FORTY SIXTH DAY

MORNING SESSION

Senate Chamber, Olympia, Thursday, February 27, 2014

The Senate was called to order at 9:00 a.m. by President Owen. No roll was taken.

MOTION

On motion of Senator Fain, the reading of the Journal of the previous day was dispensed with and it was approved.

MOTION

There being no objection, the Senate advanced to the first order of business.

REPORTS OF STANDING COMMITTEES

February 26, 2014 <u>SB 6001</u> Prime Sponsor, Senator Eide: Making 2013-2015 supplemental transportation appropriations. Reported by Committee on Transportation

MAJORITY recommendation: That Substitute Senate Bill No. 6001 be substituted therefor, and the substitute bill do pass. Signed by Senators Eide, Co-Chair; Hobbs, Vice Co-Chair; King, Co-Chair; Cleveland; Fain, Budget Leadership Cabinet; Liias; Litzow; Mullet; Rolfes and Sheldon.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Angel; Brown; Ericksen and O'Ban.

Passed to Committee on Rules for second reading.

February 26, 2014 SB 6002 Prime Sponsor, Senator Hill: Making 2014 supplemental operating appropriations. Reported by Committee on Ways & Means

MAJORITY recommendation: That Substitute Senate Bill No. 6002 be substituted therefor, and the substitute bill do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Baumgartner, Vice Chair; Bailey; Becker; Billig; Braun; Dammeier; Fraser; Frockt; Hargrove, Ranking Member; Hatfield; Hewitt; Padden; Parlette; Rivers; Schoesler and Tom.

MINORITY recommendation: Do not pass. Signed by Senator Hasegawa.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6020</u> Prime Sponsor, Senator Honeyford: Concerning the 2013-2015 supplemental capital budget. Reported by Committee on Ways & Means MAJORITY recommendation: That Substitute Senate Bill No. 6020 be substituted therefor, and the substitute bill do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Ranker, Assistant Ranking Member on the Operating Budget; Baumgartner, Vice Chair; Bailey; Becker; Braun; Dammeier; Fraser; Hatfield; Hewitt; Padden; Parlette; Schoesler and Tom.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Keiser, Assistant Ranking Member on the Capital Budget; Billig; Conway; Hargrove, Ranking Member; Hasegawa and Kohl-Welles.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6215</u> Prime Sponsor, Senator Mullet: Clarifying and correcting RCW 82.08.962 and 82.12.962 regarding the sales and use tax treatment of machinery and equipment purchases by companies producing pipeline-quality natural gas using landfill gas. Reported by Committee on Ways & Means

MAJORITY recommendation: That Second Substitute Senate Bill No. 6215 be substituted therefor, and the second substitute bill do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Baumgartner, Vice Chair; Bailey; Becker; Billig; Braun; Conway; Dammeier; Hargrove, Ranking Member; Hasegawa; Hatfield; Hewitt; Kohl-Welles; Padden; Parlette; Rivers; Schoesler and Tom.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6249</u> Prime Sponsor, Senator Dammeier: Establishing new authority for courts to assess cost recovery fees for costs associated with new indigent defense standards. Reported by Committee on Ways & Means

MAJORITY recommendation: That Second Substitute Senate Bill No. 6249 be substituted therefor, and the second substitute bill do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Baumgartner, Vice Chair; Bailey; Becker; Braun; Conway; Dammeier; Hargrove, Ranking Member; Hewitt; Parlette; Schoesler and Tom.

MINORITY recommendation: Do not pass. Signed by Senator Padden.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Frockt; Hasegawa and Hatfield.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6505</u> Prime Sponsor, Senator Hargrove: Delaying the use of existing tax preferences by the marijuana industry to ensure a regulated and safe transition to the controlled and legal marijuana market in Washington. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Bailey; Becker; Billig; Braun; Conway; Dammeier; Hargrove, Ranking Member; Hasegawa; Hewitt; Padden; Parlette; Rivers; Schoesler and Tom.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6518</u> Prime Sponsor, Senator Chase: Transferring technology-based economic development programs from innovate Washington to the department of commerce. Reported by Committee on Ways & Means

MAJORITY recommendation: That Second Substitute Senate Bill No. 6518 be substituted therefor, and the second substitute bill do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Baumgartner, Vice Chair; Bailey; Becker; Billig; Braun; Conway; Dammeier; Frockt; Hargrove, Ranking Member; Hasegawa; Hatfield; Hewitt; Kohl-Welles; Padden; Parlette; Rivers; Schoesler and Tom.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6570</u> Prime Sponsor, Senator Becker: Adjusting timelines relating to the hospital safety net assessment. Reported by Committee on Ways & Means

MAJORITY recommendation: That Substitute Senate Bill No. 6570 be substituted therefor, and the substitute bill do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Ranker, Assistant Ranking Member on the Operating Budget; Bailey; Becker; Billig; Braun; Conway; Dammeier; Hargrove, Ranking Member; Hasegawa; Hatfield; Hewitt; Kohl-Welles; Parlette; Rivers; Schoesler and Tom.

MINORITY recommendation: That it be referred without recommendation. Signed by Senator Padden.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6571</u> Prime Sponsor, Senator Hill: Providing education funding from sales tax revenues from remote sellers. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Bailey; Becker; Billig; Braun; Conway; Dammeier; Hargrove, Ranking Member; Hasegawa; Hatfield; Hewitt; Parlette; Rivers; Schoesler and Tom.

MINORITY recommendation: That it be referred without recommendation. Signed by Senator Padden.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SB 6572</u> Prime Sponsor, Senator Braun: Concerning the expenditure limit for the state universal communications services program. Reported by Committee on Ways & Means

MAJORITY recommendation: That Substitute Senate Bill No. 6572 be substituted therefor, and the substitute bill do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Bailey; Becker; Billig; Braun; Conway; Dammeier; Hargrove, Ranking Member; Hasegawa; Hatfield; Hewitt; Kohl-Welles; Padden; Parlette; Rivers; Schoesler and Tom.

Passed to Committee on Rules for second reading.

February 26, 2014

<u>SB 6573</u> Prime Sponsor, Senator Hargrove: Changing the effective date of modifications to the aged, blind, and disabled and the housing and essential needs programs. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Baumgartner, Vice Chair; Becker; Billig; Braun; Conway; Dammeier; Hargrove, Ranking Member; Hasegawa; Hatfield; Hewitt; Kohl-Welles; Padden; Parlette; Rivers; Schoesler and Tom.

Passed to Committee on Rules for second reading.

February 26, 2014

E2SHB 1017 Prime Sponsor, Committee on Appropriations Subcommittee on General Government & Information Technology: Creating new efficiency standards. Reported by Committee on Energy, Environment & Telecommunications

MAJORITY recommendation: Do pass as amended. Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Billig; Chase; Litzow; McCoy, Ranking Member and Ranker.

MINORITY recommendation: Do not pass. Signed by Senators Brown and Honeyford.

Passed to Committee on Rules for second reading.

February 25, 2014

<u>E2SHB 1129</u> Prime Sponsor, Committee on Transportation: Concerning ferry vessel replacement. Reported by Committee on Transportation

MAJORITY recommendation: Do pass as amended. Signed by Senators Eide, Co-Chair; Hobbs, Vice Co-Chair; King, Co-Chair; Cleveland; Fain, Budget Leadership Cabinet; Liias; Litzow; Mullet and Rolfes.

MINORITY recommendation: Do not pass. Signed by Senators Brown; Dansel and Ericksen.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Angel; O'Ban and Sheldon.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>ESHB 1294</u> Prime Sponsor, Committee on Environment: Concerning flame retardants. Reported by Committee on Energy, Environment & Telecommunications

MAJORITY recommendation: Do pass as amended. Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Brown; Honeyford and Litzow.

MINORITY recommendation: Do not pass. Signed by Senators Billig; Chase; McCoy, Ranking Member and Ranker.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>ESHB 2111</u> Prime Sponsor, Committee on Transportation: Concerning the enforcement of regional transit authority fares. Reported by Committee on Transportation

MAJORITY recommendation: Do pass as amended. Signed by Senators Eide, Co-Chair; Hobbs, Vice Co-Chair; King, Co-Chair; Brown; Cleveland; Ericksen; Fain, Budget Leadership Cabinet; Liias; Litzow; Mullet; O'Ban; Rolfes and Sheldon.

MINORITY recommendation: Do not pass. Signed by Senator Angel.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>SHB 2175</u> Prime Sponsor, Committee on Technology & Economic Development: Removing barriers to economic development in the telecommunications industry. Reported by Committee on Energy, Environment & Telecommunications

MAJORITY recommendation: Do pass as amended. Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Brown; Honeyford; Litzow; McCoy, Ranking Member and Ranker.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Billig and Chase.

Passed to Committee on Rules for second reading.

February 26, 2014 <u>HB 2294</u> Prime Sponsor, Representative Pike: Increasing penalties for littering. Reported by Committee on Law & Justice

MAJORITY recommendation: That it be referred without recommendation. Signed by Senators Padden, Chair; O'Ban, Vice Chair; Darneille; Kline, Ranking Member; Pearson and Pedersen.

Passed to Committee on Energy, Environment & Telecommunications.

<u>SHB 2372</u> Prime Sponsor, Committee on Transportation: Concerning monetary penalties for failing to register a vehicle. Reported by Committee on Transportation

MAJORITY recommendation: Do pass. Signed by Senators Eide, Co-Chair; King, Co-Chair; Angel; Brown; Cleveland; Dansel; Ericksen; Fain, Budget Leadership Cabinet; Liias; Litzow; Mullet; O'Ban and Rolfes.

Passed to Committee on Rules for second reading.

February 25, 2014

<u>ESHB 2463</u> Prime Sponsor, Committee on Transportation: Concerning special parking privileges for persons with disabilities. Reported by Committee on Transportation

MAJORITY recommendation: Do pass as amended. Signed by Senators Eide, Co-Chair; Hobbs, Vice Co-Chair; King, Co-Chair; Angel; Brown; Cleveland; Dansel; Ericksen; Fain, Budget Leadership Cabinet; Liias; Litzow; Mullet; O'Ban; Rolfes and Sheldon.

Passed to Committee on Rules for second reading.

February 25, 2014 <u>HB 2642</u> Prime Sponsor, Representative Walkinshaw: Modifying the deadline for annual regulatory fees for charter party and excursion service carriers. Reported by Committee on Transportation

MAJORITY recommendation: Do pass. Signed by Senators Eide, Co-Chair; Hobbs, Vice Co-Chair; King, Co-Chair; Angel; Brown; Cleveland; Dansel; Ericksen; Fain, Budget Leadership Cabinet; Liias; Litzow; Mullet; O'Ban; Rolfes and Sheldon.

Passed to Committee on Rules for second reading.

February 25, 2014 <u>EHB 2684</u> Prime Sponsor, Representative Walkinshaw: Modifying time period and monetary limits on ferry vessel and terminal work by state forces. (REVISED FOR ENGROSSED: Removing time period limitations on ferry vessel and terminal work by state forces.) Reported by Committee on Transportation

MAJORITY recommendation: Do pass. Signed by Senators Eide, Co-Chair; Hobbs, Vice Co-Chair; King, Co-Chair; Angel; Brown; Cleveland; Ericksen; Fain, Budget Leadership Cabinet; Liias; Litzow; Mullet; O'Ban; Rolfes and Sheldon.

MINORITY recommendation: Do not pass. Signed by Senator Dansel.

Passed to Committee on Rules for second reading.

MOTION

On motion of Senator Fain, all measures listed on the Standing Committee report were referred to the committees as designated.

MOTION

On motion of Senator Fain, the Senate advanced to the fifth order of business.

INTRODUCTION AND FIRST READING

<u>SB 6576</u> by Senators McCoy, Rolfes, Chase, Billig and Kline

AN ACT Relating to oil spill prevention and response; amending RCW 82.23B.010, 82.23B.020, 82.23B.030, and 82.23B.040; adding new sections to chapter 90.56 RCW; creating new sections; and providing an expiration date.

Referred to Committee on Energy, Environment & Telecommunications.

SJM 8016 by Senators Baumgartner and Ericksen

Requesting that state route number 26 be named the Crimson and Gray Cougar Highway.

Referred to Committee on Transportation.

MOTION

On motion of Senator Fain, all measures listed on the Introduction and First Reading report were referred to the committees as designated.

MOTION

At 9:02 a.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

AFTERNOON SESSION

The Senate was called to order at 12:07 p.m. by President Owen.

MOTION

On motion of Senator Fain, the Senate advanced to the eighth order of business.

MOTION

Senator Brown moved adoption of the following resolution:

SENATE RESOLUTION 8696

By Senators Brown, Braun, Hewitt, and Dammeier

WHEREAS, Washington state's pioneering men and women known as cowboys helped establish America's western frontiers; and

WHEREAS, Cowboy and ranching traditions have been part of the American landscape and culture since 1523; and

WHEREAS, Today's cowboys and cowgirls continue to strive to preserve and perpetuate this unique element of America's heritage; and

WHEREAS, The cowboy Vaquero spirit exemplifies patriotism and strength of character; and

WHEREAS, The cowboy archetype transcends gender, generations, ethnicity, geographic boundaries, and political affiliations; and

WHEREAS, The cowboy is an excellent steward of the land, its resources, and its creatures; and

WHEREAS, The cowboy embodies honesty, courage, compassion, and resolve; and

WHEREAS, The core values expressed within the Cowboy Code of Conduct continue to inspire the pursuit of the highest caliber of integrity; and

WHEREAS, The cowboy is a true American icon occupying a central place in American literature, art, film, poetry, photography, and music; and

WHEREAS, Annual attendance at rodeos exceeds 30,000,000 fans worldwide; and

WHEREAS, Membership and participation in the National Day of the Cowboy Organization, Single Action Shooting Society, Working Ranch Rodeo Association, Cowboy Mounted Shooting Association, American Quarter Horse Association, Pro Rodeo Cowboys Association, Championship Bull Riding, Working Ranch Rodeo, Women's Pro Rodeo, U.S. Team Roping, the Western Music Association, and other organizations that encompass the livelihood of the cowboy continues to expand both nationally and internationally;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate join these organizations in celebrating the "National Day of the Cowboy" on the fourth Saturday in July and encourage the people of Washington and the United States of America to observe the day with appropriate ceremonies and activities.

Senators Brown, Hatfield, Becker, Chase, Dammeier, Dansel and Baumgartner spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8696.

The motion by Senator Brown carried and the resolution was adopted by voice vote.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced organizers of the National Day of The Cowboy, Ms. Kim Raabee; Ms. Cindy Longoria; Ms. Janet Rasmussen and Ms. Debbie Roe, Benton County Franklin Fair and Roundup Rodeo Royalty Court: Queen Courtney Brown, Princess D'Naye Ziesk; Princess Alaena Sharp accompanied by Mrs. Toni Zunker, Secretary of the Board, Benton County Fair and Rodeo and Mr. Buzz Zunker who were serving as Chaperones; and who were seated in the gallery.

MOTION

On motion of Senator Fain, the Senate reverted to the seventh order of business.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Rolfes moved that Erik S Rohrer, Gubernatorial Appointment No. 9314, be confirmed as a member of the Board of Trustees, Peninsula Community College District No. 1.

Senator Rolfes spoke in favor of the motion.

APPOINTMENT OF ERIK S ROHRER

The President declared the question before the Senate to be the confirmation of Erik S Rohrer, Gubernatorial Appointment No. 9314, as a member of the Board of Trustees, Peninsula Community College District No. 1.

The Secretary called the roll on the confirmation of Erik S Rohrer, Gubernatorial Appointment No. 9314, as a member of the Board of Trustees, Peninsula Community College District No. 1 and the appointment was confirmed by the following vote: Yeas, 45; Nays, 0; Absent, 4; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kohl-Welles, Liias, Litzow, McAuliffe, McCoy, Mullet, O'Ban, Padden, Parlette, Pearson, Pedersen, Rivers, Roach, Rolfes, Schoesler, Sheldon and Tom

Absent: Senators Hargrove, Kline, Nelson and Ranker

Erik S Rohrer, Gubernatorial Appointment No. 9314, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Peninsula Community College District No. 1.

MOTION

At 12:24 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 1:38 p.m. by President Owen.

REMARKS BY THE PRESIDENT

President Owen: "Before we start Senator Eide: the President believes that he recalls that every twenty eighth an extraordinary large bouquet of roses is brought to your desk by about three pages. They're delivered from your wonderful husband Judge Mark Eide to celebrate your anniversary. The President believes that tomorrow, since we will not be on the floor, that it would be appropriate for him to wish you and Judge Eide a Happy Thirty-Eighth Wedding Anniversary. Thank you."

PERSONAL PRIVILEGE

Senator Sheldon: "I don't want to follow this news that I received with very happy news with Senator Eide but a friend of mine recently went down to Sacramento to visit a friend who had a terrible time with prostate cancer and we learned today that Joe Dear had passed away. A good friend of a lot of us here in this chamber, known him for a long time. Of course Joe was an L&I Director and worked under the Clinton Administration in Washington D. C. and also for Governor Locke as his Chief of Staff and Joe subsequently went down to California to really turn around their pension system down there and did a fantastic job. Many people have known Joe for a long time, a long time Olympia resident as well. So we sure note his passing and wish his family the best."

PERSONAL PRIVILEGE

Senator Conway: "I as well want to send my condolences to all the friends and family members of Joe Dear. Joe started out with the Washington State Labor Council as a research director in his early years and then got picked up, frankly by the Locke Administration. One critical thing that was not said and I appreciate the comments here, was that Joe Dear actually left I think the Locke Administration, went down to work for Frank Russell Company for many years and became a great investment counselor down there for Frank Russell. Joe then came back here to the State Investment Board. And I know all of us here realized that one of the great assets we have in Washington State is the State Investment Board. His role in organizing that State Investment Board was critical and he got picked up by California because he was so good. That's why it happened. So we, it's sad that he was so young, that he should go so young. We're going to miss him. I know his wife here lives in our state still. His former wife lives here in the state. So my heart is with Joe and his family and with his staff over at the State Investment Board and with the staff he worked with so many years. Thank you Mr. President."

PERSONAL PRIVILEGE

Senator Keiser: "I just want to join with Senator Sheldon and Conway in my condolences to Joe's family. I too worked with Joe Dear beginning way back when in the Labor Council. Back in the dawn of ages. It was a joy to work with him as he went through the Department of Labor and Industries and then on to the Investment Board. He was always had wise counsel for individuals, whether they were on one side of the aisle or the other and we all miss him. All our condolences to his family and his children."

MOTION TO LIMIT DEBATE

Senator Fain: "Mr. President, I move that the members of the Senate be allowed to speak but once on each question before the Senate, that such speech be limited to three minutes and that members be prohibited from yielding their time, however, the maker of a motion shall be allowed to open and close debate. This motion shall be in effect through February 27, 2014."

The President declared the question before the Senate to be the motion by Senator Fain to limit debate.

The motion by Senator Fain carried and debate was limited through February 27, 2014 by voice vote.

MOTION

On motion of Senator Fain, Rule 15 was suspended for the remainder of the day for the purpose of allowing continued floor action.

<u>EDITOR'S NOTE:</u> Senate Rule 15 establishes the floor schedule and calls for a lunch and dinner break of 90 minutes each per day during regular daily sessions.

MOTION

On motion of Senator Fain, the Senate reverted to the sixth order of business.

REMARKS BY SENATOR FAIN

Senator Fain: "We have pushed back committee start times. So if you had a committee that started at 1:30 we will be pushing that back. Also, the Ways & Means and Transportation Committees will also be starting later. At this point it looks to be that those committees will start around 4:00 to give us a little bit more time on the floor and not to compress the 1:30 Committee hearings. Be flexible and we'll make sure when we get off the floor we can give you some hard times. Thank you."

SECOND READING

SENATE BILL NO. 6002, by Senators Hill and Hargrove

Making 2014 supplemental operating appropriations.

MOTION

On motion of Senator Hill, Substitute Senate Bill No. 6002 was substituted for Senate Bill No. 6002 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Hasegawa moved that the following amendment by Senator Hasegawa be adopted:

On page 23, line 29, decrease the state general fund appropriation by \$200,000

Adjust the total appropriation accordingly.

On page 31, strike lines 18 through 23

On page 231, line 13, increase the state general fund appropriation by \$200,000

Adjust the total appropriation accordingly.

On page 232, after line 5, insert the following:

"(3) \$200,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to conduct research and development strategies to align the aerospace manufacturing supply chain with the maritime, automobile, medical device manufacturing, and other manufacturing industries that share transferable workforce skills."

Senators Hasegawa and Conway spoke in favor of adoption of the amendment.

Senators Hill and Hargrove spoke against adoption of the amendment.

Senator Chase spoke on adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Hasegawa on page 23, line 29 to Substitute Senate Bill No. 6002.

The motion by Senator Hasegawa failed and the amendment was not adopted by voice vote.

MOTION

Senator Hasegawa moved that the following amendment by Senator Hasegawa be adopted:

On page 40, beginning on line 27, strike all material down to and including line 33 and insert the following:

"(7) \$588,000 of the general fund--state appropriation for fiscal year 2014 and \$856,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement Senate Bill No. 5955 (establishing the Washington publicly owned trust)."

Senator Hasegawa spoke in favor of adoption of the amendment.

Senators Hill and Hargrove spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Hasegawa on page 40, line 27 to Substitute Senate Bill No. 6002.

The motion by Senator Hasegawa failed and the amendment was not adopted by voice vote.

Senator Conway moved that the following amendment by Senator Conway be adopted:

On page 71, after line 10, insert the following:

"(f) The department shall form a workgroup to review direct care staffing levels by ward at the state hospitals and shall make recommendations for staffing levels and reporting structures to improve patient and staff safety. The workgroup must include representatives from eastern state hospital, western state hospital, and child study and treatment center and shall include representation from labor. "

Senator Conway spoke in favor of adoption of the amendment.

Senators Hill and Hargrove spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Conway on page 71, after line 10 to Substitute Senate Bill No. 6002.

The motion by Senator Conway failed and the amendment was not adopted by voice vote.

MOTION

Senator Keiser moved that the following amendment by Senator Keiser and others be adopted:

On page 78, line 13, increase the general fund--state appropriation for fiscal year 2015 by \$500,000

Adjust the total appropriation accordingly.

On page 85, after line 36, insert the following:

"(21) \$500,000 of the general fund-state appropriation for fiscal year 2015 is provided solely for the department to contract for an independent feasibility study and actuarial modeling of public and private options for leveraging private resources to help individuals prepare for long-term services and supports needs. The study should model at least three options, including a public long-term care insurance benefit funded through a payroll deduction that would provide a time-limited long-term care insurance benefit, regulatory changes necessary to encourage the development and growth of new products on the market that combine features of life insurance, long term care insurance and annuities or medicaid life settlements, and a public-private option such as facilitating a new marketplace through the Washington health plan finder for private long term care insurance policies that would provide a time limited benefit, an age defined individual mandate for purchasing these policies and subsidies to ensure affordability for lower-income individuals. The report should include an evaluation of each option based on (a) the expected costs and benefits for participants, (b) the total anticipated number of participants, and (c) the projected savings to the state Medicaid program. The aging and disability joint legislative executive committee shall provide oversight and direction for this analysis and will convene interested stakeholders to provide input on the study design. The department shall provide a report on its findings and recommendations to the relevant policy and fiscal committees of the legislature by November 1, 2014."

Senator Keiser spoke in favor of adoption of the amendment.

Senators Hill and Hargrove spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Keiser and others on page 78, line 13 to Substitute Senate Bill No. 6002.

The motion by Senator Keiser failed and the amendment was not adopted by voice vote. Senator Hobbs moved that the following amendment by Senators Hobbs and Hatfield be adopted:

On page 78, line 15, increase the general fund--federal appropriation by \$13,518,000

On page 78, line 21, increase the skilled nursing facility safety net trust account--state appropriation by \$22,479,000

Adjust the total appropriation accordingly.

On page 78, line 28, after "exceed" strike "\$171.58" and insert "((\$171.58))\$178.82"

On page 79, line 9, after "(a)" strike "Within" and insert "For fiscal year 2014 within"

On page 79, beginning on line 16, insert "For fiscal year 2015 within funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed \$3.15. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$17 in calendar year 2012, according to cost report data."

On page 79, line 24, after "excluding" insert "the low wage worker add-on, the direct care add-on found in subsection (1) (g) of this section,"

On page 79, line 33, after "excluding" insert "the low wage worker add-on, the direct care add-on found in subsection (1) (g) of this section,"

On page 80, line 11, after "(c)," strike "and (d)" and insert "((and (d))) (d), and (g)"

On page 80, after line 12, insert the following:

"(g) For fiscal year 2015, the department shall provide a direct care rate add-on applied evenly cross all nursing facilities of no more than six percent of the direct care payment rate calculated according to chapter 74.46, RCW. This subsection (g) is not subject to the reconciliation and settlement process provided in 74.46.022(6)."

Senators Hobbs, Frockt, Keiser, Chase, Liias, Conway, Kohl-Welles and Nelson spoke in favor of adoption of the amendment.

Senators Hill and Hargrove spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Hobbs and Hatfield on page 78, line 15 to Substitute Senate Bill No. 6002.

The motion by Senator Hobbs carried and the amendment was adopted by voice vote.

MOTION

Senator Billig moved that the following amendment by Senator Billig and others be adopted:

On page 86, line 7, increase the General Fund-State appropriation in FY 2015 by 10,000,000

Adjust the total appropriations accordingly

On page 87, line 24, strike "<u>352,085,000</u>" and insert "<u>362,085,000</u>" On page 88, line 6, after "audit." Insert the following:

"Authorizations for the working connections child care subsidy are effective for twelve months. A child is eligible for working connections child care for a twelve-month enrollment period and may not be deemed ineligible due to any change in circumstance including, but not limited to, the following:

(i) A change in family composition or household;

(ii) A change in a parent's or a caregiver's employment status;

(iii) A change in a parent's or a caregiver's employment status due to health, maternity or paternity leave, or other family leave condition as provided for in chapter 49.78 RCW; or

(iv) A change in a parent's or a caregiver's income.

When an applicant or recipient applies for or receives working connections child care benefits, the applicant or recipient is required to notify the department of social and health services, within five days, of any change in providers."

On page, 263, after line 15, insert the following:

"Sec. 910. RCW 43.215.135 and 2013 c 323 s 9 are each amended to read as follows:

(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. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures defined in RCW 74.08A.410 and the standards established in this section intended to promote continuity of care for children.

(2) Beginning in fiscal year 2013, authorizations for the working connections child care subsidy shall be effective for twelve months unless a change in circumstances necessitates reauthorization sooner than twelve months. The twelve-month certification applies only if the enrollments in the child care subsidy or working connections child care program are capped. <u>However</u>, <u>during the 2013-15 fiscal biennium</u>, a child shall not be deemed ineligible due to a change in circumstance during the twelve month period, as provided in the omnibus appropriations act.

(3) Subject to the availability of amounts appropriated for this specific purpose, beginning September 1, 2013, working connections child care providers shall receive a five percent increase in the subsidy rate for enrolling in level 2 in the early achievers programs. Providers must complete level 2 and advance to level 3 within thirty months in order to maintain this increase."

Senator Billig spoke in favor of adoption of the amendment. Senator Hill spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Billig and others on page 86, line 7 to Substitute Senate Bill No. 6002.

The motion by Senator Billig failed and the amendment was not adopted by voice vote.

MOTION

Senator Keiser moved that the following amendment by Senator Keiser and others be adopted:

On page 97, line 3, increase the General Fund State appropriation for FY 2015 by \$500,000

Adjust total appropriations accordingly

On page 113, after line 37, insert the following:

"(54) \$500,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to begin the necessary econometric modeling for the federal basic health option authorized in the federal patient protection and affordable care act, section 1331 of P.L. 111-148 of 2010, to analyze the program enrollment, and the costs and impacts to the state, the enrollees, health care provider and facility reimbursement, and the insurance marketplace. By December 31, 2014, the authority shall publish a report on the findings of the econometric modeling. The report shall include impacts on:

(a) Reimbursement levels affecting provider participation and its relationship to network adequacy in the program;

(b) The financial stability of the Washington health benefit exchange, including enrollment, risk profile, and fees for operational sustainability; and

(c) Continuity of care, access, and affordability of coverage for potential enrollees in the federal basic health program compared to the insurance marketplace."

Senator Keiser spoke in favor of adoption of the amendment. Senators Hill, Hargrove and Parlette spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Keiser and others on page 97, line 3 to Substitute Senate Bill No. 6002.

The motion by Senator Keiser failed and the amendment was not adopted by voice vote.

MOTION

Senator Sheldon moved that the following amendment by Senators Sheldon and Fraser be adopted:

On page 163, after line 25, insert the following:

"(4) (a) The Puget Sound partnership shall convene a governor-appointed work group of state agencies, local integrating organizations, congressional staff, and others participating as funders or eligible recipients of nontribal, federal environmental protection agency national estuary program grants for Puget Sound restoration. The governor shall invite representatives of the United States environmental protection agency region ten and affected tribes to participate. State participation shall include the departments of health, ecology, fish and wildlife and natural resources.

(b) The purpose of the work group is to develop recommendations to improve outcomes for Puget Sound recovery targets and streamline the nontribal, national estuary program fund distribution process, including Puget Sound geographic initiative funds, and state investments for Puget Sound recovery. The workgroup shall:

(i) Include lean process improvement tools in its approach;

(ii)Identify both short-term and long-term recommendations to improve the funding distribution process within the context of the national estuary program, and any related changes to the Puget Sound action agenda;

(iii) Examine the size, distribution and use of non-tribal national estuary program funding in relation to the size, distribution and use of total state funding and, to the extent possible, other federal funding for Puget Sound restoration;

(iv) Identify from existing information any funding gaps in puget sound restoration related to implementing local priorities in the action agenda for Puget Sound recovery;

(v) Examine the pros and cons of national estuary grant management and distribution:

(A) Through a single state agency;

(B) Through the current multiple state agency approach; and

(C) Through a consortium of local integrating organizations as a receiver and distributor of a portion of grant funds; and

(vi) Examine the feasibility of creating a centralized location to access information on how national estuary grant funds have been distributed and to whom.

(c) The work group shall submit its findings and recommendations to the governor, appropriate committees of the legislature and environmental protection agency region ten by September 1, 2014."

WITHDRAWAL OF AMENDMENT

On motion of Senator Sheldon, the amendment by Senators Sheldon and Fraser on page 163, after line 25 to Substitute Senate Bill No. 6002 was withdrawn.

MOTION

Senator McAuliffe moved that the following amendment by Senator McAuliffe and others be adopted:

On page 189, after line 33, insert the following:

"Sec. 503. 2013 2nd sp.s. c 4 s 503 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION

(1) The following calculations determine the salaries used in the state allocations for certificated instructional, certificated administrative, and classified staff units as provided in RCW 28A.150.280 and under section 502 of this act:

(a) Salary allocations for certificated instructional staff units are determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on ((June 1, 2013 at 08:06 hours)) February 23, 2014, at 9:06 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on ((June 1, 2013 at 01:29 hours)) February 23, 2014, at 12:29 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 18.04 percent for school year 2013-14 and 18.04 percent for school year 2014-15 for certificated instructional and certificated administrative staff and 17.45 percent for school year 2013-14 and 17.45 percent for the 2014-15 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14

*** Education Experience ***

8

FORTY SIXTH DAY, FEBRUARY 27, 20	14
of	

2014 REGULA	٩R

Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
11				46,772	50,121	52,557	50,249	53,599	56,034
12				48,249	51,761	54,269	51,835	55,238	57,748
13					53,440	56,024	53,476	56,918	59,501
14					55,128	57,844	55,165	58,716	61,322
15					56,563	59,349	56,599	60,242	62,917
16 or more					57,693	60,535	57,731	61,447	64,174

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15

*** Education Experience ***

((Years									<u>-MA+90</u>
of									- OR
Service	—BA—	BA+15	BA+30	BA+45	BA+90	BA+135	<u>—_MA</u> _	MA+45	Ph.D.
θ	34,048 -	34,968 -	35,920-	36,875 -	39,939-	41,913 -	4 0,820-	43,885 -	4 5,860 -
1	34,506-	35,439-	36,403 -	37,400 -	4 0,496 -	4 2,459 -	41,274	44,370-	4 6,332 -
2	34,943 -	35,884 -	36,859 -	37,933 -	41,020-	43,004 -	41,731 	44,818-	46,802-
3	35,393 -	36,343 -	37,329 -	38,437 -	41,518	4 3,549-	42,164	45,243 -	47,276 -
4	35,83 4-	36,826 -	37,818	38,96 4-	4 2,064 -	44,110-	4 2,618	4 5,718 -	4 7,765 -
5	36,290-	37,287 	38,288 -	39,498	42,586 -	44,673 -	43,080 -	46,169 -	4 8,256
6	36,759 -	37,734 -	38,769	40,039-	43,113-	4 5,211	4 3,552-	4 6,626 -	4 8,723
7	37,582	38,572 -	39,621	40,960-	44 ,079 -	4 6,235 -	44,438-	47,556	4 9,713

		JOURNAL OF THE SENATE								
8	38,787 -	39,831 -	40,905 -	42,355 -	45,516-	47,751				
9		41,135-	4 2,262 -	4 3,765 -	4 6,999	4 9,310-				
10			43,635 -	45,247 -	48,524 -	50,913-				
44				46,772-	50,121-	52,557 -				
12				48.249	51.761	54.269				

12	48,249	51,761	54,269 -	51,835-	55,238	57,748
13		53,440-	56,024 -	53,476-	56,918-	59,501 -
14		55,128	57,8 44-	55,165-	58,716-	61,322
15-		56,563-	59,349 -	56,599-	60,242 -	62,917 -
16 or more		57,693 -	60,535 -	57,731	61,447 -	64,174-))

<u>Years</u>									<u>MA+90</u>
<u>of</u>									<u>OR</u>
<u>Service</u>	BA	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	MA	<u>MA+45</u>	<u>Ph.D.</u>
<u>0</u>	<u>34,457</u>	35,388	36,352	<u>37,318</u>	<u>40,419</u>	<u>42,416</u>	<u>41,311</u>	44,412	<u>46,411</u>
<u>1</u>	<u>34,921</u>	35,864	36,841	<u>37,850</u>	<u>40,983</u>	<u>42,969</u>	<u>41,770</u>	44,903	<u>46,889</u>
<u>2</u>	<u>35,363</u>	36,315	37,302	<u>38,389</u>	<u>41,513</u>	43,520	42,233	45,356	47,364
<u>3</u>	<u>35,818</u>	36,780	<u>37,777</u>	<u>38,899</u>	42,017	<u>44,072</u>	42,671	45,787	<u>47,844</u>
<u>4</u>	36,265	37,269	38,272	<u>39,432</u>	42,569	<u>44,639</u>	43,130	46,267	48,338
<u>5</u>	<u>36,726</u>	<u>37,735</u>	38,748	<u>39,973</u>	<u>43,098</u>	<u>45,210</u>	<u>43,597</u>	46,723	<u>48,835</u>
<u>6</u>	<u>37,200</u>	<u>38,187</u>	<u>39,235</u>	40,520	<u>43,630</u>	<u>45,754</u>	<u>44,076</u>	47,186	<u>49,308</u>
<u>7</u>	<u>38,033</u>	<u>39,035</u>	40,097	<u>41,452</u>	44,608	<u>46,790</u>	<u>44,972</u>	48,127	<u>50,310</u>
<u>8</u>	<u>39,253</u>	40,309	<u>41,396</u>	42,864	46,062	48,325	46,383	<u>49,582</u>	<u>51,843</u>
<u>9</u>		41,629	42,770	44,290	<u>47,564</u>	<u>49,903</u>	<u>47,808</u>	<u>51,084</u>	<u>53,422</u>
<u>10</u>			44,159	<u>45,790</u>	49,107	<u>51,524</u>	<u>49,309</u>	<u>52,627</u>	<u>55,043</u>
<u>11</u>				47,334	<u>50,723</u>	<u>53,189</u>	<u>50,853</u>	<u>54,243</u>	<u>56,707</u>
<u>12</u>				48,828	<u>52,383</u>	54,921	<u>52,457</u>	<u>55,902</u>	<u>58,441</u>
<u>13</u>					<u>54,082</u>	<u>56,697</u>	<u>54,118</u>	<u>57,601</u>	<u>60,216</u>
<u>14</u>					<u>55,790</u>	<u>58,539</u>	55,828	<u>59,421</u>	<u>62,059</u>
<u>15</u>					<u>57,242</u>	<u>60,062</u>	<u>57,279</u>	<u>60,966</u>	<u>63,672</u>
<u>16 or</u> more					<u>58,386</u>	<u>61,262</u>	<u>58,424</u>	<u>62,185</u>	<u>64,945</u>
more									

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

48,994

50,477

52,003

53,599-

51,228 52,788

54,390

56,034-

45,832

47,241

48,724

50,249

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this part V, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

Sec. 504. 2013 2nd sp.s. c 4 s 504 (uncodified) is amended to read as follows:

FORTHESUPERINTENDENTOFPUBLICINSTRUCTION--FORSCHOOLEMPLOYEECOMPENSATION ADJUSTMENTS

 General Fund--State Appropriation (FY 2015)
 \$50,676,000

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

(1)(((-3))) \$50,676,000 of the general fund--state appropriation is provided solely for the following:

(a) A cost of living adjustment of 1.2 percent effective September 1, 2014, pursuant to Initiative Measure No. 732.

(b) Additional salary adjustments as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. Allocations for these salary adjustments shall be provided to all districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule.

(((b))) (c) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act.

(((-))) (d) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act.

(((4))) (e) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at 18.04 percent for the 2013-14 school year and 18.04 percent for the 2014-15 school year for certificated instructional and certificated administrative staff and 17.45 percent for the 2013-14 school year for classified staff.

 $((\underbrace{(\leftrightarrow)}))$ (<u>f</u>) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes for educational service districts and institutional

education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

(((f))) (g) The appropriations in this section include no salary adjustments for substitute teachers.

(2) The maintenance rate for insurance benefit allocations is \$768.00 per month for the 2013-14 and 2014-15 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of \$768.00 per month for the 2013-14 school year and \$768.00 per month for the 2014-15 school year.

(3) The rates specified in this section are subject to revision each year by the legislature.

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

On page 211, after line 2, insert the following:

"**Sec. 601.** 2013 2nd sp.s. c 4 s 601 (uncodified) is amended to read as follows:

The appropriations in sections ((605)) 604 through ((611)) 610 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections ((605)) 604 through ((611)) 610 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the office of financial management's office of the state human resources director for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4)(a) For institutions receiving appropriations in section ((605)) <u>604</u> of this act, the only allowable salary increases provided are those with normally occurring promotions and increases related to faculty and staff retention, except as provided in section ((604(4)))) <u>602(4)</u> of this act <u>and for employees subject to the provisions of Initiative Measure No. 732 as provided in section 604(13) of this act. In fiscal year 2014 and fiscal year 2015, the state board for community and technical colleges may use salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training.</u>

(b) For employees under the jurisdiction of chapter 41.56 RCW, salary increases will be in accordance with the applicable collective bargaining agreement including adjustments made for employees subject to the provisions of Initiative Measure No. 732 as provided in section 604(13) of this act. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) For each institution of higher education receiving appropriations under sections (($\frac{606}{1000}$)) <u>605</u> through 611 of this act:

(i) The only allowable salary increases are those associated with normally occurring promotions and increases related to faculty and staff retention; and

(ii) Institutions may provide salary increases from other sources to instructional and research faculty at the universities and The Evergreen State College, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under chapter 41.80 RCW. Any salary increase granted under the authority of this subsection (4)(c)(ii) shall not be included in an

institution's salary base for future state funding. It is the intent of the legislature that state general fund support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (4)(c)(ii).

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

On page 215, line 32, strike "<u>567,160,000</u>" and insert "571,501,000"

On page 216, line 1, strike "<u>1,249,930,000</u>" and insert "<u>1,254,271,000</u>"

On page 217, after line 37, insert the following "(13) From within the funds appropriated in this section, community and technical colleges shall increase salaries for employees subject to the provisions of Initiative Measure No. 732 by an average of 1.2 percent effective July 1, 2014."

On page 236, line 10, strike "<u>5,810,000</u>" and insert "<u>5,825,000</u>" On page 236, line 11, strike "15,000" and insert "((15,000)) <u>20,000</u>"

On page 236, line 13, strike "<u>11,861,000</u>" and insert "<u>11,881,000</u>"

On page 236, after line 13, insert the following:

"The appropriations in this section are subject to the following conditions and limitations: \$15,000 of the general fund--state appropriation is provided solely for a cost-of-living adjustment of 1.2 percent for employees subject to the provisions of Initiative Measure No. 732 effective July 1, 2014."

On page 236, line 21, strike "<u>8,649,000</u>" and insert "<u>8,673,000</u>" On page 236, line 23, strike <u>"17,395,000</u>" and insert "17,419,000"

On page 236, after line 23, insert the following:

"The appropriations in this section are subject to the following conditions and limitations: \$24,000 of the general fund--state appropriation is provided solely for a cost-of-living adjustment of 1.2 percent for employees subject to the provisions of Initiative Measure No. 732 effective July 1, 2014."

On page 269, after line 21, insert the following:

"Sec. 917. RCW 28A.400.205 and 2013 2nd sp.s. c 5 s 1 are each amended to read as follows:

(1) School district employees shall be provided an annual salary cost-of-living increase in accordance with this section.

(a) The cost-of-living increase shall be calculated by applying the rate of the yearly increase in the cost-of-living index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the 2001-02 school year, and for each subsequent school year, except for the 2013-14 (($\frac{\text{and } 2014 \cdot 15}{\text{ living allocation sufficient to grant this cost-of-living increase.}$

(b) A school district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) Any funded cost-of-living increase shall be included in the salary base used to determine cost-of-living increases for school employees in subsequent years. For teachers and other certificated

instructional staff, the rate of the annual cost-of-living increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation schedule established under RCW 28A.150.410 and to any other salary models used to recognize school district personnel costs.

(2) For the purposes of this section, "cost-of-living index" means, for any school year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

Sec. 918. RCW 28B.50.465 and 2013 2nd sp.s. c 5 s 2 are each amended to read as follows:

(1) Academic employees of community and technical college districts shall be provided an annual salary cost-of-living increase in accordance with this section. For purposes of this section, "academic employee" has the same meaning as defined in RCW 28B.52.020.

(a) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year, except as provided in (d) of this subsection, each college district shall receive a cost-of-living allocation sufficient to increase academic employee salaries, including mandatory salary-related benefits, by the rate of the yearly increase in the cost-of-living index.

(b) A college district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and other compensation policies. No later than the end of the fiscal year, each college district shall certify to the college board that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) The college board shall include any funded cost-of-living increase in the salary base used to determine cost-of-living increases for academic employees in subsequent years.

(d) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year except for the 2013-2014 (($\frac{2014-2015}{1000}$)) fiscal year((s)), the state shall fully fund the cost-of-living increase set forth in this section.

(2) For the purposes of this section, "cost-of-living index" means, for any fiscal year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

Sec. 919. RCW 28B.50.468 and 2013 2nd sp.s. c 5 s 3 are each amended to read as follows:

(1) Classified employees of technical colleges shall be provided an annual salary cost-of-living increase in accordance with this section. For purposes of this section, "technical college" has the same meaning as defined in RCW 28B.50.030. This section applies to only those classified employees under the jurisdiction of chapter 41.56 RCW.

(a) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year, except as provided in (d) of this subsection, each technical college board of trustees shall receive a cost-of-living allocation sufficient to increase classified employee salaries, including mandatory salary-related benefits, by the rate of the yearly increase in the cost-of-living index.

(b) A technical college board of trustees shall distribute its cost-of-living allocation for salaries and salary-related benefits in

accordance with the technical college's salary schedules, collective bargaining agreements, and other compensation policies. No later than the end of the fiscal year, each technical college shall certify to the college board that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) The college board shall include any funded cost-of-living increase in the salary base used to determine cost-of-living increases for technical college classified employees in subsequent years.

(d) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year except for the 2013-2014 (($\frac{2014-2015}{1}$)) fiscal year((s)), the state shall fully fund the cost-of-living increase set forth in this section.

(2) For the purposes of this section, "cost-of-living index" means, for any fiscal year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

Sec. 920. RCW 43.88.055 and 2012 1st sp.s. c 8 s 1 are each amended to read as follows:

(1) The legislature must adopt a four-year 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;

"Projected maintenance level" means estimated (b) 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, but does not include in the 2013-2015 and 2015-2017 fiscal biennia the costs related to the enhanced funding under the new definition of basic education as established in chapter 548, Laws of 2009, and affirmed by the decision in Mathew McCleary et al., v. The State of Washington, 173 Wn.2d 477, 269 P.3d 227, (2012), nor, in the 2013-2015 and 2015-2017 fiscal biennia, does it include the cost-of-living increases provided in this act, from which the short-term exclusion of these obligations is solely for the purposes of calculating this estimate and does not in any way indicate an intent to avoid full funding of these obligations;

(c) "Related funds," as used in this section, means the Washington opportunity pathways 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."

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

On page 1, line 1 of the title, after "matters;" strike the remainder of the title and insert "amending RCW 41.05.130, 43.43.839, 43.101.220, 43.320.110, 43.350.070, 50.16.010, 51.44.170, 67.70.230, 77.36.170, 82.08.160, 28A.400.205, 28B.50.465, 28B.50.468, and 43.88.055; amending 2013 2nd sp.s. c 4 ss 101, 102, 103, 105, 106, 110, 112, 113, 114, 115, 116, 119, 120, 121, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 147, 148, 149, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 701, 702, 703, 704, 706, 710, 801, 802, 803, 804, 805, 932, 933, 937, 939, and 943 (uncodified); adding new sections to 2013 2nd sp.s. c 4 (uncodified); adding a new section to chapter 28A.710 RCW; making appropriations; and declaring an emergency."

Senators McAuliffe, Pedersen, Frockt, Liias, Conway, Rolfes, Nelson and Chase spoke in favor of adoption of the amendment.

Senators Litzow, Hargrove, Hewitt and Hill spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator McAuliffe and others on page 189, after line 33 to Substitute Senate Bill No. 6002.

The motion by Senator McAuliffe failed and the amendment was not adopted by voice vote.

MOTION

Senator Hill moved that the following amendment by Senators Hill and Hargrove be adopted:

On page 238, line 9, strike "<u>\$834,140,000</u>" and insert "<u>\$842,140,000</u>"

On page 238, line 11, strike "<u>\$970,905,000</u>" and insert "<u>\$962,905,000</u>"

Senators Hill and Hargrove spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Hill and Hargrove on page 238, line 9 to Substitute Senate Bill No. 6002.

The motion by Senator Hill carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Hill, the rules were suspended, Engrossed Substitute Senate Bill No. 6002 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hill, Hargrove, Ranker, Sheldon, Baumgartner, Hobbs, Ericksen, Mullet, Angel, Nelson and Chase spoke in favor of passage of the bill.

Senator Pedersen, Kohl-Welles, Hasegawa and McAuliffe spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 6002.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 6002 and the bill passed the Senate by the following vote: Yeas, 41; Nays, 8; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Dammeier, Dansel, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Liias, Litzow, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Schoesler, Sheldon and Tom

Voting nay: Senators Conway, Hasegawa, Kline, Kohl-Welles, McAuliffe, McCoy, Pedersen and Rolfes

ENGROSSED SUBSTITUTE SENATE BILL NO. 6002, having received the constitutional majority, was declared passed.

There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 3:19 p.m., on motion of Senator Fain, the Senate adjourned until 10:00 a.m. Friday, February 28, 2014.

BRAD OWEN, President of the Senate

HUNTER G. GOODMAN, Secretary of the Senate

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