encouraged to divert the case for treatment.
- (4) (a) The possession, by a person twenty-one years of age or older, of useable marijuana, marijuana concentrates, or marijuana-infused products in amounts that do not exceed those set forth in RCW 69.50.360(3) is not a violation of this section, this chapter, or any other provision of Washington state law.
- (b) The possession of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products being physically transported or delivered within the state, in amounts not exceeding those that may be established under RCW 69.50.385(3), by a licensed employee of a common carrier when performing the duties authorized in accordance with RCW 69.50.382 and 69.50.385, is not a violation of this section, this chapter, or any other provision of Washington state law.
- $((\frac{(4)}{}))$   $\underline{(5)}$  (a) The delivery by a person twenty-one years of age or older to one or more persons twenty-one years of age or older, during a single twenty-four hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, of any of the following marijuana products, is not a violation of this section, this chapter, or any other provisions of Washington state law:
- (i) One-half ounce of useable
  marijuana;
- (ii) Eight ounces of marijuana-infused
  product in solid form;
- (iii) Thirty-six ounces of marijuanainfused product in liquid form; or
- (iv) Three and one-half grams of marijuana concentrates.

- (b) The act of delivering marijuana or a marijuana product as authorized under this subsection ((44))) (5) must meet one of the following requirements:
- (i) The delivery must be done in a location outside of the view of general public and in a nonpublic place; or
- (ii) The marijuana or marijuana product must be in the original packaging as purchased from the marijuana retailer.
- $((\frac{(5)}{)}))$   $\underline{(6)}$  No person under twenty-one years of age may possess, manufacture, sell, or distribute marijuana, marijuana-infused products, or marijuana concentrates, regardless of THC concentration. This does not include qualifying patients with a valid authorization.
- $((\frac{(6)}{(6)}))$   $\underline{(7)}$  The possession by a qualifying patient or designated provider of marijuana concentrates, useable marijuana, marijuana-infused products, or plants in accordance with chapter 69.51A RCW is not a violation of this section, this chapter, or any other provision of Washington state law.
- Sec. 10. RCW 69.41.030 and 2019 c 55 s 9 are each amended to read as follows:
- (1) It shall be unlawful for any person to sell, deliver, or knowingly possess any legend drug except  $\overline{\text{upon the}}$  order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010, a dentist under chapter 18.32 RCW, a podiatric physician and surgeon under chapter 18.22 RCW, a veterinarian under chapter 18.92 RCW, a commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, an osteopathic physician assistant under chapter 18.57A RCW when authorized by the board of osteopathic
- medicine and surgery, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed advanced registered nurse practitioner, licensed physician assistant, a licensed osteopathic physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.
- (2)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.
- (b) A violation of this section involving possession is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.
- Sec. 11. RCW 69.41.030 and 2020 c 80 s 41 are each amended to read as follows:

(1) It shall be unlawful for any person to sell, deliver, or knowingly possess any legend drug except upon the order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010, a dentist under chapter 18.32 RCW, a podiatric physician and surgeon under chapter 18.22 RCW, a veterinarian under chapter 18.92 RCW, a commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed advanced registered nurse practitioner, a licensed physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral

- contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.
- (2)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.
- (b) A violation of this section involving possession is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.
- Sec. 12. RCW 69.50.412 and 2019 c 64 s 22 are each amended to read as follows:
- (1) It is unlawful for any person to use drug paraphernalia to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, or prepare((, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body)) a controlled substance other than marijuana. Any person who violates this subsection is guilty of a misdemeanor.
- (2) It is unlawful for any person to deliver, possess with intent to deliver, or manufacture with intent to deliver drug paraphernalia, knowing, or under circumstances where one reasonably should know, that it will be used to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, or prepare((, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body)) a controlled substance other than marijuana. Any person who violates this subsection is guilty of a misdemeanor.
- (3) Any person eighteen years of age or over who violates subsection (2) of this section by delivering drug paraphernalia to a person under eighteen years of age who is at least three years his or her junior is guilty of a gross misdemeanor.

- (4) It is unlawful for any person to place in any newspaper, magazine, handbill, or other publication any advertisement, knowing, or under circumstances where one reasonably should know, that the purpose of the advertisement, in whole or in part, is to promote the sale of objects designed or intended for use as drug paraphernalia. Any person who violates this subsection is guilty of a misdemeanor.
- (5) It is lawful for any person over the age of eighteen to possess sterile hypodermic syringes and needles for the purpose of reducing blood-borne diseases.
- Sec. 13. RCW 69.50.4011 and 2003 c 53
  s 332 are each amended to read as
  follows:
- (1) Except as authorized by this chapter, it is unlawful for  $((\frac{any}{any}))$ :
- (a) Any person to create( $(\tau)$ ) or deliver( $(\tau)$  or possess)) a counterfeit substance; or
- (b) Any person to knowingly possess a counterfeit substance.
- (2) Any person who violates <u>subsection</u> (1) (a) of this section with respect to:
- (a) A counterfeit substance classified in Schedule I or II which is a narcotic drug, or flunitrazepam classified in Schedule IV, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;
- (b) A counterfeit substance which is methamphetamine, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;
- (c) Any other counterfeit substance classified in Schedule I, II, or III, is guilty of a class C felony punishable according to chapter 9A.20 RCW;
- (d) A counterfeit substance classified in Schedule IV, except flunitrazepam, is guilty of a class C felony punishable according to chapter 9A.20 RCW;
- (e) A counterfeit substance classified in Schedule V, is guilty of a class C felony punishable according to chapter 9A.20 RCW.

- infraction under chapter 7.80 RCW. The law enforcement officer issuing the infraction shall refer the person to the program established in section 2 of this act for evaluation and services, and must notify the program of the infraction. The monetary penalty for the civil infraction must be waived upon verification that the person has received an assessment by the program within 30 days of receiving the infraction. Proceeds from the infraction must be deposited in the State v. Blake reimbursement account created in section 25 of this act.
- **Sec. 14.** RCW 69.50.4013 and 2017 c 317 s 15 are each amended to read as follows:
- (1) It is unlawful for any person to  $\frac{knowingly}{unless}$  possess a controlled substance unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his or her professional practice, or except as otherwise authorized by this chapter.
- (2) ((Except as provided in RCW 69.50.4014, any person who violates this section is guilty of a class C felony punishable under chapter 9A.20 RCW)) A violation of this section is a class 2 civil infraction under chapter 7.80 RCW. The law enforcement officer issuing the infraction shall refer the person to the program established in section 2 of this act for evaluation and services, and must notify the program of the infraction. The monetary penalty for the civil infraction must be waived upon verification that the person has received an assessment by the program within 30 days of receiving the infraction. Proceeds from the infraction must be deposited in the State v. Blake reimbursement account created in section 25 of this act.
- (3)(a) The possession, by a person twenty-one years of age or older, of useable marijuana, marijuana concentrates, or marijuana-infused products in amounts that do not exceed those set forth in RCW 69.50.360(3) is not a violation of this section, this chapter, or any other provision of Washington state law.
- (b) The possession of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products being physically transported or delivered within the state, in amounts not exceeding those that may be established under RCW 69.50.385(3), by a

licensed employee of a common carrier when performing the duties authorized in accordance with RCW 69.50.382 and 69.50.385, is not a violation of this section, this chapter, or any other provision of Washington state law.

- (4) (a) The delivery by a person twenty-one years of age or older to one or more persons twenty-one years of age or older, during a single twenty-four hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, of any of the following marijuana products, is not a violation of this section, this chapter, or any other provisions of Washington state law:
- (i) One-half ounce of useable
  marijuana;
- (ii) Eight ounces of marijuana-infused
  product in solid form;
- (iii) Thirty-six ounces of marijuanainfused product in liquid form; or
- (iv) Three and one-half grams of marijuana concentrates.
- (b) The act of delivering marijuana or a marijuana product as authorized under this subsection (4) must meet one of the following requirements:
- (i) The delivery must be done in a location outside of the view of general public and in a nonpublic place; or
- (ii) The marijuana or marijuana product must be in the original packaging as purchased from the marijuana retailer.
- (5) No person under twenty-one years of age may possess, manufacture, sell, or distribute marijuana, marijuana-infused products, or marijuana concentrates, regardless of THC concentration. This does not include qualifying patients with a valid authorization.
- (6) The possession by a qualifying patient or designated provider of marijuana concentrates, useable marijuana, marijuana-infused products, or plants in accordance with chapter 69.51A RCW is not a violation of this section, this chapter, or any other provision of Washington state law.
- Sec. 15. RCW 69.41.030 and 2020 c 80 s 41 are each amended to read as follows:
- (1) It shall be unlawful for any person to sell, deliver, or <a href="mailto:knowingly">knowingly</a> possess any legend drug except upon the order or

prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010, a dentist under chapter 18.32 RCW, a podiatric physician and surgeon under chapter 18.22 RCW, a veterinarian under chapter 18.92 RCW, a commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug protocols therapy quidelines or established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or a physician licensed to practice osteopathic medicine surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed advanced registered nurse practitioner, a licensed physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this

- chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.
- (2)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.
- (b) A violation of this section possession involving is a infraction shall refer the person to the program established in section 2 of this act for evaluation and services, and must notify the program of the infraction. The monetary penalty for the civil infraction must be waived upon verification that the person has received an assessment by the program within 30 days of receiving the infraction. Proceeds from the infraction must be deposited in the State v. Blake reimbursement account created in section 25 of this act.
- Sec. 16. RCW 7.80.070 and 2006 c 270 s 5 are each amended to read as follows:
- (1) A notice of civil infraction represents a determination that a civil infraction has been committed. The determination is final unless contested as provided in this chapter.
- (2) The form for the notice of civil infraction shall be prescribed by rule of the supreme court and shall include the following:
- (a) A statement that the notice represents a determination that a civil infraction has been committed by the person named in the notice and that the determination is final unless contested as provided in this chapter;
- (b) A statement that a civil infraction is a noncriminal offense for which imprisonment may not be imposed as a sanction;
- (c) A statement of the specific civil
  infraction for which the notice was
  issued;
- (d) A statement of the monetary penalty established for the civil infraction;
- (e) A statement of the options provided in this chapter for responding  ${\cal A}$

- to the notice and the procedures necessary to exercise these options;
- (f) A statement that at any hearing to contest the determination the state has the burden of proving, by a preponderance of the evidence, that the civil infraction was committed and that the person may subpoena witnesses including the enforcement officer who issued the notice of civil infraction;
- (g) A statement that at any hearing requested for the purpose of explaining mitigating circumstances surrounding the commission of the civil infraction, the person will be deemed to have committed the civil infraction and may not subpoena witnesses;
- (h) A statement that the person must respond to the notice as provided in this chapter within (( $\frac{\text{fifteen days}}{\text{50.080(1)}}$ )) the time specified in RCW 7.80.080(1);
- (i) A statement that failure to respond to the notice or a failure to appear at a hearing requested for the purpose of contesting the determination or for the purpose of explaining mitigating circumstances will result in a default judgment against the person in the amount of the penalty and that this failure may be referred to the prosecuting attorney for criminal prosecution for failure to respond or appear;
- (j) A statement that failure to respond to a notice of civil infraction or to appear at a requested hearing is a misdemeanor and may be punished by a fine or imprisonment in jail.
- Sec. 17. RCW 7.80.080 and 1987 c 456 s 16 are each amended to read as follows:
- (1)  $((\frac{\text{Any}}{\text{ny}}))$  (a) Except as provided in (b) of this subsection, any person who receives a notice of civil infraction shall respond to such notice as provided in this section within fifteen days of the date of the notice.
- (b) A person who receives a notice of civil infraction under RCW 69.50.4011, 69.50.4013, or 69.41.030 shall respond to such notice as provided in this section within 30 days of the date of the notice.
- (2) If the person determined to have committed the civil infraction does not contest the determination, the person shall respond by completing the appropriate portion of the notice of civil infraction and submitting it, either by mail or in person, to the court

specified on the notice. A check or money order in the amount of the penalty prescribed for the civil infraction must be submitted with the response. The clerk of a court may accept cash in payment for an infraction. When a response which does not contest the determination is received, an appropriate order shall be entered in the court's records.

- (3) If the person determined to have committed the civil infraction wishes to contest the determination, the person shall respond by completing the portion of the notice of civil infraction requesting a hearing and submitting it, either by mail or in person, to the court specified on the notice. The court shall notify the person in writing of the time, place, and date of the hearing, and that date shall not be earlier than seven days nor more than ninety days from the date of the notice of hearing, except by agreement.
- (4) If the person determined to have committed the civil infraction does not contest the determination but wishes to mitigating circumstances explain surrounding the infraction, the person shall respond by completing the portion of the notice of civil infraction requesting a hearing for that purpose and submitting it, either by mail or in person, to the court specified on the notice. The court shall notify the person in writing of the time, place, and date of the hearing, and that date shall not be earlier than seven days nor more than ninety days from the date of the notice of hearing, except by agreement.
- (5) The court shall enter a default judgment assessing the monetary penalty prescribed for the civil infraction and may notify the prosecuting attorney of the failure to respond to the notice of civil infraction or to appear at a requested hearing if any person issued a notice of civil infraction:
- (a) Fails to respond to the notice of civil infraction as provided in subsection (2) of this section; or
- (b) Fails to appear at a hearing requested pursuant to subsection (3) or (4) of this section.
- Sec. 18. RCW 9.94A.518 and 2003 c 53 s 57 are each amended to read as follows:

## TABLE 4

## **DRUG OFFENSES**

# INCLUDED WITHIN EACH SERIOUSNESS LEVEL

III Any felony offense under chapter 69.50 RCW with a deadly weapon special verdict under RCW ((9.94A.602)) 9.94A.825

Controlled Substance Homicide (RCW 69.50.415)

Delivery of imitation controlled substance by person eighteen or over to person under eighteen (RCW 69.52.030(2))

Involving a minor in drug dealing (RCW 69.50.4015)

Manufacture of methamphetamine (RCW 69.50.401(2)(b))

Over 18 and deliver heroin, methamphetamine, a narcotic from Schedule I or II, or flunitrazepam from Schedule IV to someone under 18 (RCW 69.50.406)

Over 18 and deliver narcotic from Schedule III, IV, or V or a nonnarcotic, except flunitrazepam or methamphetamine, from Schedule I-V to someone under 18 and 3 years junior (RCW 69.50.406)

Possession of Ephedrine, Pseudoephedrine, or Anhydrous Ammonia with intent to manufacture methamphetamine (RCW 69.50.440)

Selling for profit (controlled or counterfeit) any controlled substance (RCW 69.50.410)

II Create ((7,)) or deliver ((7, or possess)) a counterfeit controlled substance (RCW 69.50.4011(1)(a))

Deliver or possess with intent to deliver methamphetamine (RCW 69.50.401(2)(b)) Delivery of a material in lieu of a controlled substance (RCW 69.50.4012)

Maintaining a Dwelling or Place for Controlled Substances (RCW 69.50.402(1)(f))

Manufacture, deliver, or possess with intent to deliver amphetamine (RCW 69.50.401(2)(b))

Manufacture, deliver, or possess with intent to deliver narcotics from Schedule I or II or flunitrazepam from Schedule IV (RCW 69.50.401(2)(a))

Manufacture, deliver, or possess with intent to deliver narcotics from Schedule III, IV, or V or nonnarcotics from Schedule I-V (except marijuana, amphetamine, methamphetamines, or flunitrazepam) (RCW 69.50.401(2) (c) through (e))

Manufacture, distribute, or possess with intent to distribute an imitation controlled substance (RCW 69.52.030(1))

I Forged Prescription (RCW 69.41.020)

Forged Prescription for a Controlled Substance (RCW 69.50.403)

Manufacture, deliver, or possess with intent to deliver marijuana (RCW 69.50.401(2)(c))

((Possess Controlled Substance that is a Narcotic from Schedule III, IV, or V or Nonnarcotic from Schedule I V (RCW 69.50.4013)

Possession of Controlled Substance that is either heroin or narcotics from Schedule I or II (RCW 69.50.4013)))

# Unlawful Use of Building for Drug Purposes (RCW 69.53.010)

Sec. 19. RCW 13.40.0357 and 2020 c 18 s 8 are each amended to read as follows:

#### DESCRIPTION AND OFFENSE CATEGORY

JUVENILE DISPOSITION

CATEGORY FOR

JUVENILE ATTEMPT, DISPOSITION BAILJUMP,

OFFENSE DESCRIPTION (RCW CONSPIRACY, OR CATEGORY, CITATION)

| CATEGORY | CITATION)                   |           | SOLICI     | TATION |
|----------|-----------------------------|-----------|------------|--------|
|          | Arson and                   | Malicious | Misc       | hief   |
| A        | Arson 1 (9A                 | .48.020)  |            | B+     |
| В        | Arson 2 (9A                 | .48.030)  |            | C      |
| С        | Reckless (9A.48.040)        | Burning   | 1          | D      |
| D        | Reckless (9A.48.050)        | Burning   | 2          | E      |
| В        | Malicious<br>(9A.48.070)    | Mischief  | 1          | C      |
| C        | Malicious<br>(9A.48.080)    | Mischief  | 2          | D      |
| D        | Malicious<br>(9A.48.090)    | Mischief  | 3          | E      |
| E        | Tampering<br>Alarm Apparatu |           | Fire<br>0) | E      |
| E        | Tampering                   |           |            | E      |

E Tampering with Fire E
Alarm Apparatus with Intent
to Commit Arson (9.40.105)

A Possession of Incendiary B+ Device (9.40.120)

## Assault and Other Crimes Involving Physical Harm

| A  | Assault 1 (9A. | B+       |    |
|----|----------------|----------|----|
| B+ | Assault 2 (9A. | 36.021)  | C+ |
| C+ | Assault 3 (9A. | D+       |    |
| D+ | Assault 4 (9A. | 36.041)  | E  |
| B+ | Drive-By       | Shooting | C+ |

B+ Drive-By Shooting C-(9A.36.045) committed at age 15 or under

| A++ | Drive-By Shooting (9A.36.045) committed at age 16 or 17  | A  | B+                 | Violation of Uniform<br>Controlled Substances Act -<br>Narcotic, Methamphetamine, | B+                 |
|-----|--|----|--------------------|---|--------------------|
| D+  | Reckless Endangerment (9A.36.050)                        | E  |                    | or Flunitrazepam Sale (69.50.401(2) (a) or (b))                                   |                    |
| C+  | Promoting Suicide Attempt (9A.36.060)                    | D+ | С                  | Violation of Uniform Controlled Substances Act - Nonnarcotic Sale                 | С                  |
| D+  | Coercion (9A.36.070)                                     | E  |                    | (69.50.401(2)(c))   |                    |
| C+  | Custodial Assault (9A.36.100)                            | D+ | ( ( <del>E</del>   | Possession of Marihuana<br><40 grams (69.50.4014)                                 | <del>E</del> ))    |
|     | <b>Burglary and Trespass</b>                             |    | C                  | Fraudulently Obtaining  | C                  |
| B+  | Burglary 1 (9A.52.020) committed at                      | C+ |                    | Controlled Substance (69.50.403)  |                    |
|     | age 15 or under  |    | C+                 | Sale of Controlled<br>Substance for Profit  | C+                 |
| A-  | Burglary 1 (9A.52.020)                                   | B+ |                    | (69.50.410)   |                    |
|     | committed at   |    | E                  | Unlawful Inhalation   | E                  |
|     | age 16 or 17   |    |                    | (9.47A.020)   |                    |
| В   | Residential Burglary (9A.52.025)                         | С  | В                  | Violation of Uniform<br>Controlled Substances Act -                               | В                  |
| В   | Burglary 2 (9A.52.030)                                   | C  |                    | Narcotic, Methamphetamine, or Flunitrazepam Counterfeit                           |                    |
| D   | Burglary Tools<br>(Possession of) (9A.52.060)            | E  |                    | Substances (69.50.4011(2) (a) or (b))   |                    |
| D   | Criminal Trespass 1 (9A.52.070)                          | E  | C                  | Violation of Uniform<br>Controlled Substances Act -                               | C                  |
| E   | Criminal Trespass 2 (9A.52.080)                          | E  |                    | Nonnarcotic Counterfeit<br>Substances (69.50.4011(2)<br>(c), (d), or (e))         |                    |
| C   | Mineral Trespass (78.44.330)                             | C  | ( ( <del>C</del> ) | ) Violation of Uniform<br>Controlled Substances Act - <u>E</u>                    | (( <del>C</del> )) |
| C   | Vehicle Prowling 1 (9A.52.095)                           | D  |                    | Possession of a Controlled Substance (69.50.4013)                                 |                    |
| D   | Vehicle Prowling 2 (9A.52.100)                           | E  | С                  | Violation of Uniform<br>Controlled Substances Act -                               | C                  |
|     | Drugs  |    |                    | Possession of a Controlled Substance (69.50.4012)                                 |                    |
| E   | Possession/Consumption                                   | E  |                    | Firearms and Weapons  |                    |
|     | of Alcohol (66.44.270)                                   |    | В                  | Theft of Firearm  | C                  |
| С   | Illegally Obtaining<br>Legend Drug (69.41.020)           | D  | В                  | (9A.56.300)  Possession of Stolen   | С                  |
| C+  | Sale, Delivery, Possession of Legend Drug with Intent to | D+ | D                  | Firearm   |                    |
| _   | Sell (69.41.030(2)(a))                                   | _  | 177                | (9A.56.310)   | E                  |
| E   | Possession of Legend                                     | E  | E                  | Carrying Loaded Pistol Without Permit (9.41.050)                                  | Е                  |
|     | Drug (69.41.030(2)(b))                                   |    |                    | (>1.1.000)  |                    |

| C          | Possession of Firearms by<br>Minor (<18) (9.41.040(2)(a)<br>(vi)) | С  | D+  | Criminal Mischief Without Weapon (9A.84.010(2)(a)) | Е  |
|------------|---|----|-----|--|----|
| D+         | Possession of Dangerous<br>Weapon (9.41.250)                      | Е  | E   | Failure to Disperse (9A.84.020)                    | Е  |
| D          | Intimidating Another Person by use of Weapon (9.41.270)           | Е  | E   | Disorderly Conduct (9A.84.030)                     | Е  |
|            | · ·   |    |     | Sex Crimes   |    |
| <b>.</b>   | Homicide  |    | A   | Rape 1 (9A.44.040)                                 | B+ |
| <b>A</b> + | Murder 1 (9A.32.030)  | A  | B++ | Rape 2 (9A.44.050)                                 | B+ |
| A+         | Murder 2 (9A.32.050)  | B+ |     | committed at age 14 or under                       |    |
| B+         | Manslaughter 1 (9A.32.060)  | C+ | A-  | Rape 2 (9A.44.050) committed at age 15 through     | B+ |
| C+         | Manslaughter 2 (9A.32.070)  | D+ | C+  | age 17<br>Rape 3 (9A.44.060)                       | D+ |
| B+         | Vehicular Homicide (46.61.520)                                    | C+ | B++ | Rape of a Child 1 (9A.44.073)                      | B+ |
|            | Kidnapping  |    |     | committed at age 14 or                             |    |
| A          | Kidnap 1 (9A.40.020)  | B+ |     | under  |    |
| B+         | Kidnap 2 (9A.40.030)  | C+ | A-  | Rape of a Child 1 (9A.44.073)                      | B+ |
| C+         | Unlawful Imprisonment (9A.40.040)                                 | D+ |     | committed at age 15                                |    |
|            | Obstructing<br>Governmental Operation                             |    | B+  | Rape of a Child 2 (9A.44.076)                      | C+ |
| D          | Obstructing a Law   | Е  | В   | Incest 1 (9A.64.020(1))                            | C  |
|            | Enforcement Officer   |    | C   | Incest 2 (9A.64.020(2))                            | D  |
| Е          | (9A.76.020) Resisting Arrest                                      | E  | D+  | Indecent Exposure (Victim <14) (9A.88.010)         | E  |
|            | (9A.76.040)   |    | Е   | Indecent Exposure                                  | Е  |
| В          | Introducing Contraband 1 (9A.76.140)                              | C  |     | (Victim 14 or over) (9A.88.010)                    |    |
| C          | Introducing Contraband 2 (9A.76.150)                              | D  | B+  | Promoting Prostitution 1 (9A.88.070)               | C+ |
| E          | Introducing Contraband 3 (9A.76.160)                              | E  | C+  | Promoting Prostitution 2 (9A.88.080)               | D+ |
| B+         | Intimidating a Public<br>Servant (9A.76.180)                      | C+ | E   | O & A (Prostitution) (9A.88.030)                   | Е  |
| B+         | Intimidating a Witness (9A.72.110)                                | C+ | B+  | Indecent Liberties (9A.44.100)                     | C+ |
|            | <b>Public Disturbance</b>   |    | B++ | Child Molestation 1                                | B+ |
| C+         | Criminal Mischief with Weapon (9A.84.010(2)(b))                   | D+ |     | (9A.44.083) committed at age 14 or under           |    |

| A-       | Child Molestation 1 (9A.44.083) committed at age 15 through age 17 | B+ | C        | Taking Motor Vehicle Without Permission 2 (9A.56.075)                         | D  |
|----------|--|----|----------|---|----|
| В        | Child Molestation 2 (9A.44.086)                                    | C+ | В        | Theft of a Motor Vehicle (9A.56.065)  | C  |
| C        | Failure to Register as a Sex Offender (9A.44.132)                  | D  |          | Motor Vehicle Related<br>Crimes   |    |
|          | Theft, Robbery,<br>Extortion, and Forgery                          |    | E        | Driving Without a License (46.20.005)   | E  |
| В        | Theft 1 (9A.56.030)  | C  | B+       | Hit and Run - Death   | C+ |
| C        | Theft 2 (9A.56.040)  | D  | <b>a</b> | (46.52.020(4)(a))   |    |
| D        | Theft 3 (9A.56.050)  | E  | С        | Hit and Run - Injury (46.52.020(4)(b))  | D  |
| В        | Theft of Livestock 1 and 2 (9A.56.080 and 9A.56.083)               | С  | D        | Hit and Run-Attended (46.52.020(5))   | E  |
| C        | Forgery (9A.60.020)  | D  | Е        | Hit and Run-Unattended  | Е  |
| A        | Robbery 1 (9A.56.200)  | B+ | _        | (46.52.010)   | -  |
|          | committed at   |    | C        | Vehicular Assault   | D  |
| <b>A</b> | age 15 or under  |    | C        | (46.61.522)   | D  |
| A++      | Robbery 1 (9A.56.200) committed at                                 | A  | С        | Attempting to Elude<br>Pursuing Police Vehicle<br>(46.61.024)                 | D  |
|          | age 16 or 17   |    | Е        |   | Е  |
| B+       | Robbery 2 (9A.56.210)  | C+ | E        | Reckless Driving (46.61.500)  | E  |
| B+       | Extortion 1 (9A.56.120)  | C+ | D        | Driving While Under the   | E  |
| C+       | Extortion 2 (9A.56.130)  | D+ |          | Influence (46.61.502 and 46.61.504)   |    |
| С        | Identity Theft 1 (9.35.020(2))                                     | D  | B+       | Felony Driving While  | В  |
| D        | Identity Theft 2 (9.35.020(3))                                     | E  |          | Under the Influence (46.61.502(6))  |    |
| D        | Improperly Obtaining Financial Information (9.35.010)              | Е  | B+       | Felony Physical Control of a Vehicle While Under the Influence (46.61.504(6)) | В  |
| В        | Possession of a Stolen   | С  |          | Other   |    |
|          | Vehicle (9A.56.068)  |    | В        | Animal Cruelty 1 (16.52.205)  | C  |
| В        | Possession of Stolen<br>Property 1 (9A.56.150)                     | C  | В        | Bomb Threat (9.61.160)  | C  |
| С        | Possession of Stolen   | D  | C        | Escape 1 <sup>1</sup> (9A.76.110)   | C  |
| C        | Property 2 (9A.56.160)   | Ь  | C        | Escape 2 <sup>1</sup> (9A.76.120)   | C  |
| D        | Possession of Stolen   | E  | D        | Escape 3 (9A.76.130)  | E  |
| _        | Property 3 (9A.56.170)   | _  | E        | Obscene, Harassing, Etc.,   | E  |
| В        | Taking Motor Vehicle Without Permission 1                          | С  | _        | Phone Calls (9.61.230)  | ~  |
|          | (9A.56.070)  |    | A        | Other Offense Equivalent to an Adult Class A Felony                           | B+ |
|          |  |    |          |   |    |

В

|   | to an Adult Class B Felony  |   |  |  |  |  |
|---|---|---|--|--|--|--|
| C | Other Offense Equivalent D to an Adult Class C Felony   |   |  |  |  |  |
| D | Other Offense Equivalent<br>to an Adult Gross<br>Misdemeanor                                      | Е |  |  |  |  |
| E | Other Offense Equivalent to an Adult Misdemeanor  | Е |  |  |  |  |
| V | Violation of Order of Restitution, Community Supervision, or Confinement (13.40.200) <sup>2</sup> | V |  |  |  |  |

Other Offense Equivalent C

<sup>1</sup>Escape 1 and 2 and Attempted Escape 1 and 2 are classed as C offenses and the standard range is established as follows:

1st escape or attempted escape during 12-month period - 28 days confinement

2nd escape or attempted escape during 12-month period - 8 weeks confinement

3rd and subsequent escape or attempted escape during 12-month period - 12 weeks confinement

<sup>2</sup>If the court finds that a respondent has violated terms of an order, it may impose a penalty of up to 30 days of confinement.

#### JUVENILE SENTENCING STANDARDS

This schedule must be used for juvenile offenders. The court may select sentencing option A, B, C, or D.

## OPTION A

# JUVENILE OFFENDER SENTENCING GRID

## STANDARD RANGE

 $\begin{array}{ccc} A & 129 \ to \ 260 \ weeks \ for \ all \\ ++ & category \ A++ \ offenses \end{array}$ 

A 180 weeks to age 21 for all + category A+ offenses

A 103-129 weeks for all category A offenses

|   | A | 3  | 5  | 8  | 1   | 1   |
|---|---|----|----|----|-----|-----|
| - |   | 0- | 2- | 0- | 03- | 03- |
|   |   | 40 | 65 | 10 | 129 | 129 |
|   |   | we | we | 0  | we  | we  |
|   |   |    |    | we | eks | eks |

|              |    | - | ek<br>s                   |   | ek<br>s                   |   | ek<br>s                   |   |                       |        |                       |        |
|--------------|----|---|---------------------------|---|---------------------------|---|---------------------------|---|-----------------------|--------|-----------------------|--------|
|              |    | _ |                           |   | 3                         |   |                           |   |                       |        |                       |        |
|              | ++ | В | 5-<br>36<br>we            |   | 2-<br>65<br>we            |   | 0-<br>10<br>0             |   | 03<br>12<br>we        | -<br>9 | 03<br>12<br>we        | 9      |
|              |    | = | ek<br>s                   |   | ek<br>s                   |   | we<br>ek<br>s             | ; | ek                    |        | ek                    |        |
| CURR<br>ENT  | +  | В | 5-<br>36<br>we<br>ek<br>s |   | 5-<br>36<br>we<br>ek<br>s |   | 2-<br>65<br>we<br>ek<br>s |   | 0-<br>10<br>we<br>ek: | 0      | 03<br>12<br>we<br>eks | -<br>9 |
|              |    | - |                           |   |                           |   |                           |   |                       |        |                       |        |
| OFFE<br>NSE  |    | В | S                         | L | S                         | L | 5-<br>36<br>we<br>ek<br>s |   | 5-<br>36<br>we<br>ek: | ;      | 2-<br>65<br>we<br>eks | ;      |
| CATE<br>GORY | +  | C | S                         | L | S                         | L | S                         | L | 5-<br>36<br>we        | ;      | 5-<br>36<br>we        | ,      |
|              |    | C | S                         | L | S                         | L | S                         | L | S                     | L      | 5-<br>36<br>we        | ;      |
|              | +  | D | S                         | L | S                         | L | S                         | L | S                     | L      | S                     | L      |
|              |    | D | S                         |   | S                         |   | S                         | L | S                     | L      | S                     | L      |
|              |    | Е | S                         | L | S                         | L | S                         |   | S                     | L      | S                     | L      |
| PRIOR        |    | - |                           | 0 |                           | 1 |                           | 2 |                       | 3      | or<br>mo              | 4      |

## ADJU DICATIO NS

NOTE: References in the grid to days or weeks mean periods of confinement.

"LS" means "local sanctions" as defined in RCW 13.40.020.

- (1) The vertical axis of the grid is the current offense category. The current offense category is determined by the offense of adjudication.
- (2) The horizontal axis of the grid is the number of prior adjudications included in the juvenile's criminal history. Each prior felony adjudication shall count as one point. Each prior violation, misdemeanor, and gross misdemeanor adjudication shall count as 1/4 point. Fractional points shall be rounded down.
- (3) The standard range disposition for each offense is determined by the intersection of the column defined by the prior adjudications and the row defined by the current offense category.
- (4) RCW 13.40.180 applies if the offender is being sentenced for more than one offense.
- (5) A current offense that is a violation is equivalent to an offense category of E. However, a disposition for a violation shall not include confinement.

### OR

#### OPTION B

#### SUSPENDED DISPOSITION ALTERNATIVE

- (1) If the offender is subject to a standard range disposition involving confinement by the department, the court may impose the standard range and suspend the disposition on condition that the offender comply with one or more local sanctions and any educational or treatment requirement. The treatment programs provided to the offender must be either research-based best practice programs as identified by the Washington state institute for public policy or the joint legislative audit and review committee, or for chemical dependency treatment programs or services, they must be evidence-based or research-based best practice programs. For the purposes of this subsection:
- (a) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population; and
- (b) "Research-based" means a program or practice that has some research

- demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.
- (2) If the offender fails to comply with the suspended disposition, the court may impose sanctions pursuant to RCW 13.40.200 or may revoke the suspended disposition and order the disposition's execution.
- (3) An offender is ineligible for the suspended disposition option under this section if the offender:
- (a) Is adjudicated of an A+ or A++ offense;
- (b) Is fourteen years of age or older and is adjudicated of one or more of the following offenses:
- (i) A class A offense, or an attempt, conspiracy, or solicitation to commit a class A offense;
- (ii) Manslaughter in the first degree
  (RCW 9A.32.060);
- (iii) Assault in the second degree (RCW 9A.36.021), extortion in the first degree (RCW 9A.56.120), kidnapping in the second degree (RCW 9A.40.030), drive-by shooting (RCW 9A.36.045), vehicular homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), or manslaughter 2 (RCW 9A.32.070); or
- (iv) Violation of the uniform controlled substances act (RCW 69.50.401(2) (a) and (b)), when the offense includes infliction of bodily harm upon another or when during the commission or immediate withdrawal from the offense the respondent was armed with a deadly weapon;
- (c) Is ordered to serve a disposition for a firearm violation under RCW 13.40.193;
- (d) Is adjudicated of a sex offense as defined in RCW 9.94A.030; or
  - (e) Has a prior option B disposition.

#### OR

#### OPTION C

## CHEMICAL DEPENDENCY/MENTAL HEALTH DISPOSITION ALTERNATIVE

If the juvenile offender is subject to a standard range disposition of local sanctions or 15 to 36 weeks of confinement and has not committed a B++ or B+ offense, the court may impose a

| dispositio             | on under RCW 13.40.160(4)  | and         | C+  | Assault 3 (9A.36.031)                                   | D+ |
|------------------------|--|-------------|-----|---|----|
| 13.40.165.             |  |             | D+  | Assault 4 (9A.36.041)                                   | E  |
| OR                     |  |             | B+  | Drive-By Shooting                                       | C+ |
| OPTION                 | D  |             | DΤ  | (9A.36.045) committed at age                            | C+ |
| MANIFES                | T INJUSTICE  |             |     | 15 or under   |    |
| effectuate             | e court determines that<br>on under option A, B, or C w<br>e a manifest injustice,<br>l impose a disposition out | ould<br>the | A++ | Drive-By Shooting (9A.36.045) committed at age 16 or 17 | A  |
|                        | andard range under   | RCW         | D+  | Reckless Endangerment (9A.36.050)                       | E  |
|                        | . RCW 13.40.0357 and 2020 ach amended to read as foll  |             | C+  | Promoting Suicide Attempt (9A.36.060)                   | D+ |
| DESCRI                 | PTION AND OFFENSE CATEG  | ORY         | D+  | Coercion (9A.36.070)                                    | E  |
|                        | JUVENILE<br>DISPOSITION  |             | C+  | Custodial Assault (9A.36.100)                           | D+ |
| JUVENILE               | CATEGORY   | FOR         |     | Burglary and Trespass                                   |    |
| DISPOSITION<br>OFFENSE | ATTEMPT, N BAILJUMP, CONSPIRAC   | CY. OR      | B+  | Burglary 1 (9A.52.020) committed at                     | C+ |
| CATEGORY               | DESCRIPTION (RCW   |             |     | age 15 or under   |    |
|                        | Arson and Malicious Mischie  | f           | A-  | Burglary 1 (9A.52.020)                                  | B+ |
| A                      | Arson 1 (9A.48.020)  | B+          | Α-  | committed at  | ים |
| В                      | Arson 2 (9A.48.030)  | С           |     | age 16 or 17  |    |
| С                      | Reckless Burning 1 (9A.48.040)   | D           | В   | Residential Burglary (9A.52.025)                        | C  |
| D                      | Reckless Burning 2   | Е           | В   | Burglary 2 (9A.52.030)                                  | C  |
| В                      | (9A.48.050)  Malicious Mischief 1  | С           | D   | Burglary Tools (Possession of) (9A.52.060)              | Е  |
|                        | (9A.48.070)  |             | D   | Criminal Trespass 1 (9A.52.070)                         | E  |
| С                      | Malicious Mischief 2 (9A.48.080)   | D           | E   | Criminal Trespass 2                                     | Е  |
| D                      | Malicious Mischief 3 (9A.48.090)   | Е           | C   | (9A.52.080) Mineral Trespass                            | C  |
| Е                      | Tampering with Fire Alarm Apparatus (9.40.100)   | E           | С   | (78.44.330)  Vehicle Prowling 1                         | D  |
| Е                      | Tampering with Fire Alarm<br>Apparatus with Intent to<br>Commit Arson (9.40.105)                                 | E           | D   | (9A.52.095)  Vehicle Prowling 2                         | Е  |
| A                      | Possession of Incendiary<br>Device (9.40.120)  | B+          |     | (9A.52.100)<br><b>Drugs</b>                             |    |
|                        | Assault and Other Crimes   |             | E   | Possession/Consumption of Alcohol (66.44.270)           | Е  |
|                        | Involving Physical Harm  | _           | C   | Illegally Obtaining Legend                              | D  |
| A                      | Assault 1 (9A.36.011)  | B+          |     | Drug (69.41.020)  |    |
| B+                     | Assault 2 (9A.36.021)  | C+          |     |   |    |

| C+ Sale, Delivery, Possession | D+   |                  | (9A.56.310) |   |               |  |
|-------------------------------|--|------------------|-------------|---|---------------|--|
|                               | of Legend Drug with Intent to<br>Sell (69.41.030(2)(a))                                  |                  | Е           | Carrying Loaded Pistol<br>Without Permit (9.41.050)     | E             |  |
| ( ( <del>E</del>              | Possession of Legend   | <b>E</b> ))      | C           | Possession of Firearms by                               | C             |  |
| ъ                             | Drug (69.41.030(2)(b))   | <b>D</b>         |             | Minor (<18) (9.41.040(2)(a) (vi))                       |               |  |
| B+                            | Violation of Uniform<br>Controlled Substances Act -<br>Narcotic, Methamphetamine, or     | B+               | D+          | Possession of Dangerous<br>Weapon (9.41.250)            | Е             |  |
|                               | Flunitrazepam Sale (69.50.401(2) (a) or (b))   |                  | D           | Intimidating Another Person by use of Weapon (9.41.270) | Е             |  |
| C                             | Violation of Uniform<br>Controlled Substances Act -                                      | С                |             | Homicide  |               |  |
|                               | Nonnarcotic Sale   |                  | A+          | Murder 1 (9A.32.030)                                    | A             |  |
| _                             | (69.50.401(2)(c))  | _                | A+          | Murder 2 (9A.32.050)                                    | $\mathbf{B}+$ |  |
| ( ( <del>E</del>              | Possession of Marihuana <40 grams (69.50.4014)   | <del>E</del> ))) | B+          | Manslaughter 1 (9A.32.060)                              | C+            |  |
| C                             | Fraudulently Obtaining   | С                | C+          | Manslaughter 2 (9A.32.070)                              | D+            |  |
|                               | Controlled Substance (69.50.403)   |                  | B+          | Vehicular Homicide (46.61.520)                          | C+            |  |
| C+                            | Sale of Controlled   | C+               |             | Kidnapping  |               |  |
| _                             | Substance for Profit (69.50.410)   |                  | A           | Kidnap 1 (9A.40.020)                                    | $\mathbf{B}+$ |  |
| E                             | Unlawful Inhalation (9.47A.020)  | E                | B+          | Kidnap 2 (9A.40.030)                                    | C+            |  |
| В                             | Violation of Uniform<br>Controlled Substances Act -                                      | В                | C+          | Unlawful Imprisonment (9A.40.040)                       | D+            |  |
|                               | Narcotic, Methamphetamine, or Flunitrazepam Counterfeit                                  |                  |             | Obstructing<br>Governmental Operation                   |               |  |
| С                             | Substances (69.50.4011(2) (a) or (b))  Violation of Uniform                              | С                | D           | Obstructing a Law Enforcement Officer (9A.76.020)       | E             |  |
|                               | Controlled Substances Act -<br>Nonnarcotic Counterfeit<br>Substances (69.50.4011(2) (c), | C .              | E           | Resisting Arrest (9A.76.040)                            | Е             |  |
| ( ( <del>C</del>              | (d), or (e))  Violation of Uniform   | €))              | В           | Introducing Contraband 1 (9A.76.140)                    | C             |  |
| ((0                           | Controlled Substances Act Possession of a Controlled Substance (69.50.4013)              | <b>e</b> //      | C           | Introducing Contraband 2 (9A.76.150)                    | D             |  |
| C                             | Violation of Uniform Controlled Substances Act -   | C                | E           | Introducing Contraband 3 (9A.76.160)                    | Е             |  |
| Possession o                  | Possession of a Controlled<br>Substance (69.50.4012)                                     |                  | B+          | Intimidating a Public<br>Servant (9A.76.180)            | C+            |  |
|                               | Firearms and Weapons   |                  | B+          | Intimidating a Witness (9A.72.110)                      | C+            |  |
| В                             | Theft of Firearm (9A.56.300)   | С                |             | Public Disturbance                                      |               |  |
| В                             | Possession of Stolen<br>Firearm  | С                | C+          | Criminal Mischief with Weapon (9A.84.010(2)(b))         | D+            |  |

| D+  | Criminal Mischief Without Weapon (9A.84.010(2)(a))                 | E                | В   | Child Molestation 2 (9A.44.086)                             | C+ |
|-----|--|------------------|-----|---|----|
| Е   | Failure to Disperse (9A.84.020)                                    | E                | C   | Failure to Register as a Sex<br>Offender (9A.44.132)        | D  |
| Е   | Disorderly Conduct (9A.84.030)                                     | E                |     | Theft, Robbery, Extortion, and Forgery                      |    |
|     | Sex Crimes   |                  | В   | Theft 1 (9A.56.030)   | C  |
| A   | Rape 1 (9A.44.040)   | B+               | C   | Theft 2 (9A.56.040)   | D  |
| B++ | Rape 2 (9A.44.050)   | B+               | D   | Theft 3 (9A.56.050)   | E  |
|     | committed at age 14 or under                                       | _                | В   | Theft of Livestock 1 and 2                                  | C  |
| A-  | Rape 2 (9A.44.050) committed at age 15 through age                 | B+               |     | (9A.56.080 and 9A.56.083)                                   |    |
|     | 17   |                  | C   | Forgery (9A.60.020)   | D  |
| C+  | Rape 3 (9A.44.060)   | D+               | A   | Robbery 1 (9A.56.200) committed at                          | B+ |
| B++ | Rape of a Child 1 (9A.44.073)                                      | B+               |     | age 15 or under   |    |
|     | committed at age 14 or under                                       |                  | A++ | Robbery 1 (9A.56.200) committed at                          | A  |
| A-  | Rape of a Child 1  | B+               |     | age 16 or 17  |    |
| Λ-  | (9A.44.073)  | $\mathbf{D}^{+}$ | B+  | Robbery 2 (9A.56.210)                                       | C+ |
|     | committed at age 15  |                  | B+  | Extortion 1 (9A.56.120)                                     | C+ |
| B+  | Rape of a Child 2  | C+               | C+  | Extortion 2 (9A.56.130)                                     | D+ |
| _   | (9A.44.076)  |                  | C   | Identity Theft 1  | D  |
| В   | Incest 1 (9A.64.020(1))  | C                |     | (9.35.020(2))   |    |
| C   | Incest 2 (9A.64.020(2))  | D                | D   | Identity Theft 2 (9.35.020(3))                              | E  |
| D+  | Indecent Exposure (Victim <14) (9A.88.010)                         | E                | D   | Improperly Obtaining  | E  |
| E   | Indecent Exposure (Victim 14 or over) (9A.88.010)                  | E                |     | Financial Information (9.35.010)                            |    |
| B+  | Promoting Prostitution 1 (9A.88.070)                               | C+               | В   | Possession of a Stolen<br>Vehicle (9A.56.068)               | С  |
| C+  | Promoting Prostitution 2 (9A.88.080)                               | D+               | В   | Possession of Stolen<br>Property 1 (9A.56.150)              | С  |
| E   | O & A (Prostitution) (9A.88.030)                                   | E                | С   | Possession of Stolen<br>Property 2 (9A.56.160)              | D  |
| B+  | Indecent Liberties (9A.44.100)                                     | C+               | D   | Possession of Stolen<br>Property 3 (9A.56.170)              | E  |
| B++ | Child Molestation 1 (9A.44.083) committed at age 14 or under       | B+               | В   | Taking Motor Vehicle<br>Without Permission 1<br>(9A.56.070) | С  |
| A-  | Child Molestation 1 (9A.44.083) committed at age 15 through age 17 | B+               | C   | Taking Motor Vehicle Without Permission 2 (9A.56.075)       | D  |

| В  | Theft of a Motor Vehicle (9A.56.065)  | С  | D Other Offense Equivalent to E an Adult Gross Misdemeanor   |
|----|---|----|--|
|    | Motor Vehicle Related<br>Crimes   |    | E Other Offense Equivalent to E an Adult Misdemeanor   |
| Е  | Driving Without a License (46.20.005)   | Е  | V Violation of Order of V<br>Restitution, Community  |
| B+ | Hit and Run - Death (46.52.020(4)(a))   | C+ | Supervision, or Confinement $(13.40.200)^2$  |
| C  | Hit and Run - Injury (46.52.020(4)(b))  | D  | <sup>1</sup> Escape 1 and 2 and Attempted Escape 1 and 2 are classed as C offenses and the standard range is established as follows:       |
| D  | Hit and Run-Attended (46.52.020(5))   | E  | 1st escape or attempted escape during 12-month period - 28 days confinement  |
| Е  | Hit and Run-Unattended (46.52.010)  | Е  | 2nd escape or attempted escape during 12-month period - 8 weeks confinement  |
| С  | Vehicular Assault (46.61.522)   | D  | 3rd and subsequent escape or attempted escape during 12-month period - 12 weeks confinement  |
| С  | Attempting to Elude<br>Pursuing Police Vehicle<br>(46.61.024)                       | D  | <sup>2</sup> If the court finds that a respondent has violated terms of an order, it may impose a penalty of up to 30 days of confinement. |
| E  | Reckless Driving (46.61.500)  | E  | JUVENILE SENTENCING STANDARDS  |
| D  | Driving While Under the Influence (46.61.502 and 46.61.504)                         | E  | This schedule must be used for juvenile offenders. The court may select sentencing option A, B, C, or D.                                   |
| B+ | Felony Driving While Under the Influence (46.61.502(6))                             | В  | OPTION A  JUVENILE OFFENDER  |
| B+ | Felony Physical Control of a<br>Vehicle While Under the<br>Influence (46.61.504(6)) | В  | SENTENCING GRID STANDARD RANGE   |
|    | Other   |    | A 129 to 260 weeks for all<br>++ category A++ offenses   |
| В  | Animal Cruelty 1 (16.52.205)  | C  | A 180 weeks to age 21 for all  |
| В  | Bomb Threat (9.61.160)  | C  | + category A+ offenses   |
| C  | Escape 1 <sup>1</sup> (9A.76.110)   | C  | A 103-129 weeks for all category A offenses  |
| C  | Escape 2 <sup>1</sup> (9A.76.120)   | C  |  |
| D  | Escape 3 (9A.76.130)  | Е  | A 3 5 8 1 1<br>- 0- 2- 0- 03- 03-  |
| E  | Obscene, Harassing, Etc.,<br>Phone Calls (9.61.230)                                 | Е  | 40 65 10 129 129<br>we we 0 we we  |
| A  | Other Offense Equivalent to an Adult Class A Felony                                 | B+ | ek ek we eks eks<br>s s ek<br>s  |
| В  | Other Offense Equivalent to an Adult Class B Felony                                 | C  | B 1 5 8 1 1  |
| C  | Other Offense Equivalent to an Adult Class C Felony                                 | D  | ++ 5- 2- 0- 03- 03-<br>36 65 10 129 129<br>we we 0   |

|              |   | <del>-</del> | ek<br>s                   |   | ek<br>s                   |   | we<br>ek<br>s             |   | we<br>eks             |   | we                         |   |
|--------------|---|--------------|---------------------------|---|---------------------------|---|---------------------------|---|-----------------------|---|----------------------------|---|
| CURR<br>ENT  | + | В            | 5-<br>36<br>we<br>ek<br>s | 1 | 5-<br>36<br>we<br>ek<br>s |   | 2-<br>65<br>we<br>ek<br>s |   | 0-<br>10<br>we<br>eks | 0 | 03-<br>125<br>we<br>eks    | 9 |
| OFFE<br>NSE  |   | В            | S                         | L | S                         | L | 5-<br>36<br>we<br>ek<br>s |   | 5-<br>36<br>we<br>eks |   | 2-<br>65<br>we<br>eks      |   |
| CATE<br>GORY | + | C            | S                         | L | S                         | L | S                         | L | 5-<br>36<br>we<br>eks |   | 5-<br>36<br>we<br>eks      |   |
|              |   | C            | S                         | L | S                         | L | S                         | L | S                     | L | 1<br>5-<br>36<br>we<br>eks |   |
|              | + | D            | S                         | L | S                         | L | S                         | L | S                     | L | S                          | L |
|              |   | D            | S                         | L | S                         | L | S                         | L | S                     | L | S                          | L |
|              |   | Е            | S                         | L | S                         | L | S                         | L | S                     | L | S                          | L |
| PRIOR        |   | =            |                           | 0 |                           | 1 |                           | 2 |                       | 3 | or<br>mo                   | 4 |

## ADJU DICATIO NS

NOTE: References in the grid to days or weeks mean periods of confinement. "LS" means "local sanctions" as defined in RCW 13.40.020.

(1) The vertical axis of the grid is the current offense category. The current offense category is determined by the offense of adjudication.

- (2) The horizontal axis of the grid is the number of prior adjudications included in the juvenile's criminal history. Each prior felony adjudication shall count as one point. Each prior violation, misdemeanor, and gross misdemeanor adjudication shall count as 1/4 point. Fractional points shall be rounded down.
- (3) The standard range disposition for each offense is determined by the intersection of the column defined by the prior adjudications and the row defined by the current offense category.
- (4) RCW 13.40.180 applies if the offender is being sentenced for more than one offense.
- (5) A current offense that is a violation is equivalent to an offense category of E. However, a disposition for a violation shall not include confinement.

OR

#### OPTION B

#### SUSPENDED DISPOSITION ALTERNATIVE

- (1) If the offender is subject to a standard range disposition involving confinement by the department, the court may impose the standard range and suspend the disposition on condition that the offender comply with one or more local sanctions and any educational or treatment requirement. The treatment programs provided to the offender must be either research-based best practice programs as identified by the Washington state institute for public policy or the joint legislative audit and review committee, or for chemical dependency treatment programs or services, they must be evidence-based or research-based best practice programs. For the purposes of this subsection:
- (a) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population; and
- (b) "Research-based" means a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.
- (2) If the offender fails to comply with the suspended disposition, the court may impose sanctions pursuant to RCW

- 13.40.200 or may revoke the suspended disposition and order the disposition's execution.
- (3) An offender is ineligible for the suspended disposition option under this section if the offender:
- (a) Is adjudicated of an A+ or A++ offense;
- (b) Is fourteen years of age or older and is adjudicated of one or more of the following offenses:
- (i) A class A offense, or an attempt, conspiracy, or solicitation to commit a class A offense;
- (ii) Manslaughter in the first degree (RCW 9A.32.060);
- (iii) Assault in the second degree (RCW 9A.36.021), extortion in the first degree (RCW 9A.56.120), kidnapping in the second degree (RCW 9A.40.030), drive-by shooting (RCW 9A.36.045), vehicular homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), or manslaughter 2 (RCW 9A.32.070); or
- (iv) Violation of the uniform controlled substances act (RCW 69.50.401(2) (a) and (b)), when the offense includes infliction of bodily harm upon another or when during the commission or immediate withdrawal from the offense the respondent was armed with a deadly weapon;
- (c) Is ordered to serve a disposition
  for a firearm violation under RCW
  13.40.193;
- (d) Is adjudicated of a sex offense as defined in RCW 9.94A.030; or
  - (e) Has a prior option B disposition.

OR

### OPTION C

## CHEMICAL DEPENDENCY/MENTAL HEALTH DISPOSITION ALTERNATIVE

If the juvenile offender is subject to a standard range disposition of local sanctions or 15 to 36 weeks of confinement and has not committed a B++ or B+ offense, the court may impose a disposition under RCW 13.40.160(4) and 13.40.165.

OR

#### OPTION D

## MANIFEST INJUSTICE

- If the court determines that a disposition under option A, B, or C would effectuate a manifest injustice, the court shall impose a disposition outside the standard range under RCW 13.40.160(2).
- Sec. 21. RCW 2.24.010 and 2013 c 27 s 3 are each amended to read as follows:
- (1) There may be appointed in each county or judicial district, by the judges of the superior court having jurisdiction therein, one or more court commissioners for said county or judicial district. Each such commissioner shall be a citizen of the United States and shall hold the office during the pleasure of the judges making the appointment.
- (2)(a) There may be appointed in counties with a population of more than four hundred thousand, by the presiding judge of the superior court having jurisdiction therein, one or more attorneys to act as criminal commissioners to assist the superior court in disposing of adult criminal cases. Such criminal commissioners shall have power, authority, and jurisdiction, concurrent with the superior court and the judges thereof, in adult criminal cases, to preside over arraignments, preliminary appearances, initial extradition hearings, and noncompliance proceedings pursuant to RCW 9.94A.6333 or 9.94B.040; accept pleas if authorized by local court rules; appoint counsel; make determinations of probable cause; set, amend, and review conditions of pretrial release; set bail; set trial and hearing dates; authorize continuances; accept waivers of the right to speedy trial; and authorize and issue search warrants and orders to intercept, monitor, or record wired or wireless telecommunications or for the installation of electronic taps or other devices to include, but not be limited to, vehicle global positioning system or other mobile tracking devices with all the powers conferred upon the judge of the superior court in such matters.
- (b) Criminal commissioners shall also have the authority to conduct resentencing hearings and to vacate convictions related to State v. Blake, No. 96873-0 (Feb. 25, 2021). Criminal commissioners may be appointed for this purpose regardless of the population of the county served by the appointing court.

- $\underline{\text{(c)}}$  The county legislative authority must approve the creation of criminal commissioner positions.
- Sec. 22. RCW 2.24.040 and 2009 c 28 s 1 are each amended to read as follows:
- Such court commissioner shall have power, authority, and jurisdiction, concurrent with the superior court and the judge thereof, in the following particulars:
- (1) To hear and determine all matters in probate, to make and issue all proper orders therein, and to issue citations in all cases where same are authorized by the probate statutes of this state.
- (2) To grant and enter defaults and enter judgment thereon.
- (3) To issue temporary restraining orders and temporary injunctions, and to fix and approve bonds thereon.
- (4) To act as referee in all matters and actions referred to him or her by the superior court as such, with all the powers now conferred upon referees by law.
- (5) To hear and determine all proceedings supplemental to execution, with all the powers conferred upon the judge of the superior court in such matters.
- (6) To hear and determine all petitions for the adoption of children and for the dissolution of incorporations.
- (7) To hear and determine all applications for the commitment of any person to the hospital for the insane, with all the powers of the superior court in such matters: PROVIDED, That in cases where a jury is demanded, same shall be referred to the superior court for trial.
- (8) To hear and determine all complaints for the commitments of minors with all powers conferred upon the superior court in such matters.
- (9) To hear and determine ex parte and uncontested civil matters of any nature.
- (10) To grant adjournments, administer oaths, preserve order, compel attendance of witnesses, and to punish for contempts in the refusal to obey or the neglect of the court commissioner's lawful orders made in any matter before the court commissioner as fully as the judge of the superior court.

- (11) To take acknowledgments and proofs of deeds, mortgages and all other instruments requiring acknowledgment under the laws of this state, and to take affidavits and depositions in all cases.
- (12) To provide an official seal, upon which shall be engraved the words "Court Commissioner," and the name of the county for which he or she may be appointed, and to authenticate his official acts therewith in all cases where same is necessary.
- (13) To charge and collect, for his or her own use, the same fees for the official performance of official acts mentioned in subsections (4) and (11) of this section as are provided by law for referees and notaries public.
- (14) To hear and determine small claims appeals as provided in chapter 12.36 RCW.
- (15) In adult criminal cases, to preside over arraignments, preliminary initial extradition appearances, hearings, and noncompliance proceedings pursuant to RCW 9.94A.6333 or 9.94B.040; accept pleas if authorized by local court appoint counsel; rules; determinations of probable cause; set, amend, and review conditions of pretrial release; set bail; set trial and hearing dates; authorize continuances; ((and)) accept waivers of the right to speedy trial; and conduct resentencing hearings and hearings to vacate convictions related to State v. Blake, No. 96873-0 (Feb. 25, 2021).
- Sec. 23. RCW 9.94A.728 and 2018 c 166 s 2 are each amended to read as follows:
- (1) No person serving a sentence imposed pursuant to this chapter and committed to the custody of the department shall leave the confines of the correctional facility or be released prior to the expiration of the sentence except as follows:
- (a) An offender may earn early release time as authorized by RCW 9.94A.729;
- (b) An offender may leave a correctional facility pursuant to an authorized furlough or leave of absence. In addition, offenders may leave a correctional facility when in the custody of a corrections officer or officers;
- (c) (i) The secretary may authorize an extraordinary medical placement for an offender when all of the following conditions exist:

- (A) The offender has a medical condition that is serious and is expected to require costly care or treatment;
- (B) The offender poses a low risk to the community because he or she is currently physically incapacitated due to age or the medical condition or is expected to be so at the time of release; and
- (C) It is expected that granting the extraordinary medical placement will result in a cost savings to the state.
- (ii) An offender sentenced to death or to life imprisonment without the possibility of release or parole is not eligible for an extraordinary medical placement.
- (iii) The secretary shall require electronic monitoring for all offenders in extraordinary medical placement unless the electronic monitoring equipment interferes with the function of the offender's medical equipment or results in the loss of funding for the offender's medical care, in which case, an alternative type of monitoring shall be utilized. The secretary shall specify who shall provide the monitoring services and the terms under which the monitoring shall be performed.
- (iv) The secretary may revoke an extraordinary medical placement under this subsection (1) (c) at any time.
- (v) Persistent offenders are not eligible for extraordinary medical placement;
- (d) The governor, upon recommendation from the clemency and pardons board, may grant an extraordinary release for reasons of serious health problems, senility, advanced age, extraordinary meritorious acts, or other extraordinary circumstances;
- (e) No more than the final twelve months of the offender's term of confinement may be served in partial confinement for aiding the offender with: Finding work as part of the work release program under chapter 72.65 RCW; or reestablishing himself or herself in the community as part of the parenting program in RCW 9.94A.6551. This is in addition to that period of earned early release time that may be exchanged for partial confinement pursuant to RCW 9.94A.729(5)(d);
- (f) No more than the final six months of the offender's term of confinement may  $\begin{tabular}{ll} \end{tabular}$

- be served in partial confinement as home detention as part of the graduated reentry program developed by the department under RCW 9.94A.733;
- (g) The governor may pardon any offender;
- (h) The department may release an offender from confinement any time within ten days before a release date calculated under this section;
- (i) An offender may leave a correctional facility prior to completion of his or her sentence if the sentence has been reduced as provided in RCW 9.94A.870;
- (j) Notwithstanding any other provisions of this section, an offender sentenced for a felony crime listed in RCW 9.94A.540 as subject to a mandatory minimum sentence of total confinement shall not be released from total confinement before the completion of the listed mandatory minimum sentence for that felony crime of conviction unless allowed under RCW 9.94A.540; and
- (k) Any person convicted of one or more crimes committed prior to the person's eighteenth birthday may be released from confinement pursuant to RCW 9.94A.730.
- (2) Notwithstanding any other provision of this section, an offender entitled to vacation of a conviction or the recalculation of his or her offender score pursuant to State v. Blake, No. 96873-0 (Feb. 25, 2021), may be released from confinement pursuant to a court order if the offender has already served a period of confinement that exceeds his or her new standard range. This provision does not create an independent right to release from confinement prior to resentencing.
- $\underline{(3)}$  Offenders residing in a juvenile correctional facility placement pursuant to RCW 72.01.410(1)(a) are not subject to the limitations in this section.
- NEW SECTION. Sec. 24. The State v. Blake reimbursement account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for state and local government costs resulting from the supreme court's decision in State v. Blake, No. 96873-0 (Feb. 25, 2021), and to reimburse individuals for legal financial obligations paid in connection with

sentences that have been invalidated as a result of the decision.

NEW SECTION. Sec. 25. The State v. Blake reimbursement account is created in the state treasury. All receipts from penalties collected under RCW 69.50.4011(3), 69.50.4013(2), and 69.41.030(2)(b) must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for state and local government costs resulting from the supreme court's decision in State v. Blake, No. 96873-0 (Feb. 25, 2021), and to reimburse individuals for legal financial obligations paid in connection with sentences that have been invalidated as a result of the decision.

NEW SECTION. Sec. 26. RCW 69.50.4014 (Possession of forty grams or less of marijuana—Penalty) and 2015 2nd sp.s. c 4 s 505 & 2003 c 53 s 335 are each repealed.

NEW SECTION. Sec. 27. Sections 1 through 10, 12, 18, 19, 21 through 24, and 26 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

<u>NEW SECTION.</u> **Sec. 28.** Section 10 of this act expires July 1, 2022.

<u>NEW SECTION.</u> **Sec. 29.** Section 11 of this act takes effect July 1, 2022.

 $\underline{\text{NEW SECTION.}}$  Sec. 30. Sections 8, 9, 11, 19, and 24 of this act expire July 1, 2023.

 $\underline{\text{NEW SECTION.}}$  Sec. 31. Sections 13 through 17, 20, and 25 of this act take effect July 1, 2023.

NEW SECTION. Sec. 32. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

Signed by Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chopp; Cody; Dolan; Fitzgibbon; Frame; Hansen; Johnson, J.; Lekanoff; Pollet; Ryu; Senn; Springer; Stonier; Sullivan and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representatives Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Boehnke; Chandler; Dye; Hoff; Jacobsen and Schmick.

MINORITY recommendation: Without recommendation. Signed by Representatives Caldier; Harris; Rude and Steele.

There being no objection, ENGROSSED SENATE BILL NO. 5476 was placed on the second reading calendar.

There being no objection, the House advanced to the sixth order of business.

#### SECOND READING

SENATE BILL NO. 5008, by Senators Robinson, Short, Brown, Hasegawa and C. Wilson

Extending the business and occupation tax exemption for amounts received as credits against contracts with or funds provided by the Bonneville power administration and used for low-income ratepayer assistance and weatherization.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Berg and Orcutt spoke in favor of the passage of the bill.

## MOTION

On motion of Representative Griffey, Representative McEntire was excused.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5008.

## ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5008, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude,

Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

SENATE BILL NO. 5008, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the seventh order of business.

#### THIRD READING

#### CONFERENCE COMMITTEE REPORT

April 21, 2021

Engrossed Second Substitute Senate Bill No. 5237

Includes "New Item": YES

Madame Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237, expanding accessible, affordable child care and early childhood development programs, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment H-1621.1 be adopted.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 33. SHORT TITLE. This act may be known and cited as the fair start for kids act.

NEW SECTION. Sec. 34. INTENT. (1)The legislature finds that high quality child care and early learning is critical to a child's success in school and life. The legislature recognizes that COVID-19 has devastated the existing child care industry, making it unduly burdensome for families to find care. The legislature recognizes that without immediate action to support child care providers, and without expanded access to affordable child care, especially infant and schoolage care, parents will not be able to return to work while children lose valuable learning opportunities. In order to bolster a full economic recovery, the legislature finds every child deserves a fair start.

(2) The legislature finds that access to affordable child care increases economic growth and labor force participation. The legislature further

finds that an affordable, accessible system of high quality child care is necessary to the health of Washington's economy because employers benefit when have safe, parents stable, appropriate care for their children. The legislature recognizes that too many working parents are forced to reduce hours, decline promotional opportunities, or leave the workforce completely due to a lack of affordable child care. appropriate finds that a report legislature commissioned by the department commerce in 2019 found that working in Washington parents \$14,000,000,000 each year directly due to child care scarcity. The legislature recognizes that this disproportionally impacts women in the workforce and that in September 2020 alone, 78,000 men left the workforce, compared to 600,000 women.

- (3) The legislature recognizes that quality child care can be a stabilizing factor for children experiencing homelessness, and is a proven protective factor against the impacts of trauma they may experience. Access to child care is also a necessary support for families with young children in resolving homelessness and securing employment.
- (4) The legislature finds that the scarcity of child care, exacerbated by COVID-19, most significantly impacts families furthest from opportunity. The legislature recognizes that there are additional barriers to accessing this foundational support for immigrant communities and families whose first language is not English, families who have children with disabilities, rural communities, or other child care deserts. The legislature recognizes that high quality, inclusive child care and early learning programs have been shown to reduce the opportunity gap for low-income children and black, indigenous, and children of color while consistently improving outcomes for all children both inside and outside of the classroom.
- (5) The legislature finds that without access to comprehensive, high quality prenatal to five services, children often enter kindergarten without the socialemotional, physical, cognitive, language skills they need to successful and fall behind their peers, facing compounding developmental challenges throughout their education. The legislature finds that cascading impacts of inaccessible child

- care and early learning programs create systemic barriers for children and their families that result in higher special education needs, greater likelihood of needing to repeat grades, increased child welfare and juvenile justice involvement, reduced high school graduation rates, limited postsecondary education attainment, and greater barriers to employment in adulthood.
- (6) The legislature finds the vast majority of child care providers are small businesses and nonprofit organizations. In addition to adhering to federal, state, and local regulations to ensure healthy and safe environments for children, the legislature recognizes that child care providers must ensure employees are adequately compensated and supported. However, the legislature acknowledges that the reduced staffing ratios for health and safety, additional cost of personal protective equipment and extra cleaning supplies, increased use of substitutes needed during COVID-19-related absences, and increased technology demands during school closures from the pandemic are further straining the viability of the child care business model in Washington state.
- (7) The legislature finds that the health and stability of the early learning workforce is pivotal to any expansion of child care in Washington state. The legislature recognizes that the child care workforce, predominantly comprised of women of color, is structurally afflicted by low wages, limited or no health care, and a severe lack of retirement benefits. The legislature further recognizes that the threat of COVID-19 compounds these underlying issues, forcing providers to navigate increased stress, anxiety, and behavioral issues all while risking their lives to care for children. The legislature recognizes that families, friends, and neighbors who provide care are a critical component of the child care system. The legislature finds that child care workers are essential and deserve to be compensated and benefited accordingly.
- (8) Therefore, the legislature resolves to respond to the COVID-19 crisis by first stabilizing the child care industry and then expanding access to a comprehensive continuum of high quality early childhood development programs, including infant and school-

- age child care, preschool, parent and family supports, and prenatal to three services. The legislature recognizes this continuum as critical to meeting different families' needs and offering every child in Washington access to a fair start.
- (9) The legislature recognizes that the federal government has provided substantial additional funding through the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M., and the American rescue plan act of 2021. The purpose of the additional federal funding is to ensure access to affordable child care and stabilize and support child care providers affected by COVID-19. Therefore, it is the intent of the legislature to use the additional federal funding to supplement state funding in order to accelerate these investments.
- (10) The legislature recognizes the strengths that multilingual, diverse early learning providers and caregivers contribute to early learning across the state. Therefore, the legislature intends to expand language access services to create an inclusive early learning system that specifically supports underserved providers.
- (11) The legislature intends to expand eligibility for existing child care and preschool programs to increase access. The legislature recognizes that expansion must be accompanied by an investment to make child care more affordable. Therefore, the legislature intends to eliminate copayments for low-income families and limit copayments for any family on subsidy to no more than seven percent of their income.
- (12) The legislature further intends to stabilize, support, and grow the diverse early learning workforce by funding living wages and affordable health benefits while providing training, infant and early childhood mental health consultation, shared business services, and a variety of other supports that recognize the critical role that early learning providers serve for all Washington children.
- (13) The legislature intends to accelerate Washington's economic recovery from the devastating impacts of COVID-19 by dramatically expanding access to affordable, high quality child care and preschool, in order to get

parents back to work and provide every child with a fair start.

#### PART I

## INVESTING IN CHILD CARE AND EARLY LEARNING

NEW SECTION. Sec. 101. FAIR START FOR KIDS ACCOUNT. (1) The fair start for kids account is created in the state treasury. Moneys in the account may be spent only after appropriation.

(2) Expenditures from the account may be used only for child care and early learning purposes.

NEW SECTION. Sec. 102. FAIR START FOR KIDS SPENDING GOALS AND STRATEGIES. (1) The spending goals and strategies for the fair start for kids account created under section 101 of this act include, but are not limited to:

- (a) Increasing child care subsidy rates, with the goal of moving toward the full cost of providing high quality child care;
- (b) Expanding health care coverage through state sponsorship of child care workers on the Washington health benefit exchange and providing consumer assistance through navigators, as well as any other expansions of access to affordable health care for staff in child care centers, family home providers, outdoor nature-based care, and early childhood education and assistance program staff;
- (c) Increasing child care and early learning providers' compensation;
- (d) Implementing the provisions of collective bargaining agreements for family child care providers negotiated pursuant to RCW 41.56.028;
- (e) Supporting and expanding access to the early childhood education and assistance program to reach state-funded entitlement required in RCW 43.216.556;
- (f) Making child care affordable for families;
- (g) Providing resources and supports for family, friend, and neighbor caregivers that better reflect the full cost of care;
- (h) Providing child care subsidies for families working to resolve homelessness;
- (i) Providing professional development opportunities and supporting the

substitute pool for child care and early learning providers;

- (j) Delivering infant and early
  childhood mental health consultation
  services;
- (k) Establishing prekindergarten through third grade systems coordinators at educational service districts;
- (1) Supporting youth development programs serving children and youth ages birth through 12 including, but not limited to, expanded learning opportunities, mentoring, school-age child care, and wraparound supports or integrated student supports;
- (m) Awarding grants and loans through the early learning facilities grant and loan program established under chapter 43.31 RCW;
- (n) Funding special designations in the working connections child care programs, early childhood education and assistance programs, and birth to three early childhood education and assistance programs including designations established in sections 302, 304, 305, and 404 of this act;
- (o) Supporting costs for transparent data collection and information technology systems operated by the department and department contractors, in particular, to ensure equitable systemic service provision and outcomes;
- (p) Providing access to learning technology;
- (q) Providing child care resource and referral services;
- (r) Conducting quality rating and improvement system activities through the early achievers program;
- (s) Expanding prenatal to three services and supports, including the birth to three early childhood education and assistance program and the in-home parent skill-based programs established in RCW 43.216.130;
- (t) Building and delivering a family resource and referral linkage system;
- (u) Allowing the exploration of options to provide regulatory relief and make licensing more affordable for child care providers;
- (v) Administering comprehensive shared services hubs to allow the ongoing pooling and shared use of services by

licensed or certified child care centers and family home providers;

- (w) Training department staff to ensure consistent and equitable application of child care licensing and quality standards across the state including antibias and antiracist training;
- (x) Providing incentives and supports for child care providers to become licensed;
- (y) Studying and evaluating options to incentivize business participation in child care and early learning systems;
- (z) Providing start-up grants to eligible organizations as described in RCW 43.31.575 who provide or commit to providing the early childhood education and assistance program or working connections child care. Start-up grants must be used for one-time start-up costs associated with the start-up of a new child care or early childhood education and assistance program site; and
- (aa) Recognizing the benefits of the diverse workforce and facilitating communication in the three most commonly spoken languages by developing a language access plan that centers on equity and access for immigrants, multilingual providers, caregivers, and families.
- (2) This section does not interfere with, impede, or in any way diminish the right of family child care providers to bargain collectively with the state through the exclusive bargaining representatives as provided for under RCW 41.56.028.
- **Sec. 103.** RCW 43.88.055 and 2020 c 218 s 2 are each amended to read as follows:

LEGISLATIVE BALANCED BUDGET REQUIREMENT.

- (1) The legislature must adopt a fouryear balanced budget as follows:
- (a) Beginning in the 2013-2015 fiscal biennium, the legislature shall enact a balanced omnibus operating appropriations bill that leaves, in total, a positive ending fund balance in the general fund and related funds.
- (b) Beginning in the 2013-2015 fiscal biennium, the projected maintenance level of the omnibus appropriations bill enacted by the legislature shall not exceed the available fiscal resources for the next ensuing fiscal biennium.

- (2) For purposes of this section:
- (a) "Available fiscal resources" means the beginning general fund and related fund balances and any fiscal resources estimated for the general fund and related funds, adjusted for enacted legislation, and with forecasted revenues adjusted to the greater of (i) the official general fund and related funds revenue forecast for the ensuing biennium, or (ii) the official general fund and related funds forecast for the second fiscal year of the current fiscal biennium, increased by 4.5 percent for each fiscal year of the ensuing biennium;
- (b) "Projected maintenance level" means estimated appropriations necessary to maintain the continuing costs of program and service levels either funded in that appropriations bill or mandated by other state or federal law, and the amount of any general fund moneys projected to be transferred to the budget stabilization account pursuant to Article VII, section 12 of the state Constitution;
- (c) "Related funds," as used in this section, means the Washington opportunity pathways account, the workforce education investment account, the fair start for kids account, and the education legacy trust account.
- (3) Subsection (1)(a) and (b) of this section does not apply to an appropriations bill that makes net reductions in general fund and related funds appropriations and is enacted between July 1st and February 15th of any fiscal year.
- (4) Subsection (1) (b) of this section does not apply in a fiscal biennium in which money is appropriated from the budget stabilization account pursuant to Article VII, section 12(d)(ii) of the state Constitution.
- **Sec. 104.** RCW 43.216.075 and 2020 c 262 s 4 are each amended to read as follows:

INVESTMENT ACCOUNTABILITY AND OVERSIGHT.

(1) The early learning advisory council is established to advise the department on statewide early learning issues that contribute to the ongoing efforts of building a comprehensive system of quality early learning programs and services for Washington's young children and families.

- (2) The council shall work in conjunction with the department to ((assist)):
- (b) Provide recommendations annually to the governor and the legislature, beginning August 31, 2022, regarding the phased implementation of strategies and priorities identified in section 102 of this act;
- (c) Maintain a focus on racial equity and inclusion in order to dismantle systemic racism at its core and contribute to statewide efforts to break the cycle of intergenerational poverty;
- (d) Maintain a focus on inclusionary practices for children with disabilities;
- (e) Partner with nonprofit organizations to collect and analyze data and measure progress; and
- (f) Assist the department in monitoring and ensuring that the investments funded by the fair start for kids account created in section 101 of this act are designed to support the following objectives:
- (i) Advance racial equity and strengthen families by recognizing and responding to the growing diversity of our state's population;
- (ii) Promote access to affordable, high quality child care and early learning opportunities for all families, paying particular attention to the needs of rural and other underserved communities;
- (iii) Promote kindergarten readiness by enhancing child development, including development of social-emotional skills, and eliminating exclusionary admissions practices and disproportionate removals in child care and early learning programs; and
- (iv) Contribute to efforts to strengthen and grow our state's economy by supporting working parents as well as stabilizing and supporting the child care and early learning workforce.

- (3) In collaboration with the council, the department shall consult with its advisory groups and other interested stakeholders and shall submit a biennial report to the governor and legislature describing how the investments funded by the fair start for kids act have impacted the policy objectives stated in subsection (2)(f) of this section. The first report under this section is due September 15, 2023. The council shall diverse, statewide include representation from public, nonprofit, and for-profit entities. Its membership shall include critical partners in service delivery and reflect regional, racial, and cultural diversity to adequately represent the ((needs)) interests of all children and families in the state.
- (4) Councilmembers shall serve two-year terms. However, to stagger the terms of the council, the initial appointments for twelve of the members shall be for one year. Once the initial one-year to two-year terms expire, all subsequent terms shall be for two years, with the terms expiring on June 30th of the applicable year. The terms shall be staggered in such a way that, where possible, the terms of members representing a specific group do not expire simultaneously.
- (5) The council shall consist of members essential to coordinating services statewide prenatal through age  $((\frac{\text{five}}{}))$   $\underline{12}$ , as follows:
- (a) In addition to being staffed and supported by the department, the governor shall appoint one representative from each of the following: The department of commerce and the department of health(( $\tau$  the student achievement council, and the state board for community and technical colleges));
- (b) One representative from the student achievement council, to be appointed by the student achievement council;
- (c) The military spouse liaison created within the department of veterans affairs under RCW 43.60A.245;
- (d) One representative from the state board for community and technical colleges, to be appointed by the state board for community and technical colleges;
- (e) One representative from the office of the superintendent of public

- instruction, to be appointed by the superintendent of public instruction;
- (((c) The governor shall appoint leaders in early childhood education to represent critical service delivery and support sectors, with at least one individual representing each of the following:
- (i) The head start state collaboration office director or the director's designee;
- (ii) A representative of a head start, early head start, or migrant/seasonal head start program;
- (iii) A representative of a local
  education agency;
- (iv) A representative of the state agency responsible for programs under section 619 or part C of the federal individuals with disabilities education act:
- (v) A representative of the early
  childhood education and assistance
  program;
- (vi) A representative of licensed
  family day care providers;
- (vii) A representative of child day care centers; and
- (viii) A representative from the home visiting advisory committee established in RCW 43.216.130;
- (d))) (f) Two members of the house of representatives, one from each caucus, to be appointed by the speaker of the house of representatives and two members of the senate, one from each caucus, to be appointed by the majority leader in the senate and the minority leader in the senate;
- $((\frac{(e)}{)}))$   $\underline{(g)}$  Two parents, one of whom serves on the department's parent advisory group, to be appointed by the  $((\frac{governor}{)})$  parent advisory group;
- $((\frac{f}))$ )  $\underline{(h)}$  One representative of the private-public partnership created in RCW 43.216.065, to be appointed by the partnership board;
- ((<del>(g)</del>)) <u>(i)</u> One representative from the developmental disabilities community representing children and families involved in part C of the federal individuals with disabilities education act and one representative from the developmental disabilities community representing children and families

- involved in part B of the federal
  individuals with disabilities education
  act;
- $((\frac{h}{h}))$   $\underline{(j)}$  Two representatives from early learning regional coalitions;
- (((i) Representatives)) (k) Up to five
  representatives of underserved
  communities who have a special expertise
  or interest in high quality early
  learning, one to be appointed by each of
  the following commissions:
- (i) The Washington state commission on Asian Pacific American affairs established under chapter 43.117 RCW;
- (ii) The Washington state commission on African American affairs  $\underline{\text{established}}$  under chapter 43.113 RCW; (( $\underline{\text{and}}$ ))
- (iii) The Washington state commission
  on Hispanic affairs established under
  chapter 43.115 RCW;
- (iv) The Washington state women's commission established under chapter 43.119 RCW; and
- (v) The Washington state office of equity established under chapter 43.06D RCW;
- $((\frac{(i)}{(i)}))$  <u>(1)</u> Two representatives designated by sovereign tribal governments, one of whom must be a representative of a tribal early childhood education assistance program or head start program;
- $((\frac{(k)}{k}))$   $\underline{(m)}$  One representative from the Washington federation of independent schools;
- (( $\frac{(1)}{(1)}$ ))  $\underline{(n)}$  One representative from the Washington library association; (( $\frac{1}{(1)}$ )
- $\frac{\text{(m)}}{\text{()}}$ )  $\frac{\text{(o)}}{\text{one}}$  one representative from a statewide advocacy coalition of organizations that focuses on early learning:
- (p) One representative from an association representing statewide business interests, to be appointed by the association and one representative from a regional business coalition;
- (q) One representative of an advocacy organization for immigrants and refugees;
- (r) One representative of an organization advocating for expanded learning opportunities and school-age child care programs;

- (s) One representative from the largest union representing child care providers;
- (t) A representative of a head start, early head start, or migrant and seasonal head start program, to be appointed by the head start collaboration office;
- (u) A representative of educational service districts, to be appointed by a statewide association of educational service district board members;
- (v) A provider responsible for programs under section 619 of the federal individuals with disabilities education act, to be appointed by the superintendent of public instruction;
- (w) A representative of the state agency responsible for part C of the federal individuals with disabilities education act, to be appointed by the department;
- (x) A representative of the early childhood education and assistance program, to be appointed by an association representing early childhood education and assistance programs;
- (y) A representative of licensed family home providers, to be appointed by the largest union representing child care providers;
- (z) A representative of child care centers, to be appointed by an association representing child care centers;
- (aa) A representative from the home visiting advisory committee established in RCW 43.216.130, to be appointed by the committee;
- (bb) An infant or early childhood mental health expert, to be appointed by the Barnard center for infant and early childhood mental health at the University of Washington;
- (cc) A family, friend, and neighbor caregiver, to be appointed by the largest union representing child care providers;
- (dd) A representative from prenatal to three services;
- $\frac{\text{(ee)} \ \text{A pediatrician, to be appointed}}{\text{by the state chapter of the American}} \\ \frac{\text{by the state chapter of the American}}{\text{academy of pediatrics; and}}$
- (ff) A representative of the statewide child care resource and referral organization, to be appointed by the

- statewide child care resource and
  referral organization.
- (6) The council shall be cochaired by two members, to be elected by the council for two-year terms and not more than one cochair may represent a state agency.
- (7) At the direction of the cochairs, the council may convene advisory groups, such as a parent caucus, to evaluate specific issues and report related findings and recommendations to the full council.
- (8) The council shall appoint two members and stakeholders with expertise in early learning to sit on the technical working group created in section 2, chapter 234, Laws of 2010.
- $((\frac{(8)}{)}))$   $\underline{(9)}$  Each member of the  $(\frac{(board)}{)}$ )  $\underline{council}$  shall be compensated in accordance with RCW 43.03.240 and reimbursed for travel expenses incurred in carrying out the duties of the  $(\frac{(board)}{)}$   $\underline{council}$  in accordance with RCW 43.03.050 and 43.03.060.
- ((<del>(9)</del>)) <u>(10)</u>(a) The council shall convene an early achievers review subcommittee to provide feedback and guidance on strategies to improve the quality of instruction and environment for early learning and provide input and recommendations on the implementation and refinement of the early achievers program. The subcommittee shall at a minimum provide feedback and guidance to the department and the council on the following:
- (i) Adequacy of data collection procedures;
- (ii) Coaching and technical assistance
  standards;
- (iii) Progress in reducing barriers to participation for low-income providers and providers from diverse cultural backgrounds, including a review of the early achievers program's rating tools, quality standard areas, and components, and how they are applied;
- (iv) Strategies in response to data on the effectiveness of early achievers program standards in relation to providers and children from diverse cultural backgrounds;
- (v) Status of the life circumstance exemption protocols; ((and))
- (vi) Analysis of early achievers
  program data trends; and

- (vii) Other relevant early learning data including progress in serving students with disabilities ages birth to five and least restrictive environment data.
- (b) The subcommittee must include consideration of cultural linguistic responsiveness when analyzing the areas for review required by (a) of this subsection.
- (c) The subcommittee shall include representatives from child care centers, family child care, the early childhood education and assistance program, contractors for early achievers program technical assistance and coaching, tribal governments, the organization responsible for conducting early achievers program ratings, and parents of children participating in early learning programs, including working connections child care and early childhood education and assistance programs. subcommittee shall include representatives from diverse cultural and linguistic backgrounds.
- (b) Members of the subcommittee must include two representatives of the department, two child care providers, and two parents of children in child care. One child care provider and one parent representative must reside east of the crest of the Cascade mountains and one child care provider and one parent representative must reside west of the crest of the Cascade mountains.

# (c) The subcommittee shall:

- (i) Examine strategies to increase the number of licensed child care providers in the state, including meeting with prospective licensees to explain the licensure requirements and inspect and provide feedback on the physical space that is contemplated for licensure;
- (ii) Develop model policies for licensed child care providers to implement licensing standards including, but not limited to, completing the child care and early learning licensing guidebook, to be made available to support providers with compliance; and
- (iii) Develop recommendations regarding incentives and financial

- supports to help prospective providers
  navigate the licensing process.
- (d) The subcommittee shall provide feedback and recommendations to the department of children, youth, and families pursuant to this subsection (11) by December 1, 2022.
- $\underline{\text{(12)}}$  The department shall provide staff support to the council.
- **Sec. 105.** RCW 83.100.230 and 2019 c 415 s 990 are each amended to read as follows:

The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for support of the common schools, and for expanding access to higher education through funding for new enrollments and financial aid, early learning and child care programs, and other educational improvement efforts. ((<del>During the 2015-</del> 2017, 2017-2019, and 2019-2021 fiscal biennia appropriations from the account may be made for support of early learning programs. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.))

NEW SECTION. Sec. 106. INFLATIONARY ADJUSTMENTS. Beginning July 1, 2023, and subject to the availability of amounts appropriated for this specific purpose, rates paid under sections 302, 305, and 404 of this act and RCW 43.216.578 must be adjusted every two years according to an inflationary increase. The inflationary increase must be calculated by applying the rate of the increase in the inflationary adjustment index to the rates established in sections 302, 305, and 404 of this act and RCW 43.216.578. Any funded inflationary increase must be included in the rate used to determine inflationary increases in subsequent years. For the purposes of this section, "inflationary adjustment index" means the implicit price deflator averaged for each fiscal year, using the official current base rate, compiled by the bureau of economic analysis, United States department of commerce.

## PART II

# EXPANDING ACCESS TO CHILD CARE AND EARLY LEARNING PROGRAMS

<u>NEW SECTION.</u> **Sec. 201.** WORKING CONNECTIONS CHILD CARE PROGRAM

ELIGIBILITY AND COPAYMENT. (1) It is the intent of the legislature to increase working families' access to affordable, high quality child care and to support the expansion of the workforce to support businesses and the statewide economy.

- (2) Beginning October 1, 2021, a family is eligible for working connections child care when the household's annual income is at or below 60 percent of the state median income adjusted for family size and:
- (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
- (b) The household meets all other program eligibility requirements.
- (3) Beginning July 1, 2025, a family is eligible for working connections child care when the household's annual income is above 60 percent and at or below 75 percent of the state median income adjusted for family size and:
- (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
- (b) The household meets all other program eligibility requirements.
- (4) Beginning July 1, 2027, and subject to the availability of amounts appropriated for this specific purpose, a family is eligible for working connections child care when the household's annual income is above 75 percent of the state median income and is at or below 85 percent of the state median income adjusted for family size and:
- (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
- (b) The household meets all other program eligibility requirements.
- (5) (a) Beginning July 1, 2021, through June 30, 2023, the department must calculate a monthly copayment according to the following schedule:

| If the household's income is:  | Then the household's maximum monthly copayment is:                             |
|--|--|
| At or below 20 percent of the state median income                      | Waived to the extent allowable under federal law; otherwise, a maximum of \$15 |
| Above 20 percent and at or below 36 percent of the state median income | \$65   |
| Above 36 percent and at or below 50 percent of the state median income | \$115 until December 31, 2021, and \$90 beginning January 1, 2022              |
| Above 50 percent and at or below 60 percent of the state median income | \$115  |

(b) Beginning July 1, 2023, the department must calculate a monthly copayment according to the following schedule:

| If the household's income is:  | Then the household's maximum monthly copayment is:                             |
|--|--|
| At or below 20 percent of the state median income                      | Waived to the extent allowable under federal law; otherwise, a maximum of \$15 |
| Above 20 percent and at or below 36 percent of the state median income | \$65   |
| Above 36 percent and at or below 50                                    | \$90   |

| · ·   |     |
|---|-----|
| percent and at or below 60 percent of the state median income | L65 |

- (c) Beginning July 1, 2025, the department must calculate a maximum monthly copayment of \$215 for households with incomes above 60 percent and at or below 75 percent of the state median income.
- (d) Subject to the availability of amounts appropriated for this specific purpose, the department shall adopt a copayment model for households with annual incomes above 75 percent of the state median income and at or below 85 percent of the state median income. The model must calculate a copayment for each household that is no greater than seven percent of the household's countable income within this income range.
- (e) The department may adjust the copayment schedule to comply with federal law.
- (6) The department must adopt rules to implement this section, including an income phase-out eligibility period.
- **Sec. 202.** RCW 43.216.136 and 2020 c 279 s 2 are each amended to read as follows:

WORKING CONNECTIONS CHILD CARE FOR STUDENT PARENTS.

- (1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. These policies shall focus on supporting school readiness for young learners. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures established by the department and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.
- (2) As recommended by P.L. 113-186, authorizations for the working connections child care subsidy are

- effective for twelve months beginning July 1, 2016((, unless an earlier date is provided in the omnibus appropriations act)).
- (a) A household's 12-month authorization begins on the date that child care is expected to begin.
- (b) If a newly eligible household does not begin care within 12 months of being determined eligible by the department, the household must reapply in order to qualify for subsidy.
- (3)(a) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:
  - (i) In the last six months have:
- (A) Received child protective services as defined and used by chapters 26.44 and 74.13 RCW;
- (B) Received child welfare services as defined and used by chapter 74.13 RCW; or
- (C) Received services through a family assessment response as defined and used by chapter 26.44 RCW;
- (ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020; and
- (iii) Are residing with a biological parent or guardian.
- (b) ((Children)) Families who are eligible for working connections child care pursuant to this subsection do not have to keep receiving services identified in this subsection to maintain twelve-month authorization.
- (4) (a) Beginning ((August 1, 2020))
  July 1, 2021, and subject to the availability of amounts appropriated for this specific purpose, the department may not require an applicant or consumer to meet work requirements as a condition of receiving working connections child care benefits when the applicant or consumer is((÷

# (i) A single parent;

## (ii) An associate degree program; or

# (iii) A registered apprenticeship program.

- (b) An applicant or consumer is a full-time student for the purposes of this subsection if he or she meets the college's definition of a full-time student. ((The student must maintain passing grades and be in good standing pursuant to college attendance requirements.))
- (c) Nothing in this subsection is intended to change how applicants or consumers are prioritized when applicants or consumers are placed on a waitlist for working connections child care benefits.
- (d) Subject to the availability of amounts appropriated for this specific purpose, the department may extend the provisions of this subsection (4) to full-time students who are enrolled in a bachelor's degree program or applied baccalaureate degree program.
- (5)(a) The department must extend the homeless grace period, as adopted in department rule as of January 1, 2020, from a four-month grace period to a twelve-month grace period.
- (b) For the purposes of this section, "homeless" means being without a fixed, regular, and adequate nighttime residence as described in the federal McKinney-Vento homeless assistance act (42 U.S.C. Sec. 11434a) as it existed on January 1, 2020.
- (6) For purposes of this section, "authorization" means a transaction created by the department that allows a child care provider to claim payment for care. The department may adjust an authorization based on a household's eligibility status.

NEW SECTION. Sec. 203. EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM INTENT. (1) The legislature finds that eligibility guidelines for the national school lunch program require free meals for children with household incomes at or below 130 percent of the federal poverty level and that this income level is approximately equivalent to 36 percent of the state median income for a household of three. The legislature further finds that eligibility quidelines require reduced-price meals for children with household incomes at or below 185 percent of the federal poverty

level and that this income level is approximately equivalent to 50 percent of the state median income for a household of three.

- (2) Therefore, the legislature intends to raise the maximum family income for children entitled to enroll in the early childhood education and assistance program to 36 percent of the state median income beginning July 1, 2026. Beginning in the 2030-31 school year, the legislature intends to raise the maximum family income for children entitled to enroll in this program to 50 percent of the state median income. It is the intent of the legislature to standardize income eligibility levels for assistance programs in order to help families and social workers better understand the benefits for which families qualify and to simplify and align state systems wherever feasible.
- (3) The legislature further intends to support educational service districts to help school districts partner with early childhood education and assistance program contractors and providers to expand access.
- **Sec. 204.** RCW 43.216.505 and 2021 c 67 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.216.500 through 43.216.559, 43.216.900, and 43.216.901.

- (1) "Advisory committee" means the advisory committee under RCW 43.216.520.
- (2) "Approved programs" means those state-supported education and special assistance programs which are recognized by the department as meeting the minimum program rules adopted by the department to qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and 43.216.901 and are designated as eligible for funding by the department under RCW 43.216.530 and 43.216.540.
- (3) "Comprehensive" means an assistance program that focuses on the needs of the child and includes education, health, and family support services.
- (4) "Eligible child" means a three to five-year old child who is not age-eligible for kindergarten, is not a participant in a federal or state program

providing comprehensive services, and
who:

- (a) Has a family ((income at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services)) with financial need;
  - (b) <u>Is experiencing homelessness;</u>
- (c) Has participated in early head start or a successor federal program providing comprehensive services for children from birth through two years of age, the early support for infants and toddlers program or received class C developmental services, the birth to three early childhood education and assistance program, or the early childhood intervention and prevention services program;
- $\underline{\text{(d)}}$  Is eligible for special education due to disability under RCW 28A.155.020; (( $\frac{1}{100}$
- (e) ) (e) Is Indian as defined in rule by the department after consultation and agreement with Washington state's federally recognized tribes pursuant to section 207 of this act and is at or below 100 percent of the state median income adjusted for family size; or
- (f) Meets criteria under rules adopted by the department if the number of such children equals not more than ten percent of the total enrollment in the early childhood program. Preference for enrollment in this group shall be given to children from families with the lowest income, children in foster care, or to eligible children from families with multiple needs.
- (5) "Family support services" means providing opportunities for parents to:
- (a) Actively participate in their child's early childhood program;
- (b) Increase their knowledge of child development and parenting skills;
- (c) Further their education and training;
- (d) Increase their ability to use needed services in the community;
  - (e) Increase their self-reliance; and
- (f) Connect with culturally competent, disability positive therapists and supports where appropriate.
- (6) ((<u>"Homeless"</u>)) <u>"Experiencing</u> homelessness" means a child without a

- fixed, regular, and adequate nighttime residence as described in the federal McKinney-Vento homeless assistance act (Title 42 U.S.C., chapter 119, subchapter VI, part B) as it existed on January 1, 2021.
- (7) "Family with financial need" means families with incomes at or below 36 percent of the state median income adjusted for family size until the 2030-31 school year. Beginning in the 2030-31 school year, "family with financial need" means families with incomes at or below 50 percent of the state median income adjusted for family size.
- **Sec. 205.** RCW 43.216.512 and 2019 c 409 s 2 are each amended to read as follows:

EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EXPANDED ENROLLMENT.

- (1) The department shall adopt rules that allow the enrollment of children in the early childhood education and assistance program, as space is available, if the number of such children equals not more than  $(({\tt twenty five}))$  25 percent of total statewide enrollment, when the child is not eligible under RCW 43.216.505 and whose family income level is  $((\div))$
- (a) Above one hundred ten percent but less than or equal to one hundred thirty percent of the federal poverty level; or
- (b) Above one hundred thirty percent but less than or equal to two hundred percent of the federal poverty level if)) above 36 percent of the state median income but at or below 50 percent of the state median income adjusted for family size and the child meets at least one of the risk factor criterion described in subsection (2) of this section.
- (2) Children enrolled in the early childhood education and assistance program pursuant to ((subsection (1) (b) of)) this section must be prioritized for available funded slots according to a prioritization system adopted in rule by the department that considers risk factors that have a disproportionate effect on kindergarten readiness and school performance, including:
- (a) Family income as a percent of the  $((\frac{\text{federal poverty level}}))$  state median income;
  - (b) ((<del>Homelessness;</del>

- (e))) Child welfare system involvement;
- ((\(\frac{d}\)\) Developmental delay or disability that does not meet the eligibility criteria for special education described in RCW 28A.155.020))
  (c) Eligible for services under part C of the federal individuals with disabilities education act but not eligible for services under part B of the federal individuals with disabilities education act;
  - ((<del>(e)</del>)) (d) Domestic violence;
- $((\frac{f}))$ ) <u>(e)</u> English as a second language;
- $((\frac{g}{g}))$  (f) Expulsion from an early learning setting;
- $((\frac{h}{h}))$  <u>(g)</u> A parent who is incarcerated;
- $((\frac{(i)}{i}))$  (h) A parent with a  $((\frac{substance}{i})$  use disorder or mental)) behavioral health treatment need; and
- $((\frac{(i)}{(j)}))$  <u>(i)</u> Other risk factors determined by the department to be linked by research to school performance.
- (3) ((The department shall adopt rules that allow a child to enroll in the early childhood education and assistance program, as space is available, when the child is not eligible under RCW 43.216.505 and the child turns three years old at any time during the school year when the child:
- (a) Has a family income at or below two hundred percent of the federal poverty level or meets at least one risk factor criterion adopted by the department in rule; and
- (b) Has received services from or participated in:
- (i) The early support for infants and toddlers program;
- (ii) The early head start or a successor federal program providing comprehensive services for children from birth through two years of age; or
- (iii) The birth to three early childhood education and assistance program, if such a program is established.
- (4))) Children enrolled in the early childhood education and assistance program under this section are not considered eligible children as defined in RCW 43.216.505 and are not considered

- to be part of the state-funded entitlement required in RCW 43.216.556.
- (4) This section expires August 1, 2030.
- NEW SECTION. Sec. 206. EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EARLY ENTRY. (1) The department shall adopt rules that allow a child to enroll in the early childhood education and assistance program, as space is available and subject to the availability of amounts appropriated for this specific purpose, when the child is not eligible under RCW 43.216.505 and the child turns three years old at any time during the school year when the child:
- (a) Has a family income at or below 50 percent of the state median income or meets at least one risk factor criterion adopted by the department in rule; and
- (b) Has received services from or participated in:
- (i) The early head start or a successor federal program providing comprehensive services for children from birth through two years of age;
- (ii) The early support for infants and toddlers program or received class C developmental services;
- (iii) The birth to three early
  childhood education and assistance
  program; or
- (iv) The early childhood intervention and prevention services program.
- (2) Children enrolled in the early childhood education and assistance program under this section are not eligible children as defined in RCW 43.216.505 and are not part of the statefunded entitlement required in RCW 43.216.556.
- NEW SECTION. Sec. 207. INDIAN CHILD DEFINITION. (1) The department must consult, and obtain the advice and consent of, the governing bodies of the state's federally recognized tribes in developing an agreed-upon definition of the term "Indian" for the purposes of RCW 43.216.505 and, by July 1, 2024, must adopt the definition in rule.
- (2) This section expires December 1,
- **Sec. 208.** RCW 43.216.556 and 2019 c 408 s 3 are each amended to read as follows:

- (1) Funding for the program of early learning established under this chapter must be appropriated to the department. The department shall distribute funding to approved early childhood education and assistance program contractors on the basis of eligible children enrolled.
- (2) The program shall be implemented in phases, so that full implementation is achieved in the  $((\frac{2022-23}{2}))$   $\frac{2026-27}{2}$  school year.
- (3) Funding shall continue to be phased in each year until full statewide implementation of the early learning program is achieved in the  $((\frac{2022-23}{2}))$   $\frac{2026-27}{2}$  school year, at which time any eligible child is entitled to be enrolled in the program. Entitlement under this section is voluntary enrollment.
- (4) School districts and approved community-based early learning providers may contract with the department to provide services under the program. The department shall collaborate with school districts, community-based providers, and educational service districts to promote an adequate supply of approved providers.

# PART III

# SUPPORTING CHILD CARE AND EARLY LEARNING PROVIDERS

**Sec. 301.** RCW 43.216.749 and 2019 c 368 s 7 are each amended to read as follows:

CHILD CARE SUBSIDY RATES.

- (1) ((By January 1, 2025, the department of children, youth, and families must)) It is the intent of the legislature to systemically increase child care subsidy rates over time until rates are equal to the full cost of providing high quality child care.
- (2) Beginning July 1, 2021, child care subsidy base rates must achieve the 85th percentile of market for licensed or certified child care providers. The state and the exclusive representative for family child care providers must enter into bargaining over the implementation of the subsidy rate increase under this subsection.
- (3) (a) The department shall build upon the work of the child care collaborative task force to develop and implement a child care cost estimate model and use the completed child care cost model

- ((developed under RCW 43.330.527 to determine child care subsidy rates.
- (2) This section expires January 30, 2025)) to recommend subsidy rates at levels that are sufficient to compensate licensed or certified child care providers for the full costs of providing high quality child care. The department shall consider:
- (i) Adjusting rates to reflect cost of living such as area median income, cost of living by zip code, and grouping by categories such as rural, suburban, or urban; and
- (ii) Incorporating the rate model for nonstandard child care hours developed under section 306 of this act.
- (b) The department shall build upon the work of the child care collaborative task force to evaluate options to support access to affordable health care insurance coverage for licensed or certified child care providers.
- (4) This section does not interfere with, impede, or in any way diminish the right of family child care providers to bargain collectively with the state through the exclusive bargaining representatives as provided for under RCW 41.56.028.
- NEW SECTION. Sec. 302. EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM RATES. (1) For the 2021-22 school year, rates for the early childhood education and assistance program must be set at a level at least 10 percent higher than the rates established in section 225, chapter 415, Laws of 2019.
- (2) It is the intent of the legislature that rate increases shall be informed by the department's 2020 early childhood education and assistance program rate study.
- (3) This section expires June 30, 2027.
- NEW SECTION. Sec. 303. COMPLEX NEEDS FUNDS. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall administer two complex needs funds to promote inclusive, least restrictive environments and to support contractors and providers serving children who have developmental delays, disabilities, behavioral needs, or other unique needs. The department shall work collaboratively with the office of the

superintendent of public instruction and providers to best serve children. One fund must support early childhood education and assistance program contractors and providers and birth to three early childhood education and assistance program contractors and providers, and one fund must support licensed or certified child care providers and license-exempt child care programs.

(2) Support may include staffing, programming, therapeutic services, and equipment or technology support. Additional support may include activities to assist families with children expelled or at risk of expulsion from child care, and to help families transition in and out of child care.

NEW SECTION. Sec. 304. TRAUMA-INFORMED CARE SUPPORTS. (1) Beginning July 1, 2022, the department shall provide supports to aid eligible providers in providing trauma-informed care. Trauma-informed care supports may be used by eligible providers for the following purposes:

- (a) Additional compensation for individual staff who have an infant and early childhood mental health or other child development specialty credential;
- (b) Trauma-informed professional
  development and training;
- (c) The purchase of screening tools and assessment materials;
- (d) Supportive services for children with complex needs that are offered as fee-for-service within local communities; or
  - (e) Other related expenses.
- (2) The department must adopt rules to implement this section.
- (3) For the purposes of this section, "eligible provider" means: (a) An employee or owner of a licensed or certified child care center or outdoor nature-based care accepting state subsidy; (b) an employee or owner of a licensed family home provider accepting state subsidy; (c) a contractor or provider of the early childhood education and assistance program or birth to three early childhood education and assistance program; (d) a license-exempt child care program; or (e) an early achievers coach.

NEW SECTION. Sec. 305. DUAL LANGUAGE
RATE ENHANCEMENT. (1) Beginning July 1,

- 2022, the department shall establish a dual language designation and provide subsidy rate enhancements or sitespecific grants for licensed or certified child care providers who are accepting state subsidy; early childhood education and assistance program contractors; or birth to three early childhood education and assistance program contractors. It is the intent of the legislature to allow uses of rate enhancements or sitespecific grants to include increased wages for individual staff who provide bilingual instruction, professional development training, the purchase of dual language and culturally appropriate curricula and accompanying training programs, instructional materials, or other related expenses.
- (2) The department must consult with a culturally and linguistically diverse stakeholder advisory group to develop criteria for the dual language designation.
- (3) The department must adopt rules to implement this section.

NEW SECTION. Sec. 306. NONSTANDARD HOURS RATE MODEL. (1) In order to expand the supply of critically needed afterhours care to meet the needs of parents and caregivers and a round-the-clock economy, the department of children, youth, and families, in consultation with diverse stakeholders, must develop a rate model for nonstandard child care hours and submit the model to the governor and the appropriate committees of the legislature by January 1, 2022.

(2) This section expires June 30, 2022.

NEW SECTION. Sec. 307. CHILDHOOD EQUITY GRANTS. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall distribute early childhood equity grants to eligible applicants. Eligible applicants include play and learn groups, licensed or certified child care centers and family home providers, license-exempt child care programs, and early childhood education and assistance program contractors. The equity grants are intended to serve as a step toward expanding access to early learning statewide and transforming Washington's early learning system to make it more inclusive and equitable. The department shall administer the early childhood equity grants to support inclusive and culturally and linguistically specific

early learning and early childhood and parent support programs across the state.

- (2) The department must conduct an equitable process to prioritize grant applications for early childhood equity grant assistance. An eligible applicant may receive an early childhood equity grant once every two years. When conducting the equitable grant process, the department must:
- (a) Solicit project applications from a racially and geographically diverse pool of eligible applicants statewide;
- (b) Provide application materials in the five most commonly spoken languages in the state and broadly communicate using a variety of strategies to reach diverse communities;
- (c) Require applicants to demonstrate their proposed uses of early childhood equity grant funds to incorporate either inclusive practices or culturally and linguistically supportive and relevant practices, or both, into early learning program design, delivery, education, training, and evaluation; and
- (d) Provide technical assistance to any applicant who needs it.

 $\underline{\text{NEW SECTION.}}$  Sec. 308. A new section is added to chapter 43.330 RCW to read as follows:

# EMPLOYER-SUPPORTED CHILD CARE.

- (1) Subject to the availability of amounts appropriated for this specific purpose, the department, in collaboration with the department of children, youth, and families, shall provide or contract to provide remote or in-person technical assistance to employers interested in supporting their employees' access to high quality child care.
- (2) Technical assistance may include quidance related to:
- (a) Operating a licensed child care center at or near the workplace for the benefit of employees;
- (b) Financing and construction of a licensed child care center at or near the workplace for the benefit of employees;
- (c) Providing financial assistance to employees for licensed or certified child care providers and license-exempt child care program expenses;

- (d) Encouraging access and support for low-wage employees;
- (e) Sponsoring dependent care flexible spending accounts for employees; and
- (f) Developing a "bring your infant to work" program and other family-friendly work policies for employees.
- **Sec. 309.** RCW 43.216.090 and 2019 c 360 s 7 are each amended to read as follows:

INFANT AND EARLY CHILDHOOD MENTAL HEALTH CONSULTATION.

- ((The)) (1) The department shall administer or contract for infant and early childhood mental health consultation services to child care providers and early learning providers participating in the early achievers program.
- (2) Beginning July 1, 2021, the department of children, youth, and families must have or contract for one infant and early childhood mental health consultation coordinator and must enter into a contractual agreement with an organization providing coaching services to early achievers program participants to hire ((one)) at least 12 qualified infant and early childhood mental health consultants ((<del>for each of the six</del> department-designated regions)). department shall determine, collaboration with the statewide child care resource and referral network, where the additional consultants should be sited based on factors such as the total provider numbers overlaid with indicators of highest need. The infant and early childhood mental health consultants must support early achievers program coaches and child care providers by providing resources, information, and quidance regarding challenging behavior and expulsions and may travel to assist providers in serving families and children with severe behavioral needs. (( $\frac{In\ coordination\ with\ the\ contractor,}{}$ the department of children, youth, and families must report on the services provided and the outcomes of the consultant activities to the governor and the appropriate policy and fiscal committees of the legislature by June 30, <del>2021.</del>))
- (3) The department shall provide, or contract with an entity to provide, reflective supervision and professional development for infant and early

childhood mental health consultants to
meet national competency standards.

(4) As capacity allows, the department may provide access to infant and early childhood mental health consultation services to caregivers and licensed or certified, military, and tribal early learning providers, license-exempt family, friend, and neighbor care providers, and families with children expelled or at risk of expulsion from child care.

NEW SECTION. Sec. 310. PLAY AND LEARN GROUPS. Subject to the availability of amounts appropriated for this specific purpose, the department, in consultation with community-based programs, shall provide or contract to provide, or both, resources and supports for inclusive and culturally and linguistically relevant play and learn groups. Play and learn groups offer parents and other caregivers culturally responsive opportunities to support their children's early learning, build relationships that reduce isolation and encourage socialization, and promote kindergarten readiness.

NEW SECTION.

DEVELOPMENT.

(1) Subject to the availability of amounts appropriated for this specific purpose, the department shall provide professional development supports to aid eligible providers in reaching the professional education and training standards adopted by the department. Professional development supports may include:

- (a) Department-required trainings for child care providers conducted by department-approved trainers;
- (b) Trainings for license-exempt family, friend, and neighbor child care providers conducted by departmentapproved trainers;
  - (c) Early achievers scholarships;
- (d) Community-based training pathways and systems developed under RCW 43.216.755;
- (e) Supporting a nonprofit organization that provides relationship-based professional development support to family, friend, and neighbor caregivers, child care centers, and licensed family home providers, and their work to help providers start their businesses; and
- (f) Other professional development activities such as updating training

content, data collection and reporting, trainer recruitment, retention, program monitoring, and trainings delivered by department-approved trainers on topics such as small business management, antibias and antiracist training, providing care for children with developmental disabilities, social-emotional learning, implementing inclusionary practices in early learning environments, infant and toddler care, dual language program development, and providing trauma-informed care.

(2) For the purposes of this section, "eligible provider" means: (a) An owner of a licensed or certified child care center, licensed or certified outdoor nature-based care, or licensed family home provider accepting state subsidy; (b) an employee of a licensed or certified child care center, licensed or certified outdoor nature-based care, or a licensed family home provider; (c) a contractor or provider of the early childhood education and assistance program or birth to three early childhood education and assistance program; or (d) an early achievers coach.

NEW SECTION. Sec. 312. NEGOTIATED RULE MAKING WITH CHILD CARE CENTERS. When the secretary elects to engage in negotiated rule making pursuant to RCW 34.05.310(2)(a), the department must include the largest organization representing child care center owners and directors; the largest organization representing supervisors, teachers, and aides; and other affected interests before adopting requirements that affect child care center licensees.

NEW SECTION. Sec. 313. CAPACITY FLEXIBILITY FOR FAMILY HOME PROVIDERS. The department may waive the limit, as established in RCW 43.216.010(1)(c), that restricts family home providers from serving not more than 12 children. The department must establish conditions for such waivers by rule and must assess, at a minimum, the provider's available square footage and staffing capabilities prior to issuing any waiver of the limit of 12 children.

NEW SECTION. Sec. 314. SUPPORT FOR CHILD CARE DESERTS. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall establish a grant program to expand child care in child care deserts. Grants must be used for one-time costs associated with the opening of a child care site, including program costs, for

providers who are newly licensed or are in the process of becoming licensed.

- (2) The department must use the child care industry insights dashboard from the child care industry assessment as a tool to identify areas in which additional investments are needed in order to expand existing child care capacity to meet family demand and reduce child care deserts.
- (3) This section expires June 30, 2026.

#### PART IV

# STRENGTHENING PRENATAL TO THREE SUPPORTS

NEW SECTION. Sec. 401. PRENATAL TO THREE INTENT. (1) The legislature finds that parental relationships and healthy interactions in the first few years of life help shape the development of babies' and toddlers' brains and bodies. Eighty percent of the brain is developed by the age of three and parents are a child's first teachers.

- (2) The legislature finds that the federal family first prevention services act (P.L. 115-123) offers the state the opportunity to leverage federal funding for certain programs, including in-home parent skill-based programs, substance use disorder support, and mental health interventions. Culturally relevant, evidence-based programs that may qualify for these federal funds are limited. Therefore, state support may be necessary to serve traditionally underrepresented communities and increase positive engagement from parents and caregivers of children from before birth to age three.
- (3) The legislature finds that small teacher-child ratios for infant and toddler care, as well as the existence of child care deserts with low levels of access to care for the birth to three age group, contribute to higher expenses for providers and families with babies and young children.
- (4) Therefore, the legislature intends to expand parent and family education and support, incentivize the provision of infant and toddler care, and make early therapeutic and preventative services more readily available to families and young children.

NEW SECTION. Sec. 402. EDUCATION AND SUPPORT FOR PARENTS AND FAMILY, FRIEND, AND NEIGHBOR CAREGIVERS. (1) Subject to the availability of amounts appropriated

- for this specific purpose, the department shall administer a prenatal to three family engagement strategy to support expectant parents, babies and toddlers from birth to three years of age, and their caregivers.
- (2) Components of the prenatal to three family engagement strategy must include supports and services to improve maternal and infant health outcomes, reduce and mitigate trauma, promote attachment and other social-emotional assets, strengthen parenting skills, and provide early supports to help maximize healthy and robust childhood development and reduce isolation. Services and supports may include:
- (a) In-home parent skill-based programs and training established in RCW 43.216.130;
  - (b) Facilitated play and learn groups;
- (c) Parent peer-support groups, including groups designed for families with children with complex needs; families whose primary home language is not English; incarcerated parents; families coping with substance use disorder or mental health support needs; black, indigenous, and families of color; or other specific needs; and
- (d) Other prenatal to age three programs and services.
- (3) Continuity of services for babies and toddlers are important for early childhood brain development. Therefore, the services and supports described in this section may be made available to biological parents, foster parents, kinship care providers, and other family, friend, and neighbor caregivers.
- **Sec. 403.** RCW 43.216.578 and 2019 c 408 s 8 are each amended to read as follows:

BIRTH TO THREE EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM.

(1) ((Within resources available under the federal preschool development grant birth to five grant award received in December 2018,)) Subject to the availability of amounts appropriated for this specific purpose, the department shall ((develop a plan for phased implementation of)) administer a birth to three early childhood education and assistance program ((pilot project)) for eligible children under thirty-six months old. Funds to implement the ((pilot project)) program may include a

combination of federal, state, or private sources.

- (2) The department may adopt rules to implement the ((pilot project)) program and may waive or adapt early childhood education and assistance program requirements when necessary to allow for the operation of the birth to three early childhood education and assistance program. The department shall consider early head start rules and regulations when developing the provider and family eligibility requirements and program requirements. ((Any deviations from early head start standards, rules, or regulations must be identified and explained by the department in its annual report under subsection (6) of this
- (3)(a) ((Upon securing adequate funds to begin implementation, the pilot project))

  The birth to three early childhood education and assistance program((a)) must be delivered through child care centers and family home providers who meet minimum licensing standards and are enrolled in the early achievers program.
- (b) The department must determine minimum early achievers ratings scores for ((programs)) participating ((in the pilot project)) contractors.
- (4) ((When selecting pilot project locations for service delivery, the department may allow each pilot project location to have up to three classrooms per location. When selecting and approving pilot project locations, the department shall attempt to select a combination of rural, urban, and suburban locations. The department shall prioritize locations with programs currently operating early head start, head start, or the early childhood education and assistance program.
- (5))) To be eligible for the birth to three early childhood education and assistance program, a child's family income must be at or below ((one hundred thirty)) 50 percent of the ((federal poverty level)) state median income and the child must be under thirty-six months old.
- (((6) Beginning November 1, 2020, and each November 1st thereafter during pilot project activity, the department shall submit an annual report to the governor and legislature that includes a status update that describes the planning work completed, the status of funds secured,

and any implementation activities of the pilot project. Implementation activity reports must include a description of the participating programs and number of children and families served.))

NEW SECTION. Sec. 404. INFANT CARE INCENTIVES. (1) The legislature finds that our state suffers from an extreme shortage of infant child care, impacting the ability of parents to participate in the workforce. Further, parents returning to work after using paid family leave to care for a new child struggle to find readily available, high quality care during a time of critical growth and brain development for young children. Therefore, the legislature intends to incentivize the provision of high quality infant care.

- (2) Beginning July 1, 2022, the department shall provide an infant rate enhancement for licensed or certified child care providers and birth to three early childhood education and assistance program contractors who are:
  - (a) Accepting state subsidy;
- (b) In good standing with the early achievers quality rating and improvement system; and
- (c) Caring for a child between the ages of birth and  $11\ \mathrm{months}$ .
- (3) The department must adopt rules to implement this section.

NEW SECTION.
THERAPEUTIC AND PREVENTATIVE SERVICES.

(1) Subject to the availability of amounts appropriated for this specific purpose, the department shall administer early therapeutic and preventative services and programs, such as the early childhood intervention and prevention services program, and other related services for children who are:

- (a) Between the ages of birth and five years; and
- (b) Referred by a child welfare worker, a department of social and health services social worker, a primary care physician, a behavioral health provider, or a public health nurse due to: (i) Risk of child abuse or neglect; (ii) exposure to complex trauma; or (iii) significant developmental delays.
- (2) Subject to the availability of amounts appropriated for this specific purpose, the department shall make all reasonable efforts to deliver early

therapeutic and preventative services and programs statewide. These services and programs must focus first on children and families furthest from opportunity as defined by income and be delivered by programs that emphasize greater racial equity.

#### PART V

#### CONFORMING AMENDMENTS

**Sec. 501.** RCW 43.216.010 and 2021 c 39 s 4 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Agency" means any person, firm, partnership, association, corporation, or facility that provides child care and early learning services outside a child's own home and includes the following irrespective of whether there is compensation to the agency:
- (a) "Child day care center" and "child care center" mean((s)) an agency that regularly provides early childhood education and early learning services for a group of children for periods of less than 24 hours;
- (b) "Early learning" includes but is not limited to programs and services for child care; state, federal, private, and nonprofit preschool; child care subsidies; child care resource and referral; parental education and support; and training and professional development for early learning professionals;
- (c) "Family day care provider" and "family home provider" mean((e)) a child care provider who regularly provides early childhood education and early learning services for not more than 12 children at any given time in the provider's home in the family living quarters except as provided in section 313 of this act;
- (d) "Nongovernmental private-public partnership" means an entity registered as a nonprofit corporation in Washington state with a primary focus on early learning, school readiness, and parental support, and an ability to raise a minimum of \$5,000,000 in contributions;
- (e) "Service provider" means the entity that operates a community facility.

- (2) "Agency" does not include the
  following:
- (a) Persons related to the child in the following ways:
- (i) Any blood relative, including those of half-blood, and including first cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;
- (ii) Stepfather, stepmother, stepbrother, and stepsister;
- (iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law; or
- (iv) Spouses of any persons named in
  (a)(i), (ii), or (iii) of this
  subsection, even after the marriage is
  terminated;
- (b) Persons who are legal guardians of the child;
- (c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the person providing care for periods of less than 24 hours does not conduct such activity on an ongoing, regularly scheduled basis for the purpose of engaging in business, which includes, but is not limited to, advertising such care;
- (d) Parents on a mutually cooperative basis exchange care of one another's children;
- (e) Nursery schools that are engaged primarily in early childhood education with preschool children and in which no child is enrolled on a regular basis for more than four hours per day;
- (f) Schools, including boarding schools, that are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, and accept only school age children;
- (g) Seasonal camps of three months' or less duration engaged primarily in recreational or educational activities;
- (h) Facilities providing child care for periods of less than 24 hours when a parent or legal guardian of the child remains on the premises of the facility for the purpose of participating in:

- (i) Activities other than employment;
- (ii) Employment of up to two hours per day when the facility is operated by a nonprofit entity that also operates a licensed child care program at the same facility in another location or at another facility;
- (i) Any entity that provides recreational or educational programming for school age children only and the entity meets all of the following requirements:
- (i) The entity utilizes a drop-in model for programming, where children are able to attend during any or all program hours without a formal reservation;
- (ii) The entity does not assume responsibility in lieu of the parent, unless for coordinated transportation;
- (iii) The entity is a local affiliate
  of a national nonprofit; and
- (iv) The entity is in compliance with
  all safety and quality standards set by
  the associated national agency;
- (j) A program operated by any unit of local, state, or federal government;
- (k) A program located within the boundaries of a federally recognized Indian reservation, licensed by the Indian tribe;
- (1) A program located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;
- (m) A program that offers early learning and support services, such as parent education, and does not provide child care services on a regular basis.
- (3) "Applicant" means a person who requests or seeks employment in an agency.
- (4) "Certificate of parental improvement" means a certificate issued under RCW 74.13.720 to an individual who has a founded finding of physical abuse or negligent treatment or maltreatment, or a court finding that the individual's child was dependent as a result of a finding that the individual abused or neglected their child pursuant to RCW 13.34.030(6)(b).
- (5) "Conviction information" means criminal history record information

- relating to an incident which has led to a conviction or other disposition adverse to the applicant.
- (6) "Department" means the department of children, youth, and families.
- (7) "Early achievers" means a program that improves the quality of early learning programs and supports and rewards providers for their participation.
- (8) "Early childhood education and assistance program contractor" means an organization that provides early childhood education and assistance program services under a signed contract with the department.
- (9) "Early childhood education and assistance program provider" means an organization that provides site level, direct, and high quality early childhood education and assistance program services under the direction of an early childhood education and assistance program contractor.
- (10) (("Early start" means an integrated high quality continuum of early learning programs for children birth-to-five years of age. Components of early start include, but are not limited to, the following:
- (a) Home visiting and parent education and support programs;
- (b) The early achievers program described in RCW 43.216.085;
- (c) Integrated full-day and part-day high quality early learning programs; and
- (d) High quality preschool for children whose family income is at or below 110 percent of the federal poverty level.
- (11)) "Education data center" means the education data center established in RCW 43.41.400, commonly referred to as the education research and data center.
- $((\frac{(12)}{)})$   $\underline{(11)}$  "Employer" means a person or business that engages the services of one or more people, especially for wages or salary to work in an agency.
- (( $\frac{(13)}{(13)}$ ))  $\underline{(12)}$  "Enforcement action" means denial, suspension, revocation, modification, or nonrenewal of a license pursuant to RCW 43.216.325(1) or assessment of civil monetary penalties pursuant to RCW 43.216.325(3).

- $((\frac{(14)}{)})$   $\underline{(13)}$  "Extended day program" means an early childhood education and assistance program that offers early learning education for at least 10 hours per day, a minimum of 2,000 hours per year, at least four days per week, and operates year-round.
- (14) "Family resource and referral linkage system" means a system that connects families to resources, services, and programs for which families are eligible and uses a database that is developed and maintained in partnership with communities, health care providers, and early learning providers.
- (15) "Family resource center" means a unified single point of entry where families, individuals, children, and youth in communities can obtain information, an assessment of needs, referral to, or direct delivery of family services in a manner that is welcoming and strength-based.
- (a) A family resource center is designed to meet the needs, cultures, and interests of the communities that the family resource center serves.
- (b) Family services may be delivered directly to a family at the family resource center by family resource center staff or by providers who contract with or have provider agreements with the family resource center. Any family resource center that provides family services shall comply with applicable state and federal laws and regulations regarding the delivery of such family services, unless required waivers or exemptions have been granted by the appropriate governing body.
- (c) Each family resource center shall have one or more family advocates who screen and assess a family's needs and strengths. If requested by the family, the family advocate shall assist the family with setting its own goals and, together with the family, develop a written plan to pursue the family's goals in working towards a greater level of self-reliance or in attaining self-sufficiency.
- (16) "Full day program" means an early childhood education and assistance program that offers early learning education for a minimum of 1,000 hours per year.
- (17) "Low-income child care provider" means a person who administers a child care program that consists of at least 80

- percent of children receiving working connections child care subsidy.
- (18) "Low-income neighborhood" means a district or community where more than 20 percent of households are below the federal poverty level.
- (19) "Negative action" means a court order, court judgment, or an adverse action taken by an agency, in any state, federal, tribal, or foreign jurisdiction, which results in a finding against the applicant reasonably related to the individual's character, suitability, and competence to care for or have unsupervised access to children in child care. This may include, but is not limited to:
- (a) A decision issued by an administrative law judge;
- (b) A final determination, decision, or finding made by an agency following an investigation;
- (c) An adverse agency action, including termination, revocation, or denial of a license or certification, or if pending adverse agency action, the voluntary surrender of a license, certification, or contract in lieu of the adverse action;
- (d) A revocation, denial, or restriction placed on any professional license; or
- (e) A final decision of a disciplinary board.
- (20) "Nonconviction information" means arrest, founded allegations of child abuse, or neglect pursuant to chapter 26.44 RCW, or other negative action adverse to the applicant.
- (21) "Nonschool age child" means a child who is age six years or younger and who is not enrolled in a public or private school.
- (22) "Part day program" means an early childhood education and assistance program that offers early learning education for at least two and one-half hours per class session, at least 320 hours per year, for a minimum of 30 weeks per year.
- (23) "Private school" means a private school approved by the state under chapter 28A.195 RCW.
- (24) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been

issued a full license but is out of compliance with licensing standards.

- (25) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.
- (26) "School age child" means a child who is five years of age through 12 years of age and is attending a public or private school or is receiving home-based instruction under chapter 28A.200 RCW.
- (27) "Secretary" means the secretary of the department.
- (28) "Washington state preschool program" means an education program for children three-to-five years of age who have not yet entered kindergarten, such as the early childhood education and assistance program.
- **Sec. 502.** RCW 28B.50.248 and 2020 c 355 s 4 and 2020 c 279 s 3 are each reenacted and amended to read as follows:

Nothing in RCW 43.216.135(( $\tau$ )) or 43.216.1365)) requires a community or technical college to expand any of its existing child care facilities. Any additional child care services provided by a community or technical college as a result of RCW 43.216.135(( $\tau$ )) or 43.216.136(( $\tau$  or 43.216.1365)) must be provided within existing resources and existing facilities.

- **Sec. 503.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read as follows:
- (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as  $\begin{tabular}{ll} \begin{tabular}{ll} \begin{tabu$ required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government

- pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the brownfield redevelopment trust fund account, the budget stabilization account, capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the

deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community ((trust)) services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system

combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law

enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.
- **Sec. 504.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5, 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read as follows:
- (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no

appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
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- (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational disposal account, vehicle aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the brownfield redevelopment trust fund account, the budget stabilization account, capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the Columbia river

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- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.
- **Sec. 505.** RCW 43.84.092 and 2020 c 221 s 5, 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read as follows:
- (1) All earnings of investments of surplus balances in the state treasury

- shall be deposited to the treasury income account, which account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization

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- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be

allocated earnings without the specific affirmative directive of this section.

**Sec. 506.** RCW 43.216.710 and 2017 3rd sp.s. c 6 s 213 are each amended to read as follows:

The department shall:

- (1) Work in conjunction with the statewide child care resource and referral network as well as local governments, nonprofit organizations, businesses, and community child care advocates to create local child care resource and referral organizations. These organizations may carry out needs assessments, resource development, provider training, technical assistance, and parent information and training;
- (2) Actively seek public and private money for distribution as grants to the statewide child care resource and referral network and to existing or potential local child care resource and referral organizations;
- (3) Adopt rules regarding the application for and distribution of grants to local child care resource and referral organizations. The rules shall, at a minimum, require an applicant to submit a plan for achieving the following objectives:
- (a) Provide parents with information about child care resources, including location of services and subsidies;
- (b) Carry out child care provider recruitment and training programs, including training under RCW 74.25.040;
- (c) Offer support services, such as parent and provider seminars, toylending libraries, and substitute banks;
- (d) Provide information for businesses regarding child care supply and demand;
- (e) Advocate for increased public and private sector resources devoted to child care;
- (f) Provide technical assistance to employers regarding employee child care services; and
- (g) Serve recipients of temporary assistance for needy families and working parents with <a href="https://household.nicomes.of.two">household.nicomes.of.two</a> below ((household.incomes.of.two hundred)) <a href="https://household.nicomes.of.two">hundred</a>)) <a href="https://household.nicomes.of.two">100</a> percent of the ((federal poverty line)) state median income;
- (4) Provide staff support and technical assistance to the statewide

child care resource and referral network
and local child care resource and
referral organizations;

- (5) Maintain a statewide child care licensing data bank and work with department licensors to provide information to local child care resource and referral organizations about licensed or certified child care providers in the state;
- (6) Through the statewide child care resource and referral network and local resource and referral organizations, compile data about local child care needs and availability for future planning and development;
- (7) Coordinate with the statewide child care resource and referral network and local child care resource and referral organizations for the provision of training and technical assistance to child care providers;
- (8) Collect and assemble information regarding the availability of insurance and of federal and other child care funding to assist state and local agencies, businesses, and other child care providers in offering child care services;
- (9) Subject to the availability of amounts appropriated for this specific purpose, increase the base rate for all child care providers by ten percent;
- (10) Subject to the availability of amounts appropriated for this specific purpose, provide tiered subsidy rate enhancements to child care providers if the provider meets the following requirements:
- (a) The provider enrolls in quality
  rating and improvement system levels 2,
  3, 4, or 5;
- (b) The provider is actively participating in the early achievers program;
- (c) The provider continues to advance towards level 5 of the early achievers program; and
- (d) The provider must complete level 2 within thirty months or the reimbursement rate returns the level 1 rate; and
- (11) Require exempt providers to participate in continuing education, if adequate funding is available.

- **Sec. 507.** RCW 43.216.514 and 2020 c 343 s 3 are each amended to read as follows:
- (1) (a) The department shall prioritize children for enrollment in the early childhood education and assistance program who are eligible pursuant to RCW 43.216.505.
- (b) A child who is eligible at the time of enrollment in the early childhood education and assistance program maintains program eligibility until the child begins kindergarten.
- (2) As space is available, children may be included in the early childhood education and assistance program pursuant to RCW 43.216.512. ((Priority within this group must be given first to children with incomes up to one hundred thirty percent of the federal poverty level.))

## PART VI

## MISCELLANEOUS

NEW SECTION. Sec. 601. Nothing in this act changes the department's responsibility to collectively bargain over mandatory subjects consistent with RCW 41.56.028(3) or limits the legislature's authority to make programmatic modifications to licensed child care and early learning programs consistent with legislative reservation of rights under RCW 41.56.028(4)(d).

NEW SECTION. Sec. 602. RCW 43.216.1365 (Working connections child care program—Eligibility) and 2020 c 355 s 3 are each repealed.

NEW SECTION. Sec. 603. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

 $\underline{\text{NEW SECTION.}}$  Sec. 604. Sections 204 through 206 and 403 of this act take effect July 1, 2026.

<u>NEW SECTION.</u> Sec. 605. Sections 101, 102, 106, 201, 206, 207, 302 through 307,

310 through 314, 402, 404, 405, and 601 of this act are each added to chapter  $43.216\ RCW$ .

NEW SECTION. Sec. 606. Section 503 of this act expires July 1, 2021.

NEW SECTION. Sec. 607. Sections 201, 202, 301, 309, and 504 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2021.

NEW SECTION. Sec. 608. Section 504 of this act expires July 1, 2024.

NEW SECTION. Sec. 609. Section 505 of this act takes effect July 1, 2024.

NEW SECTION. Sec. 610. Sections 105 and 503 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately."

Correct the title.

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

Senators Billig and Wilson C. Representatives Bergquist and Senn

There being no objection, the House adopted the conference committee report on ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237 and advanced the bill as recommended by the conference committee to final passage.

# FINAL PASSAGE OF SENATE BILL AS RECOMMENDED BY CONFERENCE COMMITTEE

Representative Senn spoke in favor of the passage of the bill as recommended by the conference committee.

Representatives Dent and McCaslin spoke against the passage of the bill as recommended by the conference committee.

The Speaker (Representative Orwall presiding) stated the question before the House to be final passage of ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237 as recommended by the conference committee.

# **ROLL CALL**

The Clerk called the roll on the final passage of ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237, as recommended by the conference committee,

and the bill passed the House by the following votes: Yeas: 65; Nays: 32; Absent: 0; Excused: 1

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Bronoske, Caldier, Callan, Chambers, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Boehnke, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Maycumber, McCaslin, Mosbrucker, Orcutt, Robertson, Schmick, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representative McEntire

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237, as recommended by the conference committee, having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate insists on its position on HOUSE BILL NO. 1022 and asks the House to concur.

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1022 and advanced the bill, as amended by the Senate, to final passage.

# FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives MacEwen, Kloba and Klippert spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 1022, as amended by the Senate.

## **ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 1022, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 93; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Bateman, Davis, Ramel and Walen.

Excused: Representative McEntire.

HOUSE BILL NO. 1022, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

## MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1120 with the following amendment:

Strike everything after the enacting clause and insert the following:

- "Sec. 1. RCW 43.43.832 and 2020 c 270 s 7 are each amended to read as follows:
- (1) The Washington state patrol identification and criminal history section shall disclose conviction records as follows:
- (a) An applicant's conviction record, upon the request of a business or organization as defined in RCW 43.43.830, a developmentally disabled person, or a vulnerable adult as defined in RCW 43.43.830 or his or her guardian;
- (b) The conviction record of an applicant for certification, upon the request of the Washington professional educator standards board;
- (c) Any conviction record to aid in the investigation and prosecution of child, developmentally disabled person, and vulnerable adult abuse cases and to protect children and adults from further incidents of abuse, upon the request of a law enforcement agency, the office of the attorney general, prosecuting

authority, or the department of social and health services; and

- (d) A prospective client's or resident's conviction record, upon the request of a business or organization that qualifies for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)) and that provides emergency shelter or transitional housing for children, persons with developmental disabilities, or vulnerable adults.
- (2) The secretary of the department of social and health services and the secretary of children, youth, and families must establish rules and set standards to require specific action when considering the information received pursuant to subsection (1) of this section, and when considering additional information including but not limited to civil adjudication proceedings as defined in RCW 43.43.830 and any out-of-state equivalent, in the following circumstances:
- (a) When considering persons for state positions directly emplovment in responsible for the supervision, care, or treatment of children, vulnerable adults, or individuals with mental illness or developmental disabilities provided that: For persons residing in a home that will be utilized to provide foster care for dependent youth, a criminal background check will required for all persons aged sixteen and older and the department of social and health services may require a criminal background check for persons who are younger than sixteen in situations where it may be warranted to ensure the safety of youth in foster care;
- (b) When considering persons for state positions involving unsupervised access vulnerable adults to conduct comprehensive assessments, financial eligibility determinations, licensing certification activities, investigations, surveys, or management; or for state positions otherwise required by federal law to meet employment standards;
- (c) When licensing agencies or facilities with individuals in positions directly responsible for the care, supervision, or treatment of children, developmentally disabled persons, or vulnerable adults, including but not limited to agencies or facilities

licensed under chapter 74.15 or 18.51 RCW;

- (d) When contracting with individuals or businesses or organizations for the care, supervision, case management, or treatment, including peer counseling, of children, developmentally disabled persons, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW;
- (e) When individual providers as defined in RCW 74.39A.240 or providers paid by home care agencies provide inhome services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW.
- (3) The secretary of the department of children, youth, and families shall investigate the conviction records, pending charges, and other information including civil adjudication proceeding records of current employees and of any person actively being considered for any position with the department who will or may have unsupervised access to children, or for state positions otherwise required by federal law to meet employment standards. "Considered for any position" includes decisions about (a) initial hiring, layoffs, reallocations, transfers, promotions, or demotions, or (b) other decisions that result in an individual being in a position that will or may have unsupervised access to children as an employee, an intern, or a volunteer.
- (4) The secretary of the department of children, youth, and families shall adopt rules and investigate conviction records, pending charges, and other information including civil adjudication proceeding records, in the following circumstances:
- (a) When licensing or certifying agencies with individuals in positions that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood education services, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

- (b) When authorizing individuals who will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services in licensed or certified agencies, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;
- (c) When contracting with any business or organization for activities that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services;
- (d) When establishing the eligibility criteria for individual providers to receive state paid subsidies to provide child day care or early learning services that will or may involve unsupervised access to children; and
- (e) When responding to a request from an individual for a certificate of parental improvement under chapter 74.13 RCW.
- (5) Whenever a state conviction record check is required by state law, persons may be employed or engaged as volunteers or independent contractors on a conditional basis pending completion of the state background investigation. Whenever a national criminal record check through the federal bureau of investigation is required by state law, a person may be employed or engaged as a volunteer or independent contractor on a conditional basis pending completion of the national check. The office of financial management shall adopt rules to accomplish the purposes of this subsection as it applies to state employees. The department of social and health services shall adopt rules to accomplish the purpose of this subsection as it applies to long-term care workers subject to RCW 74.39A.056.
- (6)(a) For purposes of facilitating timely access to criminal background information and to reasonably minimize the number of requests made under this section, recognizing that certain health care providers change employment frequently, health care facilities may, upon request from another health care facility, share copies of completed criminal background inquiry information.

- (b) Completed criminal background inquiry information may be shared by a willing health care facility only if the following conditions are satisfied: The licensed health care facility sharing the criminal background inquiry information is reasonably known to be the person's most recent employer, no more than twelve months has elapsed from the date the person was last employed at a licensed health care facility to the date of their current employment application, and the criminal background information is no more than two years old.
- (c) If criminal background inquiry information is shared, the health care facility employing the subject of the inquiry must require the applicant to sign a disclosure statement indicating that there has been no conviction or finding as described in RCW 43.43.842 since the completion date of the most recent criminal background inquiry.
- (d) Any health care facility that knows or has reason to believe that an applicant has or may have a disqualifying conviction or finding as described in RCW 43.43.842, subsequent to the completion date of their most recent criminal background inquiry, shall be prohibited from relying on the applicant's previous employer's criminal background inquiry information. A new criminal background inquiry shall be requested pursuant to RCW 43.43.830 through 43.43.842.
- (e) Health care facilities that share criminal background inquiry information shall be immune from any claim of defamation, invasion of privacy, negligence, or any other claim in connection with any dissemination of this information in accordance with this subsection.
- (f) Health care facilities shall transmit and receive the criminal background inquiry information in a manner that reasonably protects the subject's rights to privacy and confidentiality.
- (7) The department of social and health services may not consider any final founded finding of physical abuse or negligent treatment or maltreatment of a child made pursuant to chapter 26.44 RCW that is accompanied by a certificate of parental improvement or dependency as a result of a finding of abuse or neglect pursuant to chapter 13.34 RCW that is accompanied by a certificate of parental improvement when evaluating an applicant

- or employee's character, competency, and suitability pursuant to any background check authorized or required by this chapter, RCW 43.20A.710 or 74.39A.056, or any of the rules adopted thereunder.
- **Sec. 2.** RCW 43.43.837 and 2019 c 470 s 12 are each amended to read as follows:
- (1) Except as provided in subsection (2) of this section, in order to determine the character, competence, and suitability of any applicant or service provider to have unsupervised access, the secretary of the department of social and health services and the secretary of the department of children, youth, and families may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time, but shall require a fingerprint-based background check when the applicant or service provider has resided in the state less than three consecutive years before application, and:
- (a) Is an applicant or service provider providing services to children or people with developmental disabilities under RCW 74.15.030;
- (b) Is an individual sixteen years of age or older who: (i) Is not under the placement and care authority of the department of children, youth, and families; and (ii) resides in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department of children, youth, and families to provide services to children under RCW 74.15.030;
- (c) Is an individual who is authorized by the department of social and health services to provide services to people with developmental disabilities under RCW 74.15.030; or
- (d) Is an applicant or service
  provider providing in-home services
  funded by:
- (i) Medicaid personal care under RCW
  74.09.520;
- (ii) Community options program entry system waiver services under RCW 74.39A.030;
- (iii) Chore services under RCW
  74.39A.110; or
- (iv) Other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A

- RCW, administered by the department of social and health services.
- (2) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 7, 2012, are subject to background checks under RCW 74.39A.056.
- (3) To satisfy the shared background check requirements provided for in RCW 43.216.270 and 43.20A.710, the department of children, youth, and families and the department of social and health services shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow both departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. Neither department may share the federal background check results with any other state agency or person.
- (4) The secretary of the department of children, youth, and families shall require a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation when the department seeks to approve an applicant or service provider for a foster or adoptive placement of children in accordance with federal and state law. Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the department of children, youth, and families for and service providers applicant providing foster care as required in RCW 74.15.030.
- (5) Any secure facility operated by the department of social and health services or the department of children, youth, and families under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation.
- (6) Service providers and service provider applicants, except for those long-term care workers exempted in subsection (2) of this section, who are required to complete a fingerprint-based background check may be hired for a one hundred twenty-day provisional period as allowed under law or program rules when:

- (a) A fingerprint-based background check is pending; and
- (b) The applicant or service provider is not disqualified based on the immediate result of the background check.
- (7) Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the applicable department for applicants or service providers providing:
- (a) Services to people with a
  developmental disability under RCW
  74.15.030;
- (b) In-home services funded by
  medicaid personal care under RCW
  74.09.520;
- (c) Community options program entry system waiver services under RCW 74.39A.030;
- (d) Chore services under RCW 74.39A.110;
- (e) Services under other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department of social and health services or the department of children, youth, and families; and
- (f) Services in, or to residents of, a secure facility under RCW 71.09.115.
- (8) Service providers licensed under RCW 74.15.030 must pay fees charged by the Washington state patrol and the federal bureau of investigation for conducting fingerprint-based background checks.
- (9) Department of children, youth, and families service providers licensed under RCW 74.15.030 may not pass on the cost of the background check fees to their applicants unless the individual is determined to be disqualified due to the background information.
- (10) The department of social and health services and the department of children, youth, and families shall develop rules identifying the financial responsibility of service providers, applicants, and the department for paying the fees charged by law enforcement to roll, print, or scan fingerprints-based for the purpose of a Washington state patrol or federal bureau of investigation fingerprint-based background check.

- (11) For purposes of this section, unless the context plainly indicates otherwise:
- (a) "Applicant" means a current or prospective department of social and health services, department of children, youth, and families, or service provider employee, volunteer, student, intern, researcher, contractor, or any other individual who will or may have unsupervised access because of the nature of the work or services he or she provides. "Applicant" includes but is not limited to any individual who will or may have unsupervised access and is:
- (i) Applying for a license or certification from the department of social and health services or the department of children, youth, and families;
- (ii) Seeking a contract with the department of social and health services, the department of children, youth, and families, or a service provider;
- (iii) Applying for employment, promotion, reallocation, or transfer;
- (iv) An individual that a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client chooses to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered; or
- (v) A department of social and health services or department of children, youth, and families applicant who will or may work in a department-covered position.
- (b) "Authorized" means the department of social and health services or the department of children, youth, and families grants an applicant, home, or facility permission to:
- (i) Conduct licensing, certification, or contracting activities;
- (ii) Have unsupervised access to vulnerable adults, juveniles, and children;
- (iii) Receive payments from a
  department of social and health services

- or department of children, youth, and families program; or
- (iv) Work or serve in a department of social and health services or department of children, youth, and families-covered position.
- (c) "Secretary" means the secretary of the department of social and health services.
- (d) "Secure facility" has the meaning provided in RCW 71.09.020.
- (e) "Service provider" means entities, facilities, agencies, businesses, or individuals who are licensed, certified, authorized, or regulated by, receive payment from, or have contracts or agreements with the department of social and health services or the department of services to vulnerable adults, juveniles, or children children, youth, and families to provide provider" includes individuals whom a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client may choose to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered. (("Service provider" does not include those certified under chapter 70.96A RCW.))
- Sec. 3. RCW 74.39A.056 and 2020 c 270 s 8 are each amended to read as follows:
- (1) (a) All long-term care workers shall be screened through state and federal background checks in a uniform and timely manner to verify that they do not have a history that would disqualify them from working with vulnerable persons. The department must process background checks for long-term care workers and make the information available to employers, prospective employers, and others as authorized by law.
- (b) (i) ((Except as provided in (b) (ii) of this subsection, for)) For long-term care workers hired on or after January 7, 2012, the background checks required under this section shall include checking against the federal bureau of investigation fingerprint identification

records system ((and against the national sex offenders registry or their successor programs)) or its successor program. The department shall require these long-term care workers to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation. The department shall not pass on the cost of these criminal background checks to the workers or their employers.

- (ii) ((This subsection does not apply to long-term care workers employed by community residential service businesses until January 1, 2016.)) A long-term care worker who is not disqualified by the state background check can work and have unsupervised access pending the results of the federal bureau of investigation fingerprint background check as allowed by rules adopted by the department.
- (c) The department shall share state and federal background check results with the department of health in accordance with RCW 18.88B.080.
- (d) Background check screening required under this section and department rules is not required for an employee of a consumer directed employer if all of the following circumstances apply:
- (i) The individual has an individual provider contract with the department;
- (ii) The last background check on the contracted individual provider is still valid under department rules and did not disqualify the individual from providing personal care services;
- (iii) Employment by the consumer directed employer is the only reason a new background check would be required; and
- (iv) The department's background check results have been shared with the consumer directed employer.
- (e) The department may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time.
- (2) A provider may not be employed in the care of and have unsupervised access to vulnerable adults if:
- (a) The provider is on the vulnerable adult abuse registry or on any other registry based upon a finding of abuse,

- abandonment, neglect, or financial exploitation of a vulnerable adult;
- (b) On or after October 1, 1998, the department of children, youth, and families, or its predecessor agency, has made a founded finding of abuse or neglect of a child against the provider. If the provider has received a certificate of parental improvement under chapter 74.13 RCW pertaining to the finding, the provider is not disqualified under this section;
- (c) A disciplining authority, including the department of health, has made a finding of abuse, abandonment, neglect, or financial exploitation of a minor or a vulnerable adult against the provider; or
- (d) A court has issued an order that includes a finding of fact or conclusion of law that the provider has committed abuse, abandonment, neglect, or financial exploitation of a minor or vulnerable adult. If the provider has received a certificate of parental improvement under chapter 74.13 RCW pertaining to the finding of fact or conclusion of law, the provider is not disqualified under this section.
- (3) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have final substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, final substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. information must also be shared with the department of health to advance the purposes of chapter 18.88B RCW.
- (4) For the purposes of this section, "provider" means:
- (a) An individual provider as defined in RCW 74.39A.240;
- (b) An employee, licensee, or contractor of any of the following: A home care agency licensed under chapter 70.127 RCW; a nursing home under chapter 18.51 RCW; an assisted living facility under chapter 18.20 RCW; an enhanced

services facility under chapter 70.97 RCW; a certified resident services and supports agency licensed or certified under chapter 71A.12 RCW; an adult family home under chapter 70.128 RCW; or any long-term care facility certified to provide medicaid or medicare services; and

- (c) Any contractor of the department who may have unsupervised access to vulnerable adults.
- (5) The department shall adopt rules to implement this section.
- Sec. 4. RCW 18.51.091 and 2020 c 263 s 1 are each amended to read as follows:
- (1) The department shall inspect each nursing home periodically in accordance with federal standards under 42 C.F.R. Part 488, Subpart E. The inspection shall be made without providing advance notice of it. Every inspection may include an inspection of every part of the premises and an examination of all records, methods of administration, the general and special dietary and the stores and methods of supply. Those nursing homes that provide community-based care shall establish and maintain separate and distinct accounting and other essential records for the purpose of appropriately allocating costs of the providing of such care: PROVIDED, That such costs shall not be considered allowable costs for reimbursement purposes under chapter 74.46 RCW. Following such inspection or inspections, written notice of any violation of this law or the rules and regulations promulgated hereunder, shall be given to the applicant or licensee and the department. The notice shall describe the reasons for the facility's noncompliance. The department may prescribe by regulations that any licensee or applicant desiring to make specified types of alterations or additions to its facilities or to construct new facilities shall, before commencing such alteration, addition or new construction, submit its plans and specifications therefor to the department for preliminary inspection and approval or recommendations with respect to compliance with the regulations and standards herein authorized.
- (2) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in subsection (1) of this section, the

- department shall adopt rules to reestablish inspection timelines based on the length of time since the last complete inspection, compliance history of each facility, immediate health or safety concerns, and centers for medicare and medicaid services requirements.
- (a) Rules adopted under this subsection (2) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever occurs later. Once the department determines a rule adopted under this subsection (2) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.
- Sec. 5. RCW 18.51.230 and 2020 c 263 s 2 are each amended to read as follows:
- (1) The department shall, in addition to any inspections conducted pursuant to complaints filed pursuant to RCW 18.51.190, conduct a periodic general inspection of each nursing home in the state without providing advance notice of such inspection. Such inspections must conform to the federal standards for surveys under 42 C.F.R. Part 488, Subpart E.
- (2) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in subsection (1) of this section, the department shall adopt rules to reestablish inspection timelines based on the length of time since the last complete inspection, compliance history of each facility, immediate health or safety concerns, and centers for medicare and medicaid services requirements.
- (a) Rules adopted under this subsection (2) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever occurs later. Once the

department determines a rule adopted under this subsection (2) is no longer necessary, it must repeal the rule under RCW 34.05.353.

- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.
- **Sec. 6.** RCW 74.42.360 and 2020 c 263 s 3 are each amended to read as follows:
- (1) The facility shall have staff on duty twenty-four hours daily sufficient in number and qualifications to carry out the provisions of RCW 74.42.010 through 74.42.570 and the policies, responsibilities, and programs of the facility.
- (2) The department shall institute minimum staffing standards for nursing homes. Beginning July 1, 2016, facilities must provide a minimum of 3.4 hours per resident day of direct care. Direct care staff has the same meaning as defined in RCW 74.42.010. The minimum staffing standard includes the time when such staff are providing hands-on care related to activities of daily living and nursing-related tasks, as well as care planning. The legislature intends to increase the minimum staffing standard to 4.1 hours per resident day of direct care, but the effective date of a standard higher than 3.4 hours per resident day of direct care will be identified if and only if funding is provided explicitly for an increase of the minimum staffing standard for direct care.
- (a) The department shall establish in rule a system of compliance of minimum direct care staffing standards by January 1, 2016. Oversight must be done at least quarterly using the centers for medicare and medicaid services' payroll-based journal and nursing home facility census and payroll data.
- (b) The department shall establish in rule by January 1, 2016, a system of financial penalties for facilities out of compliance with minimum staffing standards. No monetary penalty may be issued during the implementation period of July 1, 2016, through September 30, 2016. If a facility is found noncompliant during the implementation period, the department shall provide a written notice identifying the staffing deficiency and

require the facility to provide a sufficiently detailed correction plan to meet the statutory minimum staffing levels. Monetary penalties begin October 1, 2016. Monetary penalties must be established based on a formula that calculates the cost of wages and benefits for the missing staff hours. If a facility meets the requirements in subsection (3) or (4) of this section, the penalty amount must be based solely on the wages and benefits of certified nurse aides. The first monetary penalty for noncompliance must be at a lower amount than subsequent findings of noncompliance. Monetary penalties established by the department may not exceed two hundred percent of the wage and benefit costs that would have otherwise been expended to achieve the required staffing minimum hours per resident day for the quarter. A facility found out of compliance must be assessed a monetary penalty at the lowest penalty level if the facility has met or exceeded the requirements in subsection (2) of this section for three or more consecutive years. Beginning July 1, 2016, pursuant to rules established by the department, funds that are received from financial penalties must be used for technical assistance, specialized training, or an increase to the quality enhancement established in 74.46.561.

(c) The department shall establish in rule an exception allowing geriatric behavioral health workers as defined in RCW 74.42.010 to be recognized in the minimum staffing requirements as part of the direct care service delivery to individuals who have a behavioral health condition. Hours worked by geriatric behavioral health workers may be recognized as direct care hours for purposes of the minimum staffing requirements only up to a portion of the total hours equal to the proportion of resident days of clients with a behavioral health condition identified at that facility on the most recent semiannual minimum data set. In order to qualify for the exception:

#### (i) The worker must:

- (A) Have a bachelor's or master's degree in social work, behavioral health, or other related areas; or
- (B) Have at least three years experience providing care for individuals with chronic mental health issues, dementia, or intellectual and

developmental disabilities in a longterm care or behavioral health care setting; or

- (C) Have successfully completed a facility-based behavioral health curriculum approved by the department under RCW 74.39A.078;
- (ii) Any geriatric behavioral health worker holding less than a master's degree in social work must be directly supervised by an employee who has a master's degree in social work or a registered nurse.
- (d)(i) The department shall establish a limited exception to the 3.4 hours per resident day staffing requirement for facilities demonstrating a good faith effort to hire and retain staff.
- (ii) To determine initial facility eligibility for exception consideration, the department shall send surveys to facilities anticipated to be below, at, or slightly above the 3.4 hours per resident day requirement. These surveys must measure the hours per resident day in a manner as similar as possible to the centers for medicare and medicaid services' payroll-based journal and cover the staffing of a facility from October through December of 2015, January through March of 2016, and April through June of 2016. A facility must be below the 3.4 staffing standard on all three surveys to be eligible for exception consideration. If the staffing hours per resident day for a facility declines from any quarter to another during the survey period, the facility must provide sufficient information to the department to allow the department to determine if the staffing decrease was deliberate or a result of neglect, which is the lack of evidence demonstrating the facility's efforts to maintain or improve its staffing ratio. The burden of proof is on the facility and the determination of whether or not the decrease was deliberate or due to neglect is entirely at the discretion of the department. If the department determines a facility's decline was deliberate or due to neglect, that facility is not eligible for an exception consideration.
- (iii) To determine eligibility for exception approval, the department shall review the plan of correction submitted by the facility. Before a facility's exception may be renewed, the department must determine that sufficient progress is being made towards reaching the 3.4

- per resident hours day staffing requirement. When reviewing whether to grant or renew an exception, the department must consider factors including but not limited to: Financial incentives offered by the facilities such as recruitment bonuses and other incentives; the robustness of the recruitment process; county employment data; specific steps the facility has undertaken to improve retention; improvements in the staffing ratio compared to the baseline established in the surveys and whether this trend is continuing; and compliance with the process of submitting staffing data, adherence to the plan of correction, and any progress toward meeting this plan, as determined by the department.
- (iv) Only facilities that have their direct care component rate increase capped according to RCW 74.46.561 are eligible for exception consideration. Facilities that will have their direct care component rate increase capped for one or two years are eligible for exception consideration through June 30, 2017. Facilities that will have their direct care component rate increase capped for three years are eligible for exception consideration through June 30, 2018.
- (v) The department may not grant or renew a facility's exception if the facility meets the 3.4 hours per resident day staffing requirement and subsequently drops below the 3.4 hours per resident day staffing requirement.
- (vi) The department may grant exceptions for a six-month period per exception. The department's authority to grant exceptions to the 3.4 hours per resident day staffing requirement expires June 30, 2018.
- (3)(a) Large nonessential community providers must have a registered nurse on duty directly supervising resident care twenty-four hours per day, seven days per week.
- (b) (i) The department shall establish a limited exception process for large nonessential community providers that can demonstrate a good faith effort to hire a registered nurse for the last eight hours of required coverage per day. In granting an exception, the department may consider the competitiveness of the wages and benefits offered as compared to nursing facilities in comparable geographic or metropolitan areas within

provider's Washington state, the recruitment and retention efforts, and the availability of registered nurses in the particular geographic area. A oneyear exception may be granted and may be renewable; however, the department may limit the admission of new residents, based on medical conditions or complexities, when a registered nurse is not on-site and readily available. If a large nonessential community provider receives an exception, that information must be included in the department's nursing home locator.

- (ii) By August 1, 2023, and every three years thereafter, the department, along with a stakeholder work group established by the department, shall conduct a review of the exceptions process to determine if it is still necessary. As part of this review, the department shall provide the legislature with a report that includes enforcement and citation data for large nonessential community providers that were granted an exception in the three previous fiscal years in comparison to those without an exception. The report must include a similar comparison of data, provided to the department by the long-term care ombuds, on long-term care ombuds referrals for large nonessential community providers that were granted an exception in the three previous fiscal years and those without an exception. This report, along with a recommendation as to whether the exceptions process should continue, is due to the legislature by December 1st of each year in which a review is conducted. Based on the recommendations outlined in this report, the legislature may take action to end the exceptions process.
- (4) Essential community providers and small nonessential community providers must have a registered nurse on duty directly supervising resident care a minimum of sixteen hours per day, seven days per week, and a registered nurse or a licensed practical nurse on duty directly supervising resident care the remaining eight hours per day, seven days per week.
- (5) For the purposes of this section, "behavioral health condition" means one or more of the behavioral symptoms specified in section E of the minimum data set.
- (6) If a pandemic, natural disaster, or other declared state of emergency impedes or prevents facilities from compliance with subsections (2) through

- (4) of this section, the department may adopt rules to grant exceptions to these requirements, waive penalties, and suspend oversight activities. Facilities must remain in compliance with subsection (1) of this section. Rules adopted under this subsection are effective until 12 months after the termination of the pandemic, natural disaster, or other declared state of emergency or until determined no longer necessary by the department, whichever occurs first. Once the department determines a rule adopted under this subsection is no longer necessary, it must repeal the rule under RCW 34.05.353.
- Sec. 7. RCW 74.39A.074 and 2017 c 216 s 1 are each amended to read as follows:
- (1)(a) Except for long-term care workers exempt from certification under RCW 18.88B.041(1)(a), all persons hired as long-term care workers must meet the minimum training requirements in this section within one hundred twenty calendar days after the date of being hired.
- (b) Except as provided in RCW 74.39A.076, the minimum training requirement is seventy-five hours of entry-level training approved by the department. A long-term care worker must successfully complete five of these seventy-five hours before being eligible to provide care.
- (c) Training required by (d) of this subsection applies toward the training required under RCW 18.20.270 or 70.128.230 or any statutory or regulatory training requirements for long-term care workers employed by community residential service businesses.
- (d) The seventy-five hours of entrylevel training required shall be as follows:
- (i) Before a long-term care worker is eligible to provide care, he or she must complete:
- (A) Two hours of orientation training regarding his or her role as caregiver and the applicable terms of employment; and
- (B) Three hours of safety training, including basic safety precautions, emergency procedures, and infection control; and
- (ii) Seventy hours of long-term care basic training, including training related to:

- (A) Core competencies; and
- (B) Population specific competencies, including identification of individuals with potential hearing loss and how to seek assistance if hearing loss is suspected.
- (2) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:
- (a) Has been developed with input from consumer and worker representatives; and
- (b) Requires comprehensive instruction by qualified instructors on the competencies and training topics in this section.
- (3) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.
- or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.
- (a) Rules adopted under this subsection (4) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the training required in subsection (1) (a) of this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (4) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1)(a) of this section and provide the legislature with a report.
- (5) The department shall adopt rules to implement this section.
- Sec. 8. RCW 74.39A.076 and 2019 c 363 s 19 are each amended to read as follows:
- (1) Beginning January 7, 2012, except for long-term care workers exempt from certification under RCW 18.88B.041(1)(a):

- (a) A biological, step, or adoptive parent who is the individual provider only for the person's developmentally disabled son or daughter must receive twelve hours of training relevant to the needs of adults with developmental disabilities within the first one hundred twenty days after becoming an individual provider.
- (b) A spouse or registered domestic partner who is a long-term care worker only for a spouse or domestic partner, pursuant to the long-term services and supports trust program established in chapter 50B.04 RCW, must receive fifteen hours of basic training, and at least six hours of additional focused training based on the care-receiving spouse's or partner's needs, within the first one hundred twenty days after becoming a long-term care worker.
- (c) A person working as an individual provider who (i) provides respite care services only for individuals with developmental disabilities receiving services under Title 71A RCW or only for individuals who receive services under this chapter, and (ii) works three hundred hours or less in any calendar year, must complete fourteen hours of training within the first one hundred twenty days after becoming an individual provider. Five of the fourteen hours must be completed before becoming eligible to provide care, including two hours of orientation training regarding the caregiving role and terms of employment and three hours of safety training. The training partnership identified in RCW 74.39A.360 must offer at least twelve of the fourteen hours online, and five of those online hours must be individually selected from elective courses.
- (d) Individual providers identified in (d)(i) or (ii) of this subsection must complete thirty-five hours of training within the first one hundred twenty days after becoming an individual provider. Five of the thirty-five hours must be completed before becoming eligible to provide care. Two of these five hours shall be devoted to an orientation training regarding an individual provider's role as caregiver and the applicable terms of employment, and three hours shall be devoted to safety training, including basic safety precautions, emergency procedures, and infection control. Individual providers subject to this requirement include:

- (i) An individual provider caring only for the individual provider's biological, step, or adoptive child or parent unless covered by (a) of this subsection; and
- (ii) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month.
- (2) In computing the time periods in this section, the first day is the date of hire.
- (3) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:
- (a) Has been developed with input from consumer and worker representatives; and
- (b) Requires comprehensive instruction by qualified instructors.
- (4) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.
- (a) Rules adopted under this subsection (4) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the training required in subsection (1) of this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (4) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1) of this section and provide the legislature with a report.
- (5) The department shall adopt rules to implement this section.
- Sec. 9. RCW 74.39A.341 and 2015 c 152 s 3 are each amended to read as follows:
- (1) All long-term care workers shall complete twelve hours of continuing education training in advanced training

- topics each year. This requirement applies beginning July 1, 2012.
- (2) Completion of continuing education as required in this section is a prerequisite to maintaining home care aide certification under chapter 18.88B RCW.
- (3) Unless voluntarily certified as a home care aide under chapter 18.88B RCW, subsection (1) of this section does not apply to:
- (a) An individual provider caring only for his or her biological, step, or adoptive child;
- (b) Registered nurses and licensed practical nurses licensed under chapter 18.79 RCW;
- (c) Before January 1, 2016, a long-term care worker employed by a community residential service business;
- (d) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month; or
- (e) A person working as an individual provider who only provides respite services and works less than three hundred hours in any calendar year.
- (4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:
- (a) Has been developed with input from consumer and worker representatives; and
- (b) Requires comprehensive instruction by qualified instructors.
- (5) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.
- or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.
- (a) Rules adopted under this subsection (6) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the

- training required in this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (6) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1) of this section and provide the legislature with a report.
- $\underline{(7)}$  The department of health shall adopt rules to implement subsection (1) of this section.
- $((\frac{(7)}{)}))$  (8) The department shall adopt rules to implement subsection (2) of this section.
- **Sec. 10.** RCW 18.88B.021 and 2013 c 259 s 1 are each amended to read as follows:
- (1) Beginning January 7, 2012, except as provided in RCW 18.88B.041, any person hired as a long-term care worker must be certified as a home care aide as provided in this chapter within two hundred calendar days after the date of ((being hired. In computing the time periods in this subsection, the first day is the date of)) hire, as defined by the department. The department may adopt rules determining under which circumstances a long-term care worker may have more than one date of hire, restarting the person's 200-day period to obtain certification as a home care aide.
- (2)(a) No person may practice or, by use of any title or description, represent himself or herself as a certified home care aide without being certified as provided in this chapter.
- (b) This section does not prohibit a person: (i) From practicing a profession for which the person has been issued a license or which is specifically authorized under this state's laws; or (ii) who is exempt from certification under RCW 18.88B.041 from providing services as a long-term care worker.
- (c) In consultation with consumer and worker representatives, the department shall, by January 1, 2013, establish by rule a single scope of practice that encompasses both long-term care workers who are certified home care aides and

- long-term care workers who are exempted from certification under RCW 18.88B.041.
- or other declared state of emergency impacts the ability of long-term care workers to complete certification as required by this section, the department may adopt rules to allow long-term care workers additional time to become certified.
- (a) Rules adopted under this subsection (3) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that additional time for long-term care workers to become certified is no longer necessary, whichever is later. Once the department determines a rule adopted under this subsection (3) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of certification compliance with subsection (1) of this section and rules adopted under this subsection (3) and provide the legislature with a report.
- $\underline{(4)}$  The department shall adopt rules to implement this section.
- **Sec. 11.** RCW 70.128.230 and 2019 c 466 s 5 are each amended to read as follows:
- (1) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
- (a) "Caregiver" includes all adult family home resident managers and any person who provides residents with hands-on personal care on behalf of an adult family home, except volunteers who are directly supervised.
- (b) "Indirect supervision" means oversight by a person who has demonstrated competency in the core areas or has been fully exempted from the training requirements pursuant to this section and is quickly and easily available to the caregiver, but not necessarily on-site.
- (2) Training must have three components: Orientation, basic training, and continuing education. All adult family home providers, resident managers, and employees, or volunteers who routinely interact with residents

shall complete orientation. Caregivers shall complete orientation, basic training, and continuing education.

- (3) Orientation consists of introductory information on residents' rights, communication skills, fire and life safety, and universal precautions. Orientation must be provided at the facility by appropriate adult family home staff to all adult family home employees before the employees have routine interaction with residents.
- (4) Basic training consists of modules on the core knowledge and skills that caregivers need to learn and understand to effectively and safely provide care to residents. Basic training must be outcome-based, and the effectiveness of the basic training must be measured by demonstrated competency in the core areas through the use of a competency test. Basic training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care. Until competency in the core areas has been demonstrated, caregivers shall not provide hands-on personal care to residents without direct supervision.
- (5) For adult family homes that serve residents with special needs such as dementia, developmental disabilities, or mental illness, specialty training is required of providers and resident managers.
- (a) Specialty training consists of modules on the core knowledge and skills that providers and resident managers need to effectively and safely provide care to residents with special needs. Specialty training should be integrated into basic training wherever appropriate. Specialty training must be outcome-based, and the effectiveness of the specialty training measured by demonstrated competency in the core specialty areas through the use of a competency test.
- (b) Specialty training must be completed by providers and resident managers before admitting and serving residents who have been determined to have special needs related to mental illness, dementia, or a developmental disability. Should a resident develop special needs while living in a home without specialty designation, the provider and resident manager have one hundred twenty days to complete specialty training.

- (6) Continuing education consists of ongoing delivery of information to caregivers on various topics relevant to the care setting and care needs of residents. Competency testing is not required for continuing education. Continuing education is not required in the same calendar year in which basic or modified basic training is successfully completed. Continuing education required in each calendar year thereafter. If specialty training is completed, the specialty training applies toward any continuing education requirement for up to two years following the completion of the specialty training.
- (7) Persons who successfully complete the competency challenge test for basic training are fully exempt from the basic training requirements of this section. Persons who successfully complete the specialty training competency challenge test are fully exempt from the specialty training requirements of this section.
- (8) (a) Registered nurses and licensed practical nurses licensed under chapter 18.79 RCW are exempt from any continuing education requirement established under this section.
- (b) The department may adopt rules that would exempt licensed persons from all or part of the training requirements under this chapter, if they are (i) performing the tasks for which they are licensed and (ii) subject to chapter 18.130 RCW.
- (9) In an effort to improve access to training and education and reduce costs, especially for rural communities, the adult family home training network must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges, private associations, or other entities, as defined by the department.
- (10) The adult family home training network shall assist adult family homes that desire to deliver facility-based training with facility designated trainers, or adult family homes that desire to pool their resources to create shared training systems. The department shall develop criteria for reviewing and approving trainers and training materials. The department may approve a curriculum based upon attestation by an adult family home administrator that the adult family home's training curriculum

addresses basic and specialty training competencies identified by the department, and shall review a curriculum to verify that it meets these requirements. The department may conduct the review as part of the next regularly scheduled inspection authorized under RCW 70.128.070. The department shall rescind approval of any curriculum if it determines that the curriculum does not meet these requirements.

- (11) The department shall adopt rules by September 1, 2002, for the implementation of this section.
- (12) (a) Except as provided in (b) of this subsection, the orientation, basic training, specialty training, and continuing education requirements of this section commence September 1, 2002, and shall be applied to (i) employees hired subsequent to September 1, 2002; or (ii) existing employees that on September 1, 2002, have not successfully completed the training requirements under RCW 70.128.120 or 70.128.130 and this section. Existing employees who have not successfully completed the training requirements under RCW 70.128.120 or 70.128.130 shall be subject to all applicable requirements of this section.
- (b) Beginning January 7, 2012, long-term care workers, as defined in RCW 74.39A.009, employed by an adult family home are also subject to the training requirements under RCW 74.39A.074.
- (13) If a pandemic, natural disaster, or other declared state of emergency makes specialty training unavailable, the department may adopt rules to allow an adult family home where the provider and resident manager have not completed specialty training to admit a resident or residents with special needs related to mental illness, dementia, or a developmental disability, or to care for a resident or residents already living in the home who develop special needs. Such rules must include information about how to complete the specialty training once the training is available.
- (a) Rules adopted under this subsection (13) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that providers and resident managers who were unable to complete the specialty training required in subsection (5) (b) of this section have had adequate access to complete the

- required training, whichever is later. Once the department determines a rule adopted under this subsection (13) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (5)(b) of this section and provide the legislature with a report.
- **Sec. 12.** RCW 18.20.270 and 2013 c 259 s 4 are each amended to read as follows:
- (1) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
- (a) "Caregiver" includes any person who provides residents with hands-on personal care on behalf of an assisted living facility, except volunteers who are directly supervised.
- (b) "Direct supervision" means oversight by a person who has demonstrated competency in the core areas or has been fully exempted from the training requirements pursuant to this section, is on the premises, and is quickly and easily available to the caregiver.
- (2) Training must have the following components: Orientation, basic training, specialty training as appropriate, and continuing education. All assisted living facility employees or volunteers who routinely interact with residents shall complete orientation. Assisted living facility administrators, or their designees, and caregivers shall complete orientation, basic training, specialty training as appropriate, and continuing education.
- (3) Orientation consists of introductory information on residents' rights, communication skills, fire and life safety, and universal precautions. Orientation must be provided at the facility by appropriate assisted living facility staff to all assisted living facility employees before the employees have routine interaction with residents.
- (4) Basic training consists of modules on the core knowledge and skills that caregivers need to learn and understand to effectively and safely provide care to residents. Basic training must be outcome-based, and the effectiveness of the basic training must be measured by

demonstrated competency in the core areas through the use of a competency test. Basic training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care. Until competency in the core areas has been demonstrated, caregivers shall not provide hands-on personal care to residents without direct supervision. Assisted living facility administrators, or their designees, must complete basic training and demonstrate competency within one hundred twenty days of employment.

- (5) For assisted living facilities that serve residents with special needs such as dementia, developmental disabilities, or mental illness, specialty training is required of administrators, or designees, and caregivers.
- (a) Specialty training consists of modules on the core knowledge and skills that caregivers need to effectively and safely provide care to residents with special needs. Specialty training should be integrated into basic training wherever appropriate. Specialty training must be outcome-based, and the effectiveness of the specialty training measured by demonstrated competency in the core specialty areas through the use of a competency test.
- (b) Specialty training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care to a resident having special needs. However, if specialty training is not integrated with basic training, the specialty training must be completed within ninety days of completion of basic training. Until competency in the core specialty areas has been demonstrated, caregivers shall not provide hands-on personal care to residents with special needs without direct supervision.
- (c) Assisted living facility administrators, or their designees, must complete specialty training and demonstrate competency within one hundred twenty days from the date on which the administrator or his or her designee is hired, if the assisted living facility serves one or more residents with special needs.
- (6) Continuing education consists of ongoing delivery of information to caregivers on various topics relevant to the care setting and care needs of

- residents. Competency testing is not required for continuing education. Continuing education is not required in the same calendar year in which basic or modified basic training is successfully completed. Continuing education is required in each calendar year thereafter. If specialty training is completed, the specialty training applies toward any continuing education requirement for up to two years following the completion of the specialty training.
- (7) Persons who successfully challenge the competency test for basic training are fully exempt from the basic training requirements of this section. Persons who successfully challenge the specialty training competency test are fully exempt from the specialty training requirements of this section.
- (8) (a) Registered nurses and licensed practical nurses licensed under chapter 18.79 RCW are exempt from any continuing education requirement established under this section.
- (b) The department may adopt rules that would exempt licensed persons from all or part of the training requirements under this chapter, if they are (i) performing the tasks for which they are licensed and (ii) subject to chapter 18.130 RCW.
- (9) In an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long-term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges or other entities, as defined by the department.
- (10) The department shall develop criteria for the approval of orientation, basic training, and specialty training programs.
- (11) Assisted living facilities that desire to deliver facility-based training with facility designated trainers, or assisted living facilities that desire to pool their resources to create shared training systems, must be encouraged by the department in their efforts. The department shall develop criteria for reviewing and approving trainers and training materials that are substantially similar to or better than the materials developed by the department. The department may approve a

curriculum based upon attestation by an assisted living facility administrator that the assisted living facility's training curriculum addresses basic and specialty training competencies identified by the department, and shall review a curriculum to verify that it meets these requirements. The department may conduct the review as part of the next regularly scheduled yearly inspection and investigation required under RCW 18.20.110. The department shall rescind approval of any curriculum if it determines that the curriculum does not meet these requirements.

- (12) The department shall adopt rules for the implementation of this section.
- (13)(a) Except as provided in (b) of this subsection, the orientation, basic training, specialty training, and continuing education requirements of this section commence September 1, 2002, or one hundred twenty days from the date of employment, whichever is later, and shall be applied to (i) employees hired subsequent to September 1, 2002; and (ii) existing employees that on September 1, 2002, have not successfully completed the training requirements under 74.39A.010 or 74.39A.020 and this section. Existing employees who have not successfully completed the training requirements under RCW 74.39A.010 or 74.39A.020 shall be subject to all applicable requirements of this section.
- (b) Beginning January 7, 2012, long-term care workers, as defined in RCW 74.39A.009, employed by facilities licensed under this chapter are also subject to the training requirements under RCW 74.39A.074.
- (14) If a pandemic, natural disaster, or other declared state of emergency makes specialty training unavailable, the department may adopt rules to allow an assisted living facility where the administrator, designee, and caregiving staff have not completed specialty training to admit a resident or residents with special needs related to mental illness, dementia, or a developmental disability. Such rules must include information about how to complete the specialty training once the training is available.
- (a) Rules adopted under this subsection (14) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department

- determines that providers and resident managers who were unable to complete the specialty training required in subsection (5) (b) of this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (14) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (5) (b) of this section and provide the legislature with a report.
- **Sec. 13.** RCW 70.128.070 and 2011 1st sp.s. c 3 s 204 are each amended to read as follows:
- (1) A license shall remain valid unless voluntarily surrendered, suspended, or revoked in accordance with this chapter.
- (2)(a) Homes applying for a license shall be inspected at the time of licensure.
- (b) Homes licensed by the department shall be inspected at least every eighteen months, with an annual average of fifteen months. However, an adult family home may be allowed to continue without inspection for two years if the adult family home had no inspection citations for the past three consecutive inspections and has received no written notice of violations resulting from complaint investigations during that same time period.
- (c) The department may make an unannounced inspection of a licensed home at any time to assure that the home and provider are in compliance with this chapter and the rules adopted under this chapter.
- (d) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in this subsection, the department shall adopt rules to reestablish inspection timelines based on the length of time since last inspection, compliance history of each facility, and immediate health or safety concerns.
- (i) Rules adopted under this subsection (2)(d) are effective until the termination of the pandemic, natural

- disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in (b) of this subsection, whichever is later. Once the department determines a rule adopted under this subsection (2) (d) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (ii) Within 12 months of the termination of the pandemic, natural disaster, or declared state of emergency, the department shall conduct a review of inspection compliance with (b) of this subsection and provide the legislature with a report.
- (3) If the department finds that the home is not in compliance with this chapter, it shall require the home to correct any violations as provided in this chapter.
- Sec. 14. RCW 70.97.160 and 2020 c 278 s 9 are each amended to read as follows:
- (1) The department shall make or cause to be made at least one inspection of each facility prior to licensure and an unannounced full inspection of facilities at least once every eighteen months. The statewide average interval between full facility inspections must be fifteen months.
- (2) Any duly authorized officer, employee, or agent of the department may enter and inspect any facility at any time to determine that the facility is in compliance with this chapter and applicable rules, and to enforce any provision of this chapter. Complaint inspections shall be unannounced and conducted in such a manner as to ensure maximum effectiveness. No advance notice shall be given of any inspection unless authorized or required by federal law.
- (3) During inspections, the facility must give the department access to areas, materials, and equipment used to provide care or support to residents, including resident and staff records, accounts, and the physical premises, including the buildings, grounds, and equipment. The department has the authority to privately interview the provider, staff, residents, and other individuals familiar with resident care and service plans.
- (4) Any public employee giving advance notice of an inspection in violation of this section shall be suspended from all

- duties without pay for a period of not less than five nor more than fifteen days.
- (5) The department shall prepare a written report describing the violations found during an inspection, and shall provide a copy of the inspection report to the facility.
- (6) The facility shall develop a written plan of correction for any violations identified by the department and provide a plan of correction to the department within ten working days from the receipt of the inspection report.
- (7) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in this section, the department shall adopt rules to reestablish inspection timelines based on the length of time since last inspection, compliance history of each facility, and immediate health or safety concerns.
- (a) Rules adopted under this subsection (7) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever is later. Once the department determines a rule adopted under this subsection (7) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.
- Sec. 15. RCW 18.20.110 and 2012 c 10 s 6 are each amended to read as follows:
- (1) The department shall make or cause to be made, at least every eighteen months with an annual average of fifteen months, an inspection and investigation of all assisted living facilities. However, the department may delay an inspection to twenty-four months if the assisted living facility has had three consecutive inspections with no written notice of violations and has received no written notice of violations resulting from complaint investigation during that same time period. The department may at

anytime make an unannounced inspection of a licensed facility to assure that the licensee is in compliance with this chapter and the rules adopted under this chapter. Every inspection shall focus primarily on actual or potential resident outcomes, and may include an inspection of every part of the premises and an examination of all records, methods of administration, the general and special dietary, and the stores and methods of supply; however, the department shall not have access to financial records or to other records or reports described in RCW 18.20.390. Financial records of the assisted living facility may be examined when the department has reasonable cause to believe that a financial obligation related to resident care or services will not be met, such as a complaint that staff wages or utility costs have not been paid, or when necessary for the department to investigate alleged financial exploitation of a resident. Following such an inspection or inspections, written notice of any violation of this law or the rules adopted hereunder shall be given to the applicant or licensee and the department. The department may prescribe by rule that any licensee or applicant desiring to make specified types of alterations or additions to its facilities or to construct new facilities shall, before commencing such alteration, addition, or new construction, submit plans and specifications therefor to the agencies responsible for plan reviews for preliminary inspection and approval or recommendations with respect compliance with the rules and standards herein authorized.

- (2) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in subsection (1) of this section, the department shall adopt rules to reestablish inspection timelines based on the length of time since last inspection, compliance history of each facility, and immediate health or safety concerns.
- (a) Rules adopted under this subsection (2) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever is later. Once the

- department determines a rule adopted under this subsection (2) is no longer necessary, it must repeal the rule under RCW 34.05.353.
- (b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.
- **Sec. 16.** RCW 18.88A.030 and 2010 c 169 s 4 are each amended to read as follows:
- (1) (a) A nursing assistant may assist in the care of individuals as delegated by and under the direction and supervision of a licensed (registered) nurse or licensed practical nurse.
- (b) A health care facility shall not assign a nursing assistant-registered to provide care until the nursing assistant-registered has demonstrated skills necessary to perform competently all assigned duties and responsibilities.
- (c) Nothing in this chapter shall be construed to confer on a nursing assistant the authority to administer medication unless delegated as a specific nursing task pursuant to this chapter or to practice as a licensed (registered) nurse or licensed practical nurse as defined in chapter 18.79 RCW.
- (2) (a) A nursing assistant employed in a nursing home must have successfully obtained certification through: (i) An approved training program and the competency evaluation within ((four months after the date of employment)) a period of time determined in rule by the commission; or (ii) alternative training and the competency evaluation prior to employment.
- (b) Certification is voluntary for nursing assistants working in health care facilities other than nursing homes unless otherwise required by state or federal law or regulation.
- (3) The commission may adopt rules to implement the provisions of this chapter.
- **Sec. 17.** RCW 18.88A.087 and 2010 c 169 s 3 are each amended to read as follows:
- (1) The commission shall adopt criteria for evaluating an applicant's alternative training to determine the applicant's eligibility to take the

competency evaluation for nursing assistant certification. At least one option adopted by the commission must allow an applicant to take the competency evaluation if he or she:

- (a)(i) Is a certified home care aide pursuant to chapter 18.88B RCW; or
- (ii) Is a certified medical assistant pursuant to a certification program accredited by a national medical assistant accreditation organization and approved by the commission; and
- (b) Has successfully completed at least twenty-four hours of training that the commission determines is necessary to provide training equivalent to approved training on topics not addressed in the training specified for certification as a home care aide or medical assistant, as applicable. In the commission's discretion, a portion of these hours may include clinical training.
- (2) (a)  $((\frac{By}{July}, \frac{1}{I}, \frac{2011}{I}, \frac{1}{I}))$  The commission, in consultation with the secretary, the department of social and health services, and consumer, employer, and worker representatives, shall adopt rules to implement this section and to provide((, beginning January 1, 2012,)) а program of credentialing reciprocity to the extent required by this section between home care aide and medical assistant certification nursing assistant certification. July 1, 2011, the)) The secretary shall also adopt such rules as may be necessary to implement this section and the credentialing reciprocity program.
- (b) Rules adopted under this section must be consistent with requirements under 42 U.S.C. Sec. 1395i-3(e) and (f) of the federal social security act relating to state-approved competency evaluation programs for certified nurse aides.
- (3) ((Beginning December 1, 2012, the)) The secretary, in consultation with the commission, shall report annually by December 1st to the governor and the appropriate committees of the legislature on the progress made in achieving career advancement for certified home care aides and medical assistants into nursing practice.

<u>NEW SECTION.</u> **Sec. 18.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and

its existing public institutions, and takes effect immediately.

Sec. 19. NEW SECTION. This act is remedial and curative in nature and all of its sections apply retroactively to February 29, 2020, to include the period of the state of emergency created by the COVID-19 outbreak. In any instance where this act grants rule-making authority to the department of social and health services or the department of health, the agencies may adopt the rules as emergency rules and may make the rules retroactively effective."

On page 1, line 2 of the title, after "supports;" strike the remainder of the title and insert "amending RCW 43.43.832, 43.43.837, 74.39A.056, 18.51.091, 74.42.360, 18.51.230, 74.39A.074, 74.39A.076, 74.39A.341, 18.88B.021, 70.128.230, 18.20.270, 70.128.070, 70.97.160, 18.20.110, 18.88A.030, and 18.88A.087; creating a new section; and declaring an emergency."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1120 and advanced the bill, as amended by the Senate, to final passage.

# FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Tharinger and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1120, as amended by the Senate.

## **ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1120, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 81; Nays, 16; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chapman, Chopp, Cody, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Ormsby, Ortiz-Self, Orwall, Paul,

Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Volz, Walen, Wicks, Wilcox, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives Chambers, Chandler, Chase, Corry, Dufault, Goehner, Hoff, Jacobsen, Kraft, McCaslin, Mosbrucker, Orcutt, Sutherland, Vick, Walsh and Young.

Excused: Representative McEntire.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1120, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 9, 2021

Madame Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1168 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. FINDINGS AND DETERMINATIONS. (1) Over the last decade, forestland and rangeland wildfires have grown larger and increased intensity and destructiveness throughout Washington state. The annual acres burned in our state illustrates this alarming trend. In the 1990s, an average of 86,000 acres burned annually. In the 2000s, the average annual acres burned increased to 189,000. In the last five years, the annual average grew to more than 488,000 acres burned. This trajectory of escalation continued last year, with wildfires burning more than 812,000 acres.

- (2) Recent wildfires have devastated state, federal, tribal, and private lands, destroyed homes and property, and taken lives. These fires have also released greenhouse gases, destroyed critical fish and wildlife habitat, filled our skies with harmful smoke, polluted our waters, damaged our economy, increased the risk of flooding and landslides, created a critical need for reforestation, and threatened the natural resources needed for essential industries and rural economies.
- (3) Catastrophic wildfires have significant negative impacts on fish and wildlife habitat, including the loss and degradation of places to shelter and feed, water quality and quantity, and soil nutrients. Washington's fish and

wildlife are part of a fire-adapted landscape, but catastrophic wildfires threaten their health and recovery.

- The increase these uncharacteristic wildfires are result of a combination of climate change-driven drought, hotter temperature, and windstorms; human development patterns and land planning and activities; and where uncharacteristic fires occur in forests, by past fire suppression and departures from native ecosystem structure and function. Uncharacteristic wildfire risk is addressed through scientifically informed landscape-level treatments designed to restore forest ecosystem and watershed resilience.
- (5) Wildfires result in significant greenhouse gas emissions. Wildfires have become one of the largest sources of black carbon in the last five years. From 2014-2018, wildfires in Washington state generated 39.2 million metric tons of carbon, the equivalent of more than 8.5 million cars on the road a year. In 2015, when 1.13 million acres burned in Washington, wildfires were the second largest source of greenhouse gas emissions, second only to transportation.
- (6) The legislature has recognized our forests, as well as the manufacturing and utilization of wood products, as a natural carbon solution and critical component of our state's carbon reduction strategy pursuant to chapter 120, Laws of 2020. Uncharacteristic wildfires threaten the ability of our forests to sequester carbon, and they threaten the stability and long-term viability of our forest products industry.
- (7) The Washington state department of natural resources' 20-year forest health strategic plan and climate assessment finds that carbon emissions from wildfires are anticipated to increase if there is no change in forest management practices. Unless the state significantly increases active forest management across land ownerships to reduce the risk and intensity wildfires, wildfire emissions will erode efforts to achieve our state's greenhouse emissions reduction goals. addition to reducing fuel loads, many forest health treatments effective retain and restore older, large fireresilient trees across the landscape that play an important role in carbon sequestration, enhancing

resilience and ecosystem services, and mitigating climate change.

- (8) Wildfires inflict huge costs to the state budget, the budgets of partner agencies, and our economy. From 2014-2019, agencies in Washington annually spent nearly \$150 million fighting wildfires. In 2015, firefighting costs were more than \$342 million. In 2019, firefighting costs were more than \$172 million. And suppression costs are only a small portion of the full economic impact. According to a 2018 report by the nonprofit headwater's economics, suppression costs account for only nine percent of the total cost of wildfires when factoring in disaster recovery, lost business, lost infrastructure, and timber damage, and public health impacts.
- (9) Over one-half of Washington is forested, providing significant environmental and economic value. Over \$4,900,000,000 in wages and \$200,000,000 in taxes are paid by the forest products' sector each year. Opportunities exist to boost our rural economies through wildfire preparation and preparedness that maintain and attract private sector investments and employment in rural communities.
- (10) Wildfires are significant threats to life and property. Over the last five years, wildfires in Washington have taken five lives, including four firefighters and the life of a one-year old boy. In 2020 alone, 298 homes were destroyed by wildfires in our state. More than 1,100 homes have been destroyed this decade. Communities in every corner of Washington have felt the impact and devastation of flames and smoke. In 2020, the town of Malden, Washington was forever scarred by rangeland wildfire. Approximately 80 percent of the town's structures burned down in the Babb Road fire, including the city hall, post office, and fire station.
- (11) Wildfire smoke has significant negative impacts on public health. For the second time in the last three years, Washington state had the worst air quality in the world due to wildfires. Communities in every corner of the state felt the impact. Exposure to particulate matter in wildfire smoke has been associated with a wide range of damaging health effects. The particulates in this smoke make those breathing the air wheeze, cough, shorten their breath, and experience sore eyes and throats, diminishing health and quality of life. Other adverse health outcomes are more

- severe, including increases in asthmarelated hospitalizations, chronic and acute respiratory and cardiovascular health problems, and premature death.
- (12) Historical forest management, legacy wildfire suppression responses, and a rapidly changing climate have increased the risk of catastrophic wildfires throughout the state. It is the policy of the state to encourage prudent responsible forest management to maintain the health of forests and ecosystems in Washington state. Increasing the pace and scale of forest restoration through reduction, thinning, and the use of prescribed fire on federal, state, tribal, and private lands pursuant to the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, and RCW 79.10.520 will reduce the risk of catastrophic wildfires.
- (13) In 2020, more than 1,300,000 acres of national forest system land in eastern Washington were considered in need of treatments to restore forest health and reduce the risk of wildfire hazard potential. Many of these lands are adjacent to populated communities, private lands, and state trust lands.
- (14) In 2020, 166,000 acres of department of natural resources' land and 74,000 acres of other state-owned lands in eastern Washington were in need of forest health treatment. These forestlands provide critical fish and wildlife habitat, natural and cultural resources, recreation, raw materials for the forest industry, and funding for counties and schools. From 2011-2020, 102,700 forested acres of department of natural resources' managed trust lands have burned.
- (15) Tribal lands and communities have been significantly impacted by wildfires and unhealthy forests. Approximately 494,000 acres of tribal lands in eastern Washington need forest health treatments. These forestlands provide critical fish and wildlife habitat, natural and cultural resources, and economic opportunities.
- (16) Washington state has nearly eight million acres of private forestlands. Forested acres are declining statewide with a loss of 394,000 acres between 2007 and 2019. Small forestland owners account for 15 percent of total forest acres. Small forestland owner forested acres

- declined 3.7 percent from 2,990,000 acres in 2007 to 2,880,000 million acres in 2019. The number of small forestland owners increased 8.5 percent from 201,000 in 2007 to 218,000 in 2019. The number of small forestland owner parcels increased 2.1 percent from 256,500 to 261,800. This rapid land use change creates significant challenges for implementing forest health and wildfire response actions in the wildland urban interface. In eastern Washington alone, approximately 288,000 acres owned by small forestland owners are in need of immediate forest health treatment. These forestlands provide critical raw materials for the forest industry, rural economic opportunities, fish and wildlife habitat, cultural resources, and recreation. A coordinated interagency response is needed to address the multifaceted challenge posed by parcelization, increasing forest fragmentation, loss of economic viability, and changes in landowner assistance needs.
- The legislature finds that increasing the pace and scale of sciencebased forest health activities to reduce hazardous fuels and restore fire resilient forests, including through mechanical thinning and prescribed burning, on federal, state, tribal, and private lands, will reduce the risk and severity of wildfires, protect cultural and archaeological resources, improve fish and wildlife habitat, expand recreational opportunities, protect air and water quality, create rural economic opportunities, provide critical wood products, and increase long-term carbon sequestration on our natural resource lands.
- (18) Increased development in the wildland urban interface has also increased the number of people living in areas that are at risk of wildfire. In Washington, over 2,000,000 homes are currently at risk of wildfire. Communities and homeowners can take actions that reduce the risk of loss in the event of wildfire including, but not limited to, home hardening, creating defensible space, and building potential control lines or strategic fuel breaks.
- (19) Long-term, sustainable investment in wildfire response, forest restoration, and community resilience is of utmost importance to the health and safety of our environment, our economy, our communities, and the well-being of every resident.

- (20) It is the intent of the legislature to take immediate action to fully fund the wildland fire protection 10-year strategic plan. Strategies to accomplish these goals include, but are not limited to:
- (a) Upgrading our capability to attack wildfires with critical air and ground resources;
- (b) Providing needed wildfire
  resources to state wildfire response and
  local fire service districts;
- (c) Working with each state utility, local publicly owned electric utility, and electrical cooperative to reduce wildfire risk and develop consistent approaches and shared data related to fire prevention, safety, vegetation management, and energy distribution systems; and
- (d) Improving wildfire detection in areas at risk of wildfire through new technologies and equipment.
- (21) Furthermore, it is the intent of the legislature to take immediate action to increase the pace and scale of forest management across different land ownerships and fully fund the 20-year forest health strategic plan and activities developed to facilitate implementation of the Washington state forest action plan. Strategies to accomplish these goals include, but are not limited to:
- (a) Restoring to health a minimum of 1,250,000 acres of forestland in need of immediate action to become more resilient and improve watershed health;
- (b) Increasing prescribed fire and other fuel reduction projects through proven forestry practices and the operation of prescribed fire crews;
- (c) Establishing potential control lines and strategic fuel breaks around communities with high wildfire risk;
- (d) Increasing funding for the small forestland owner office for technical assistance and support for small forestland owners and funding an integrated small forestland owner forest health program in support of extending management and control of wildfire from homes through the wildland urban interface to small forestland owner holdings; and
- (e) Monitoring forest health conditions and effectiveness of

treatments throughout the state, including ecological function and reducing catastrophic wildfires.

- (22) Furthermore, it is the intent of the legislature to take immediate action to help communities become more resilient to wildfire. Strategies to accomplish these goals include, but are not limited to:
- (a) Increasing funding for cost share programs for home hardening, fuels reduction, and community resilience programs in communities at risk of wildfire;
- (b) Reducing wildfire risk to wildland urban interfaces; and
- (c) Ensuring our state's most vulnerable populations are not disproportionately burdened by the impact and consequences of wildfire.
- (23) The legislature intends to provide \$125,000,000 per biennium over the next four biennia for a total of \$500,000,000 and that these investments will help protect the state's people, environment, and economy.
- NEW SECTION.

  RESPONSE, FOREST RESTORATION, AND COMMUNITY RESILIENCE ACCOUNT. (1) The wildfire response, forest restoration, and community resilience account is created in the state treasury. All receipts from moneys directed to the account must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for carrying out the purposes of this act and for no other purposes.
- (2) Expenditures from the account may be made to state agencies, federally recognized tribes, local governments, fire and conservation districts, nonprofit organizations, forest collaboratives, and small forestland owners, consistent with the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, and the Washington state forest action plan.
- (3) The wildfire response, forest restoration, and community resilience account may only be used to monitor, track, and implement the following purposes:
- (a) Fire preparedness activities consistent with the goals contained in the state's wildland fire protection 10-

- year strategic plan including, but not limited to, funding for firefighting capacity and investments in ground and aerial firefighting resources, equipment, and technology, and the development and implementation of a wildland fire aviation support plan in order to expand and improve the effectiveness and cost-efficiency of the department's wildland fire aviation program;
- (b) Fire prevention activities to restore and improve forest health and reduce vulnerability to drought, insect infestation, disease, and other threats to healthy forests including, but not limited to, silvicultural treatments, seedling development, thinning prescribed fire, and postfire recovery activities to stabilize and prevent unacceptable degradation to natural and cultural resources and minimize threats to life and property resulting from the effects of a wildfire. Funding priority under this subsection must be given to programs, activities, or projects aligned with the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, and the Washington state forest action plan across any combination of local, state, federal, tribal, and private ownerships;
- (c) Fire protection activities for homes, properties, communities, and values at risk including, but not limited to: Potential control lines or strategic fuel breaks in forests and rangelands near communities; improved warning and communications systems to prepare for wildfires; increased engagement with non-English speaking communities in their home language for community preparedness; and the national fire protection association's fire wise USA and the fire-adapted communities network programs to help communities take action before wildfires.
- (4) Appropriations for forest health activities funded by the wildfire response, forest restoration, and community resilience account shall not be less than 25 percent of the biennial appropriated funding.
- (5) Appropriations for community resilience activities funded by the wildfire response, forest restoration, and community resilience account shall not be less than 15 percent of the biennial appropriated funding.

- (6) Funding may not be used for emergency fire costs or suppression costs as defined in RCW 76.04.005.
- (7) To the maximum extent possible, workforce development investments from the wildfire response, forest restoration, and community resilience account should prioritize historically marginalized, underrepresented, rural, and low-income communities.
- (8) Any expenditures from the wildfire response, forest restoration, and community resilience account for forest health treatments on federal lands must be additive to the baseline accomplishments and outputs already funded through the federal government and outlined in the annual work plans of the United States forest service, bureau of land management, the national park service, and/or the United States fish and wildlife service.
- (9) The department may solicit the health advisory committee established in RCW 76.06.200 and wildland fire advisory committee established in RCW 76.04.179 to provide recommendations for investments under this section. In assessing investments and developing recommendations for communities that will be impacted based on ecological, public infrastructure, and life safety needs as set forth in the 20-year forest health strategic plan and the wildland fire protection 10-year strategic plan, the forest health advisory committee and wildland fire advisory committee must use environmental justice or equity focused tools, such as the Washington tracking network's environmental health disparities tool to identify highly impacted communities. identification must be used as a factor in determining recommendations for investments under this section. "Highly impacted communities" has the same meaning as defined in RCW 19.405.020.
- (10) To the maximum extent practicable and where consistent with the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, or the Washington state forest action plan and landowner objectives, forest health treatments funded through the wildfire response, forest restoration, and community resilience account shall seek to utilize the value of any merchantable materials to help offset treatment costs.

- $\underline{\text{NEW}}$  SECTION. Sec. 3. TRANSPARENCY AND ACCOUNTABILITY. (1) By December 1st of each even-numbered year, and in compliance with RCW 43.01.036, the department must report to the governor and legislature on the following:
- (a) The type and amount of the expenditures made, by fiscal year, and for what purpose, from the wildfire response, forest restoration, and community resilience account created in section 2 of this act;
- (b) The amount of unexpended and unobligated funds in the wildfire response, forest restoration, and community resilience account and recommendations for the disbursement to local districts;
- (c) Progress on implementation of the wildland fire protection 10-year strategic plan including, but not limited to, how investments are reducing human-caused wildfire starts, lowering the size and scale and geography of catastrophic wildfires, reducing the communities, landscapes, and population at risk, and creating resilient landscapes and communities;
- (d) Progress on implementation of the 20-year forest health strategic plan as established through the forest health assessment and treatment framework pursuant to RCW 76.06.200 including, but not limited to: Assessment of fire prone lands and communities that are in need of forest health treatments; forest health treatments prioritized and conducted by landowner type, geography, and risk level; estimated value of any merchantable materials from forest health treatments; and number of acres treated by treatment type, including the use of prescribed fire;
- (e) Progress on developing markets for forest residuals and biomass generated from forest health treatments.
- (2) The department must include recommendations on any adjustments that may be necessary or advisable to the mechanism of funding dispensation as created under this act.
- (3) The report required in this section should support existing department assessments pursuant to RCW 79.10.530 and 76.06.200.
- (4)(a)(i) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320,

the department must hire an independent third-party contractor to assist it in updating its forest inventory by increasing the intensity of forest sample plots on all forestlands over the next two biennium. The department's sustainable harvest calculation technical advisory committee must be involved in the design, development, and implementation of this forest inventory update.

- (ii) For purposes of this subsection, "forest inventory" means the collection of sample data to estimate a range of forest attributes including, but not limited to, standing volume, stored carbon, habitat attributes, age classes, tree species, and other inventory attributes, including information needed to estimate rates of tree growth and associated carbon sequestration on department lands.
- (iii) The department's sustainable harvest calculation technical advisory committee must bring forward recommendations for regular maintenance and updates to the forest inventory on a ten-year basis.
- (b) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320, the department must hire a third-party contractor to review, analyze, and advise the department's forest growth and yield modeling, specific to all types of forested acres managed by the department. The department's sustainable harvest calculation technical advisory committee must be involved in the design, review, and analysis of the department's forest growth and yield modeling.
- (c) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320 and in the absence of any litigation, pending or in progress, against the department's sustainable harvest calculation, the joint legislative audit and review committee established in chapter 44.28 RCW must oversee and conduct an independent review of the methodologies and data being utilized by the department in the development of the sustainable harvest calculation, including the associated forest inventory, forest growth, harvest and yield data, and modeling techniques that impact harvest levels. In carrying out the review, the joint legislative audit and review committee shall:

- (i) Retain one or more contractors with expertise in forest inventories, forest growth and yield modeling, and operational research modeling in forest harvest scheduling to conduct the technical review;
- (ii) Be a member of department's sustainable harvest calculation technical advisory committee, along with one of its contractors selected in (c)(i) of this subsection; and
- (iii) Prior to the department's determination of the sustainable harvest under RCW 79.10.320, ensure that a completed independent review and report with findings and recommendations is submitted to the board of natural resources and the legislature.
- (d) Upon receiving the report from the joint legislative audit and review committee required under (c) (iii) of this subsection, the board of natural resources shall determine whether modifications are necessary to the sustainable harvest calculation prior to approving harvest level under RCW 79.10.320.
- **Sec. 4.** RCW 76.06.200 and 2019 c 305 s 1 are each amended to read as follows:
- (1) The department must establish a forest health assessment and treatment framework designed to proactively and systematically address the forest health issues facing the state. Specifically, the framework must endeavor to achieve an initial goal of assessing and treating one million acres of land by 2033.
- (2) The department must utilize the framework to assess and treat acreage in an incremental fashion each biennium. The framework consists of three elements: Assessment; treatment; and progress review and reporting.
- (a) Assessment. Each biennium, the department must identify and assess two hundred thousand acres of fire prone lands and communities that are in need of forest health treatment, including the use of prescribed fire or mechanical treatment((, such as thinning)).
- (i) The scope of the assessment must include lands protected by the department as well as lands outside of the department's fire protection responsibilities that could pose a high risk to department protected lands during a fire.

- (ii) The assessment must identify areas in need of treatment, the type or types of treatment recommended, spatial optimization of forest treatments across landscapes, data and planning needs to carry out recommended treatment, and the estimated cost of recommended treatment.
- (iii) The department shall develop a mapping tool to identify small forestland owners within wildfire risk areas and use this tool to evaluate and optimize forest health work at a landscape scale to move high risk wildfire areas to lower risk and to leverage funding and the small forestland owner forest health program and landowner assistance program in section 7 of this act with the greatest impact for wildfire prevention, preparedness, and response.
- (b) Treatment. Each biennium, the department must review previously completed assessments and prioritize and conduct as many identified treatments as possible using appropriations provided for that specific purpose.
- (c) Progress review and reporting. By December 1st of each even-numbered year, the department must provide the appropriate committees of the legislature and the office of financial management with:
- (i) A request for appropriations designed to implement the framework in the following biennium, including assessment work and conducting treatments identified in previously completed assessments;
- (ii) A prioritized list and brief
  summary of treatments planned to be
  conducted under the framework with the
  requested appropriations, including
  relevant information from the
  assessment; and
- (iii) A list and brief summary of treatments carried out under the framework in the preceding biennium, including total funding available, costs for completed treatment, and treatment outcomes. The summary must include any barriers to framework implementation and legislative or administrative recommendations to address those barriers.
- (3) In developing and implementing the framework, the department must:
- (a) Utilize and build on the forest health strategic planning initiated under section 308(11), chapter 36, Laws

- of 2016 sp. sess., to the maximum extent practicable, to promote the efficient use of resources;
- (b) Prioritize, to the maximum extent practicable consistent with this section, forest health treatments that are strategically planned to serve the dual benefits of forest health maximization while providing geographically planned tools for wildfire response; ((and))
- (c) Where possible, partner with federally recognized tribes to expand use of the tribal forest protection act on federal lands managed by the United States forest service and the bureau of land management;
- (d) When entering into good neighbor agreements, as that term is defined in RCW 79.02.010, prioritize, to the maximum extent practicable consistent with this section, forest health treatments adjacent to or nearby state lands so as to increase the speed, efficiency, and impact on the landscape; and
- (e) Establish a forest health advisory committee to assist in developing and implementing the framework. committee may: (i) Include representation from large and small forestland owners, wildland fire response organizations, milling and log transportation industries, forest collaboratives that may exist in the affected areas, highly affected communities and community preparedness organizations, conservation groups, and interested parties appropriate by the commissioner; and (ii) consult with relevant local, state, and federal agencies, and tribes.
- (4) In implementing subsection (3) (b) of this section, the department shall attempt to locate and design forest health treatments in such a way as to provide wildfire response personnel with strategically located treated areas to assist with managing fire response. These areas must attempt to maximize the firefighting benefits of natural and artificial geographic features and be located in areas that prioritize the protection of commercially managed lands from fires originating on public land.
- (5) The department must establish and implement the forest health assessment and treatment framework within the appropriations specifically provided for this purpose.

- (6) The department must explore opportunities and developing markets for the utilization of woody biomass residuals from forest treatments, including biochar. When exploring opportunities and developing markets, the department must consult with the department of commerce, relevant federal agencies, representatives of the forest products sector, environmental organizations, and other stakeholders with a working knowledge of woody biomass technology.
- Sec. 5. WORKFORCE NEW SECTION. DEVELOPMENT. (1) The legislature finds that satisfying the goals identified in section 1 of this act to increase the pace and scale of forest health treatments and improve wildfire prevention and response requires increasing the workforce that is needed to perform this critical work. This need creates an opportunity to develop employment and career pathways across the state, including in rural communities throughout Washington. Investments to support and further develop the forest sector workforce are recommended in both the department's 2019 "plan for climate resilience" and the department of commerce's 2020 report "Washington's green economy."
- (2) The department and the department of commerce shall jointly develop and implement, as appropriate and in consultation with centers of excellence, higher education, secondary education, and workforce development centers, initiatives to develop a forest health workforce necessary to implement the goals of this section. Initiatives may include, but are not limited to:
- (a) Creating a new or making an existing grant program available to nonprofits, labor organizations, state agencies, community and technical colleges, institutions of higher education, private sector employers, skills centers, or other training and education institutions that have qualifications and experience in the development of training programs, such as secondary and postsecondary courses, relevant to the workforce needs of the forest sector. Grants must be awarded on a competitive basis with priority funding for programs that meet urgent forest health and wildfire suppression skills gaps and demonstrate a lack of available workforce in underserved communities. Grants awarded may be used for activities

- such as internships, Washington state registered apprenticeship programs, recognized preapprenticeships, career launch, and other relevant career connect Washington activities, and postsecondary bridge programs for forest sector or skill relevant trades that provide:
  - (i) On the job training;
  - (ii) Hard and soft skills development;
- (iii) Test preparation for trade
  apprenticeship;
- (iv) Advanced training in the forest sector relating to jobs such as: Hand crews; wildland firefighters; fire safety; equipment operators; timber operators; mill workers; mill or forestry technicians; mechanics; loggers; timber fallers; commercial truck drivers; foresters; ecologists; biologists; or other workforce needs in support of forest restoration and wildfire response;
- (b) Developing education programs for elementary, secondary, and higher education students that: (i) Inform people about the role of forestry, fire, vegetation management, and ecological restoration; (ii) increase the awareness of opportunities for careers in the forest sector and exposure of students to those careers through various work-based learning opportunities inside and outside the classroom; (iii) connect students in pathways to careers in the forest sector; and (iv) incorporate opportunities for secondary students to earn industry recognized credentials and dual credit in career and technical education courses;
- (c) Developing regional education, industry, and workforce development collaborations, including recruiting and building industry awareness and coordinating candidate development particularly in areas that are traditionally underrepresented in natural resource industries and specifically in forestry;
- (d) Building additional statewide response. The department shall develop a recruiting and outreach program across the state to encourage people to volunteer with their local fire departments. The department shall expand existing training programs to meet increased interest and need in wildfire response and forest health work; and

- (e) Developing a program to train local building and construction trade members and contractors to be deployed during periods requiring surge capacity for wildland fire suppression including:
- (i) As wildland firefighters who meet the requirements of being utilized by the department; and
- (ii) As heavy equipment operators who meet the requirements to be utilized by the department as required by RCW 76.04.181.
- (3) The commissioner and the director of the department of commerce must direct their staff to develop a plan for tracking, maintaining, and publicly reporting on the following:
- (a) A working definition of the forest sector workforce, including the job skills, certifications, and experience required;
- (b) Recommendations for the training, recruitment, and retention of the current and anticipated forest sector workforce necessary to implement the goals of this act;
- (c) The identification of gaps and barriers to a full forest sector workforce pool, including:
- (i) Estimates of forest sector workforce jobs created and retained as well as any reductions in the forest sector workforce;
- (ii) An estimate of the number of needed private contractors to implement the goals of this act, an inventory of local and regional private contractors trained to carry out wildfire response and forest health work, and a list of local private contractors utilized annually for wildfire response and forest health work; and
- (iii) An inventory of existing training facilities and programs that support ongoing and anticipated forest sector, or related sectors, as identified in subsection (2)(a)(iv) of this section;
- (d) Recommendations for addressing identified barriers or other needs to otherwise continue the development of a forest workforce necessary to implement the goals of this act.
- (4) The department and the department of corrections shall jointly develop opportunities to expand existing programs to provide the additional wildfire, forest health, and

- silvicultural capacity necessary to implement the goals of this act, including a postrelease program that helps formerly incarcerated individuals who served on state fire response crews obtain employment in wildfire suppression and forest management.
- (5) The department shall utilize existing programs such as the Washington conservation corps, Washington veterans corps, Washington service corps, customized and on-the-job training, or similar programs to expand opportunities and promote family wage careers in the forest sector workforce.
- (6) To the maximum extent possible, workforce development programs and policies should prioritize historically marginalized, underrepresented, rural, and low-income communities.
- (7) The department and the department of commerce, working with the forest health advisory committee, must assist forestland owners and forest products companies grow existing and develop new market opportunities for the utilization of material produced as a result of forest health treatments funded through the wildfire response, forest restoration, and community resilience account to improve the economic benefit of the treatments while increasing the speed, efficiency, and impact of forest restoration on the landscape.
- **Sec. 6.** RCW 76.06.150 and 2009 c 163 s 5 are each amended to read as follows:
- (1) The commissioner (( $\frac{\text{of public}}{\text{lands}}$ )) is designated as the state of Washington's lead for all forest health issues.
- (2) The commissioner ((of public lands)) shall strive to promote communications between the state, tribes, and the federal government regarding forestland management decisions that potentially affect the health of forests in Washington and will allow the state to have an influence on the management of federally owned land in Washington. Such government-togovernment cooperation is vital if the condition of the state's public and private forestlands are to be protected. These activities may include, when deemed by the commissioner to be in the best interest of the state:
- (a) Representing the state's interest before all appropriate local, state, and federal agencies and tribes;

- (b) Assuming the lead state role for developing formal comments on federal forest management plans that may have an impact on the health of forests in Washington;
- (c) Pursuing in an expedited manner any available and appropriate cooperative agreements, including cooperating agency status designation, with the United States forest service and the United States bureau of land management that allow for meaningful participation in any federal land management plans that could affect the department's strategic plan for healthy forests and effective fire prevention and suppression, including the pursuit of any options available for giving effect to the cooperative philosophy contained within the national environmental policy act of 1969 (42 U.S.C. Sec. 4331) ((; and

### <del>(d) Pursuing</del>)).

- (3) The commissioner shall regularly meet and coordinate with the regional leadership of the United States forest service, in order to:
- (a) Identify strategies to improve the delivery and increase the pace and scale of forest health and resiliency, and fuels mitigation treatments, on federal lands;
- (b) Document the resources needed to increase the capacity available to the United States forest service, on national forests in Washington;
- (c) Identify supplemental planning and implementation support to the United States forest service, through the use of cooperative agreements and good neighbor agreements, as that term is defined in RCW 79.02.010;
- (d) Maximize the utilization of available efficiencies for compliance with the national environmental policy act, as it applies to actions of the United States forest service in Washington, such as tools to increase the pace and scale of forest health treatments including, but not limited to, categorical exclusions, shared stewardship, and tribal forest protection act for forest health, fuels mitigation, and restoration activities;
- (e) Accelerate national environmental policy act completion for forest health and resiliency projects, including through increased staffing and the use of partners, contractors, and department

- expertise to complete national
  environmental policy act requirements
  analysis; and
- <u>(f) Pursue</u> agreements with federal agencies in the service of forest biomass energy partnerships and cooperatives authorized under RCW 43.30.835 through 43.30.840.
- (((3) The)) (4) Every two years, the commissioner ((of public lands)) shall report to the ((chairs of the appropriate standing committees of the)) legislature ((every year)) on progress under this section, including ((the)):
- (a) The identification, if deemed appropriate by the commissioner, of any needed state or federal statutory changes, policy issues, or funding needs; and
- (b) An estimate of the acres of atrisk forests on each national forest and the number of acres treated.

 $\underline{\text{NEW SECTION.}}$  **Sec. 7.** A new section is added to chapter 76.13 RCW to read as follows:

SMALL FORESTLAND OWNER FOREST HEALTH PROGRAM.

- (1) There is established an integrated small forestland owner forest health program that promotes the coordination and delivery of services with federal, state, and local agencies, including local fire districts, conservation districts, and community wildfire resilience coalitions, forest landowner associations, colleges and universities, landowner assistance organizations, consultants, forest resource-related and industries, environmental organizations to nonindustrial forests and woodland owners, hereafter referred to as small forestland owners.
- (2) Under the state forester's
  direction, the program must:
- (a) Integrate existing landowner assistance forest health programs consistent with the recommendations of "Washington's Small Forest Landowners in 2020, Status, Trends and Recommendations after 20 years of Forests & Fish, January 2021" (the report required by chapter 457, Laws of 2019), to more efficiently and effectively reach the diversity of small forestland owner audiences to take forest health action;

- (b) Identify and remove barriers to technical assistance, funding, and forest health management planning;
- (c) Increase education and outreach to small forestland owners; and
- (d) Distribute funding effectively to move high wildfire risk areas to lower risk.
- (3) Priority areas for forest health treatment under the Washington state forest action plan, the 10-year forest health strategic plan, and the wildland fire protection 10-year strategic plan may not prohibit technical support or stewardship plan support for small forestland owner lands outside the designated emphasis areas.
- NEW SECTION. Sec. 8. WILDFIRE AVIATION RESPONSE. The department must develop and implement a wildland fire aviation support plan, as recommended by the wildland fire protection 10-year strategic plan, in order to expand and improve the effectiveness and costefficiency of the department's wildland fire aviation program. The wildland fire aviation support plan must include:
- (1) Recommendations for the addition of air assets in order for the department to increase its initial attack capability and maintain and improve on the department's ability to manage fires to meet 10-year wildland fire protection and 20-year forest health strategic plan goals;
- (2) Development of a next-generation rotor wing platform strategy to ensure the availability and use of the latest firefighting aviation technology and provide a path for either the upgrade or replacement, or both, of the department's legacy aircraft;
- (3) Evaluation of opportunities to increase the use of contract air assets;
- (4) Evaluation of costs and benefits to increase dedicated air resources during peak fire season when there may be limited available supply due to wildfire activity in other states; and
- (5) Strategies to upgrade retardant loading and processing infrastructure to improve tanker turnaround time, including support for development of infrastructure to accommodate very large air tankers, at a port with an international airport within a county east of the crest of the Cascade

- mountains that does not share a border with another state.
- Sec. 9. RCW 72.64.160 and 1991 c 131 s 2 are each amended to read as follows:
- $\underline{(1)}$  For the purposes of RCW 72.64.150, inmate forest fire suppression crews may be considered a class I free venture industry, as defined in RCW 72.09.100, when fighting fires on federal lands.
- (2) For the purposes of RCW 72.64.050, inmate forest fire suppression and support crews when fighting fires must receive a gratuity no less than the minimum wage per hour paid in the locality in which the industry is located.
- <u>NEW SECTION.</u> **Sec. 10.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021, in the omnibus appropriations act, this act is null and void.
- <u>NEW SECTION.</u> **Sec. 11.** SHORT TITLE. This act may be known and cited as the wildfire response, forest restoration, and community resilience act.
- ${\rm \underline{NEW}}$  SECTION. Sec. 12. Sections 1 through 3, 5, and 8 of this act are each added to chapter 76.04 RCW and codified with the subchapter heading of "wildfire response, forest restoration, and community resilience.""
- On page 1, line 2 of the title, after "dangers;" strike the remainder of the title and insert "amending RCW 76.06.200, 76.06.150, and 72.64.160; adding new sections to chapter 76.04 RCW; adding a new section to chapter 76.13 RCW; and creating new sections."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

## SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1168 and advanced the bill, as amended by the Senate, to final passage.

# FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Springer and Dent spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1168, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1168, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

SECOND SUBSTITUTE HOUSE BILL NO. 1168, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate has passed HOUSE BILL NO. 1316 with the following amendment:

Strike everything after the enacting clause and insert the following:

- "Sec. 1. RCW 74.60.005 and 2019 c 318 s 1 are each amended to read as follows:
- (1) The purpose of this chapter is to provide for a safety net assessment on certain Washington hospitals, which will be used solely to augment funding from all other sources and thereby support additional payments to hospitals for medicaid services as specified in this chapter.
- (2) The legislature finds that federal health care reform will result in an expansion of medicaid enrollment in this state and an increase in federal financial participation.

- (3) In adopting this chapter, it is the intent of the legislature:
- (a) To impose a hospital safety net assessment to be used solely for the purposes specified in this chapter;
- (b) To generate approximately one billion dollars per state fiscal biennium in new state and federal funds by disbursing all of that amount to pay for medicaid hospital services and grants to certified public expenditure critical access hospitals, except costs of administration as specified in this chapter, in the form of additional payments to hospitals and managed care plans, which may not be a substitute for payments from other sources, but which include quality improvement incentive payments under RCW 74.09.611;
- (c) To generate two hundred ninety-two million dollars per biennium during the  $((\frac{2019-2021 \text{ and}}{2025}))$  2021-2023 and 2023-2025 biennia in new funds to be used in lieu of state general fund payments for medicaid hospital services;
- (d) That the total amount assessed not exceed the amount needed, in combination with all other available funds, to support the payments authorized by this chapter;
- (e) To condition the assessment on receiving federal approval for receipt of additional federal financial participation and on continuation of other funding sufficient to maintain aggregate payment levels to hospitals for and inpatient outpatient services covered by medicaid, including fee-forservice and managed care, at least at the rates the state paid for those services on July 1, 2015, as adjusted for current enrollment and utilization; and
- (f) For each of the two biennia starting with fiscal year (( $\frac{2020}{}$ ))  $\frac{2022}{}$  to generate:
- (i) Four million dollars for new integrated evidence-based psychiatry residency program slots that did not receive state funding prior to 2016 at the integrated psychiatry residency program at the University of Washington; and
- (ii) Eight million two hundred thousand dollars for family medicine residency program slots that did not receive state funding prior to 2016, as directed through the family medicine residency network at the University of

Washington, for slots where residents are employed by hospitals.

- **Sec. 2.** RCW 74.60.020 and 2019 c 318 s 3 are each amended to read as follows:
- (1) A dedicated fund is hereby established within the state treasury to be known as the hospital safety net assessment fund. The purpose and use of the fund shall be to receive and disburse funds, together with accrued interest, in accordance with this chapter. Moneys in the fund, including interest earned, shall not be used or disbursed for any purposes other than those specified in this chapter. Any amounts expended from the fund that are later recouped by the authority on audit or otherwise shall be returned to the fund.
- (a) Any unexpended balance in the fund at the end of a fiscal year shall carry over into the following fiscal year or that fiscal year and the following fiscal year and shall be applied to reduce the amount of the assessment under RCW 74.60.050(1)(c).
- (b) Any amounts remaining in the fund after July 1,  $((\frac{2023}{}))$   $\underline{2025}$ , shall be refunded to hospitals, pro rata according to the amount paid by the hospital since July 1, 2013, subject to the limitations of federal law.
- (2) All assessments, interest, and penalties collected by the authority under RCW 74.60.030 and 74.60.050 shall be deposited into the fund.
- (3) Disbursements from the fund are conditioned upon appropriation and the continued availability of other funds sufficient to maintain aggregate payment levels to hospitals for inpatient and outpatient services covered by medicaid, including fee-for-service and managed care, at least at the levels the state paid for those services on July 1, 2015, as adjusted for current enrollment and utilization.
- (4) Disbursements from the fund may be made only:
- (a) To make payments to hospitals and managed care plans as specified in this chapter;
- (b) To refund erroneous or excessive payments made by hospitals pursuant to this chapter;
- (c) For one million dollars per biennium for payment of administrative expenses incurred by the authority in

- performing the activities authorized by this chapter;
- (d) For two hundred ninety-two million dollars per biennium, to be used in lieu of state general fund payments for medicaid hospital services, provided that if the full amount of the payments required under RCW 74.60.120 and 74.60.130 cannot be distributed in a given fiscal year, this amount must be reduced proportionately;
- (e) To repay the federal government for any excess payments made to hospitals from the fund if the assessments or payment increases set forth in this chapter are deemed out of compliance with federal statutes and regulations in a final determination by a court of competent jurisdiction with all appeals exhausted. In such a case, the authority may require hospitals receiving excess payments to refund the payments in question to the fund. The state in turn shall return funds to the federal government in the same proportion as the original financing. If a hospital is unable to refund payments, the state shall develop either a payment plan, or deduct moneys from future medicaid payments, or both;
- (f) To pay an amount sufficient, when combined with the maximum available amount of federal funds necessary to provide a one percent increase in medicaid hospital inpatient rates to hospitals eligible for quality improvement incentives under RCW 74.09.611. By May 16, 2018, and by each May 16 thereafter, the authority, in cooperation with the department health, must verify that each hospital eligible to receive quality improvement incentives under the terms of this chapter is in substantial compliance with the reporting requirements in RCW 43.70.052 and 70.01.040 for the prior period. For the purposes of this subsection, "substantial compliance" means, in the prior period, the hospital has submitted at least nine of the twelve monthly reports by the due date. The authority must distribute quality improvement incentives to hospitals that have met these requirements beginning July 1 of 2018 and each July 1 thereafter; and
- (g) For each state fiscal year (( $\frac{2020}{}$ ))  $\frac{2022}{}$  through (( $\frac{2023}{}$ ))  $\frac{2025}{}$  to generate:

- (i) Two million dollars for integrated evidence-based psychiatry residency program slots that did not receive state funding prior to 2016 at the integrated psychiatry residency program at the University of Washington; and
- (ii) Four million one hundred thousand dollars for family medicine residency program slots that did not receive state funding prior to 2016, as directed through the family medicine residency network at the University of Washington, for slots where residents are employed by hospitals.
- Sec. 3. RCW 74.60.090 and 2019 c 318 s 6 are each amended to read as follows:
- (1) In each fiscal year commencing upon satisfaction of the applicable conditions in RCW 74.60.150(1), funds must be disbursed from the fund and the authority shall make grants to certified public expenditure hospitals, which shall not be considered payments for hospital services, as follows:
- (a) University of Washington medical center: ((Ten million five hundred fifty-five thousand dollars in state fiscal year 2020 and up)) Up to twelve million fifty-five thousand dollars in state fiscal year (( $\frac{2021}{1}$ ))  $\frac{2022}{1}$  through (( $\frac{2023}{1}$ ))  $\frac{2025}{2}$  paid as follows, except if the full amount of the payments required under RCW 74.60.120(1) and 74.60.130 cannot be distributed in a given fiscal year, the amounts in this subsection must be reduced proportionately:
- (i) ((Four))  $\underline{\text{Five}}$  million ((Four))  $\underline{\text{nine}}$  hundred fifty-five thousand dollars in state fiscal years ((2020))  $\underline{2022}$  through ((2023, except that from state fiscal year 2021 through 2023, if northwest hospital is ineligible to participate in this chapter as a prospective payment hospital, the amount per state fiscal year must be five million nine hundred fifty-five thousand dollars))  $\underline{2025}$ ;
- (ii) Two million dollars to integrated, evidence-based psychiatry residency program slots that did not receive state funding prior to 2016, at the integrated psychiatry residency program at the University of Washington; and
- (iii) Four million one hundred thousand dollars to family medicine residency program slots that did not receive state funding prior to 2016, as directed through the family medicine

- residency network at the University of Washington, for slots where residents are employed by hospitals;
- (b) Harborview medical center: Ten million two hundred sixty thousand dollars in each state fiscal year ((2020)) 2022 through ((2023)) 2025, except if the full amount of the payments required under RCW 74.60.120(1) and 74.60.130 cannot be distributed in a given fiscal year, the amounts in this subsection must be reduced proportionately;
- All other certified public expenditure hospitals: Five million six hundred fifteen thousand dollars in each state fiscal year ((<del>2020</del>)) 2022 through ((2023)) 2025, except if the full amount of the payments required under RCW 74.60.120(1) and 74.60.130 cannot be distributed in a given fiscal year, the amounts in this subsection must be reduced proportionately. The amount of payments to individual hospitals under this subsection must be determined using a methodology that provides each hospital with a proportional allocation of the group's total amount of medicaid and state children's health insurance program payments determined from claims and encounter data using the same general methodology set forth in RCW 74.60.120 (3) and (4).
- (2) Payments must be made quarterly, before the end of each quarter, taking the total disbursement amount and dividing by four to calculate the quarterly amount. The authority shall provide a quarterly report of such payments to the Washington state hospital association.
- **Sec. 4.** RCW 74.60.901 and 2019 c 318 s 8 are each amended to read as follows:

This chapter expires July 1, ((2023)) 2025."

On page 1, line 1 of the title, after "assessment;" strike the remainder of the title and insert "amending RCW 74.60.005, 74.60.020, 74.60.090, and 74.60.901; and providing an expiration date."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1316 and

advanced the bill, as amended by the Senate, to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Cody and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 1316, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1316, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 90; Nays, 7; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chase, Dufault, Kraft, McCaslin, Mosbrucker, Orcutt and Sutherland.

Excused: Representative McEntire.

HOUSE BILL NO. 1316, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

## MESSAGE FROM THE SENATE

April 5, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 84.56.020 and 2019 c 332 s 1 are each amended to read as follows:

### Treasurers' tax collection duties.

(1) The county treasurer must be the receiver and collector of all taxes extended upon the tax rolls of the county, whether levied for state, county, school, bridge, road, municipal or other

purposes, and also of all fines, forfeitures or penalties received by any person or officer for the use of his or her county. No treasurer may accept tax payments or issue receipts for the same until the treasurer has completed the tax roll for the current year's collection provided notification completion of the roll. Notification may accomplished electronically, posting a notice in the office, through other written communication as determined by the treasurer. All real and personal property taxes and assessments made payable by the provisions of this title are due and payable to the county treasurer on or before the thirtieth day of April and, except as provided in this section, are delinquent after that date.

#### Tax statements.

- (2)(a) Tax statements for the current year's collection must be distributed to each taxpayer on or before March 15th provided that:
- (i) All city and other taxing district budgets have been submitted to county legislative authorities by November 30th per RCW 84.52.020;
- (ii) The county legislative authority in turn has certified taxes levied to the county assessor by November 30th per RCW 84.52.070; and
- (iii) The county assessor has delivered the tax roll to the county treasurer by January 15th per RCW 84.52.080.
- (b) Each tax statement must include a notice that checks for payment of taxes may be made payable to "Treasurer of . . . . . County" or other appropriate office, but tax statements may not include any suggestion that checks may be made payable to the name of the individual holding the office of treasurer nor any other individual.
- (c) Each tax statement distributed to an address must include a notice with information describing the:
- (i) Property tax exemption program pursuant to RCW 84.36.379 through 84.36.389; and
- (ii) Property tax deferral program pursuant to chapter 84.38 RCW.

### Tax payment due dates.

On-time tax payments: First-half taxes paid by April 30th and second-half taxes paid by October 31st.

(3) When the total amount of tax or special assessments on personal property or on any lot, block or tract of real property payable by one person is fifty dollars or more, and if one-half of such tax is paid on or before the thirtieth day of April, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

# Delinquent tax payments for current year: First-half taxes paid after April 30th.

(4) When the total amount of tax or special assessments on any lot, block or tract of real property or on any mobile home payable by one person is fifty dollars or more, and if one-half of such tax is paid after the thirtieth day of April but before the thirty-first day of October, together with the applicable interest and penalty on the full amount of tax payable for that year, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

# Delinquent tax payments: Interest, penalties, and treasurer duties.

- (5) (a) Except as provided in (c) of this subsection, delinquent taxes under this section are subject to interest ((at the rate of twelve percent per annum)) as provided in this subsection computed on a monthly basis on the amount of tax delinquent from the date of delinquency until paid. Interest must be calculated at the rate in effect at the time of the tax payment, regardless of when the taxes were first delinquent. ((In addition))
- (i) Until December 31, 2022, the interest rate is 12 percent per annum for all nonresidential real property and residential real property.
- (ii) Beginning January 1, 2023, interest rates are as follows:
- (A) Twelve percent per annum for all nonresidential real property and for residential real property with greater than four units per taxable parcel; or
- (B) Nine percent per annum for all residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030.
- (b)(i) Penalties on delinquent taxes under this section may not be assessed

- beginning the effective date of this section and through December 31, 2022.
- (ii) Beginning January 1, 2023, delinquent taxes under this section are subject to penalties for nonresidential real property and for residential real property with greater than four units per taxable parcel as follows:
- $((\frac{(a)}{a}))$  (A) A penalty of three percent of the amount of tax delinquent is assessed on the tax delinquent on June 1st of the year in which the tax is due.
- $((\frac{(b)}{b}))$  <u>(B)</u> An additional penalty of eight percent is assessed on the delinquent tax amount on December 1st of the year in which the tax is due.
- (iii) Penalties may not be assessed on residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030.
- (c) (i) If a taxpayer is successfully participating in a payment agreement under subsection (15) (b) of this section or a partial payment program pursuant to subsection (15) (c) of this section, the county treasurer may not assess additional penalties on delinquent taxes that are included within the payment agreement. Interest and penalties that have been assessed prior to the payment agreement remain due and payable as provided in the payment agreement.
- (ii) The following remain due and payable as provided in any payment agreement:
- (A) Interest that has been assessed prior to the payment agreement; and
- (B) Penalties assessed prior to the effective date of this section that have been assessed prior to the payment agreement.
- (6) A county treasurer must provide notification to each taxpayer whose taxes have become delinquent under subsections (4) and (5) of this section. The delinquency notice must specify where the taxpayer can obtain information regarding:
- (a) Any current tax or special assessments due as of the date of the notice;
- (b) Any delinquent tax or special assessments due, including any penalties and interest, as of the date of the notice; and

- (c) Where the taxpayer can pay his or her property taxes directly and contact information, including but not limited to the phone number, for the statewide foreclosure hotline recommended by the Washington state housing finance commission.
- (7) Within ninety days after the expiration of two years from the date of delinquency (when a taxpayer's taxes have become delinquent), the county treasurer must provide the name and property address of the delinquent taxpayer to a homeownership resource center or any other designated local or state entity recommended by the Washington state housing finance commission.

#### Collection of foreclosure costs.

- (8) (a) When real property taxes become delinquent and prior to the filing of the certificate of delinquency, the treasurer is authorized to assess and collect tax foreclosure avoidance costs.
- (b) When tax foreclosure avoidance costs are collected, such costs must be credited to the county treasurer service fund account, except as otherwise directed.
- (c) For purposes of chapter 84.64 RCW, any taxes, interest, or penalties deemed delinquent under this section remain delinquent until such time as all taxes, interest, and penalties for the tax year in which the taxes were first due and payable have been paid in full.

### Periods of armed conflict.

(9) Subsection (5) of this section notwithstanding, no interest or penalties may be assessed during any period of armed conflict regarding delinquent taxes imposed on the personal residences owned by active duty military personnel who are participating as part of one of the branches of the military involved in the conflict and assigned to a duty station outside the territorial boundaries of the United States.

### State of emergency.

(10) During a state of emergency declared under RCW 43.06.010(12), the county treasurer, on his or her own motion or at the request of any taxpayer affected by the emergency, may grant extensions of the due date of any taxes payable under this section as the treasurer deems proper.

## Retention of funds from interest.

- (11) All collections of interest on delinquent taxes must be credited to the county current expense fund.
- (12) For purposes of this chapter, "interest" means both interest and penalties.

# Retention of funds from property foreclosures and sales.

(13) The direct cost of foreclosure and sale of real property, and the direct fees and costs of distraint and sale of personal property, for delinquent taxes, must, when collected, be credited to the operation and maintenance fund of the county treasurer prosecuting the foreclosure or distraint or sale; and must be used by the county treasurer as a revolving fund to defray the cost of further foreclosure, distraint, and sale because of delinquent taxes without regard to budget limitations and not subject to indirect costs of other charges.

# Tax due dates and options for tax payment collections.

### Electronic billings and payments.

- (14) For purposes of this chapter, and in accordance with this section and RCW 36.29.190, the treasurer may collect taxes, assessments, fees, rates, interest, and charges by electronic billing and payment. Electronic billing and payment may be used as an option by the taxpayer, but the treasurer may not require the use of electronic billing and payment. Electronic bill presentment and payment may be on a monthly or other periodic basis as the treasurer deems proper for:
  - (a) Delinquent tax year payments; and
  - (b) Prepayments of current tax.

### Tax payments.

## Prepayment for current taxes.

(15)(a) The treasurer may accept prepayments for current year taxes by any means authorized. All prepayments must be paid in full by the due date specified in subsection (16) of this section.

# Payment agreements for current year taxes.

(b)(i) The treasurer may provide, by electronic means or otherwise, a payment agreement that provides for payment of current year taxes, inclusive of prepayment collection charges. The

payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for current year taxes.

# Payment agreements for delinquent year taxes.

- (ii) (A) The treasurer may provide, by electronic means or otherwise, a payment agreement for payment of past due delinquencies. The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for past due delinquent taxes and charges.
- (B) Tax payments received by a treasurer for delinquent year taxes from a taxpayer participating on a payment agreement must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

# Partial payments: Acceptance of partial payments for current and delinquent taxes.

- (c)(i) In addition to the payment agreement program in (b) of this subsection, the treasurer may accept partial payment of any current and delinquent taxes including interest and penalties by any means authorized including electronic bill presentment and payments.
- (ii) All tax payments received by a treasurer for delinquent year taxes from a taxpayer paying a partial payment must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

# Payment for delinquent taxes.

(d) Payments on past due taxes must include collection of the oldest delinquent year, which includes interest, penalties, and taxes within an eighteen-month period, prior to filing a certificate of delinquency under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

#### Due date for tax payments.

(16) All taxes upon real and personal property made payable by the provisions of this title are due and payable to the treasurer on or before the thirtieth day of April and are delinquent after that date. The remainder of the tax is due and

payable on or before the following thirty-first of October and is delinquent after that date. All other assessments, fees, rates, and charges are delinquent after the due date.

#### Electronic funds transfers.

- (17) A county treasurer may authorize payment of:
- (a) Any current property taxes due under this chapter by electronic funds transfers on a monthly or other periodic basis; and
- (b) Any past due property taxes, penalties, and interest under this chapter by electronic funds transfers on a monthly or other periodic basis. Delinquent taxes are subject to interest and penalties, as provided in subsection (5) of this section. All tax payments received by a treasurer from a taxpayer paying delinquent year taxes must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

# Payment for administering prepayment collections.

(18) The treasurer must pay any collection costs, investment earnings, or both on past due payments or prepayments to the credit of a county treasurer service fund account to be created and used only for the payment of expenses incurred by the treasurer, without limitation, in administering the system for collecting prepayments.

# Waiver of interest and penalties for qualified taxpayers subject to foreclosure.

- (19) No earlier than sixty days prior to the date that is three years after the date of delinquency, the treasurer must waive all outstanding interest and penalties on delinquent taxes due from a taxpayer if the property is subject to an action for foreclosure under chapter 84.64 RCW and the following requirements are met:
- (a) The taxpayer is income-qualified under RCW 84.36.381(5) (a), as verified by the county assessor;
- (b) The taxpayer occupies the property as their principal place of residence; and
- (c) The taxpayer has not previously received a waiver on the property as provided under this subsection.

#### Definitions.

- (20) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
- (a) "Electronic billing and payment" means statements, invoices, or bills that are created, delivered, and paid using the internet. The term includes an automatic electronic payment from a person's checking account, debit account, or credit card.
- (b) "Internet" has the same meaning as provided in RCW 19.270.010.  $\,$
- (c) "Tax foreclosure avoidance costs" means those direct costs associated with the administration of properties subject to and prior to foreclosure. Tax foreclosure avoidance costs include:
- (i) Compensation of employees for the time devoted to administering the avoidance of property foreclosure; and
- (ii) The cost of materials, services, or equipment acquired, consumed, or expended in administering tax foreclosure avoidance prior to the filing of a certificate of delinquency.

NEW SECTION. Sec. 2. This act takes effect January 1, 2022."

On page 1, line 1 of the title, after "foreclosure;" strike the remainder of the title and insert "amending RCW 84.56.020; and providing an effective date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410 and advanced the bill, as amended by the Senate, to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Volz and Berg spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1410, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1410, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 5, 2021

Madame Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1482 with the following amendment:

Strike everything after the enacting clause and insert the following:

- "Sec. 1. RCW 64.90.485 and 2019 c 238 s 211 are each amended to read as follows:
- (1) The association has a statutory lien on each unit for any unpaid assessment against the unit from the time such assessment is due.
- (2) A lien under this section has priority over all other liens and encumbrances on a unit except:
- (a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances that the association creates, assumes, or takes subject to;
- (b) Except as otherwise provided in subsection (3) of this section, a security interest on the unit recorded before the date on which the unpaid assessment became due or, in a cooperative, a security interest

encumbering only the unit owner's interest and perfected before the date on which the unpaid assessment became due; and

- (c) Liens for real estate taxes and other state or local governmental assessments or charges against the unit or cooperative.
- (3) (a) A lien under this section also has priority over the security interests described in subsection (2) (b) of this section to the extent of an amount equal to the following:
- (i) The common expense assessments, excluding any amounts for capital improvements, based on the periodic budget adopted by the association pursuant to RCW 64.90.480(1), along with any specially allocated assessments that are properly assessable against the unit under such periodic budget, which would have become due in the absence of acceleration during the six months immediately preceding the institution of proceedings to foreclose either the association's lien or a security interest described in subsection (2)(b) of this section:
- (ii) The association's actual costs and reasonable attorneys' fees incurred in foreclosing its lien but incurred after the giving of the notice described in (a) (iii) of this subsection; provided, however, that the costs and reasonable attorneys' fees that will have priority under this subsection (3) (a) (ii) shall not exceed two thousand dollars or an amount equal to the amounts described in (a) (i) of this subsection, whichever is less;
- (iii) The amounts described in (a) (ii) of this subsection shall be prior only to the security interest of the holder of a security interest on the unit recorded before the date on which the unpaid assessment became due and only if the association has given that holder not less than sixty days' prior written notice that the owner of the unit is in default in payment of an assessment. The notice shall contain:
  - (A) Name of the borrower;
- (B) Recording date of the trust deed or mortgage;
  - (C) Recording information;
- (D) Name of condominium, unit owner, and unit designation stated in the

declaration or applicable supplemental declaration;

- (E) Amount of unpaid assessment; and
- (F) A statement that failure to, within sixty days of the written notice, submit the association payment of six months of assessments as described in (a) (i) of this subsection will result in the priority of the amounts described in (a) (ii) of this subsection; and
- (iv) Upon payment of the amounts described in (a)(i) and (ii) of this subsection by the holder of a security interest, the association's lien described in this subsection (3)(a) shall thereafter be fully subordinated to the lien of such holder's security interest on the unit.
- (b) For the purposes of this subsection:
- (i) "Institution of proceedings" means
  either:
- (A) The date of recording of a notice of trustee's sale by a deed of trust beneficiary;
- (B) The date of commencement, pursuant to applicable court rules, of an action for judicial foreclosure either by the association or by the holder of a recorded security interest; or
- (C) The date of recording of a notice of intention to forfeit in a real estate contract forfeiture proceeding by the vendor under a real estate contract.
- (ii) "Capital improvements" does not include making, in the ordinary course of management, repairs to common elements or replacements of the common elements with substantially similar items, subject to:
  (A) Availability of materials and products, (B) prevailing law, or (C) sound engineering and construction standards then prevailing.
- (c) The adoption of a periodic budget that purports to allocate to a unit any fines, late charges, interest, attorneys' fees and costs incurred for services unrelated to the foreclosure of the association's lien, other collection charges, or specially allocated assessments assessed under RCW 64.90.480 (6) or (7) does not cause any such items to be included in the priority amount affecting such unit.
- (4) Subsections (2) and (3) of this section do not affect the priority of mechanics' or material suppliers' liens

- to the extent that law of this state other than chapter 277, Laws of 2018 gives priority to such liens, or the priority of liens for other assessments made by the association.
- (5) A lien under this section is not subject to chapter 6.13 RCW.
- (6) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided under subsection (13) of this section, the association is not entitled to the lien priority provided for under subsection (3) of this section, and is subject to the limitations on deficiency judgments as provided in chapter 61.24 RCW.
- (7) Unless the declaration provides otherwise, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority as to each other, and any foreclosure of one such lien shall not affect the lien of the other.
- (8) Recording of the declaration constitutes record notice and perfection of the statutory lien created under this section. Further notice or recordation of any claim of lien for assessment under this section is not required, but is not prohibited.
- (9) A lien for unpaid assessments and the personal liability for payment of those assessments are extinguished unless proceedings to enforce the lien or collect the debt are instituted within six years after the full amount of the assessments sought to be recovered becomes due.
- (10) This section does not prohibit actions against unit owners to recover sums for which subsection (1) of this section creates a lien or prohibit an association from taking a deed in lieu of foreclosure.
- (11) The association upon written request must furnish to a unit owner or a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments or the priority amount against that unit, or both. The statement must be furnished within fifteen days after receipt of the request and is binding on the association, the board, and every unit owner unless, and to the extent, known by the recipient to be false. The liability of a recipient who reasonably relies upon the statement must

- not exceed the amount set forth in any statement furnished pursuant to this section or RCW 64.90.640(1)(b).
- (12) In a cooperative, upon nonpayment of an assessment on a unit, the unit owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and the lien may be foreclosed as provided under this section.
- (13) The association's lien may be foreclosed in accordance with (a) and (b) of this subsection.
- (a) In a common interest community other than a cooperative, the association's lien may be foreclosed judicially in accordance with chapter 61.12 RCW, subject to any rights of redemption under chapter 6.23 RCW.
- The lien may be enforced nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration: Contains a grant of the common interest community in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, contains a power of sale, provides in its terms that the units are not used principally for agricultural purposes, and provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized representative may purchase the unit at the foreclosure sale and acquire, hold, lease, mortgage, or convey the unit. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption is eight months.
- (c) In a cooperative in which the unit owners' interests in the units are real estate, the association's lien must be foreclosed in like manner as a mortgage on real estate or by power of sale under (b) of this subsection.
- (d) In a cooperative in which the unit owners' interests in the units are personal property, the association's lien must be foreclosed in like manner as a security interest under chapter 62A.9A RCW.
- (14) If the unit owner's interest in a unit in a cooperative is real estate, the following requirements apply:

- (a) The association, upon nonpayment of assessments and compliance with this subsection, may sell that unit at a public sale or by private negotiation, and at any time and place. The association must give to the unit owner and any lessee of the unit owner reasonable notice in a record of the time, date, and place of any public sale or, if a private sale is intended, of the intention of entering into a contract to sell and of the time and date after which a private conveyance may be made. Such notice must also be sent to any other person that has a recorded interest in the unit that would be cut off by the sale, but only if the recorded interest was on record seven weeks before the date specified in the notice as the date of any public sale or seven weeks before the date specified in the notice as the date after which a private sale may be made. The notices required under subsection may be sent to any address reasonable in the circumstances. A sale may not be held until five weeks after the sending of the notice. The association may buy at any public sale and, if the sale is conducted by a fiduciary or other person not related to the association, at a private sale.
- (b) Unless otherwise agreed to or as stated in this section, the unit owner is liable for any deficiency in a foreclosure sale.
- (c) The proceeds of a foreclosure sale must be applied in the following order:
  - (i) The reasonable expenses of sale;
- (ii) The reasonable expenses of securing possession before sale; the reasonable expenses of holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges and premiums on insurance; and, to the extent provided for by agreement between the association and the unit owner, reasonable attorneys' fees, costs, and other legal expenses incurred by the association;
- (iii) Satisfaction of the
  association's lien;
- (iv) Satisfaction in the order of priority of any subordinate claim of record; and
- (v) Remittance of any excess to the unit owner.
- (d) A good-faith purchaser for value acquires the unit free of the

- association's debt that gave rise to the lien under which the foreclosure sale occurred and any subordinate interest, even though the association or other person conducting the sale failed to comply with this section. The person conducting the sale must execute a conveyance to the purchaser sufficient to convey the unit and stating that it is executed by the person after foreclosure of the association's lien by power of sale and that the person was empowered to make the sale. Signature and title or authority of the person signing the conveyance as grantor and a recital of the facts of nonpayment of the assessment and of the giving of the notices required under this subsection are sufficient proof of the facts recited and of the authority to sign. Further proof of authority is not required even though the association is named as grantee in the conveyance.
- (e) At any time before the association has conveyed a unit in a cooperative or entered into a contract for conveyance under the power of sale, the unit owners or the holder of any subordinate security interest may cure the unit owner's default and prevent sale or other conveyance by tendering the performance due under the security agreement, including any amounts due because of exercise of a right to accelerate, plus the reasonable expenses of proceeding to foreclosure incurred to the time of tender, including reasonable attorneys' fees and costs of creditor.
- (15) In an action by an association to collect assessments or to foreclose a lien on a unit under this section, the court may appoint a receiver to collect all sums alleged to be due and owing to a unit owner before commencement or during pendency of the action. The receivership is governed under chapter 7.60 RCW. During pendency of the action, the court may order the receiver to pay sums held by the receiver to the association for any assessments against the unit. The exercise of rights under this subsection by the association does not affect the priority of preexisting liens on the unit.
- (16) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure is not liable for assessments or installments of

assessments that became due prior to such right of possession. Such unpaid assessments are deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior unit owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.

- (17) In addition to constituting a lien on the unit, each assessment is the joint and several obligation of the unit owner of the unit to which the same are assessed as of the time the assessment is due. A unit owner may not exempt himself herself from liability assessments. In a voluntary conveyance other than by foreclosure, the grantee of a unit is jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee. Suit to recover a personal judgment for any delinquent assessment is maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.
- (18) The association may from time to time establish reasonable late charges and a rate of interest to be charged, not to exceed the maximum rate calculated under RCW 19.52.020, on all subsequent delinquent assessments or installments of assessments. If the association does not establish such a rate, delinquent assessments bear interest from the date of delinquency at the maximum rate calculated under RCW 19.52.020 on the date on which the assessments became delinquent.
- (19) The association is entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in a suit being commenced or prosecuted to judgment. The prevailing party is also entitled to recover costs and reasonable attorneys' fees in such suits, including any appeals, if it prevails on appeal and in the enforcement of a judgment.
- (20) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for

- collection of assessments as may be permitted by law.
- (21) An association may not commence an action to foreclose a lien on a unit under this section unless:
- (a) The unit owner, at the time the action is commenced, owes at least a sum equal to ((at least three months of common expense assessments)) the greater of:
- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

# THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE UNIT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

- CONTACTAHOUSINGCOUNSELORORANATTORNEYLICENSEDINWASHINGTONNOWtoassessyoursituationand referyoutomediationifyoumightbenefitDONOTDELAY:
- BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.
- REFER TO THE CONTACTS BELOW for sources of assistance.

# SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and

opportunities to keep your house, you may
contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . Website: . .

The United States Department of Housing and Urban Development

Telephone: . . . . . Website: . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: . . . . . Website: . .

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

- (c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and
- $((\frac{b}{b}))$  <u>(d)</u> The board approves commencement of a foreclosure action specifically against that unit.
- (22) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.
- **Sec. 2.** RCW 64.90.485 and 2021 c ... s 1 (section 1 of this act) are each amended to read as follows:
- (1) The association has a statutory lien on each unit for any unpaid assessment against the unit from the time such assessment is due.
- (2) A lien under this section has priority over all other liens and encumbrances on a unit except:
- (a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances that the association creates, assumes, or takes subject to;
- (b) Except as otherwise provided in subsection (3) of this section, a security interest on the unit recorded before the date on which the unpaid assessment became due or, in a cooperative, a security interest encumbering only the unit owner's

interest and perfected before the date on which the unpaid assessment became due; and

- (c) Liens for real estate taxes and other state or local governmental assessments or charges against the unit or cooperative.
- (3) (a) A lien under this section also has priority over the security interests described in subsection (2)(b) of this section to the extent of an amount equal to the following:
- (i) The common expense assessments, excluding any amounts for capital improvements, based on the periodic budget adopted by the association pursuant to RCW 64.90.480(1), along with any specially allocated assessments that are properly assessable against the unit under such periodic budget, which would have become due in the absence of acceleration during the six months immediately preceding the institution of proceedings to foreclose either the association's lien or a security interest described in subsection (2)(b) of this section;
- (ii) The association's actual costs and reasonable attorneys' fees incurred in foreclosing its lien but incurred after the giving of the notice described in (a) (iii) of this subsection; provided, however, that the costs and reasonable attorneys' fees that will have priority under this subsection (3)(a)(ii) shall not exceed two thousand dollars or an amount equal to the amounts described in (a)(i) of this subsection, whichever is less;
- (iii) The amounts described in (a) (ii) of this subsection shall be prior only to the security interest of the holder of a security interest on the unit recorded before the date on which the unpaid assessment became due and only if the association has given that holder not less than sixty days' prior written notice that the owner of the unit is in default in payment of an assessment. The notice shall contain:
  - (A) Name of the borrower;
- (B) Recording date of the trust deed or mortgage;
  - (C) Recording information;
- (D) Name of condominium, unit owner, and unit designation stated in the declaration or applicable supplemental declaration;

- (E) Amount of unpaid assessment; and
- (F) A statement that failure to, within sixty days of the written notice, submit the association payment of six months of assessments as described in (a)(i) of this subsection will result in the priority of the amounts described in (a)(ii) of this subsection; and
- (iv) Upon payment of the amounts described in (a)(i) and (ii) of this subsection by the holder of a security interest, the association's lien described in this subsection (3)(a) shall thereafter be fully subordinated to the lien of such holder's security interest on the unit.
- (b) For the purposes of this
  subsection:
- (i) "Institution of proceedings" means
  either:
- (A) The date of recording of a notice of trustee's sale by a deed of trust beneficiary;
- (B) The date of commencement, pursuant to applicable court rules, of an action for judicial foreclosure either by the association or by the holder of a recorded security interest; or
- (C) The date of recording of a notice of intention to forfeit in a real estate contract forfeiture proceeding by the vendor under a real estate contract.
- (ii) "Capital improvements" does not include making, in the ordinary course of management, repairs to common elements or replacements of the common elements with substantially similar items, subject to:

  (A) Availability of materials and products, (B) prevailing law, or (C) sound engineering and construction standards then prevailing.
- (c) The adoption of a periodic budget that purports to allocate to a unit any fines, late charges, interest, attorneys' fees and costs incurred for services unrelated to the foreclosure of the association's lien, other collection charges, or specially allocated assessments assessed under RCW 64.90.480 (6) or (7) does not cause any such items to be included in the priority amount affecting such unit.
- (4) Subsections (2) and (3) of this section do not affect the priority of mechanics' or material suppliers' liens to the extent that law of this state other than chapter 277, Laws of 2018

- gives priority to such liens, or the priority of liens for other assessments made by the association.
- (5) A lien under this section is not subject to chapter 6.13 RCW.
- (6) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided under subsection (13) of this section, the association is not entitled to the lien priority provided for under subsection (3) of this section, and is subject to the limitations on deficiency judgments as provided in chapter 61.24 RCW.
- (7) Unless the declaration provides otherwise, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority as to each other, and any foreclosure of one such lien shall not affect the lien of the other.
- (8) Recording of the declaration constitutes record notice and perfection of the statutory lien created under this section. Further notice or recordation of any claim of lien for assessment under this section is not required, but is not prohibited.
- (9) A lien for unpaid assessments and the personal liability for payment of those assessments are extinguished unless proceedings to enforce the lien or collect the debt are instituted within six years after the full amount of the assessments sought to be recovered becomes due.
- (10) This section does not prohibit actions against unit owners to recover sums for which subsection (1) of this section creates a lien or prohibit an association from taking a deed in lieu of foreclosure.
- (11) The association upon written request must furnish to a unit owner or a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments or the priority amount against that unit, or both. The statement must be furnished within fifteen days after receipt of the request and is binding on the association, the board, and every unit owner unless, and to the extent, known by the recipient to be false. The liability of a recipient who reasonably relies upon the statement must not exceed the amount set forth in any

statement furnished pursuant to this section or RCW 64.90.640(1) (b).

- (12) In a cooperative, upon nonpayment of an assessment on a unit, the unit owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and the lien may be foreclosed as provided under this section.
- (13) The association's lien may be foreclosed in accordance with (a) and (b) of this subsection.
- (a) In a common interest community other than a cooperative, the association's lien may be foreclosed judicially in accordance with chapter 61.12 RCW, subject to any rights of redemption under chapter 6.23 RCW.
- The lien may be enforced nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration: Contains a grant of the common interest community in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, contains a power of sale, provides in its terms that the units are not used principally for agricultural purposes, and provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized representative may purchase the unit at the foreclosure sale and acquire, hold, lease, mortgage, or convey the unit. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption is eight months.
- (c) In a cooperative in which the unit owners' interests in the units are real estate, the association's lien must be foreclosed in like manner as a mortgage on real estate or by power of sale under (b) of this subsection.
- (d) In a cooperative in which the unit owners' interests in the units are personal property, the association's lien must be foreclosed in like manner as a security interest under chapter 62A.9A RCW.
- (14) If the unit owner's interest in a unit in a cooperative is real estate, the following requirements apply:

- (a) The association, upon nonpayment of assessments and compliance with this subsection, may sell that unit at a public sale or by private negotiation, and at any time and place. The association must give to the unit owner and any lessee of the unit owner reasonable notice in a record of the time, date, and place of any public sale or, if a private sale is intended, of the intention of entering into a contract to sell and of the time and date after which a private conveyance may be made. Such notice must also be sent to any other person that has a recorded interest in the unit that would be cut off by the sale, but only if the recorded interest was on record seven weeks before the date specified in the notice as the date of any public sale or seven weeks before the date specified in the notice as the date after which a private sale may be made. The notices required under subsection may be sent to any address reasonable in the circumstances. A sale may not be held until five weeks after the sending of the notice. The association may buy at any public sale and, if the sale is conducted by a fiduciary or other person not related to the association, at a private sale.
- (b) Unless otherwise agreed to or as stated in this section, the unit owner is liable for any deficiency in a foreclosure sale.
- (c) The proceeds of a foreclosure sale must be applied in the following order:
  - (i) The reasonable expenses of sale;
- (ii) The reasonable expenses of securing possession before sale; the reasonable expenses of holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges and premiums on insurance; and, to the extent provided for by agreement between the association and the unit owner, reasonable attorneys' fees, costs, and other legal expenses incurred by the association;
- (iii) Satisfaction of the association's lien;
- (iv) Satisfaction in the order of priority of any subordinate claim of record; and
- (v) Remittance of any excess to the unit owner.
- (d) A good-faith purchaser for value acquires the unit free of the

association's debt that gave rise to the lien under which the foreclosure sale occurred and any subordinate interest, even though the association or other person conducting the sale failed to comply with this section. The person conducting the sale must execute a conveyance to the purchaser sufficient to convey the unit and stating that it is executed by the person after foreclosure of the association's lien by power of sale and that the person was empowered to make the sale. Signature and title or authority of the person signing the conveyance as grantor and a recital of the facts of nonpayment of the assessment and of the giving of the notices required under this subsection are sufficient proof of the facts recited and of the authority to sign. Further proof of authority is not required even though the association is named as grantee in the conveyance.

- (e) At any time before the association has conveyed a unit in a cooperative or entered into a contract for its conveyance under the power of sale, the unit owners or the holder of any subordinate security interest may cure the unit owner's default and prevent sale or other conveyance by tendering the performance due under the security agreement, including any amounts due because of exercise of a right to accelerate, plus the reasonable expenses of proceeding to foreclosure incurred to the time of tender, including reasonable attorneys' fees and costs of the creditor.
- (15) In an action by an association to collect assessments or to foreclose a lien on a unit under this section, the court may appoint a receiver to collect all sums alleged to be due and owing to a unit owner before commencement or during pendency of the action. The receivership is governed under chapter 7.60 RCW. During pendency of the action, the court may order the receiver to pay sums held by the receiver to the association for any assessments against the unit. The exercise of rights under this subsection by the association does not affect the priority of preexisting liens on the unit.
- (16) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure is not liable for assessments or installments of

- assessments that became due prior to such right of possession. Such unpaid assessments are deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior unit owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.
- (17) In addition to constituting a lien on the unit, each assessment is the joint and several obligation of the unit owner of the unit to which the same are assessed as of the time the assessment is due. A unit owner may not exempt himself herself from liability assessments. In a voluntary conveyance other than by foreclosure, the grantee of a unit is jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee. Suit to recover a personal judgment for any delinquent assessment is maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.
- (18) The association may from time to time establish reasonable late charges and a rate of interest to be charged, not to exceed the maximum rate calculated under RCW 19.52.020, on all subsequent delinquent assessments or installments of assessments. If the association does not establish such a rate, delinquent assessments bear interest from the date of delinquency at the maximum rate calculated under RCW 19.52.020 on the date on which the assessments became delinquent.
- (19) The association is entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in a suit being commenced or prosecuted to judgment. The prevailing party is also entitled to recover costs and reasonable attorneys' fees in such suits, including any appeals, if it prevails on appeal and in the enforcement of a judgment.
- (20) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for

collection of assessments as may be permitted by law.

- (21) An association may not commence an action to foreclose a lien on a unit under this section unless:
- (a) The unit owner, at the time the action is commenced, owes at least a sum equal to the greater of:
- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE UNIT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. DO NOT DELAY.

**BE CAREFUL** of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

 ${\bf REFER}$   ${\bf TO}$   ${\bf THE}$   ${\bf CONTACTS}$   ${\bf BELOW}$  for sources of assistance.

## SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . . Website: . . . . . .

The United States Department of Housing and Urban Development

Telephone: . . . . . Website: . . . . . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: . . . . . Website: . . . . . .

The association shall obtain the tollfree numbers and website information from the department of commerce for inclusion in the notice;

- (c) At least ((180))  $\underline{90}$  days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and
- (d) The board approves commencement of a foreclosure action specifically against that unit.
- (22) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.
- **Sec. 3.** RCW 64.32.200 and 2012 c 117 s 201 are each amended to read as follows:
- (1) The declaration may provide for the collection of all sums assessed by the association of apartment owners for the share of the common expenses chargeable to any apartment and the collection may be enforced in any manner provided in the declaration including, but not limited to, (a) ten days notice shall be given the delinquent apartment owner to the effect that unless such assessment is paid within ten days any or all utility services will be forthwith severed and shall remain severed until such assessment is paid, or (b) collection of such assessment may be made by such lawful method of enforcement, judicial or extra-judicial, as may be provided in the declaration and/or bylaws.
- (2) All sums assessed by the association of apartment owners but unpaid for the share of the common

expenses chargeable to any apartment shall constitute a lien on such apartment prior to all other liens except only (a) tax liens on the apartment in favor of any assessing unit and/or special district, and (b) all sums unpaid on all mortgages of record. Such lien is not subject to the ban against execution or forced sales of homesteads under RCW 6.13.080 and, subject to the provisions in subsection (4) of this section, may be foreclosed by suit by the manager or board of directors, acting on behalf of the apartment owners, in like manner as a mortgage of real property. In any such foreclosure the apartment owner shall be required to pay a reasonable rental for the apartment, if so provided in the bylaws, and the plaintiff in such foreclosures shall be entitled to the appointment of a receiver to collect the same. The manager or board of directors, acting on behalf of the apartment owners, shall have power, unless prohibited by the declaration, to bid on the apartment at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment, the period of redemption shall be eight months after the sale. Suit to recover any judgment for any unpaid common expenses shall be maintainable without foreclosing or waiving the liens securing the same.

- (3) Where the mortgagee of a mortgage of record or other purchaser of an apartment obtains possession of the apartment as a result of foreclosure of the mortgage, such possessor, his or her successors and assigns shall not be liable for the share of the common expenses or assessments by the association of apartment owners chargeable to such apartment which became due prior to such possession. Such unpaid share of common expenses of assessments shall be deemed to be common expenses collectible from all of the apartment owners including such possessor, his or her successors and assigns.
- (4) An association, or the manager or board of directors on its behalf, may not commence an action to foreclose a lien on an apartment under this section unless:
- (a) The apartment owner, at the time the action is commenced, owes at least a sum equal to the greater of:
- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or

- costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the apartment address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

# THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

 $\frac{\texttt{FROM THE APARTMENT OWNERS' ASSOCIATION}}{\texttt{TO WHICH YOUR HOME BELONGS.}}$ 

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACTAHOUSINGCOUNSELORORANATTORNEYLICENSEDINWASHINGTONNOWtoassessyoursituationand referyoutomediationifyoumightbenefitDONOTDELAY:

BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

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Telephone: . . . . . Website: . .

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

- (c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and
- (d) The board approves commencement of a foreclosure action specifically against that apartment.
- (5) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.
- **Sec. 4.** RCW 64.32.200 and 2021 c ... s 3 (section 3 of this act) are each amended to read as follows:
- (1) The declaration may provide for the collection of all sums assessed by the association of apartment owners for the share of the common expenses chargeable to any apartment and the collection may be enforced in any manner provided in the declaration including, but not limited to, (a) ten days notice shall be given the delinquent apartment owner to the effect that unless such assessment is paid within ten days any or all utility services will be forthwith severed and shall remain severed until such assessment is paid, or (b) collection of such assessment may be made by such lawful method of enforcement, judicial or extra-judicial, as may be provided in the declaration and/or bylaws.
- (2) All sums assessed by the association of apartment owners but unpaid for the share of the common expenses chargeable to any apartment shall constitute a lien on such apartment prior to all other liens except only (a) tax liens on the apartment in favor of any assessing unit and/or special district, and (b) all sums unpaid on all mortgages of record. Such lien is not subject to the ban against execution or forced sales of homesteads under RCW 6.13.080 and, subject to the provisions in subsection (4) of this section, may be foreclosed by suit by the manager or board of directors, acting on behalf of

- the apartment owners, in like manner as a mortgage of real property. In any such foreclosure the apartment owner shall be required to pay a reasonable rental for the apartment, if so provided in the bylaws, and the plaintiff in such foreclosures shall be entitled to the appointment of a receiver to collect the same. The manager or board of directors, acting on behalf of the apartment owners, shall have power, unless prohibited by the declaration, to bid on the apartment at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment, the period of redemption shall be eight months after the sale. Suit to recover any judgment for any unpaid common expenses shall be maintainable without foreclosing or waiving the liens securing the same.
- (3) Where the mortgagee of a mortgage of record or other purchaser of an apartment obtains possession of the apartment as a result of foreclosure of the mortgage, such possessor, his or her successors and assigns shall not be liable for the share of the common expenses or assessments by the association of apartment owners chargeable to such apartment which became due prior to such possession. Such unpaid share of common expenses of assessments shall be deemed to be common expenses collectible from all of the apartment owners including such possessor, his or her successors and assigns.
- (4) An association, or the manager or board of directors on its behalf, may not commence an action to foreclose a lien on an apartment under this section unless:
- (a) The apartment owner, at the time the action is commenced, owes at least a sum equal to the greater of:
- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has

mailed, by first-class mail, to the owner, at the apartment address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

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Telephone: . . . . . . Website: . . . . . .

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least ((180))  $\underline{90}$  days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

- (d) The board approves commencement of a foreclosure action specifically against that apartment.
- (5) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.
- Sec. 5. RCW 64.34.364 and 2013 c 23 s 175 are each amended to read as follows:
- (1) The association has a lien on a unit for any unpaid assessments levied against a unit from the time the assessment is due.
- (2) A lien under this section shall be prior to all other liens and encumbrances on a unit except: (a) Liens and encumbrances recorded before the recording of the declaration; (b) a mortgage on the unit recorded before the date on which the assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the unit. A lien under this section is not subject to the provisions of chapter 6.13 RCW.
- (3) Except as provided in subsections (4) and (5) of this section, the lien shall also be prior to the mortgages described in subsection (2)(b) of this section to the extent of assessments for common expenses, excluding any amounts for capital improvements, based on the periodic budget adopted by association pursuant to RCW 64.34.360(1) which would have become due during the six months immediately preceding the date of a sheriff's sale in an action for judicial foreclosure by either the association or a mortgagee, the date of a trustee's sale in a nonjudicial foreclosure by a mortgagee, or the date of recording of the declaration of forfeiture in a proceeding by the vendor under a real estate contract.
- (4) The priority of the association's lien against units encumbered by a mortgage held by an eligible mortgagee or by a mortgagee which has given the association a written request for a notice of delinquent assessments shall be reduced by up to three months if and to the extent that the lien priority under subsection (3) of this section includes delinquencies which relate to a period after such holder becomes an eligible mortgagee or has given such notice and before the association gives the holder a written notice of the delinquency. This

subsection does not affect the priority of mechanics' or material suppliers' liens, or the priority of liens for other assessments made by the association.

- (5) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided by subsection (9) of this section, the association shall not be entitled to the lien priority provided for under subsection (3) of this section.
- (6) Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same real estate, those liens have equal priority.
- (7) Recording of the declaration constitutes record notice and perfection of the lien for assessments. While no further recording of any claim of lien for assessment under this section shall be required to perfect the association's lien, the association may record a notice of claim of lien for assessments under this section in the real property records of any county in which the condominium is located. Such recording shall not constitute the written notice of delinquency to a mortgagee referred to in subsection (2) of this section.
- (8) A lien for unpaid assessments and the personal liability for payment of assessments is extinguished unless proceedings to enforce the lien or collect the debt are instituted within three years after the amount of the assessments sought to be recovered becomes due.
- (9) The lien arising under this section may be enforced judicially by the association or its authorized representative in the manner set forth in chapter 61.12 RCW. The lien arising under this section may be enforced nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration (a) contains a grant of the condominium in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, (b) contains a power of sale, (c) provides in its terms that the units are not used principally for agricultural or farming purposes, and (d) provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized

representative shall have the power, unless prohibited by the declaration, to purchase the unit at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. Nothing in this section shall prohibit an association from taking a deed in lieu of foreclosure.

- (10) From the time of commencement of an action by the association to foreclose a lien for nonpayment of delinquent assessments against a unit that is not occupied by the owner thereof, the association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the unit as and when due. If the rental is not paid, the receiver may obtain possession of the unit, refurbish it for rental up to a reasonable standard for rental units in this type of condominium, rent the unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent assessments. Only a receiver may take possession and collect rents under this subsection, and a receiver shall not be appointed less than ninety days after the delinquency. The exercise by the association of the foregoing rights shall not affect the priority of preexisting liens on the unit.
- (11) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure shall not be liable for assessments or installments thereof that became due prior to such right of possession. Such unpaid assessments shall be deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.
- (12) In addition to constituting a lien on the unit, each assessment shall be the joint and several obligation of

the owner or owners of the unit to which the same are assessed as of the time the assessment is due. In a voluntary conveyance, the grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover a personal judgment for any delinquent assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

- (13) The association may from time to time establish reasonable late charges and a rate of interest to be charged on all subsequent delinquent assessments or installments thereof. In the absence of another established nonusurious rate, delinquent assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020 on the date on which the assessments became delinquent.
- (14) The association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment.
- (15) The association upon written request shall furnish to a unit owner or a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments against that unit. The statement shall be furnished within fifteen days after receipt of the request and is binding on the association, the board of directors, and every unit owner, unless and to the extent known by the recipient to be false.
- (16) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for collection of assessments as may be permitted by law.
- (17) An association may not commence an action to foreclose a lien on a unit under this section unless:

- (a) The unit owner, at the time the action is commenced, owes at least a sum equal to the greater of:
- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

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The United States Department of Housing and Urban Development

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

- (c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and
- (18) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.
- **Sec. 6.** RCW 64.34.364 and 2021 c ... s 5 (section 5 of this act) are each amended to read as follows:
- (1) The association has a lien on a unit for any unpaid assessments levied against a unit from the time the assessment is due.
- (2) A lien under this section shall be prior to all other liens and encumbrances on a unit except: (a) Liens and encumbrances recorded before the recording of the declaration; (b) a mortgage on the unit recorded before the date on which the assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the unit. A lien under this section is not subject to the provisions of chapter 6.13 RCW.
- (3) Except as provided in subsections (4) and (5) of this section, the lien shall also be prior to the mortgages described in subsection (2)(b) of this section to the extent of assessments for common expenses, excluding any amounts for capital improvements, based on the periodic budget adopted by the association pursuant to RCW 64.34.360(1) which would have become due during the six months immediately preceding the date of a sheriff's sale in an action for judicial foreclosure by either the

- association or a mortgagee, the date of a trustee's sale in a nonjudicial foreclosure by a mortgagee, or the date of recording of the declaration of forfeiture in a proceeding by the vendor under a real estate contract.
- (4) The priority of the association's lien against units encumbered by a mortgage held by an eligible mortgagee or by a mortgagee which has given the association a written request for a  $% \left( \frac{1}{2}\right) =\frac{1}{2}\left( \frac{1}{2}\right)$ notice of delinquent assessments shall be reduced by up to three months if and to the extent that the lien priority under subsection (3) of this section includes delinquencies which relate to a period after such holder becomes an eligible mortgagee or has given such notice and before the association gives the holder a written notice of the delinquency. This subsection does not affect the priority of mechanics' or material suppliers' liens, or the priority of liens for other assessments made by the association.
- (5) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided by subsection (9) of this section, the association shall not be entitled to the lien priority provided for under subsection (3) of this section.
- (6) Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same real estate, those liens have equal priority.
- (7) Recording of the declaration constitutes record notice and perfection of the lien for assessments. While no further recording of any claim of lien for assessment under this section shall be required to perfect the association's lien, the association may record a notice of claim of lien for assessments under this section in the real property records of any county in which the condominium is located. Such recording shall not constitute the written notice of delinquency to a mortgagee referred to in subsection (2) of this section.
- (8) A lien for unpaid assessments and the personal liability for payment of assessments is extinguished unless proceedings to enforce the lien or collect the debt are instituted within three years after the amount of the assessments sought to be recovered becomes due.
- (9) The lien arising under this section may be enforced judicially by the

association or its authorized representative in the manner set forth in chapter 61.12 RCW. The lien arising under section may be enforced this nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration (a) contains a grant of the condominium in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, (b) contains a power of sale, (c) provides in its terms that the units are not used principally for agricultural or farming purposes, and (d) provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized representative shall have the power, unless prohibited by the declaration, to purchase the unit at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. Nothing in this section shall prohibit an association from taking a deed in lieu of foreclosure.

(10) From the time of commencement of an action by the association to foreclose a lien for nonpayment of delinquent assessments against a unit that is not occupied by the owner thereof, the association shall be entitled to the  $% \left( \frac{1}{2}\right) =\frac{1}{2}\left( \frac{1}{2}\right)$ appointment of a receiver to collect from the lessee thereof the rent for the unit as and when due. If the rental is not paid, the receiver may obtain possession of the unit, refurbish it for rental up to a reasonable standard for rental units in this type of condominium, rent the unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' thereof, then to the cost of refurbishing the unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent assessments. Only a receiver may take possession and collect rents under this subsection, and a receiver shall not be appointed less than ninety days after the delinquency. The exercise by the association of the foregoing rights shall not affect the priority of preexisting liens on the unit.

- (11) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure shall not be liable for assessments or installments thereof that became due prior to such right of possession. Such unpaid assessments shall be deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.
- (12) In addition to constituting a lien on the unit, each assessment shall be the joint and several obligation of the owner or owners of the unit to which the same are assessed as of the time the assessment is due. In a voluntary conveyance, the grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover a personal judgment for any delinguent assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.
- (13) The association may from time to time establish reasonable late charges and a rate of interest to be charged on all subsequent delinquent assessments or installments thereof. In the absence of another established nonusurious rate, delinquent assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020 on the date on which the assessments became delinquent.
- (14) The association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment.
- (15) The association upon written request shall furnish to a unit owner or

a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments against that unit. The statement shall be furnished within fifteen days after receipt of the request and is binding on the association, the board of directors, and every unit owner, unless and to the extent known by the recipient to be false.

- (16) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for collection of assessments as may be permitted by law.
- (17) An association may not commence an action to foreclose a lien on a unit under this section unless:
- (a) The unit owner, at the time the action is commenced, owes at least a sum equal to the greater of:
- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE UNIT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. DO NOT DELAY.

**BE CAREFUL** of people who claim they can help you. There are many individuals

and businesses that prey upon borrowers in distress.

 ${\bf REFER}$   ${\bf TO}$   ${\bf THE}$   ${\bf CONTACTS}$   ${\bf BELOW}$  for sources of assistance.

#### SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . Website: . . . . . .

The United States Department of Housing and Urban Development

Telephone: . . . . . Website: . . . . . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: . . . . . Website: . . . . . .

The association shall obtain the tollfree numbers and website information from the department of commerce for inclusion in the notice;

- (c) At least ((180))  $\underline{90}$  days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and
- (d) The board approves commencement of a foreclosure action specifically against that unit.
- (18) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

 $\underline{\text{NEW}}$  SECTION. Sec. 7. A new section is added to chapter 64.38 RCW to read as follows:

- (1) If the governing documents of an association provide for a lien on the lot of any owner for unpaid assessments, the association may not commence an action to foreclose the lien unless:
- (a) The lot owner, at the time the action is commenced, owes at least a sum equal to the greater of:

- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the lot address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

# THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE HOMEOWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. DO NOT DELAY.

**BE CAREFUL** of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

 ${\bf REFER}$   ${\bf TO}$   ${\bf THE}$   ${\bf CONTACTS}$   ${\bf BELOW}$  for sources of assistance.

## SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . . Website: . .

The United States Department of Housing and Urban Development

Telephone: . . . . . . Website: . . . . . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: . . . . . Website: . . . . . .

The association shall obtain the tollfree numbers and website information from the department of commerce for inclusion in the notice;

- (c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and
- (2) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.
- **Sec. 8.** RCW 64.38.--- and 2021 c ... s 7 (section 7 of this act) are each amended to read as follows:
- (1) If the governing documents of an association provide for a lien on the lot of any owner for unpaid assessments, the association may not commence an action to foreclose the lien unless:
- (a) The lot owner, at the time the action is commenced, owes at least a sum equal to the greater of:
- (i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or
- (ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;
- (b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the lot address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE HOMEOWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. DO NOT DELAY.

**BE CAREFUL** of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

REFER TO THE CONTACTS BELOW for sources of assistance.

#### SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . . Website: . .

The United States Department of Housing and Urban Development

Telephone: . . . . . . Website: . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

- (c) At least ((180))  $\underline{90}$  days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and
- (2) Every aspect of a collection, foreclosure, sale, or other conveyance

under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

NEW SECTION. **Sec. 9.** Sections 1, 3, 5, and 7 of this act expire January 1, 2024.

NEW SECTION. Sec. 10. Sections 2, 4, and 8 of this act take effect January 1, 2024.

NEW SECTION. Sec. 11. Sections 1, 3, 5, and 7 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately."

On page 1, line 2 of the title, after "communities;" strike the remainder of the title and insert "amending RCW 64.90.485, 64.90.485, 64.32.200, 64.32.200, 64.34.364, 64.34.364, and 64.38.---; adding a new section to chapter 64.38 RCW; providing an effective date; providing an expiration date; and declaring an emergency."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

# SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1482 and advanced the bill, as amended by the Senate, to final passage.

# FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Walsh and Hansen spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1482, as amended by the Senate.

# **ROLL CALL**

The Clerk called the roll on the final passage of Engrossed House Bill No. 1482, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker,

Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

ENGROSSED HOUSE BILL NO. 1482, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

## MESSAGE FROM THE SENATE

April 20, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5321 and asks the House to recede therefrom.

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

#### HOUSE AMENDMENT TO SENATE BILL

There being no objection, the House receded from its amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5321, and advanced the bill to final passage.

Representatives Bergquist and Morgan spoke in favor of the passage of the bill.

Representative Chambers spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5321.

## **ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5321 and the bill passed the House by the following vote: Yeas: 60; Nays: 37; Absent: 0; Excused: 1

Voting yea: Representatives Abbarno, Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chandler, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Barkis, Boehnke, Caldier, Chambers, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representative McEntire

ENGROSSED SUBSTITUTE SENATE BILL NO. 5321 having received the necessary constitutional majority, was declared passed.

With the consent of the House, ENGROSSED SUBSTITUTE SENATE BILL NO. 5321 was immediately transmitted to the Senate.

## RECONSIDERATION

There being no objection, the House immediately reconsidered the vote by which ENGROSSED SUBSTITUTE SENATE BILL NO. 5478 passed the House.

## HOUSE AMENDMENT TO SENATE BILL

The rules were suspended and ENGROSSED SUBSTITUTE SENATE BILL NO. 5478 was returned to second reading for the purpose of amendment.

There being no objection, the House reverted to the sixth order of business.

## SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5478, by Senate Committee on Ways & Means (originally sponsored by Keiser, Mullet, Billig, Cleveland, Conway, Das, Hunt, King, Kuderer, Liias, Lovelett, Nguyen, Randall, Rolfes, Saldaña, Stanford, Van De Wege and C. Wilson)

Concerning unemployment insurance relief for certain employers.

There being no objection, the committee striking amendment by the Committee on Appropriations was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 101, April 21, 2021).

With the consent of the House, amendment (748) to the committee striking amendment was not adopted.

Amendment (750) to the committee striking amendment was before the House:

On page 2, line 11 of the striking amendment, after "5," strike "and 6" and insert "6, 7, 8, and 9"  $^{\circ}$ 

On page 2, line 25 of the striking amendment, after "Total" strike "approved" and insert "forgiven"

- On page 3, line 31 of the striking amendment, after "Total" strike "approved" and insert "forgiven"
- On page 4, line 23 of the striking amendment, after "the total" strike "approved" and insert "forgiven"
- On page 5, line 4 of the striking amendment, after "Total" strike "approved" and insert "forgiven"
- On page 5, line 17 of the striking amendment, after "than a" strike "four" and insert "three"
- On page 5, line 24 of the striking amendment, after "increased by" strike "six" and insert "four"  $^{\prime\prime}$
- On page 5, line 33 of the striking amendment, after "the total" strike "approved" and insert "forgiven"
- On page 6, line 14 of the striking amendment, after "Total" strike "approved" and insert "forgiven"
- On page 6, line 27 of the striking amendment, after "than a" strike "four" and insert "three"
- On page 6, line 34 of the striking amendment, after "increased by" strike "six" and insert "four"  $^{\prime\prime}$
- On page 7, line 7 of the striking amendment, after "the total" strike "approved" and insert "forgiven"
- "NEW SECTION. Sec. 7. A new section is added to chapter 50.29 RCW to read as follows:
- (1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for all approved employers pursuant to sections 3 through 6 of this act, then by December 21, 2021, the department must again determine any forgiven benefits for approved category 1 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total forgiven benefits for all approved category 1 employers may not exceed the available benefits for category 1.
- (2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from

- the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.
- (3) For the purposes of this section, the following definitions apply:
- (a) "Approved benefits" means any remaining benefits paid to employees of an approved category 1 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 3 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.
- (b) "Approved category 1 employer" has the same meaning as defined in section 3 of this act.
- (c) "Available benefits for category 1" means the total amount of money remaining in the unemployment insurance relief account after benefits are forgiven according to sections 3 through 6 of this act.
- (d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.
- (e) "Forgiveness ratio" is computed by dividing the available benefits for category 1 by the total approved benefits. The forgiveness ratio cannot be more than one.
- (f) "Total approved benefits" means the sum total of all approved benefits.
- (4) The department must adopt such rules as are necessary to carry out the purposes of this section.
- (5) This section expires July 30, 2022.
- $\underline{\text{NEW SECTION.}}$  **Sec. 8.** A new section is added to chapter 50.29 RCW to read as follows:
- (1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for approved category 1 employers pursuant to section 7 of this act, the department must again determine any forgiven benefits for approved category 2 employers to be reimbursed by the unemployment insurance relief account instead of charged to the

- employer's experience rating account. Total forgiven benefits for all approved category 2 employers may not exceed the available benefits for category 2.
- (2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.
- (3) For the purposes of this section, the following definitions apply:
- (a) "Approved benefits" means any remaining benefits paid to employees of an approved category 2 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 4 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.
- (b) "Approved category 2 employer" has the same meaning as defined in section 4 of this act.
- (c) "Available benefits for category 2" means the difference between the available benefits for category 1, as defined in section 7 of this act, and the total forgiven benefits for approved category 1 employers, as defined in section 7 of this act.
- (d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.
- (e) "Forgiveness ratio" is computed by dividing the available benefits for category 2 by the total approved benefits. The forgiveness ratio cannot be more than one.
- (f) "Total approved benefits" means the sum total of all approved benefits.
- (4) The department must adopt such rules as are necessary to carry out the purposes of this section.
- (5) This section expires July 30, 2022.
- NEW SECTION. Sec. 9. A new section is added to chapter 50.29 RCW to read as follows:

- (1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for approved category 2 employers pursuant to section 8 of this act, the department must again determine any forgiven benefits for approved category 3 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total forgiven benefits for all approved category 3 employers may not exceed the available benefits for category 3.
- (2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.
- (3) For the purposes of this section, the following definitions apply:
- (a) "Approved benefits" means any remaining benefits paid to employees of an approved category 3 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 5 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a three rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.
- (b) "Approved category 3 employer" has the same meaning as defined in section 5 of this act.
- (c) "Available benefits for category 3" means the difference between the available benefits for category 2, as defined under section 8 of this act, and the total forgiven benefits for approved category 2 employers, as defined under section 8 of this act.
- (d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.
- (e) "Forgiveness ratio" is computed by dividing the available benefits for category 3 by the total approved benefits. The forgiveness ratio cannot be more than one.
- (f) "Total approved benefits" means the sum total of all approved benefits.

- (4) The department must adopt such rules as are necessary to carry out the purposes of this section.
- (5) This section expires July 30, 2022."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 7, line 24 of the striking amendment, after "(1) By" strike "July 30th" and insert "September 1st"

With the consent of the House, amendment (750) to the committee striking amendment was adopted.

The committee striking amendment, as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, on reconsideration, was placed on final passage.

Representatives Bergquist, Hoff and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5478, as amended by the House, on reconsideration.

### **ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5478, as amended by the House, on reconsideration, and the bill passed the House by the following vote: Yeas, 95; Nays, 2; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chase and McCaslin. Excused: Representative McEntire.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5478, as amended by the House, on reconsideration, having received the necessary constitutional majority, was declared passed.

## MESSAGE FROM THE SENATE

April 14, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5092 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Senators Robinson, Rolfes and Wilson L.,

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on ENGROSSED SUBSTITUTE SENATE BILL NO. 5092. The Speaker (Representative Orwall presiding) appointed the following members as Conferees: Representatives Ormsby, Gregerson and Stokesbary.

There being no objection, the House reverted to the third order of business.

#### MESSAGE FROM THE SENATE

April 21, 2021

Mme. SPEAKER:

The Senate refuses to concur in the House amendment(s) to ENGROSSED SUBSTITUTE SENATE BILL NO. 5191 and asks the House to recede therefrom.

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

There being no objection, the House adjourned until 10:00 a.m., April 23, 2021, the 103rd Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

| 1022             | 5008                        |     |
|------------------|-----------------------------|-----|
| Final Passage62  | Second Reading              | 30  |
| Other Action61   | Third Reading Final Passage |     |
| Messages61       | 5092-S                      |     |
| 1120-S           | Other Action                | 123 |
| Final Passage82  | Messages                    | 123 |
| Other Action81   | 5191-S                      |     |
| Messages62       | Messages                    | 123 |
| 1168-S2          | 5237-S2                     |     |
| Final Passage93  | Committee Report Conference | 3   |
| Other Action92   | Final Passage               | 6   |
| Messages82       | Other Action                | 6   |
| 1316             | 5321-S                      |     |
| Final Passage96  | Final Passage               | 120 |
| Other Action95   | Other Action                |     |
| Messages93       | Messages                    | 120 |
| 1410-S           | 5476                        |     |
| Final Passage100 | Committee Report            |     |
| Other Action100  | Other Action                | 30  |
| Messages96       | 5478-S                      |     |
| 1482             | Second Reading              | 120 |
| Final Passage120 | Amendment Offered           |     |
| Other Action119  | Third Reading Final Passage | 123 |
| Messages         | Other Action                | 120 |