

FIFTY SECOND DAY

MORNING SESSION

Senate Chamber, Olympia, Wednesday, March 5, 2014

The Senate was called to order at 10:00 a.m. by the President Pro Tempore, Senator Sheldon presiding. The Secretary called the roll and announced to the President Pro Tempore that all Senators were present with the exception of Senators Hargrove and McAuliffe.

The Sergeant at Arms Color Guard consisting of Pages Jennifer Grossman and Sunielove McBride, presented the Colors. Pastor Jack Keith of Hood Canal Community Church of Hoodspport offered the prayer.

MOTION

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

MOTION

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

MESSAGE FROM THE HOUSE

March 4, 2014

MR. PRESIDENT:

The House has passed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2762,

ENGROSSED HOUSE BILL NO. 2797,

and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

MOTION

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

INTRODUCTION AND FIRST READING OF HOUSE BILLS

2SHB 1574 by House Committee on Appropriations (originally sponsored by Representatives Kagi, Ryu and Pollet)

AN ACT Relating to investigative costs for residential services and supports programs; adding new sections to chapter 71A.12 RCW; providing an effective date; and declaring an emergency.

Referred to Committee on Health Care.

SHB 2634 by House Committee on Early Learning & Human Services (originally sponsored by Representatives Kagi, Tharinger and Freeman)

AN ACT Relating to enforcement standards for residential services and support providers; amending RCW 71A.12.270; adding a new section to chapter 71A.12 RCW; creating a new section; and recodifying RCW 71A.12.270.

Referred to Committee on Health Care.

ESHB 2748 by House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representative Hudgins)

AN ACT Relating to fees assessed by the department of agriculture; amending RCW 15.36.051, 15.36.081, 15.36.491, 15.36.525, 15.36.551, and 69.07.040; adding a new section to chapter 15.36 RCW; creating new sections; and providing expiration dates.

Referred to Committee on Ways & Means.

HB 2790 by Representatives Hunter, Chandler and Cody

AN ACT Relating to adjusting timelines regarding the hospital safety net assessment; and amending RCW 74.60.030, 74.60.120, and 74.60.130.

Referred to Committee on Ways & Means.

MOTION

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

MOTION

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

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Conway moved that Lillian Hunter, Gubernatorial Appointment No. 9276, be confirmed as a member of the Board of Trustees, Bates Technical College District No. 28.

Senator Conway spoke in favor of the motion.

MOTION

On motion of Senator Billig, Senator McAuliffe was excused.

APPOINTMENT OF LILLIAN HUNTER

The President Pro Tempore declared the question before the Senate to be the confirmation of Lillian Hunter, Gubernatorial Appointment No. 9276, as a member of the Board of Trustees, Bates Technical College District No. 28.

The Secretary called the roll on the confirmation of Lillian Hunter, Gubernatorial Appointment No. 9276, as a member of the Board of Trustees, Bates Technical College District No. 28 and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 1; Excused, 1.

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, Kline, Kohl-Welles, Lias,

Litzow, McCoy, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon and Tom

Absent: Senator Hargrove

Excused: Senator McAuliffe

Lillian Hunter, Gubernatorial Appointment No. 9276, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Bates Technical College District No. 28.

MOTION

On motion of Senator Billig, Senator Hargrove was excused.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Chase moved that John Jessop, Gubernatorial Appointment No. 9278, be confirmed as a member of the Board of Trustees, Edmonds Community College District No. 23.

Senator Chase spoke in favor of the motion.

APPOINTMENT OF JOHN JESSOP

The President Pro Tempore declared the question before the Senate to be the confirmation of John Jessop, Gubernatorial Appointment No. 9278, as a member of the Board of Trustees, Edmonds Community College District No. 23.

The Secretary called the roll on the confirmation of John Jessop, Gubernatorial Appointment No. 9278, as a member of the Board of Trustees, Edmonds Community College District No. 23 and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

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

Excused: Senators Hargrove and McAuliffe

John Jessop, Gubernatorial Appointment No. 9278, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Edmonds Community College District No. 23.

MOTION

At 10:25 a.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 12:05 p.m. by the Vice President Pro Tempore.

MOTION

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

MOTION

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

EDITOR'S NOTE: 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, Senate Rule 20 was suspended for the remainder of the day to allow consideration of additional floor resolutions.

EDITOR'S NOTE: Senate Rule 20 limits consideration of floor resolutions not essential to the operation of the Senate to one per day during regular daily sessions.

MOTION

Senator Liias moved adoption of the following resolution:

SENATE RESOLUTION 8700

By Senator Liias

WHEREAS, Former Mayor Don Gough has honorably served the city of Lynnwood and the state of Washington; and

WHEREAS, Don Gough served for 10 years on the Lynnwood City Council and 8 years as Mayor; and

WHEREAS, Don Gough has a long history of community service, working as a past liaison to the Fire, Police, Community Development, Library, and Parks departments, and as the Medic 7 representative for six years and Southwest Snohomish County Communications Agency (SNOCOM) alternate for nine years; and

WHEREAS, Don Gough led the work to organize the city council and was elected the first Council President and Mayor Pro-tem during 2000 and 2001; and

WHEREAS, Don Gough served diligently on the finance committee and public safety committee for the city of Lynnwood; and

WHEREAS, He has written, sponsored, and worked with council members to successfully pass many improvements for the city; and

WHEREAS, His efforts as Mayor focused on protecting neighborhoods and promoting improvements and progress for the city of Lynnwood;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate recognize former Lynnwood Mayor, Don Gough, for his service to the Lynnwood community and his commitment to its continued growth and development.

Senator Liias spoke in favor of adoption of the resolution.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8700.

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

MOTION

Senator Liias moved adoption of the following resolution:

SENATE RESOLUTION 8701

By Senator Liias

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WHEREAS, Joe Marine served as Mayor of Mukilteo from 2006 to 2013 and spent his time restoring and building a strong community; and

WHEREAS, During his tenure, the city built the Rosehill Community Center and a new LEED Gold Certified City Hall, which enhanced the city's appearance and provided spaces for community involvement; and

WHEREAS, Joe Marine contributed in developing new anticrime events, watch groups, and other community assisted programs to support unity within the Mukilteo community; and

WHEREAS, His efforts to increase transparency between local government and the community led to the implementation of a new data system that is cost-effective and improves sharing ability; and

WHEREAS, Joe Marine worked with community members, volunteers, and eagle scouts to complete a two-mile walking trail along one of Mukilteo's largest ravines, a popular dog park, and a transformation of the popular Lighthouse Park; and

WHEREAS, He embraced Mukilteo's relationship with local tribes by inviting the tribes to use Mukilteo as a landing spot for the Intertribal Canoe journey, which was the first time Native Americans had a major gathering in Mukilteo since the Point Elliot Treaty in 1855; and

WHEREAS, He was voted a top five 2013 finalist for best Mayor from KING 5 Best of Western Washington;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate recognize former Mukilteo Mayor, Joe Marine, for his service to the Mukilteo community and his commitment to its continued growth and development.

Senator Lias spoke in favor of adoption of the resolution.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8701.

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

MOTION

Senator Baumgartner moved adoption of the following resolution:

SENATE RESOLUTION
8704

By Senators Schoesler, Baumgartner, Billig, Dansel, Brown, Dammeier, and Padden

WHEREAS, Washington Water Power was originally incorporated on March 15, 1889, to meet the increasing demand for electricity in the growing city of Spokane Falls, Washington; and

WHEREAS, In 1890, the company built its first hydroelectric generating facility at Monroe Street, and in 1903 it built the world's longest transmission line, which traveled from Spokane to Burke, Idaho; and

WHEREAS, The company once boasted the highest spillway in the world with the completion of the Long Lake hydroelectric facility in 1915; and

WHEREAS, Washington Water Power employees' legacy of innovation began with their development of the first temperature control for the electric stove and the first heating coil for the home water heater; and

WHEREAS, Washington Water Power began serving natural gas customers with the purchase of the Spokane Natural Gas Company in 1958; and

WHEREAS, The company built the country's first stand-alone wood waste-fired electric generating facility in Kettle Falls, Washington, in 1983; and

WHEREAS, Washington Water Power began doing business as Avista Corp. on January 1, 1999; and

WHEREAS, Avista built upon its legacy of clean, renewable power generation with the purchase of power from the Palouse Wind project beginning in December 2012; and

WHEREAS, Avista has a diversified mix of generating resources and now owns and operates eight hydroelectric facilities and seven thermal generating facilities with a total generating capacity of more than 1,844 megawatts; and

WHEREAS, The company owns 21,000 miles of distribution and transmission lines in its 30,000 square-mile service territory; and

WHEREAS, Avista has been repeatedly honored for its environmental stewardship, receiving five national awards as an "Outstanding Steward of America's Waters," as well as the Association of Washington Businesses 2001 Environmental Excellence Award and special recognition as one of the greenest companies in Washington by Seattle Business magazine in 2012; and

WHEREAS, Avista and the Avista Foundation contribute more than \$1 million per year to nonprofit organizations, and the company has been named in the top 25 in the Puget Sound Business Journal's list of top Washington philanthropists for the past four years; and

WHEREAS, Avista employees annually perform approximately 50,000 hours of volunteer service to more than 1,000 organizations in their communities; and

WHEREAS, Avista has provided safe, reliable energy services for 125 years, surviving the Spokane fire of 1889, the ice storm of 1996, Y2K, and the Western energy crisis in 2001;

NOW, THEREFORE, BE IT RESOLVED, That the Senate of the State of Washington recognize and honor Avista Corp. and its employees on the company's 125th anniversary of incorporation.

Senator Baumgartner spoke in favor of adoption of the resolution.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8704.

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

MOTION

Senator Parlette moved adoption of the following resolution:

SENATE RESOLUTION
8708

By Senators Parlette, Hatfield, Becker, Hewitt, and Schoesler

WHEREAS, It is the policy of the Senate of the State of Washington to honor the achievements and talents of Washington's artists and to recognize their contribution to their communities; and

WHEREAS, Bonnie "Guitar" Buckingham is one of the biggest stars to emerge from the Pacific Northwest's music scene; and

WHEREAS, Buckingham produced songs that established her as an early "crossover" artist; and

WHEREAS, The multitalented artist devoted her skills as a unique female session instrumentalist, talent scout, record label executive, audio engineer, and session producer to the success of many aspiring young talents; and

WHEREAS, Buckingham will be remembered as a female pioneer in a music industry traditionally dominated by male artists; and

WHEREAS, Buckingham was one of the few female singers in country music during her fame and is one of the few country singers

to have had a hit on the *Billboard* Magazine's Country charts and Pop charts simultaneously during the late 1950s; and

WHEREAS, Buckingham performed for the Grand Ole Opry at Nashville's Ryman Auditorium numerous times and was offered a regular spot on the Grand Ole Opry, but declined; and

WHEREAS, In the late 1950s, Buckingham formed her own record label called Dolton Records, formerly called Dolphin Records, with cofounder Bob Reisdorff; and

WHEREAS, Buckingham is credited as one of the people who helped launch The Fleetwoods as well as The Ventures upon signing the two groups to Dolton Records during the late 1950s; and

WHEREAS, Buckingham made television appearances on Dick Clark's American Bandstand as well as West Coast programs like the Ranch Party and Gene Autry's Melody Ranch show; and

WHEREAS, Buckingham resumed her own music career and charted for the first time in many years in 1980 with the single "Honey on the Moon"; and

WHEREAS, Seattle's Northwest Area Music Association recognized how Buckingham's talents had significantly impacted the recording arts in the Pacific Northwest and inducted her into their NAMA Hall of Fame in 1989; and

WHEREAS, Upon retiring in 1996, Buckingham has called Soap Lake, Washington home and continues to give back to her community through her musical talent and warm generosity; and

WHEREAS, This body recognizes the effect Buckingham and her music have on the viability, well-being, and economy of local communities and this state;

NOW, THEREFORE, BE IT RESOLVED, That the Senate of the State of Washington express its appreciation of Washington's very own Bonnie "Guitar" Buckingham for her continued efforts in producing music, her dedication to music and her community, and her contribution to the success of other performing artists and groups; and

BE IT FURTHER RESOLVED, That copies of this Resolution be immediately transmitted by the Secretary of the Senate to Bonnie "Guitar" Buckingham.

Senator Parlette spoke in favor of adoption of the resolution.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8708.

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

MOTION

Senator Kohl-Welles moved adoption of the following resolution:

SENATE RESOLUTION 8709

By Senators Kohl-Welles, Fraser, Mullet, Pedersen, Nelson, Eide, Tom, Ericksen, Holmquist Newbry, Rolfes, Liias, Frockt, Bailey, and Parlette

WHEREAS, People of all ethnic and cultural heritage live in Washington State, sharing their traditions, histories, and cultures with the citizens of our state; and

WHEREAS, The State of Washington recognizes the great cultural contributions made by the many generations and individuals of Norwegian descent residing in our state, particularly in Ballard; and

WHEREAS, Since 1889, the greater Seattle area and beyond have joined in celebrating Norway's Constitution Day on the 17th of May by hosting a 17th of May, or "Syttende Mai," Festival and parade in Ballard to honor the day in 1814 when Norway declared

its independence by signing its constitution, and this is the 125th anniversary of the Festival; and

WHEREAS, The Ballard May 17th parade is one of the largest ethnic parades in the United States and the largest May 17th parade outside of Oslo, Norway; and

WHEREAS, On the 17th of May, the Ballard community will join together to participate in a wide range of cultural festivities and events in celebration of all that is Norwegian;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate honor Norway's Constitution Day, May 17, 2014, and encourage all citizens of Washington State to join in celebrating the culture and heritage of Norway; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Secretary of the Senate to the Norwegian 17th of May Committee and to the Nordic Heritage Museum.

Senator Kohl-Welles spoke in favor of adoption of the resolution.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8709.

The motion by Senator Kohl-Welles carried and the resolution was adopted by voice vote.

MOTION

Senator Kohl-Welles moved adoption of the following resolution:

SENATE RESOLUTION 8710

By Senators Kohl-Welles, Ranker, Hatfield, Fraser, Mullet, Pedersen, Nelson, Eide, Bailey, Ericksen, Cleveland, Hargrove, and Rolfes

WHEREAS, The Washington state commercial fishing fleet begins leaving in March for the Pacific and Alaskan waters, and the Blessing of the Fleet will occur March 9, 2014, at Fisherman's Terminal in Ballard; and

WHEREAS, This is the 86th year that the Ballard First Lutheran Church has held the blessing, and the 18th year that Pastor Erik Wilson Weiberg has offered the blessing; and

WHEREAS, The Washington state commercial fishing fleet begins leaving Blaine waters in May, and this is the 31st year that the Blessing of the Fleet will occur in Blaine Harbor, this year at Blaine Boating Center on May 4, 2014; and

WHEREAS, The Washington state commercial fishing fleet begins leaving Bellingham waters in May, and this is the 39th year that the Blessing of the Fleet will occur in Bellingham, this year at Zuanich Point Park in Squalicum Harbor on May 10, 2014; and

WHEREAS, The Washington state commercial fishing fleet is one of the world's largest distant water fleets; and

WHEREAS, The commercial fishing industry directly and indirectly employs thousands of people and is one of the largest industries in Washington state; and

WHEREAS, The harvest annually contributes significantly to the Washington state economy; and

WHEREAS, The life of a fisher is fraught with danger and hardship that most people will never face; and

WHEREAS, A fisher chooses to work on the sea, braving the elements in order to harvest the ocean's resources; and

WHEREAS, The men and women who work on fishing boats, at times in dangerous circumstances, deserve our admiration, thanks, and, when tragedy strikes, our remembrance; and

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WHEREAS, Too often fishers lose their lives, devastating not only the close-knit community of fishing families in our region, but also our entire state;

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

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate extend its condolences to the families and friends of all our fishers who have lost their lives at sea, wish the entire commercial fishing fleet a safe and prosperous season, and express its hope that all of our fishers will return home safely to their families, friends, and communities.

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Senator Kohl-Welles spoke in favor of adoption of the resolution.

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1417,
HOUSE BILL NO. 1607,
HOUSE BILL NO. 2100,
HOUSE BILL NO. 2106,
HOUSE BILL NO. 2119,
HOUSE BILL NO. 2140,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2191,
SUBSTITUTE HOUSE BILL NO. 2195,
HOUSE BILL NO. 2228,
SUBSTITUTE HOUSE BILL NO. 2309,
HOUSE BILL NO. 2446,
HOUSE BILL NO. 2515,
SUBSTITUTE HOUSE BILL NO. 2544,
SUBSTITUTE HOUSE BILL NO. 2567,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2680,
and the same are herewith transmitted.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8710.

The motion by Senator Kohl-Welles carried and the resolution was adopted by voice vote.

MOTION

Senator Dammeier moved adoption of the following resolution:

SENATE RESOLUTION
8711

By Senator Dammeier

BARBARA BAKER, Chief Clerk

WHEREAS, The Washington State Fair in Puyallup welcomes over 1,000,000 guests every year to the biggest party in the state; and

MESSAGE FROM THE HOUSE

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WHEREAS, The Washington State Fair annually supports youth agricultural programs and dedicates over \$1,000,000 in cash and services to them; and

MR. PRESIDENT:

The Speaker has signed:

SUBSTITUTE HOUSE BILL NO. 1634,
SUBSTITUTE HOUSE BILL NO. 2057,
SUBSTITUTE HOUSE BILL NO. 2261,
SUBSTITUTE HOUSE BILL NO. 2262,
SUBSTITUTE HOUSE BILL NO. 2448,
HOUSE BILL NO. 2547,
HOUSE BILL NO. 2674,
ENGROSSED HOUSE BILL NO. 2733,
and the same are herewith transmitted.

WHEREAS, The Washington State Fair serves over 1,000,000 scores during the 17-day event; and

WHEREAS, The Washington State Fair has donated over \$1,000,000 for educational programs through the White Hat program since 1999; and

WHEREAS, The Washington State Fair hosts over 1,000,000 visitors to its web site during fair season; and

WHEREAS, The Washington State Fair in Puyallup provides the largest and greatest fair experience in the Pacific Northwest, creating millions of smiles and millions of memories for its patrons since 1900;

BARBARA BAKER, Chief Clerk

MOTION

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate recognize the Washington State Fair in Puyallup.

Senator Dammeier spoke in favor of adoption of the resolution.

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

SECOND READING

HOUSE BILL NO. 2208, by Representatives Haigh and Buys

Concerning heavy civil construction projects.

The measure was read the second time.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8711.

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

MOTION

MOTION

At 12:18 p.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 2:09 p.m. by President Owen.

On motion of Senator Roach, the rules were suspended, House Bill No. 2208 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

MOTION

Senators Roach and Hasegawa spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 2208.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 2208 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

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

Voting nay: Senator Dammeier

HOUSE BILL NO. 2208, 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.

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1417,
HOUSE BILL NO. 1607,
SUBSTITUTE HOUSE BILL NO. 1634,
SUBSTITUTE HOUSE BILL NO. 2057,
HOUSE BILL NO. 2100,
HOUSE BILL NO. 2106,
HOUSE BILL NO. 2119,
HOUSE BILL NO. 2140,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2191,
SUBSTITUTE HOUSE BILL NO. 2195,
HOUSE BILL NO. 2228,
SUBSTITUTE HOUSE BILL NO. 2261,
SUBSTITUTE HOUSE BILL NO. 2262,
SUBSTITUTE HOUSE BILL NO. 2309,
HOUSE BILL NO. 2446,
SUBSTITUTE HOUSE BILL NO. 2448,
HOUSE BILL NO. 2515,
SUBSTITUTE HOUSE BILL NO. 2544,
HOUSE BILL NO. 2547,
SUBSTITUTE HOUSE BILL NO. 2567,
HOUSE BILL NO. 2674,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2680,
ENGROSSED HOUSE BILL NO. 2733.

SECOND READING

HOUSE BILL NO. 2583, by Representative Dahlquist

Adding charter school chief executive officers to the list of individuals who may file complaints of unprofessional conduct regarding certificated employees.

The measure was read the second time.

MOTION

On motion of Senator Litzow, the rules were suspended, House Bill No. 2583 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Litzow and McAuliffe spoke in favor of passage of the bill.

MOTION

On motion of Senator Rolfes, Senator Ranker was excused.

POINT OF ORDER

Senator Hasegawa: "I was just wondering if this requires a two-thirds vote?"

REMARKS BY THE PRESIDENT

President Owen: "Senator Hasegawa, it will take a moment to check."

MOTION

On motion of Senator Fain, further consideration of House Bill No. 2583 was deferred and the bill held its place on the third reading calendar.

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 March 5, 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 March 5, 2014 by voice vote.

SECOND READING

SENATE BILL NO. 6220, by Senators Braun, Mullet, Sheldon, Ericksen, Hobbs and Parlette

Concerning retail license fees for retailers when selling for resale.

The measure was read the second time.

MOTION

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

On page 1, at the beginning of line 6, insert "(1)"

On page 1, after line 9, insert the following:

"(2) This section does not apply to sales of spirits by retail licensees to on-premise licensees that are located in a county with a population of two hundred fifty thousand or more."

Senator Honeyford spoke in favor of adoption of the amendment.

Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Honeyford on page 1, line 6 to Senate Bill No. 6220.

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

Senator Braun spoke against adoption of the amendment.

MOTION

Senator Cleveland moved that the following amendment by Senators Cleveland and Conway be adopted:

On page 1, at the beginning of line 6, insert "(1)"

On page 1, after line 9, insert the following:

"(2) In order to qualify for the exception in subsection (1) of this section, retailers must produce a monthly report to the board reporting the amount of theft of spirits from their premises. Quarterly, retailers must identify the amount of theft by brand."

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

Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Cleveland and Conway on page 1, line 6 to Senate Bill No. 6220.

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

MOTION

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

On page 1, at the beginning of line 6, insert "(1)"

On page 1, after line 9, insert the following:

"(2) This section does not apply to retail licensees that require membership or the payment of membership fees by its customers in order to patronize the retail outlet of the spirits retail licensee."

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

Senators Mullet and Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Chase on page 1, line 6 to Senate Bill No. 6220.

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

MOTION

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

On page 1, line 8, after "licensee", insert "with total retail sales of under 1 million dollars per year"

Senator Nelson spoke in favor of adoption of the amendment.

Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Nelson on page 1, line 8 to Senate Bill No. 6220.

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

MOTION

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

On page 1, line 8, after "licensee", insert "with retail space under 15,000 square feet"

Senator Nelson spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Nelson on page 1, line 8 to Senate Bill No. 6220.

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

MOTION

Senator Conway moved that the following amendment by Senators Conway and Hewitt be adopted:

On page 1, after line 9, insert the following:

"Sec. 2. RCW 66.24.055 and 2013 2nd sp.s. c 12 s 1 are each amended to read as follows:

(1) There is a license for spirits distributors to (a) sell spirits purchased from manufacturers, distillers, or suppliers including, without limitation, licensed Washington distilleries, licensed spirits importers, other Washington spirits distributors, or suppliers of foreign spirits located outside of the United States, to spirits retailers including, without limitation, spirits retail licensees, special occasion license holders, interstate common carrier license holders, restaurant spirits retailer license holders, spirits, beer, and wine private club license holders, hotel license holders, sports entertainment facility license holders, and spirits, beer, and wine nightclub license holders, and to other spirits distributors; and (b) export the same from the state.

(2) By January 1, 2012, the board must issue spirits distributor licenses to all applicants who, upon December 8, 2011, have the right to purchase spirits from a spirits manufacturer, spirits distiller, or other spirits supplier for resale in the state, or are agents of such supplier authorized to sell to licensees in the state, unless the board determines that issuance of a license to such applicant is not in the public interest.

(3)(a) As limited by (b) and (c) of this subsection and subject to ((~~(d)~~)) (d) of this subsection, each spirits distributor licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee calculated as follows:

(i) In each of the first twenty-seven months of licensure, ten percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively; and

(ii) In the twenty-eighth month of licensure and each month thereafter, five percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively.

(b) The fee required under this subsection (3) is calculated only on sales of items which the licensee was the first spirits distributor in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(c) The fee required under this subsection (3) is only required to be paid by the spirits distributor that is the first in the state to possess the spirits.

(d) By March 31, 2013, all persons holding spirits distributor licenses on or before March 31, 2013, must have paid collectively one hundred fifty million dollars or more in spirits distributor license fees. If the collective payment through March 31, 2013, totals less than one hundred fifty million dollars, the board must, according to rules adopted by the board for the purpose, collect by May 31, 2013, as additional spirits distributor license fees the difference between one hundred fifty million dollars and the actual receipts, allocated among persons holding spirits distributor licenses at any time on or before March 31, 2013, ratably according to their spirits sales made

during calendar year 2012. Any amount by which such payments exceed one hundred fifty million dollars by March 31, 2013, must be credited to future license issuance fee obligations of spirits distributor licensees according to rules adopted by the board.

((d)) (e) A retail licensee selling for resale must pay a distributor license fee under the terms and conditions in this section on resales of spirits the licensee has purchased on which no other distributor license fee has been paid. The board must establish rules setting forth the frequency and timing of such payments and reporting of sales dollar volume by the licensee, with payments due quarterly in arrears.

((e)) (f) No spirits inventory may be subject to calculation of more than a single spirits distributor license issuance fee.

(4) In addition to the payment set forth in subsection (3) of this section, each spirits distributor licensee renewing its annual license must pay an annual license renewal fee of one thousand three hundred twenty dollars for each licensed location.

(5) There is no minimum facility size or capacity for spirits distributor licenses, and no limit on the number of such licenses issued to qualified applicants. License applicants must provide physical security of the product that is substantially as effective as the physical security of the distribution facilities currently operated by the board with respect to preventing pilferage. License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing distributor premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits distributor licenses."

On page 1, line 1 of the title, after "retail" strike the remainder of the title and insert "and spirits distributor license fees; amending RCW 66.24.055; and adding a new section to chapter 66.24 RCW."

POINT OF INQUIRY

Senator Conway: "Would Senator Braun yield to a question? I just want to make sure that this particular impact of this amendment is included in another amendment that he has?"

Senator Braun: "So, to answer your question is yes. The, you have two amendments that deal with the same issue, 525 and 568. 568 is the newer and more refined language. They serve the same purpose and that language is included in the compromise amendment."

WITHDRAWAL OF AMENDMENT

On motion of Senator Conway, the amendment by Senator Conway on page 1, line 9 to Senate Bill No. 6220 was withdrawn.

MOTION

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

On page 1, after line 9, insert the following:

"Sec. 2. RCW 66.24.055 and 2013 2nd sp.s. c 12 s 1 are each amended to read as follows:

(1) There is a license for spirits distributors to (a) sell spirits purchased from manufacturers, distillers, or suppliers including, without limitation, licensed Washington distilleries, licensed spirits importers, other Washington spirits distributors, or suppliers of foreign spirits located outside of the United States, to spirits retailers including, without limitation, spirits retail licensees, special occasion license holders, interstate common carrier license holders,

restaurant spirits retailer license holders, spirits, beer, and wine private club license holders, hotel license holders, sports entertainment facility license holders, and spirits, beer, and wine nightclub license holders, and to other spirits distributors; and (b) export the same from the state.

(2) By January 1, 2012, the board must issue spirits distributor licenses to all applicants who, upon December 8, 2011, have the right to purchase spirits from a spirits manufacturer, spirits distiller, or other spirits supplier for resale in the state, or are agents of such supplier authorized to sell to licensees in the state, unless the board determines that issuance of a license to such applicant is not in the public interest.

(3)(a) As limited by (b) of this subsection and subject to (c) of this subsection, each spirits distributor licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee calculated as follows:

(i) In each of the first twenty-seven months of licensure, ten percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively; and

(ii) In the twenty-eighth month of licensure and each month thereafter, five percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively.

(b) The fee required under this subsection (3) is calculated only on sales of items which the licensee was the first spirits distributor in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(c) By March 31, 2013, all persons holding spirits distributor licenses on or before March 31, 2013, must have paid collectively one hundred fifty million dollars or more in spirits distributor license fees. If the collective payment through March 31, 2013, totals less than one hundred fifty million dollars, the board must, according to rules adopted by the board for the purpose, collect by May 31, 2013, as additional spirits distributor license fees the difference between one hundred fifty million dollars and the actual receipts, allocated among persons holding spirits distributor licenses at any time on or before March 31, 2013, ratably according to their spirits sales made during calendar year 2012. Any amount by which such payments exceed one hundred fifty million dollars by March 31, 2013, must be credited to future license issuance fee obligations of spirits distributor licensees according to rules adopted by the board.

(d) A retail licensee selling for resale must pay a distributor license fee under the terms and conditions in this section on resales of spirits the licensee has purchased on which no other distributor license fee has been paid. The board must establish rules setting forth the frequency and timing of such payments and reporting of sales dollar volume by the licensee, with payments due quarterly in arrears.

(e) No spirits inventory may be subject to calculation of more than a single spirits distributor license issuance fee.

(4) In addition to the payment set forth in subsection (3) of this section, each spirits distributor licensee renewing its annual license must pay an annual license renewal fee of one thousand three hundred twenty dollars for each licensed location.

(5) There is no minimum facility size or capacity for spirits distributor licenses, and no limit on the number of such licenses issued to qualified applicants. License applicants must provide physical security of the product that is substantially as effective as the physical security of the distribution facilities currently operated by the board with respect to preventing pilferage. License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public,

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churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing distributor premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits distributor licenses.

(6) A retailer may not deliver spirits to a restaurant, unless the retailer is also licensed as a spirits distributor under this section.

On page 1, line 1 of the title, after "retail" strike the remainder of the title and insert "and spirits distributor license fees; amending RCW 66.24.055; and adding a new section to chapter 66.24 RCW."

Senators Keiser, Conway and Frockt spoke in favor of adoption of the amendment.

Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Keiser on page 1, after line 9 to Senate Bill No. 6220.

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

MOTION

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

On page 1, after line 9, insert the following:

"Sec. 2. RCW 66.24.055 and 2013 2nd sp.s. c 12 s 1 are each amended to read as follows:

(1) There is a license for spirits distributors to (a) sell spirits purchased from manufacturers, distillers, or suppliers including, without limitation, licensed Washington distilleries, licensed spirits importers, other Washington spirits distributors, or suppliers of foreign spirits located outside of the United States, to spirits retailers including, without limitation, spirits retail licensees, special occasion license holders, interstate common carrier license holders, restaurant spirits retailer license holders, spirits, beer, and wine private club license holders, hotel license holders, sports entertainment facility license holders, and spirits, beer, and wine nightclub license holders, and to other spirits distributors; and (b) export the same from the state.

(2) By January 1, 2012, the board must issue spirits distributor licenses to all applicants who, upon December 8, 2011, have the right to purchase spirits from a spirits manufacturer, spirits distiller, or other spirits supplier for resale in the state, or are agents of such supplier authorized to sell to licensees in the state, unless the board determines that issuance of a license to such applicant is not in the public interest.

(3)(a) As limited by (b) and (c) of this subsection and subject to ~~((e))~~ (d) of this subsection, each spirits distributor licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee calculated as follows:

(i) In each of the first twenty-seven months of licensure, ten percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively; and

(ii) In the twenty-eighth month of licensure and each month thereafter, five percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively.

(b) The fee required under this subsection (3) is calculated only on sales of items which the licensee was the first spirits distributor or other licensee in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(c) The fee required under this subsection (3) is required to be paid by the spirits distributor or other licensee that is the first in the state to possess the spirits.

(d) By March 31, 2013, all persons holding spirits distributor licenses on or before March 31, 2013, must have paid collectively one hundred fifty million dollars or more in spirits distributor license fees. If the collective payment through March 31, 2013, totals less than one hundred fifty million dollars, the board must, according to rules adopted by the board for the purpose, collect by May 31, 2013, as additional spirits distributor license fees the difference between one hundred fifty million dollars and the actual receipts, allocated among persons holding spirits distributor licenses at any time on or before March 31, 2013, ratably according to their spirits sales made during calendar year 2012. Any amount by which such payments exceed one hundred fifty million dollars by March 31, 2013, must be credited to future license issuance fee obligations of spirits distributor licensees according to rules adopted by the board.

~~((d))~~ (e) A retail licensee selling for resale must pay a distributor license fee under the terms and conditions in this section on resales of spirits the licensee has purchased on which no other distributor license fee has been paid. The board must establish rules setting forth the frequency and timing of such payments and reporting of sales dollar volume by the licensee, with payments due quarterly in arrears.

~~((e))~~ (f) No spirits inventory may be subject to calculation of more than a single spirits distributor license issuance fee.

(4) In addition to the payment set forth in subsection (3) of this section, each spirits distributor licensee renewing its annual license must pay an annual license renewal fee of one thousand three hundred twenty dollars for each licensed location.

(5) There is no minimum facility size or capacity for spirits distributor licenses, and no limit on the number of such licenses issued to qualified applicants. License applicants must provide physical security of the product that is substantially as effective as the physical security of the distribution facilities currently operated by the board with respect to preventing pilferage. License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing distributor premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits distributor licenses."

On page 1, line 1 of the title, after "retail" strike the remainder of the title and insert "and spirits distributor license fees; amending RCW 66.24.055; and adding a new section to chapter 66.24 RCW."

Senator Conway spoke in favor of adoption of the amendment.

Senator Braun spoke against adoption of the amendment.

POINT OF INQUIRY

Senator Keiser: "Would Senator Braun yield to a question? Senator, I think I just heard you say in your substitute that the distributor fee is going to be paid by all sellers, is that correct?"

Senator Braun: "That is correct. It is under current law paid. There is some question about the enforceability of that law so we take the language include it in amendment 568 and enroll it into the compromise amendment. So, this is an issue that we've agreed to. This amendment is not necessary. It will be included in an amendment we get to in a little bit."

Senator Keiser spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Conway on page 1, after line 9 to Senate Bill No. 6220.

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

MOTION

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

On page 1, after line 9, insert the following:

"**Sec. 2.** RCW 66.24.055 and 2013 2nd sp.s. c 12 s 1 are each amended to read as follows:

(1) There is a license for spirits distributors to:

(a) Sell spirits purchased from manufacturers, distillers, or suppliers including, without limitation, licensed Washington distilleries, licensed spirits importers, other Washington spirits distributors, or suppliers of foreign spirits located outside of the United States, to spirits retailers including, without limitation, spirits retail licensees, special occasion license holders, interstate common carrier license holders, restaurant spirits retailer license holders, spirits, beer, and wine private club license holders, hotel license holders, sports entertainment facility license holders, and spirits, beer, and wine nightclub license holders, and to other spirits distributors; ~~(and)~~

(b) Sell spirits in their original containers to consumers from the distributors' licensed premises; and

(c) Export the same from the state.

(2) By January 1, 2012, the board must issue spirits distributor licenses to all applicants who, upon December 8, 2011, have the right to purchase spirits from a spirits manufacturer, spirits distiller, or other spirits supplier for resale in the state, or are agents of such supplier authorized to sell to licensees in the state, unless the board determines that issuance of a license to such applicant is not in the public interest.

(3)(a) As limited by (b) of this subsection and subject to (c) of this subsection, each spirits distributor licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee calculated as follows:

(i) In each of the first twenty-seven months of licensure, ten percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively; and

(ii) In the twenty-eighth month of licensure and each month thereafter, five percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively.

(b) The fee required under this subsection (3) is calculated only on sales of items which the licensee was the first spirits distributor in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(c) By March 31, 2013, all persons holding spirits distributor licenses on or before March 31, 2013, must have paid collectively one hundred fifty million dollars or more in spirits distributor license fees. If the collective payment through March 31, 2013, totals less than one hundred fifty million dollars, the board must, according to rules adopted by the board for the purpose, collect by May 31, 2013, as additional spirits distributor license fees the difference between one hundred fifty million dollars and the actual receipts, allocated among persons holding spirits distributor licenses at any time on or before March 31, 2013, ratably according to their spirits sales made during calendar year 2012. Any amount by which such payments exceed one hundred fifty million dollars by March 31, 2013, must

be credited to future license issuance fee obligations of spirits distributor licensees according to rules adopted by the board.

(d) A retail licensee selling for resale must pay a distributor license fee under the terms and conditions in this section on resales of spirits the licensee has purchased on which no other distributor license fee has been paid. The board must establish rules setting forth the frequency and timing of such payments and reporting of sales dollar volume by the licensee, with payments due quarterly in arrears.

(e) No spirits inventory may be subject to calculation of more than a single spirits distributor license issuance fee.

(4) In addition to the payment set forth in subsection (3) of this section, each spirits distributor licensee renewing its annual license must pay an annual license renewal fee of one thousand three hundred twenty dollars for each licensed location.

(5) There is no minimum facility size or capacity for spirits distributor licenses, and no limit on the number of such licenses issued to qualified applicants. License applicants must provide physical security of the product that is substantially as effective as the physical security of the distribution facilities currently operated by the board with respect to preventing pilferage. License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing distributor premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits distributor licenses."

On page 1, line 2, after "resale;" insert "amending RCW 66.24.055;"

Senators Honeyford, Keiser and Conway spoke in favor of adoption of the amendment.

Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Honeyford on page 1, after line 9 to Senate Bill No. 6220.

The motion by Senator Honeyford failed and the amendment was not adopted by a rising vote.

PARLIAMENTARY INQUIRY

Senator Hargrove: "If I move in and out can I count two or three times too?"

REPLY BY THE PRESIDENT

President Owen: "I have something to say so bad...No."

MOTION

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

On page 1, after line 9, insert the following:

"**NEW SECTION. Sec. 2.** A new section is added to chapter 66.24 RCW to read as follows:

Retail licensees that sell to on-premise licensees are required to pay any shortfall between the amount that the ten-percent distributor fee generated in 2013, exclusive of payments made by distributors under RCW 66.24.055(3)(c), and the amount that the distributor fee generates in the first year beginning on the effective date of this section and each year thereafter, as calculated by the board. For purposes of making the calculation under this section, the distributor fee is assumed to be ten percent. Any shortfall must be paid annually on a pro rata basis by all retail licensees that sell to

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on-premise licensees based on the proportional revenue generated by such sales by each retail licensee."

On page 1, line 2 of the title, after "adding;" strike "a new section" and insert "new sections"

Senators Keiser and Nelson spoke in favor of adoption of the amendment.

Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Keiser on page 1, after line 9 to Senate Bill No. 6220.

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

MOTION

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

On page 1, after line 9, insert the following:

"NEW SECTION. Sec. 2. (1) Section 1 of this act expires on January 1st of the first year in which the number of spirits thefts at all retail licensee stores are not equal to or lower than the actual reported spirits thefts in 2011 (the last year before the effective date of Initiative Measure No. 1183).

(2) The state liquor control board must provide written notice of the date on which the contingency in subsection (1) of this section occurs to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the board."

On page 1, line 2 of the title, after "resale;" strike the remainder of the title and insert "adding a new section to chapter 66.24 RCW; and providing a contingent expiration date."

Senators Keiser and Chase spoke in favor of adoption of the amendment.

Senators Sheldon, Schoesler and Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Keiser on page 1, after line 9 to Senate Bill No. 6220.

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

MOTION

Senator Braun moved that the following amendment by Senators Braun and Mullet be adopted:

On page 1, after line 9, insert the following:

"Sec. 2. RCW 66.24.055 and 2013 2nd sp.s. c 12 s 1 are each amended to read as follows:

(1) There is a license for spirits distributors to (a) sell spirits purchased from manufacturers, distillers, or suppliers including, without limitation, licensed Washington distilleries, licensed spirits importers, other Washington spirits distributors, or suppliers of foreign spirits located outside of the United States, to spirits retailers including, without limitation, spirits retail licensees, special occasion license holders, interstate common carrier license holders, restaurant spirits retailer license holders, spirits, beer, and wine private club license holders, hotel license holders, sports entertainment facility license holders, and spirits, beer, and wine nightclub license holders, and to other spirits distributors; and (b) export the same from the state.

(2) By January 1, 2012, the board must issue spirits distributor licenses to all applicants who, upon December 8, 2011, have the right to purchase spirits from a spirits manufacturer, spirits distiller,

or other spirits supplier for resale in the state, or are agents of such supplier authorized to sell to licensees in the state, unless the board determines that issuance of a license to such applicant is not in the public interest.

(3)(a) As limited by (b) and (c) of this subsection and subject to ~~((e))~~ (d) of this subsection, each spirits distributor licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee calculated as follows:

(i) In each of the first twenty-seven months of licensure, ten percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively; and

(ii) In the twenty-eighth month of licensure and each month thereafter, five percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively.

(b) The fee required under this subsection (3) is calculated only on sales of items which the licensee was the first spirits distributor or other licensee in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(c) The fee required under this subsection (3) is only required to be paid by the spirits distributor that is the first in the state to possess the spirits.

(d) By March 31, 2013, all persons holding spirits distributor licenses on or before March 31, 2013, must have paid collectively one hundred fifty million dollars or more in spirits distributor license fees. If the collective payment through March 31, 2013, totals less than one hundred fifty million dollars, the board must, according to rules adopted by the board for the purpose, collect by May 31, 2013, as additional spirits distributor license fees the difference between one hundred fifty million dollars and the actual receipts, allocated among persons holding spirits distributor licenses at any time on or before March 31, 2013, ratably according to their spirits sales made during calendar year 2012. Any amount by which such payments exceed one hundred fifty million dollars by March 31, 2013, must be credited to future license issuance fee obligations of spirits distributor licensees according to rules adopted by the board.

~~((d))~~ (e) A retail licensee selling for resale must pay a distributor license fee under the terms and conditions in this section on resales of spirits the licensee has purchased on which no other distributor license fee has been paid. The board must establish rules setting forth the frequency and timing of such payments and reporting of sales dollar volume by the licensee, with payments due quarterly in arrears.

~~((e))~~ (f) No spirits inventory may be subject to calculation of more than a single spirits distributor license issuance fee.

(4) In addition to the payment set forth in subsection (3) of this section, each spirits distributor licensee renewing its annual license must pay an annual license renewal fee of one thousand three hundred twenty dollars for each licensed location.

(5) There is no minimum facility size or capacity for spirits distributor licenses, and no limit on the number of such licenses issued to qualified applicants. License applicants must provide physical security of the product that is substantially as effective as the physical security of the distribution facilities currently operated by the board with respect to preventing pilferage. License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing distributor premises licensed to sell beer and/or wine are deemed to be premises

"now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits distributor licenses.

Sec. 3. RCW 66.24.630 and 2012 2nd sp.s. c 6 s 401 are each amended to read as follows:

(1) There is a spirits retail license to: Sell spirits in original containers to consumers for consumption off the licensed premises and to permit holders; sell spirits in original containers to retailers licensed to sell spirits for consumption on the premises, for resale at their licensed premises according to the terms of their licenses, although ~~((no single sale may exceed twenty-four))~~ sales by a single spirits retail licensee to a single retailer licensed to sell for consumption on the premises on any business day may not exceed sixty liters, unless the sale is by a licensee that was a contract liquor store manager of a contract liquor store at the location of its spirits retail licensed premises from which it makes such sales; and export spirits. Until July 1, 2016, sales made to retailers licensed to sell spirits for consumption on the premises must be made at the location of the spirits retail licensed premises and may not be delivered to a retailer licensed to sell spirits for consumption on the premises.

(2) For the purposes of this title, a spirits retail license is a retail license, and a sale by a spirits retailer is a retail sale only if not for resale. Nothing in this title authorizes sales by on-sale licensees to other retail licensees. The board must establish by rule an obligation of on-sale spirits retailers to:

(a) Maintain a schedule by stock-keeping unit of all their purchases of spirits from spirits retail licensees, indicating the identity of the seller and the quantities purchased; and

(b) Provide, not more frequently than quarterly, a report for each scheduled item containing the identity of the purchasing on-premise licensee and the quantities of that scheduled item purchased since any preceding report to:

(i) A distributor authorized by the distiller to distribute a scheduled item in the on-sale licensee's geographic area; or

(ii) A distiller acting as distributor of the scheduled item in the area.

(3)(a) Except as otherwise provided in (c) of this subsection, the board may issue spirits retail licenses only for premises comprising at least ten thousand square feet of fully enclosed retail space within a single structure, including storerooms and other interior auxiliary areas but excluding covered or fenced exterior areas, whether or not attached to the structure, and only to applicants that the board determines will maintain systems for inventory management, employee training, employee supervision, and physical security of the product substantially as effective as those of stores currently operated by the board with respect to preventing sales to or pilferage by underage or inebriated persons.

(b) License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing grocery premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits retail licenses.

(c) The board may not deny a spirits retail license to an otherwise qualified contract liquor store at its contract location or to the holder of former state liquor store operating rights sold at auction under RCW 66.24.620 on the grounds of location, nature, or size of the premises to be licensed. The board may not deny a spirits retail license to applicants that are not contract liquor stores or operating rights holders on the grounds of the size of the premises to be licensed, if such applicant is otherwise qualified and the board determines that:

(i) There is no retail spirits license holder in the trade area that the applicant proposes to serve;

(ii) The applicant meets, or upon licensure will meet, the operational requirements established by the board by rule; and

(iii) The licensee has not committed more than one public safety violation within the three years preceding application.

(d) A retailer authorized to sell spirits for consumption on or off the licensed premises may accept delivery of spirits at its licensed premises or at one or more warehouse facilities registered with the board, which facilities may also warehouse and distribute nonliquor items, and from which the retailer may deliver to its own licensed premises and, pursuant to sales permitted under subsection (1) of this section:

(i) To other retailer premises licensed to sell spirits for consumption on the licensed premises;

(ii) To other registered facilities; or

(iii) To lawful purchasers outside the state. The facilities may be registered and utilized by associations, cooperatives, or comparable groups of retailers, including at least one retailer licensed to sell spirits.

(4)(a) Except as otherwise provided in (b) of this subsection, each spirits retail licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee equivalent to seventeen percent of all spirits sales revenues under the license, exclusive of taxes collected by the licensee and of sales of items on which a license fee payable under this section has otherwise been incurred. The board must establish rules setting forth the timing of such payments and reporting of sales dollar volume by the licensee, with payments required quarterly in arrears. The first payment is due October 1, 2012.

(b) This subsection (4) does not apply to craft distilleries.

(5) In addition to the payment required under subsection (4) of this section, each licensee must pay an annual license renewal fee of one hundred sixty-six dollars. The board must periodically review and adjust the renewal fee as may be required to maintain it as comparable to annual license renewal fees for licenses to sell beer and wine not for consumption on the licensed premises. If required by law at the time, any increase of the annual renewal fee becomes effective only upon ratification by the legislature.

(6) As a condition to receiving and renewing a retail spirits license the licensee must provide training as prescribed by the board by rule for individuals who sell spirits or who manage others who sell spirits regarding compliance with laws and regulations regarding sale of spirits, including without limitation the prohibitions against sale of spirits to individuals who are underage or visibly intoxicated. The training must be provided before the individual first engages in the sale of spirits and must be renewed at least every five years. The licensee must maintain records documenting the nature and frequency of the training provided. An employee training program is presumptively sufficient if it incorporates a "responsible vendor program" promulgated by the board.

(7) The maximum penalties prescribed by the board in WAC 314-29-020 through 314-29-040 relating to fines and suspensions are doubled for violations relating to the sale of spirits by retail spirits licensees.

(8)(a) The board must promulgate regulations concerning the adoption and administration of a compliance training program for spirits retail licensees, to be known as a "responsible vendor program," to reduce underage drinking, encourage licensees to adopt specific best practices to prevent sales to minors, and provide licensees with an incentive to give their employees ongoing training in responsible alcohol sales and service.

(b) Licensees who join the responsible vendor program under this section and maintain all of the program's requirements are not subject to the doubling of penalties provided in this section for a single violation in any period of twelve calendar months.

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(c) The responsible vendor program must be free, voluntary, and self-monitoring.

(d) To participate in the responsible vendor program, licensees must submit an application form to the board. If the application establishes that the licensee meets the qualifications to join the program, the board must send the licensee a membership certificate.

(e) A licensee participating in the responsible vendor program must at a minimum:

- (i) Provide ongoing training to employees;
- (ii) Accept only certain forms of identification for alcohol sales;
- (iii) Adopt policies on alcohol sales and checking identification;
- (iv) Post specific signs in the business; and
- (v) Keep records verifying compliance with the program's requirements."

Senators Braun and Mullet spoke in favor of adoption of the amendment.

Senators Ranker and Keiser spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Braun and Mullet on page 1, after line 9 to Senate Bill No. 6220.

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

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "spirits retailers when selling for resale; amending RCW 66.24.055 and 66.24.630; and adding a new section to chapter 66.24 RCW."

MOTION

Senator Ranker moved that the following amendment by Senators Ranker and Frockt be adopted:

On page 1, after line 9, insert the following:

"**Sec. 2.** RCW 66.24.055 and 2013 2nd sp.s. c 12 s 1 are each amended to read as follows:

(1) There is a license for spirits distributors to (a) sell spirits purchased from manufacturers, distillers, or suppliers including, without limitation, licensed Washington distilleries, licensed spirits importers, other Washington spirits distributors, or suppliers of foreign spirits located outside of the United States, to spirits retailers including, without limitation, spirits retail licensees, special occasion license holders, interstate common carrier license holders, restaurant spirits retailer license holders, spirits, beer, and wine private club license holders, hotel license holders, sports entertainment facility license holders, and spirits, beer, and wine nightclub license holders, and to other spirits distributors; and (b) export the same from the state.

(2) By January 1, 2012, the board must issue spirits distributor licenses to all applicants who, upon December 8, 2011, have the right to purchase spirits from a spirits manufacturer, spirits distiller, or other spirits supplier for resale in the state, or are agents of such supplier authorized to sell to licensees in the state, unless the board determines that issuance of a license to such applicant is not in the public interest.

(3)(a) As limited by (b) and (c) of this subsection and subject to ~~((e))~~ (d) of this subsection, each spirits distributor licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee calculated as follows:

(i) In each of the first twenty-seven months of licensure, ten percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively; and

(ii) In the twenty-eighth month of licensure and each month thereafter, five percent of the total revenue from all the licensee's sales of spirits made during the month for which the fee is due, respectively.

(b) The fee required under this subsection (3) is calculated only on sales of items which the licensee was the first spirits distributor or other licensee in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(c) The fee required under this subsection (3) is only required to be paid by the spirits distributor that is the first in the state to possess the spirits.

(d) By March 31, 2013, all persons holding spirits distributor licenses on or before March 31, 2013, must have paid collectively one hundred fifty million dollars or more in spirits distributor license fees. If the collective payment through March 31, 2013, totals less than one hundred fifty million dollars, the board must, according to rules adopted by the board for the purpose, collect by May 31, 2013, as additional spirits distributor license fees the difference between one hundred fifty million dollars and the actual receipts, allocated among persons holding spirits distributor licenses at any time on or before March 31, 2013, ratably according to their spirits sales made during calendar year 2012. Any amount by which such payments exceed one hundred fifty million dollars by March 31, 2013, must be credited to future license issuance fee obligations of spirits distributor licensees according to rules adopted by the board.

~~((e))~~ (e) A retail licensee selling for resale must pay a distributor license fee under the terms and conditions in this section on resales of spirits the licensee has purchased on which no other distributor license fee has been paid. The board must establish rules setting forth the frequency and timing of such payments and reporting of sales dollar volume by the licensee, with payments due quarterly in arrears.

~~((e))~~ (f) No spirits inventory may be subject to calculation of more than a single spirits distributor license issuance fee.

(4) In addition to the payment set forth in subsection (3) of this section, each spirits distributor licensee renewing its annual license must pay an annual license renewal fee of one thousand three hundred twenty dollars for each licensed location.

(5) There is no minimum facility size or capacity for spirits distributor licenses, and no limit on the number of such licenses issued to qualified applicants. License applicants must provide physical security of the product that is substantially as effective as the physical security of the distribution facilities currently operated by the board with respect to preventing pilferage. License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing distributor premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits distributor licenses.

Sec. 3. RCW 66.24.630 and 2012 2nd sp.s. c 6 s 401 are each amended to read as follows:

(1) There is a spirits retail license to: Sell spirits in original containers to consumers for consumption off the licensed premises and to permit holders; sell spirits in original containers to retailers licensed to sell spirits for consumption on the premises, for resale at

their licensed premises according to the terms of their licenses, although ~~((no single sale may exceed twenty four))~~ sales by a single spirits retail licensee to a single retailer licensed to sell for consumption on the premises on any business day may not exceed sixty liters, unless the sale is by a licensee that was a contract liquor store manager of a contract liquor store at the location of its spirits retail licensed premises from which it makes such sales; and export spirits. Sales made to retailers licensed to sell spirits for consumption on the premises must be made at the location of the spirits retail licensed premises and may not be delivered to a retailer licensed to sell spirits for consumption on the premises.

(2) For the purposes of this title, a spirits retail license is a retail license, and a sale by a spirits retailer is a retail sale only if not for resale. Nothing in this title authorizes sales by on-sale licensees to other retail licensees. The board must establish by rule an obligation of on-sale spirits retailers to:

(a) Maintain a schedule by stock-keeping unit of all their purchases of spirits from spirits retail licensees, indicating the identity of the seller and the quantities purchased; and

(b) Provide, not more frequently than quarterly, a report for each scheduled item containing the identity of the purchasing on-premise licensee and the quantities of that scheduled item purchased since any preceding report to:

(i) A distributor authorized by the distiller to distribute a scheduled item in the on-sale licensee's geographic area; or

(ii) A distiller acting as distributor of the scheduled item in the area.

(3)(a) Except as otherwise provided in (c) of this subsection, the board may issue spirits retail licenses only for premises comprising at least ten thousand square feet of fully enclosed retail space within a single structure, including storerooms and other interior auxiliary areas but excluding covered or fenced exterior areas, whether or not attached to the structure, and only to applicants that the board determines will maintain systems for inventory management, employee training, employee supervision, and physical security of the product substantially as effective as those of stores currently operated by the board with respect to preventing sales to or pilferage by underage or inebriated persons.

(b) License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing grocery premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits retail licenses.

(c) The board may not deny a spirits retail license to an otherwise qualified contract liquor store at its contract location or to the holder of former state liquor store operating rights sold at auction under RCW 66.24.620 on the grounds of location, nature, or size of the premises to be licensed. The board may not deny a spirits retail license to applicants that are not contract liquor stores or operating rights holders on the grounds of the size of the premises to be licensed, if such applicant is otherwise qualified and the board determines that:

(i) There is no retail spirits license holder in the trade area that the applicant proposes to serve;

(ii) The applicant meets, or upon licensure will meet, the operational requirements established by the board by rule; and

(iii) The licensee has not committed more than one public safety violation within the three years preceding application.

(d) A retailer authorized to sell spirits for consumption on or off the licensed premises may accept delivery of spirits at its licensed premises or at one or more warehouse facilities registered with the board, which facilities may also warehouse and distribute nonliquor items, and from which the retailer may deliver to its own licensed

premises and, pursuant to sales permitted under subsection (1) of this section:

(i) To other retailer premises licensed to sell spirits for consumption on the licensed premises;

(ii) To other registered facilities; or

(iii) To lawful purchasers outside the state. The facilities may be registered and utilized by associations, cooperatives, or comparable groups of retailers, including at least one retailer licensed to sell spirits.

(4)(a) Except as otherwise provided in (b) of this subsection, each spirits retail licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee equivalent to seventeen percent of all spirits sales revenues under the license, exclusive of taxes collected by the licensee and of sales of items on which a license fee payable under this section has otherwise been incurred. The board must establish rules setting forth the timing of such payments and reporting of sales dollar volume by the licensee, with payments required quarterly in arrears. The first payment is due October 1, 2012.

(b) This subsection (4) does not apply to craft distilleries.

(5) In addition to the payment required under subsection (4) of this section, each licensee must pay an annual license renewal fee of one hundred sixty-six dollars. The board must periodically review and adjust the renewal fee as may be required to maintain it as comparable to annual license renewal fees for licenses to sell beer and wine not for consumption on the licensed premises. If required by law at the time, any increase of the annual renewal fee becomes effective only upon ratification by the legislature.

(6) As a condition to receiving and renewing a retail spirits license the licensee must provide training as prescribed by the board by rule for individuals who sell spirits or who manage others who sell spirits regarding compliance with laws and regulations regarding sale of spirits, including without limitation the prohibitions against sale of spirits to individuals who are underage or visibly intoxicated. The training must be provided before the individual first engages in the sale of spirits and must be renewed at least every five years. The licensee must maintain records documenting the nature and frequency of the training provided. An employee training program is presumptively sufficient if it incorporates a "responsible vendor program" promulgated by the board.

(7) The maximum penalties prescribed by the board in WAC 314-29-020 through 314-29-040 relating to fines and suspensions are doubled for violations relating to the sale of spirits by retail spirits licensees.

(8)(a) The board must promulgate regulations concerning the adoption and administration of a compliance training program for spirits retail licensees, to be known as a "responsible vendor program," to reduce underage drinking, encourage licensees to adopt specific best practices to prevent sales to minors, and provide licensees with an incentive to give their employees ongoing training in responsible alcohol sales and service.

(b) Licensees who join the responsible vendor program under this section and maintain all of the program's requirements are not subject to the doubling of penalties provided in this section for a single violation in any period of twelve calendar months.

(c) The responsible vendor program must be free, voluntary, and self-monitoring.

(d) To participate in the responsible vendor program, licensees must submit an application form to the board. If the application establishes that the licensee meets the qualifications to join the program, the board must send the licensee a membership certificate.

(e) A licensee participating in the responsible vendor program must at a minimum:

(i) Provide ongoing training to employees;

(ii) Accept only certain forms of identification for alcohol sales;

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- (iii) Adopt policies on alcohol sales and checking identification;
- (iv) Post specific signs in the business; and
- (v) Keep records verifying compliance with the program's requirements.

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "spirits retailers when selling for resale; amending RCW 66.24.055 and 66.24.630; and adding a new section to chapter 66.24 RCW."

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

Senator Ranker spoke in favor of adoption of the amendment. Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Ranker and Frockt on page 1, after line 9 to Senate Bill No. 6220.

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

MOTION

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

On page 1, after line 9, insert the following:

"**Sec. 2.** RCW 66.24.630 and 2012 2nd sp.s. c 6 s 401 are each amended to read as follows:

(1) There is a spirits retail license to: Sell spirits in original containers to consumers for consumption off the licensed premises and to permit holders; sell spirits in original containers to retailers licensed to sell spirits for consumption on the premises, for resale at their licensed premises according to the terms of their licenses, although no single sale may exceed twenty-four liters, unless the sale is by a licensee that was a contract liquor store manager of a contract liquor store at the location of its spirits retail licensed premises from which it makes such sales; and export spirits.

(2) For the purposes of this title, a spirits retail license is a retail license, and a sale by a spirits retailer is a retail sale only if not for resale. Nothing in this title authorizes sales by on-sale licensees to other retail licensees. The board must establish by rule an obligation of on-sale spirits retailers to:

(a) Maintain a schedule by stock-keeping unit of all their purchases of spirits from spirits retail licensees, indicating the identity of the seller and the quantities purchased; and

(b) Provide, not more frequently than quarterly, a report for each scheduled item containing the identity of the purchasing on-premise licensee and the quantities of that scheduled item purchased since any preceding report to:

(i) A distributor authorized by the distiller to distribute a scheduled item in the on-sale licensee's geographic area; or

(ii) A distiller acting as distributor of the scheduled item in the area.

(3)(a) Except as otherwise provided in (c) of this subsection, the board may issue spirits retail licenses only for premises comprising at least ten thousand square feet of fully enclosed retail space within a single structure, including storerooms and other interior auxiliary areas but excluding covered or fenced exterior areas, whether or not attached to the structure, and only to applicants that the board determines will maintain systems for inventory management, employee training, employee supervision, and physical security of the product substantially as effective as those of stores currently operated by the board with respect to preventing sales to or pilferage by underage or inebriated persons.

(b) License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative

authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing grocery premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits retail licenses.

(c) The board may not deny a spirits retail license to an otherwise qualified contract liquor store at its contract location or to the holder of former state liquor store operating rights sold at auction under RCW 66.24.620 on the grounds of location, nature, or size of the premises to be licensed. The board may not deny a spirits retail license to applicants that are not contract liquor stores or operating rights holders on the grounds of the size of the premises to be licensed, if such applicant is otherwise qualified and the board determines that:

(i) There is no retail spirits license holder in the trade area that the applicant proposes to serve;

(ii) The applicant meets, or upon licensure will meet, the operational requirements established by the board by rule; and

(iii) The licensee has not committed more than one public safety violation within the three years preceding application.

(d) A retailer authorized to sell spirits for consumption on or off the licensed premises may accept delivery of spirits at its licensed premises or at one or more warehouse facilities registered with the board, which facilities may also warehouse and distribute nonliquor items, and from which the retailer may deliver to its own licensed premises and, pursuant to sales permitted under subsection (1) of this section:

(i) To other retailer premises licensed to sell spirits for consumption on the licensed premises;

(ii) To other registered facilities; or

(iii) To lawful purchasers outside the state. The facilities may be registered and utilized by associations, cooperatives, or comparable groups of retailers, including at least one retailer licensed to sell spirits.

(4)(a) Except as otherwise provided in RCW 66.24.632 and in (b) and (c) of this subsection, each spirits retail licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee equivalent to seventeen percent of all spirits sales revenues under the license, exclusive of taxes collected by the licensee and of sales of items on which a license fee payable under this section has otherwise been incurred. The board must establish rules setting forth the timing of such payments and reporting of sales dollar volume by the licensee, with payments required quarterly in arrears. The first payment is due October 1, 2012.

(b) Those licensees who are owners of former contract liquor stores, and are licensed under subsection (3)(c) of this section, are subject to the following requirements regarding the payment of license issuance fees:

(i) Licensees with monthly gross receipts of fifty thousand dollars or less shall pay a license issuance fee of four percent of its retail spirit sales revenues;

(ii) Licensees with monthly gross receipts greater than fifty thousand dollars and less than one hundred thousand dollars shall pay a license issuance fee of seven percent of its retail spirit sales revenues; and

(iii) Licensees with monthly gross receipts of one hundred thousand dollars or more shall pay a license issuance fee of seventeen percent of its retail spirits sales revenues.

(c) This subsection (4) does not apply to craft distilleries.

(5) In addition to the payment required under subsection (4) of this section, each licensee must pay an annual license renewal fee of one hundred sixty-six dollars. The board must periodically review and adjust the renewal fee as may be required to maintain it as comparable to annual license renewal fees for licenses to sell beer and wine not for consumption on the licensed premises. If required

by law at the time, any increase of the annual renewal fee becomes effective only upon ratification by the legislature.

(6) As a condition to receiving and renewing a retail spirits license the licensee must provide training as prescribed by the board by rule for individuals who sell spirits or who manage others who sell spirits regarding compliance with laws and regulations regarding sale of spirits, including without limitation the prohibitions against sale of spirits to individuals who are underage or visibly intoxicated. The training must be provided before the individual first engages in the sale of spirits and must be renewed at least every five years. The licensee must maintain records documenting the nature and frequency of the training provided. An employee training program is presumptively sufficient if it incorporates a "responsible vendor program" promulgated by the board.

(7) The maximum penalties prescribed by the board in WAC 314-29-020 through 314-29-040 relating to fines and suspensions are doubled for violations relating to the sale of spirits by retail spirits licensees.

(8)(a) The board must promulgate regulations concerning the adoption and administration of a compliance training program for spirits retail licensees, to be known as a "responsible vendor program," to reduce underage drinking, encourage licensees to adopt specific best practices to prevent sales to minors, and provide licensees with an incentive to give their employees ongoing training in responsible alcohol sales and service.

(b) Licensees who join the responsible vendor program under this section and maintain all of the program's requirements are not subject to the doubling of penalties provided in this section for a single violation in any period of twelve calendar months.

(c) The responsible vendor program must be free, voluntary, and self-monitoring.

(d) To participate in the responsible vendor program, licensees must submit an application form to the board. If the application establishes that the licensee meets the qualifications to join the program, the board must send the licensee a membership certificate.

(e) A licensee participating in the responsible vendor program must at a minimum:

- (i) Provide ongoing training to employees;
- (ii) Accept only certain forms of identification for alcohol sales;
- (iii) Adopt policies on alcohol sales and checking identification;
- (iv) Post specific signs in the business; and
- (v) Keep records verifying compliance with the program's requirements."

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

Senators Honeyford, Nelson and Conway spoke in favor of adoption of the amendment.

Senator Braun spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Honeyford on page 1, after line 9 to Senate Bill No. 6220.

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

MOTION

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

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** (1) A task force is established to study all spirits taxes and fees as provided in this section. The task force must review and make recommendations on the development

of a comprehensive tax and fee structure for the state in consideration of the laws enacted by Initiative Measure No. 1183.

(2) The task force must consist of a total of eight members, appointed as follows:

(a) The president of the senate must appoint two members from each of the two largest caucuses of the senate;

(b) The speaker of the house of representatives must appoint two members from each of the two largest caucuses of the house of representatives.

(3) Staff support for the task force must be provided by senate committee services and the house of representatives office of program research.

(4) By December 1, 2014, and in compliance with RCW 43.01.036, the task force must submit a report to the legislature that details its findings and recommendations under this section to the appropriate legislative committees."

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "creating a task force to study the development of a comprehensive spirits tax and fee structure; and creating a new section."

Senators Conway and Nelson spoke in favor of adoption of the striking amendment.

Senator Braun spoke against adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senator Conway to Senate Bill No. 6220.

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

MOTION

Senator Liias moved that the following striking amendment by Senators Liias and Conway be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 82.08.150 and 2012 c 2 s 106 are each amended to read as follows:

(1) There is levied and collected a tax upon each retail sale of spirits in the original package at the rate of:

(a) Fifteen percent of the selling price, until July 1, 2016;

(b) 17.5 percent of the selling price, beginning July 1, 2016, until July 1, 2018;

(c) 14.5 percent of the selling price, beginning July 1, 2018, until July 1, 2020; and

(d) 11.5 percent of the selling price, beginning July 1, 2020, until July 1, 2022.

(2)(a) Until July 1, 2016, there is levied and collected a tax upon each sale of spirits in the original package at the rate of ten percent of the selling price on sales by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(b) Beginning July 1, 2016, until July 1, 2018, there is levied and collected a tax upon each sale of spirits in the original package at the rate of 11.7 percent of the selling price on sales by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(c) Beginning July 1, 2018, until July 1, 2020, there is levied and collected a tax upon each sale of spirits in the original package at the rate of 9.7 percent of the selling price on sales by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(d) Beginning July 1, 2020, until July 1, 2022, there is levied and collected a tax upon each sale of spirits in the original package at the rate of 7.7 percent of the selling price on sales by a spirits

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distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(3) There is levied and collected an additional tax upon each sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of one dollar and seventy-two cents per liter.

(4)(a) Until July 1, 2016, an additional tax is imposed equal to fourteen percent multiplied by the taxes payable under subsections (1), (2), and (3) of this section.

(b) Beginning July 1, 2016, an additional tax is imposed equal to fourteen percent multiplied by the taxes payable under subsection (3) of this section.

(5) An additional tax is imposed upon each sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of seven cents per liter. All revenues collected during any month from this additional tax must be deposited in the state general fund by the twenty-fifth day of the following month.

(6)(a) Until July 1, 2016, an additional tax is imposed upon retail sale of spirits in the original package at the rate of three and four-tenths percent of the selling price.

(b) Until July 1, 2016, an additional tax is imposed upon retail sale of spirits in the original package to a restaurant spirits retailer at the rate of two and three-tenths percent of the selling price.

(c) An additional tax is imposed upon each sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of forty-one cents per liter.

(d) All revenues collected during any month from additional taxes under this subsection must be deposited in the state general fund by the twenty-fifth day of the following month.

(7)(a) An additional tax is imposed upon each retail sale of spirits in the original package at the rate of one dollar and thirty-three cents per liter.

(b) All revenues collected during any month from additional taxes under this subsection must be deposited by the twenty-fifth day of the following month into the general fund.

(8) Until July 1, 2022, the tax imposed in RCW 82.08.020 does not apply to sales of spirits in the original package. Beginning July 1, 2022, the state and local sales taxes imposed in RCW 82.08.020 and 82.14.030 apply to sales of spirits in the original package.

(9) The taxes imposed in this section must be paid by the buyer to the seller, and each seller must collect from the buyer the full amount of the tax payable in respect to each taxable sale under this section. The taxes required by this section to be collected by the seller must be stated separately from the selling price, and for purposes of determining the tax due from the buyer to the seller, it is conclusively presumed that the selling price quoted in any price list does not include the taxes imposed by this section. Sellers must report and return all taxes imposed in this section in accordance with rules adopted by the department.

(10) As used in this section, the terms, "spirits" and "package" have the same meaning as provided in chapter 66.04 RCW.

NEW SECTION. Sec. 2. This act takes effect July 1, 2015."

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "providing a comprehensive spirits sales tax reduction for all consumers in both on-premise and off-premise settings; amending RCW 82.08.150; and providing an effective date."

Senator Liias spoke in favor of adoption of the striking amendment.

POINT OF ORDER

Senator Braun: "Thank you Mr. President. I believe the amendment offered, 602, is beyond the scope and object of the underlying bill. Senate Bill No. 6220 relates to the retail license fees for retailers selling spirits for re sale. This is a very narrow bill whose effect, if implemented, would simply remove the seventeen percent retail licensee spirit sales for resale. By contrast the purpose of this amendment is to reduce the sales tax on spirits which is addressed in entirely different chapter of the code. The amendment also mirrors Senate Bill No. 6547 which was heard in the Commerce & Labor Committee and not moved. Thank you Mr. President."

Senator Liias spoke against the point of order.

MOTION

On motion of Senator Fain, further consideration of Senate Bill No. 6220 was deferred and the bill held its place on the second reading calendar.

Senator Sheldon, President Pro Tempore assumed the chair.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2298, by House Committee on Local Government (originally sponsored by Representatives Pike, Takko, Vick, Harris, Blake, Rodne and Farrell)

Changing the definition of capital projects to include technology infrastructure.

The measure was read the second time.

MOTION

On motion of Senator Roach, the rules were suspended, Engrossed Substitute House Bill No. 2298 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Roach and Hasegawa spoke in favor of passage of the bill.

MOTION

On motion of Senator Billig, Senator Kohl-Welles was excused.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 2298.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 2298 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Eide, Ericksen, Fain, Fraser,

Frocht, Hargrove, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Lias, Litzow, McAuliffe, McCoy, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon and Tom

Excused: Senator Kohl-Welles

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2298, 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.

SECOND READING

HOUSE BILL NO. 2744, by Representatives G. Hunt, Appleton, Tarleton and Freeman

Modifying certain provisions governing veteran-owned businesses.

The measure was read the second time.

MOTION

On motion of Senator Holmquist Newbry, the rules were suspended, House Bill No. 2744 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Holmquist Newbry and Conway spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of House Bill No. 2744.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 2744 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Dandel, Darneille, Eide, Ericksen, Fain, Fraser, Frocht, Hargrove, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Lias, Litzow, McAuliffe, McCoy, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon and Tom

Excused: Senator Kohl-Welles

HOUSE BILL NO. 2744, 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.

SECOND READING

HOUSE BILL NO. 2137, by Representatives Johnson, Moscoso, Hayes, Takko, Klippert, Haler, Ross and Ryu

Modifying provisions governing commercial motor vehicles.

The measure was read the second time.

MOTION

On motion of Senator King, the rules were suspended, House Bill No. 2137 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators King and Eide spoke in favor of passage of the bill.

MOTION

On motion of Senator Nelson, Senator Ranker was excused.

The President Pro Tempore declared the question before the Senate to be the final passage of House Bill No. 2137.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 2137 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 2; Absent, 0; Excused, 2.

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

Voting nay: Senators Dandel and Padden

Excused: Senators Kohl-Welles and Ranker

HOUSE BILL NO. 2137, 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.

SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2192, by House Committee on Appropriations (originally sponsored by Representatives Smith, Hansen, Haler, Buys, Hayes, Parker, Short, Seaquist, Pike, Scott, Zeiger, Hargrove, Manweller, Holy, Magendanz, Vick and Wilcox)

Promoting economic development through enhancing transparency and predictability of state agency permitting and review processes.

The measure was read the second time.

MOTION

On motion of Senator Brown, the rules were suspended, Engrossed Second Substitute House Bill No. 2192 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Brown, Frocht and Chase spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 2192.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 2192 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Dandel, Darneille, Eide, Ericksen, Fain, Fraser, Frocht, Hargrove, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Lias, Litzow, McAuliffe, McCoy, Mullet, Nelson, O'Ban, Padden,

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On motion of Senator Eide, Senator Kline was excused.

Excused: Senator Kohl-Welles

SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2192, 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.

SUBSTITUTE HOUSE BILL NO. 2146, by House Committee on Labor & Workforce Development (originally sponsored by Representative Condotta)

MOTION

Concerning department of labor and industries appeal bonds.

On motion of Senator Billig, Senator Hargrove was excused.

The measure was read the second time.

SECOND READING

MOTION

SUBSTITUTE HOUSE BILL NO. 2105, by House Committee on Government Operations & Elections (originally sponsored by Representatives Hawkins, Bergquist, Buys, S. Hunt, Holy, Orwall, Ross, Reykdal, Hayes, Pollet, Kochmar, Hudgins, Magendanz, Moscoso, Vick, Riccelli, Klippert, Stonier, Nealey, Tarleton, Scott, Pike, Fagan, Fey, Seaquist, Chandler, Farrell, Haigh, Fitzgibbon, Sawyer, Moeller, Gregerson, Johnson, Haler, Appleton, Carlyle, Morrell, Goodman, Van De Wege and Freeman)

Senator Holmquist Newbry moved that the following committee amendment by the Committee on Ways & Means be adopted:

On page 5, after line 14, insert the following:

"NEW SECTION. **Sec. 6.** This act takes effect July 1, 2015."

Promoting transparency in government by requiring public agencies with governing bodies to post their agendas online in advance of meetings.

The President Pro Tempore declared the question before the Senate to be the adoption of the committee amendment by the Committee on Ways & Means to Substitute House Bill No. 2146.

The motion by Senator Holmquist Newbry carried and the committee amendment was adopted by voice vote.

MOTION

The measure was read the second time.

On motion of Senator Holmquist Newbry, the rules were suspended, Substitute House Bill No. 2146 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

MOTION

On motion of Senator Roach, the rules were suspended, Substitute House Bill No. 2105 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Holmquist Newbry and Conway spoke in favor of passage of the bill.

Senators Roach and Hasegawa spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute House Bill No. 2146 as amended by the Senate.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute House Bill No. 2105.

ROLL CALL

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2105 and the bill passed the Senate by the following vote: Yeas, 41; Nays, 6; Absent, 1; Excused, 1.

The Secretary called the roll on the final passage of Substitute House Bill No. 2146 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Fain, Fraser, Frockt, Hargrove, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Mullet, Nelson, O'Ban, Parlette, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon and Tom

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

Voting nay: Senators Dansel, Ericksen, Holmquist Newbry, Honeyford, Padden and Pearson

SUBSTITUTE HOUSE BILL NO. 2146 as amended by the Senate, 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.

Absent: Senator Kline

Excused: Senator Kohl-Welles

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2105, 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

SUBSTITUTE HOUSE BILL NO. 1841, by House Committee on Capital Budget (originally sponsored by Representatives Stonier, Warnick, Dunshee, Morrell, Ryu and Freeman)

Authorizing electronic competitive bidding for state public works contracting.

The measure was read the second time.

MOTION

On motion of Senator Roach, the rules were suspended, Substitute House Bill No. 1841 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Roach and Hasegawa spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute House Bill No. 1841.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1841 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

SUBSTITUTE HOUSE BILL NO. 1841, 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.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1090, by House Committee on Local Government (originally sponsored by Representatives Shea, Reykdal, Crouse, Holy, Springer and Dahlquist)

Increasing the dollar amount for construction of a dock that does not qualify as a substantial development under the shoreline management act.

The measure was read the second time.

MOTION

On motion of Senator Pearson, the rules were suspended, Engrossed Substitute House Bill No. 1090 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Pearson, Lias and Padden spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1090.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1090 and the bill passed the

Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1090, 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.

SECOND READING

HOUSE BILL NO. 1785, by Representatives S. Hunt, Kristiansen and Ryu

Authorizing de minimis use of state resources to provide information about programs that may be authorized payroll deductions.

The measure was read the second time.

MOTION

On motion of Senator Roach, the rules were suspended, House Bill No. 1785 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Roach and Hasegawa spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of House Bill No. 1785.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1785 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

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

Voting nay: Senator Frockt

HOUSE BILL NO. 1785, 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.

The President resumed the chair.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1643, by House Committee on Technology & Economic Development (originally sponsored by Representatives Fey, Short, Uptegrove, Nealey, Pollet, Lias, Ormsby, Ryu and Moscoso)

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Regarding energy conservation under the energy independence act.

The measure was read the second time.

MOTION

On motion of Senator Ericksen, the rules were suspended, Engrossed Substitute House Bill No. 1643 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Ericksen and McCoy spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1643.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1643 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1643, 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.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2080, by House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Sawyer, Zeiger, Appleton, Angel, DeBolt, Blake, Haler, McCoy, Wilcox, Fitzgibbon, Hurst, Freeman, S. Hunt, Santos and Ryu)

Vacating convictions for certain tribal fishing activities.

The measure was read the second time.

MOTION

On motion of Senator Padden, the rules were suspended, Substitute House Bill No. 2080 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Padden, Kline, Liias, McCoy, Sheldon, Hasegawa, Conway and Angel spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2080.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2080 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

SUBSTITUTE HOUSE BILL NO. 2080, 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.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1742, by House Committee on Government Accountability & Oversight (originally sponsored by Representatives Wylie, Ryu, Hunter, S. Hunt and Moscoso)

Allowing sales of growlers of wine.

The measure was read the second time.

MOTION

On motion of Senator Holmquist Newbry, the rules were suspended, Substitute House Bill No. 1742 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Holmquist Newbry spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1742.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1742 and the bill passed the Senate by the following vote: Yeas, 43; Nays, 6; Absent, 0; Excused, 0.

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

Voting nay: Senators Dammeier, Darneille, Hargrove, O'Ban, Padden and Pearson

SUBSTITUTE HOUSE BILL NO. 1742, 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.

POINT OF ORDER

Senator Dammeier: "Mr. President, I appreciate the fact that you have allowed us to change Rule Seven and that we can drink water on the senate floor now and remain hydrated. I appreciate the guidance that you have provided to preserve the decorum of the senate and specifically you've precluded plastic bottles, styrofoam cups, paper cups but we can use our mugs provided by the Secretary of the Senate. In light of the theme of a lot of recent

legislation Mr. President I was wondering if I could drink water on the senate floor from my growler provided by Senator Liias?"

REPLY BY THE PRESIDENT

President Owen: "I suggest you try it and see what happens!"

PERSONAL PRIVILEGE

Senator Liias: "Thank you Mr. President. I appreciate Senator Dammeier reminding folks about the growlers that we gave out earlier this session and I am admonished, about Senator Pearson's comments, that my first speech was like that empty growler. I just wanted for the members information let them know that if they drop their empty growler by my office by Monday evening that they will get a full growler of wonderful beer in the days to come after that. So, just want to let folks know that I'm fulfilling my promise to Senator Pearson to make my speech and my growler full for you. Thank you."

REMARKS BY THE PRESIDENT

President Owen: "The President feels a responsibility to remind my members that you are still limited to water on the floor even after receiving the growler."

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1791, by House Committee on Public Safety (originally sponsored by Representatives Parker, Orwall, Fagan, Riccelli, Ryu, Haler, Moscoso and Santos)

Concerning trafficking.

The measure was read the second time.

MOTION

Senator Kohl-Welles moved that the following amendment by Senators Kohl-Welles and Padden be adopted:

On page 6, after line 13, insert the following:

"Sec. 3. RCW 9.68A.120 and 2009 c 479 s 12 are each amended to read as follows:

The following are subject to seizure and forfeiture:

(1) All visual or printed matter that depicts a minor engaged in sexually explicit conduct.

(2) All raw materials, equipment, and other tangible personal property of any kind used or intended to be used to manufacture or process any visual or printed matter that depicts a minor engaged in sexually explicit conduct, and all conveyances, including aircraft, vehicles, or vessels that are used or intended for use to transport, or in any manner to facilitate the transportation of, visual or printed matter in violation of RCW 9.68A.050 or 9.68A.060, but:

(a) No conveyance used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section unless it appears that the owner or other person in charge of the conveyance is a consenting party or privy to a violation of this chapter;

(b) No property is subject to forfeiture under this section by reason of any act or omission established by the owner of the property to have been committed or omitted without the owner's knowledge or consent;

(c) A forfeiture of property encumbered by a bona fide security interest is subject to the interest of the secured party if the secured

party neither had knowledge of nor consented to the act or omission; and

(d) When the owner of a conveyance has been arrested under this chapter the conveyance may not be subject to forfeiture unless it is seized or process is issued for its seizure within ten days of the owner's arrest.

(3) All personal property, moneys, negotiable instruments, securities, or other tangible or intangible property furnished or intended to be furnished by any person in exchange for visual or printed matter depicting a minor engaged in sexually explicit conduct, or constituting proceeds traceable to any violation of this chapter.

(4) Property subject to forfeiture under this chapter may be seized by any law enforcement officer of this state upon process issued by any superior court having jurisdiction over the property. Seizure without process may be made if:

(a) The seizure is incident to an arrest or a search under a search warrant or an inspection under an administrative inspection warrant;

(b) The property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding based upon this chapter;

(c) A law enforcement officer has probable cause to believe that the property is directly or indirectly dangerous to health or safety; or

(d) The law enforcement officer has probable cause to believe that the property was used or is intended to be used in violation of this chapter.

(5) In the event of seizure under subsection (4) of this section, proceedings for forfeiture shall be deemed commenced by the seizure. The law enforcement agency under whose authority the seizure was made shall cause notice to be served within fifteen days following the seizure on the owner of the property seized and the person in charge thereof and any person having any known right or interest therein, of the seizure and intended forfeiture of the seized property. The notice may be served by any method authorized by law or court rule including but not limited to service by certified mail with return receipt requested. Service by mail shall be deemed complete upon mailing within the fifteen day period following the seizure.

(6) If no person notifies the seizing law enforcement agency in writing of the person's claim of ownership or right to possession of seized items within forty-five days of the seizure, the item seized shall be deemed forfeited.

(7) If any person notifies the seizing law enforcement agency in writing of the person's claim of ownership or right to possession of seized items within forty-five days of the seizure, the person or persons shall be afforded a reasonable opportunity to be heard as to the claim or right. The hearing shall be before an administrative law judge appointed under chapter 34.12 RCW, except that any person asserting a claim or right may remove the matter to a court of competent jurisdiction if the aggregate value of the article or articles involved is more than five hundred dollars. The hearing before an administrative law judge and any appeal therefrom shall be under Title 34 RCW. In a court hearing between two or more claimants to the article or articles involved, the prevailing party shall be entitled to a judgment for costs and reasonable attorney's fees. The burden of producing evidence shall be upon the person claiming to be the lawful owner or the person claiming to have the lawful right to possession of the seized items. The seizing law enforcement agency shall promptly return the article or articles to the claimant upon a determination by the administrative law judge or court that the claimant is lawfully entitled to possession thereof of the seized items.

(8) If property is sought to be forfeited on the ground that it constitutes proceeds traceable to a violation of this chapter, the seizing law enforcement agency must prove by a preponderance of

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the evidence that the property constitutes proceeds traceable to a violation of this chapter.

(9) When property is forfeited under this chapter the seizing law enforcement agency may:

(a) Retain it for official use or upon application by any law enforcement agency of this state release the property to that agency for the exclusive use of enforcing this chapter or chapter 9A.88 RCW;

(b) Sell that which is not required to be destroyed by law and which is not harmful to the public(~~—The proceeds and all moneys forfeited under this chapter shall be used for payment of all proper expenses of the investigation leading to the seizure, including any money delivered to the subject of the investigation by the law enforcement agency, and of the proceedings for forfeiture and sale, including expenses of seizure, maintenance of custody, advertising, actual costs of the prosecuting or city attorney, and court costs. Fifty percent of the money remaining after payment of these expenses shall be deposited in the state general fund and fifty percent shall be deposited in the general fund of the state, county, or city of the seizing law enforcement agency~~); or

(c) Request the appropriate sheriff or director of public safety to take custody of the property and remove it for disposition in accordance with law.

(10)(a) By January 31st of each year, each seizing agency shall remit to the state treasurer an amount equal to ten percent of the net proceeds of any property forfeited during the preceding calendar year. Money remitted shall be deposited in the prostitution prevention and intervention account under RCW 43.63A.740.

(b) The net proceeds of forfeited property is the value of the forfeitable interest in the property after deducting the cost of satisfying any bona fide security interest to which the property is subject at the time of seizure; and in the case of sold property, after deducting the cost of sale, including reasonable fees or commissions paid to an independent selling agency.

(c) The value of sold forfeited property is the sale price. The value of retained forfeited property is the fair market value of the property at the time of seizure determined when possible by reference to an applicable commonly used index. A seizing agency may use, but need not use, an independent qualified appraiser to determine the value of retained property. If an appraiser is used, the value of the property appraised is net of the cost of the appraisal. The value of destroyed property and retained firearms or illegal property is zero.

(11) Forfeited property and net proceeds not required to be paid to the state treasurer under this chapter shall be used for payment of all proper expenses of the investigation leading to the seizure, including any money delivered to the subject of the investigation by the law enforcement agency, and of the proceedings for forfeiture and sale, including expenses of seizure, maintenance of custody, advertising, actual costs of the prosecuting or city attorney, and court costs. Money remaining after payment of these expenses shall be retained by the seizing law enforcement agency for the exclusive use of enforcing the provisions of this chapter or chapter 9A.88 RCW.

Sec. 4. RCW 9A.88.150 and 2012 c 140 s 1 are each amended to read as follows:

(1) The following are subject to seizure and forfeiture and no property right exists in them:

(a) Any property or other interest acquired or maintained in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070 to the extent of the investment of funds, and any appreciation or income attributable to the investment, from a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(b) All conveyances, including aircraft, vehicles, or vessels, which are used, or intended for use, in any manner to facilitate a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, except that:

(i) No conveyance used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section unless it appears that the owner or other person in charge of the conveyance is a consenting party or privy to a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(ii) No conveyance is subject to forfeiture under this section by reason of any act or omission established by the owner thereof to have been committed or omitted without the owner's knowledge or consent;

(iii) A forfeiture of a conveyance encumbered by a bona fide security interest is subject to the interest of the secured party if the secured party neither had knowledge of nor consented to the act or omission; and

(iv) When the owner of a conveyance has been arrested for a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, the conveyance in which the person is arrested may not be subject to forfeiture unless it is seized or process is issued for its seizure within ten days of the owner's arrest;

(c) Any property, contractual right, or claim against property used to influence any enterprise that a person has established, operated, controlled, conducted, or participated in the conduct of, in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(d) All proceeds traceable to or derived from an offense defined in RCW 9.68A.100, 9.68A.101, or 9A.88.070 and all moneys, negotiable instruments, securities, and other things of value significantly used or intended to be used significantly to facilitate commission of the offense;

(e) All books, records, and research products and materials, including formulas, microfilm, tapes, and data which are used, or intended for use, in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(f) All moneys, negotiable instruments, securities, or other tangible or intangible property of value furnished or intended to be furnished by any person in exchange for a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, all tangible or intangible personal property, proceeds, or assets acquired in whole or in part with proceeds traceable to an exchange or series of exchanges in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, and all moneys, negotiable instruments, and securities used or intended to be used to facilitate any violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070. A forfeiture of money, negotiable instruments, securities, or other tangible or intangible property encumbered by a bona fide security interest is subject to the interest of the secured party if, at the time the security interest was created, the secured party neither had knowledge of nor consented to the act or omission. No personal property may be forfeited under this subsection (1)(f), to the extent of the interest of an owner, by reason of any act or omission, which that owner establishes was committed or omitted without the owner's knowledge or consent; and

(g) All real property, including any right, title, and interest in the whole of any lot or tract of land, and any appurtenances or improvements which are being used with the knowledge of the owner for a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, or which have been acquired in whole or in part with proceeds traceable to an exchange or series of exchanges in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, if a substantial nexus exists between the violation and the real property. However:

(i) No property may be forfeited pursuant to this subsection (1)(g), to the extent of the interest of an owner, by reason of any act or omission committed or omitted without the owner's knowledge or consent;

(ii) A forfeiture of real property encumbered by a bona fide security interest is subject to the interest of the secured party if the secured party, at the time the security interest was created, neither had knowledge of nor consented to the act or omission.

(2) Real or personal property subject to forfeiture under this section may be seized by any law enforcement officer of this state upon process issued by any superior court having jurisdiction over the property. Seizure of real property shall include the filing of a lis pendens by the seizing agency. Real property seized under this section shall not be transferred or otherwise conveyed until ninety days after seizure or until a judgment of forfeiture is entered, whichever is later: PROVIDED, That real property seized under this section may be transferred or conveyed to any person or entity who acquires title by foreclosure or deed in lieu of foreclosure of a security interest. Seizure of personal property without process may be made if:

(a) The seizure is incident to an arrest or a search under a search warrant;

(b) The property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding; or

(c) The law enforcement officer has probable cause to believe that the property was used or is intended to be used in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070.

(3) In the event of seizure pursuant to subsection (2) of this section, proceedings for forfeiture shall be deemed commenced by the seizure. The law enforcement agency under whose authority the seizure was made shall cause notice to be served within fifteen days following the seizure on the owner of the property seized and the person in charge thereof and any person having any known right or interest therein, including any community property interest, of the seizure and intended forfeiture of the seized property. Service of notice of seizure of real property shall be made according to the rules of civil procedure. However, the state may not obtain a default judgment with respect to real property against a party who is served by substituted service absent an affidavit stating that a good faith effort has been made to ascertain if the defaulted party is incarcerated within the state, and that there is no present basis to believe that the party is incarcerated within the state. Notice of seizure in the case of property subject to a security interest that has been perfected by filing a financing statement, or a certificate of title, shall be made by service upon the secured party or the secured party's assignee at the address shown on the financing statement or the certificate of title. The notice of seizure in other cases may be served by any method authorized by law or court rule including, but not limited to, service by certified mail with return receipt requested. Service by mail shall be deemed complete upon mailing within the fifteen day period following the seizure.

(4) If no person notifies the seizing law enforcement agency in writing of the person's claim of ownership or right to possession of items specified in subsection (1) of this section within forty-five days of the service of notice from the seizing agency in the case of personal property and ninety days in the case of real property, the item seized shall be deemed forfeited. The community property interest in real property of a person whose spouse or domestic partner committed a violation giving rise to seizure of the real property may not be forfeited if the person did not participate in the violation.

(5) If any person notifies the seizing law enforcement agency in writing of the person's claim of ownership or right to possession of items specified in subsection (1) of this section within forty-five days of the service of notice from the seizing agency in the case of personal property and ninety days in the case of real property, the person or persons shall be afforded a reasonable opportunity to be heard as to the claim or right. The notice of claim may be served by any method authorized by law or court rule including, but not limited to, service by first-class mail. Service by mail shall be deemed complete upon mailing within the forty-five day period following service of the notice of seizure in the case of personal property and within the ninety day period following service of the

notice of seizure in the case of real property. The hearing shall be before the chief law enforcement officer of the seizing agency or the chief law enforcement officer's designee, except where the seizing agency is a state agency as defined in RCW 34.12.020(4), the hearing shall be before the chief law enforcement officer of the seizing agency or an administrative law judge appointed under chapter 34.12 RCW, except that any person asserting a claim or right may remove the matter to a court of competent jurisdiction. Removal of any matter involving personal property may only be accomplished according to the rules of civil procedure. The person seeking removal of the matter must serve process against the state, county, political subdivision, or municipality that operates the seizing agency, and any other party of interest, in accordance with RCW 4.28.080 or 4.92.020, within forty-five days after the person seeking removal has notified the seizing law enforcement agency of the person's claim of ownership or right to possession. The court to which the matter is to be removed shall be the district court when the aggregate value of personal property is within the jurisdictional limit set forth in RCW 3.66.020. A hearing before the seizing agency and any appeal therefrom shall be under Title 34 RCW. In all cases, the burden of proof is upon the law enforcement agency to establish, by a preponderance of the evidence, that the property is subject to forfeiture.

The seizing law enforcement agency shall promptly return the article or articles to the claimant upon a determination by the administrative law judge or court that the claimant is the present lawful owner or is lawfully entitled to possession thereof of items specified in subsection (1) of this section.

(6) In any proceeding to forfeit property under this title, where the claimant substantially prevails, the claimant is entitled to reasonable attorneys' fees reasonably incurred by the claimant. In addition, in a court hearing between two or more claimants to the article or articles involved, the prevailing party is entitled to a judgment for costs and reasonable attorneys' fees.

(7) When property is forfeited under this chapter, the seizing law enforcement agency (~~shall sell the property that is not required to be destroyed by law and that is not harmful to the public~~) may:

(a) Retain it for official use or upon application by any law enforcement agency of this state release the property to that agency for the exclusive use of enforcing this chapter or chapter 9.68A RCW;

(b) Sell that which is not required to be destroyed by law and which is not harmful to the public; or

(c) Request the appropriate sheriff or director of public safety to take custody of the property and remove it for disposition in accordance with law.

(8)(a) When property is forfeited, the seizing agency shall keep a record indicating the identity of the prior owner, if known, a description of the property, the disposition of the property, the value of the property at the time of seizure, and the amount of proceeds realized from disposition of the property.

(b) Each seizing agency shall retain records of forfeited property for at least seven years.

(c) Each seizing agency shall file a report including a copy of the records of forfeited property with the state treasurer each calendar quarter.

(d) The quarterly report need not include a record of forfeited property that is still being held for use as evidence during the investigation or prosecution of a case or during the appeal from a conviction.

(9)(a) By January 31st of each year, each seizing agency shall remit to the state treasurer an amount equal to ten percent of the net proceeds of any property forfeited during the preceding calendar year. Money remitted shall be deposited in the prostitution prevention and intervention account under RCW 43.63A.740.

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(b) The net proceeds of forfeited property is the value of the forfeitable interest in the property after deducting the cost of satisfying any bona fide security interest to which the property is subject at the time of seizure; and in the case of sold property, after deducting the cost of sale, including reasonable fees or commissions paid to independent selling agents, and the cost of any valid landlord's claim for damages under subsection ~~((44))~~ (12) of this section.

(c) The value of sold forfeited property is the sale price. The value of destroyed property and retained firearms or illegal property is zero.

(10) Net proceeds not required to be paid to the state treasurer shall be used for payment of all proper expenses of the investigation leading to the seizure, including any money delivered to the subject of the investigation by the law enforcement agency, and of the proceedings for forfeiture and sale, including expenses of seizure, maintenance of custody, advertising, actual costs of the prosecuting or city attorney, and court costs. Money remaining after payment of these expenses shall be retained by the seizing law enforcement agency for the exclusive use of enforcing the provisions of this chapter or chapter 9.68A RCW.

(11) Upon the entry of an order of forfeiture of real property, the court shall forward a copy of the order to the assessor of the county in which the property is located. Orders for the forfeiture of real property shall be entered by the superior court, subject to court rules. Such an order shall be filed by the seizing agency in the county auditor's records in the county in which the real property is located.

~~((44))~~ (12) A landlord may assert a claim against proceeds from the sale of assets seized and forfeited under subsection (9) of this section, only if:

(a) A law enforcement officer, while acting in his or her official capacity, directly caused damage to the complaining landlord's property while executing a search of a tenant's residence;

(b) The landlord has applied any funds remaining in the tenant's deposit, to which the landlord has a right under chapter 59.18 RCW, to cover the damage directly caused by a law enforcement officer prior to asserting a claim under the provisions of this section:

(i) Only if the funds applied under (b) of this subsection are insufficient to satisfy the damage directly caused by a law enforcement officer, may the landlord seek compensation for the damage by filing a claim against the governmental entity under whose authority the law enforcement agency operates within thirty days after the search;

(ii) Only if the governmental entity denies or fails to respond to the landlord's claim within sixty days of the date of filing, may the landlord collect damages under this subsection by filing within thirty days of denial or the expiration of the sixty day period, whichever occurs first, a claim with the seizing law enforcement agency. The seizing law enforcement agency must notify the landlord of the status of the claim by the end of the thirty day period. Nothing in this section requires the claim to be paid by the end of the sixty day or thirty day period; and

(c) For any claim filed under (b) of this subsection, the law enforcement agency shall pay the claim unless the agency provides substantial proof that the landlord either:

(i) Knew or consented to actions of the tenant in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070; or

(ii) Failed to respond to a notification of the illegal activity, provided by a law enforcement agency under RCW 59.18.075, within seven days of receipt of notification of the illegal activity.

~~((42))~~ (13) The landlord's claim for damages under subsection ~~((44))~~ (12) of this section may not include a claim for loss of business and is limited to:

(a) Damage to tangible property and clean-up costs;

(b) The lesser of the cost of repair or fair market value of the damage directly caused by a law enforcement officer;

(c) The proceeds from the sale of the specific tenant's property seized and forfeited under subsection (9) of this section; and

(d) The proceeds available after the seizing law enforcement agency satisfies any bona fide security interest in the tenant's property and costs related to sale of the tenant's property as provided by subsection ~~((44))~~ (12) of this section.

~~((43))~~ (14) Subsections ~~((44))~~ (12) and ~~((42))~~ (13) of this section do not limit any other rights a landlord may have against a tenant to collect for damages. However, if a law enforcement agency satisfies a landlord's claim under subsection ~~((44))~~ (12) of this section, the rights the landlord has against the tenant for damages directly caused by a law enforcement officer under the terms of the landlord and tenant's contract are subrogated to the law enforcement agency."

Correct the title.

Senators Kohl-Welles and Padden 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 Kohl-Welles and Padden on page 6, after line 13 to Substitute House Bill No. 1791.

The motion by Senator Kohl-Welles carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Padden, the rules were suspended, Substitute House Bill No. 1791 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1791 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1791 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

SUBSTITUTE HOUSE BILL NO. 1791 as amended by the Senate, 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.

SECOND READING

SENATE BILL NO. 6472, by Senators Hill, Keiser and Fraser

Simplifying the taxation of amusement, recreation, and physical fitness services.

MOTION

On motion of Senator Hill, Substitute Senate Bill No. 6472 was substituted for Senate Bill No. 6472 and the substitute bill was placed on the second reading and read the second time.

MOTION

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

On page 11, line 8, after "(ii)" strike "Ballooning, hang" and insert "Hang"

On page 11, line 8, after "gliding, indoor" strike "or outdoor" "ReNUMBER the remaining sections consecutively and correct any internal references accordingly.

Senator Hobbs spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Hobbs on page 11, line 8 to Substitute Senate Bill No. 6472.

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

MOTION

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

On page 11, beginning on line 8, strike all of subsection (15)(a)(ii) and insert the following:

"(ii) Hang gliding, indoor sky diving, paragliding, parasailing, and similar activities:"

WITHDRAWAL OF AMENDMENT

On motion of Senator Schoesler, the amendment by Senator Schoesler on page 11, line 8 to Substitute Senate Bill No. 6472 was withdrawn.

MOTION

On motion of Senator Hill, the rules were suspended, Engrossed Substitute Senate Bill No. 6472 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hill, Hargrove, Billig and Lias spoke in favor of passage of the bill.

Senators McAuliffe, Hasegawa, Frockt and Chase 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. 6472.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 6472 and the bill passed the Senate by the following vote: Yeas, 37; Nays, 12; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Cleveland, Dammeier, Dansel, Eide, Ericksen, Fain, Hargrove, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kohl-Welles, Lias, Litzow, Mullet, O'Ban, Padden, Parlette, Pearson, Ranker, Rivers, Rolfes, Schoesler, Sheldon and Tom

Voting nay: Senators Chase, Conway, Darneille, Fraser, Frockt, Hasegawa, Kline, McAuliffe, McCoy, Nelson, Pedersen and Roach

ENGROSSED SUBSTITUTE SENATE BILL NO. 6472, 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.

SECOND READING

ENGROSSED HOUSE BILL NO. 2108, by Representatives Ross, Moeller and Johnson

Concerning hearing instrument fitter/dispensers.

The measure was read the second time.

MOTION

Senator Becker moved that the following committee striking amendment by the Committee on Health Care be adopted:

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** (1) The department of health with the board of hearing and speech, and representatives from the community and technical colleges, must review the opportunity to establish an interim work-based learning permit, or similar apprenticeship opportunity, to provide an additional licensing pathway for hearing aid specialist applicants.

(2) The group shall consider the following areas:

(a) The opportunity to provide a work-based learning permit for applicants that either have a two-year or four-year degree in a field of study approved by the board from an accredited institution of higher education, or are currently enrolled in a two-year or four-year degree program in a field of study approved by the board in an accredited institution of higher education with no more than one full-time academic year remaining in his or her course of study;

(b) The criteria for providing a designation of a board-approved licensed hearing aid specialist or board-approved licensed audiologist to act as the applicant's supervisor;

(c) The recommended duration of an interim work-based learning permit or apprenticeship;

(d) Recommendations for a work-based learning permit or apprenticeship and opportunities to offer a program through a partnership with a private business and/or through a partnership with accredited institutions of higher education and a sponsoring private business;

(e) Recommendations for the learning pathways or academic components that should be required in any work-based learning program, including the specific training elements that must be completed, including, but not limited to, audiometric testing, counseling regarding hearing examinations, hearing instrument selection, ear mold impressions, hearing instrument fitting and follow-up care, and business practices including ethics, regulations, and sanitation and infection control; and

(f) Recommendations for the direct supervision of a work-based learning permit or apprenticeship, including the number of persons a hearing aid specialist or audiologist may supervise, and other considerations.

(3) The work group must submit recommendations to the health committees of the legislature by December 1, 2014.

Sec. 2. RCW 18.35.010 and 2009 c 301 s 2 are each amended to read as follows:

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

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(1) "Assistive listening device or system" means an amplification system that is specifically designed to improve the signal to noise ratio for the listener, reduce interference from noise in the background, and enhance hearing levels at a distance by picking up sound from as close to source as possible and sending it directly to the ear of the listener, excluding hearing instruments as defined in this chapter.

(2) "Audiology" means the application of principles, methods, and procedures related to hearing and the disorders of hearing and to related language and speech disorders, whether of organic or nonorganic origin, peripheral or central, that impede the normal process of human communication including, but not limited to, disorders of auditory sensitivity, acuity, function, processing, or vestibular function, the application of aural habilitation, rehabilitation, and appropriate devices including fitting and dispensing of hearing instruments, and cerumen management to treat such disorders.

(3) "Board" means the board of hearing and speech.

(4) "Department" means the department of health.

(5) "Direct supervision" means the supervising speech-language pathologist, hearing aid specialist, or audiologist is on-site and in view during the procedures or tasks. The board shall develop rules outlining the procedures or tasks allowable under direct supervision.

(6) "Establishment" means any permanent site housing a person engaging in the practice of fitting and dispensing of hearing instruments by a hearing ~~((instrument fitter/dispenser))~~ aid specialist or audiologist; where the client can have personal contact and counsel during the firm's business hours; where business is conducted; and the address of which is given to the state for the purpose of bonding.

(7) "Facility" means any permanent site housing a person engaging in the practice of speech-language pathology and/or audiology, excluding the sale, lease, or rental of hearing instruments.

(8) "Fitting and dispensing of hearing instruments" means the sale, lease, or rental or attempted sale, lease, or rental of hearing instruments together with the selection and modification of hearing instruments and the administration of nondiagnostic tests as specified by RCW 18.35.110 and the use of procedures essential to the performance of these functions; and includes recommending specific hearing instrument systems, specific hearing instruments, or specific hearing instrument characteristics, the taking of impressions for ear molds for these purposes, the use of nondiagnostic procedures and equipment to verify the appropriateness of the hearing instrument fitting, and hearing instrument orientation. The fitting and dispensing of hearing instruments as defined by this chapter may be equally provided by a licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist or licensed audiologist.

(9) "Good standing" means a licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, licensed speech-language pathologist, or certified speech-language pathology assistant whose license or certification has not been subject to sanctions pursuant to chapter 18.130 RCW or sanctions by other states, territories, or the District of Columbia in the last two years.

(10) "Hearing aid specialist" means a person who is licensed to engage in the practice of fitting and dispensing of hearing instruments and meets the qualifications of this chapter.

~~((+))~~ (11) "Hearing health care professional" means an audiologist or hearing ~~((instrument fitter/dispenser))~~ aid specialist licensed under this chapter or a physician specializing in diseases of the ear licensed under chapter 18.71 RCW.

~~((+))~~ (12) "Hearing instrument" means any wearable prosthetic instrument or device designed for or represented as aiding, improving, compensating for, or correcting defective human

hearing and any parts, attachments, or accessories of such an instrument or device, excluding batteries and cords, ear molds, and assistive listening devices.

~~((+))~~ "~~Hearing instrument fitter/dispenser~~" means a person who is licensed to engage in the practice of fitting and dispensing of hearing instruments and meets the qualifications of this chapter.

(13) "Indirect supervision" means the procedures or tasks are performed under the speech-language pathologist~~((s))~~, the hearing aid specialist, or the audiologist's overall direction and control, but the speech-language pathologist~~((s))~~, hearing aid specialist, or audiologist's presence is not required during the performance of the procedures or tasks. The board shall develop rules outlining the procedures or tasks allowable under indirect supervision.

(14) "Interim permit holder" means a person who holds the permit created under RCW 18.35.060 and who practices under the supervision of a licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed speech-language pathologist, or licensed audiologist.

(15) "Licensed audiologist" means a person who is licensed by the department to engage in the practice of audiology and meets the qualifications in this chapter.

(16) "Licensed speech-language pathologist" means a person who is licensed by the department to engage in the practice of speech-language pathology and meets the qualifications of this chapter.

(17) "Secretary" means the secretary of health.

(18) "Speech-language pathology" means the application of principles, methods, and procedures related to the development and disorders, whether of organic or nonorganic origin, that impede oral, pharyngeal, or laryngeal sensorimotor competencies and the normal process of human communication including, but not limited to, disorders and related disorders of speech, articulation, fluency, voice, verbal and written language, auditory comprehension, cognition/communication, and the application of augmentative communication treatment and devices for treatment of such disorders.

(19) "Speech-language pathology assistant" means a person who is certified by the department to provide speech-language pathology services under the direction and supervision of a licensed speech-language pathologist or speech-language pathologist certified as an educational staff associate by the superintendent of public instruction, and meets all of the requirements of this chapter.

Sec. 3. RCW 18.35.020 and 2006 c 263 s 801 are each amended to read as follows:

(1) No person shall engage in the fitting and dispensing of hearing instruments or imply or represent that he or she is engaged in the fitting and dispensing of hearing instruments unless he or she is a licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, or a licensed audiologist or holds an interim permit issued by the department as provided in this chapter and is an owner or employee of an establishment that is bonded as provided by RCW 18.35.240. The owner or manager of an establishment that dispenses hearing instruments is responsible under this chapter for all transactions made in the establishment name or conducted on its premises by agents or persons employed by the establishment engaged in fitting and dispensing of hearing instruments. Every establishment that fits and dispenses shall have in its employ at least one licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist or licensed audiologist at all times, and shall annually submit proof that all testing equipment at that establishment that is required by the board to be calibrated has been properly calibrated.

(2) Effective January 1, 2003, no person shall engage in the practice of audiology or imply or represent that he or she is engaged in the practice of audiology unless he or she is a licensed audiologist or holds an audiology interim permit issued by the department as

provided in this chapter. Audiologists who are certified as educational staff associates by the Washington professional educator standards board are excluded unless they elect to become licensed under this chapter. However, a person certified by the state board of education as an educational staff associate who practices outside the school setting must be a licensed audiologist.

(3) Effective January 1, 2003, no person shall engage in the practice of speech-language pathology or imply or represent that he or she is engaged in the practice of speech-language pathology unless he or she is a licensed speech-language pathologist or holds a speech-language pathology interim permit issued by the department as provided in this chapter. Speech-language pathologists who are certified as educational staff associates by the state board of education are excluded unless they elect to become licensed under this chapter. However, a person certified by the state board of education as an educational staff associate who practices outside the school setting must be a licensed speech-language pathologist.

Sec. 4. RCW 18.35.040 and 2009 c 301 s 3 are each amended to read as follows:

(1) An applicant for licensure as a hearing (~~(instrument fitter/dispenser)~~) aid specialist must have the following minimum qualifications and shall pay a fee determined by the secretary as provided in RCW 43.70.250. An applicant shall be issued a license under the provisions of this chapter if the applicant has not committed unprofessional conduct as specified by chapter 18.130 RCW, and:

(a)(i) Satisfactorily completes the hearing (~~(instrument fitter/dispenser)~~) aid specialist examination required by this chapter; and

(ii) Satisfactorily completes;

(A) A minimum of a two-year degree program in hearing (~~(instrument fitter/dispenser)~~) aid specialist instruction. The program must be approved by the board;

(B) A two-year or four-year degree in a field of study approved by the board from an accredited institution, a nine-month board-approved certificate program offered by a board-approved hearing aid specialist program and the practical examination approved by the board. The practical examination must be given at least quarterly, as determined by the board. The department may hire licensed industry experts approved by the board to proctor the examination; or

(b) Holds a current, unsuspended, unrevoked license from another jurisdiction if the standards for licensing in such other jurisdiction are substantially equivalent to those prevailing in this state as provided in (a) of this subsection; or

(c)(i) Holds a current, unsuspended, unrevoked license from another jurisdiction, has been actively practicing as a licensed hearing aid (~~(fitter/dispenser)~~) specialist in another jurisdiction for at least forty-eight of the last sixty months, and submits proof of completion of advance certification from either the international hearing society or the national board for certification in hearing instrument sciences; and

(ii) Satisfactorily completes the hearing (~~(instrument fitter/dispenser)~~) aid specialist examination required by this chapter or a substantially equivalent examination approved by the board.

The applicant must present proof of qualifications to the board in the manner and on forms prescribed by the secretary and proof of completion of a minimum of four clock hours of AIDS education and training pursuant to rules adopted by the board.

(2)(a) An applicant for licensure as a speech-language pathologist or audiologist must have the following minimum qualifications:

(i) Has not committed unprofessional conduct as specified by the uniform disciplinary act;

(ii) Has a master's degree or the equivalent, or a doctorate degree or the equivalent, from a program at a board-approved

institution of higher learning, which includes completion of a supervised clinical practicum experience as defined by rules adopted by the board; and

(iii) Has completed postgraduate professional work experience approved by the board.

(b) All qualified applicants must satisfactorily complete the speech-language pathology or audiology examinations required by this chapter.

(c) The applicant must present proof of qualifications to the board in the manner and on forms prescribed by the secretary and proof of completion of a minimum of four clock hours of AIDS education and training pursuant to rules adopted by the board.

(3) An applicant for certification as a speech-language pathology assistant shall pay a fee determined by the secretary as provided in RCW 43.70.250 and must have the following minimum qualifications:

(a) An associate of arts or sciences degree, or a certificate of proficiency, from a speech-language pathology assistant program from an institution of higher education that is approved by the board, as is evidenced by the following:

(i) Transcripts showing forty-five quarter hours or thirty semester hours of speech-language pathology coursework; and

(ii) Transcripts showing forty-five quarter hours or thirty semester hours of general education credit; or

(b) A bachelor of arts or bachelor of sciences degree, as evidenced by transcripts, from a speech, language, and hearing program from an institution of higher education that is approved by the board.

Sec. 5. RCW 18.35.050 and 2002 c 310 s 5 are each amended to read as follows:

Except as otherwise provided in this chapter an applicant for license shall appear at a time and place and before such persons as the department may designate to be examined by written or practical tests, or both. Examinations in hearing (~~(instrument fitting/dispersing)~~) aid specialist, speech-language pathology, and audiology shall be held within the state at least once a year. The examinations shall be reviewed annually by the board and the department, and revised as necessary. The examinations shall include appropriate subject matter to ensure the competence of the applicant. Nationally recognized examinations in the fields of fitting and dispensing of hearing instruments, speech-language pathology, and audiology may be used to determine if applicants are qualified for licensure. An applicant who fails an examination may apply for reexamination upon payment of a reexamination fee. The hearing (~~(instrument fitting/dispersing)~~) aid specialist reexamination fee for hearing (~~(instrument fitter/dispensers)~~) aid specialists and audiologists shall be set by the secretary under RCW 43.70.250.

Sec. 6. RCW 18.35.070 and 1996 c 200 s 8 are each amended to read as follows:

The hearing (~~(instrument fitter/dispenser)~~) aid specialist written or practical examination, or both, provided in RCW 18.35.050 shall consist of:

(1) Tests of knowledge in the following areas as they pertain to the fitting of hearing instruments:

(a) Basic physics of sound;

(b) The human hearing mechanism, including the science of hearing and the causes and rehabilitation of abnormal hearing and hearing disorders; and

(c) Structure and function of hearing instruments.

(2) Tests of proficiency in the following areas as they pertain to the fitting of hearing instruments:

(a) Pure tone audiometry, including air conduction testing and bone conduction testing;

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(b) Live voice or recorded voice speech audiometry, including speech reception threshold testing and speech discrimination testing;

(c) Effective masking;

(d) Recording and evaluation of audiograms and speech audiometry to determine hearing instrument candidacy;

(e) Selection and adaptation of hearing instruments and testing of hearing instruments; and

(f) Taking ear mold impressions.

(3) Evidence of knowledge regarding the medical and rehabilitation facilities for children and adults that are available in the area served.

(4) Evidence of knowledge of grounds for revocation or suspension of license under the provisions of this chapter.

(5) Any other tests as the board may by rule establish.

Sec. 7. RCW 18.35.095 and 2009 c 301 s 4 are each amended to read as follows:

(1) A hearing (~~(instrument fitter/dispenser)~~) aid specialist licensed under this chapter and not actively practicing may be placed on inactive status by the department at the written request of the licensee. The board shall define by rule the conditions for inactive status licensure. In addition to the requirements of RCW 43.24.086, the licensing fee for a licensee on inactive status shall be directly related to the costs of administering an inactive license by the department. A hearing (~~(instrument fitter/dispenser)~~) aid specialist on inactive status may be voluntarily placed on active status by notifying the department in writing, paying the remainder of the licensing fee for the licensing year, and complying with subsection (2) of this section.

(2) Hearing (~~(instrument fitter/dispenser)~~) aid specialist inactive licensees applying for active licensure shall comply with the following: A licensee who has not fitted or dispensed hearing instruments for more than five years from the expiration of the licensee's full fee license shall retake the practical or the written, or both, hearing (~~(instrument fitter/dispenser)~~) aid specialist examinations required under this chapter and other requirements as determined by the board. Persons who have inactive status in this state but who are actively licensed and in good standing in any other state shall not be required to take the hearing (~~(instrument fitter/dispenser)~~) aid specialist practical examination, but must submit an affidavit attesting to their knowledge of the current Washington Administrative Code rules and Revised Code of Washington statutes pertaining to the fitting and dispensing of hearing instruments.

(3) A speech-language pathologist or audiologist licensed under this chapter, or a speech-language pathology assistant certified under this chapter, and not actively practicing either speech-language pathology or audiology may be placed on inactive status by the department at the written request of the license or certification holder. The board shall define by rule the conditions for inactive status licensure or certification. In addition to the requirements of RCW 43.24.086, the fee for a license or certification on inactive status shall be directly related to the cost of administering an inactive license or certification by the department. A person on inactive status may be voluntarily placed on active status by notifying the department in writing, paying the remainder of the fee for the year, and complying with subsection (4) of this section.

(4) Speech-language pathologist, speech-language pathology assistant, or audiologist inactive license or certification holders applying for active licensure or certification shall comply with requirements set forth by the board, which may include completion of continuing competency requirements and taking an examination.

Sec. 8. RCW 18.35.100 and 2002 c 310 s 10 are each amended to read as follows:

(1) Every hearing (~~(instrument fitter/dispenser)~~) aid specialist, audiologist, speech-language pathologist, or interim permit holder, who is regulated under this chapter, shall notify the department in writing of the regular address of the place or places in the state of Washington where the person practices or intends to practice more than twenty consecutive business days and of any change thereof within ten days of such change. Failure to notify the department in writing shall be grounds for suspension or revocation of the license or interim permit.

(2) The department shall keep a record of the places of business of persons who hold licenses or interim permits.

(3) Any notice required to be given by the department to a person who holds a license or interim permit may be given by mailing it to the address of the last establishment or facility of which the person has notified the department, except that notice to a licensee or interim permit holder of proceedings to deny, suspend, or revoke the license or interim permit shall be by certified or registered mail or by means authorized for service of process.

Sec. 9. RCW 18.35.105 and 2002 c 310 s 11 are each amended to read as follows:

Each licensee and interim permit holder under this chapter shall keep records of all services rendered for a minimum of three years. These records shall contain the names and addresses of all persons to whom services were provided. Hearing (~~(instrument fitter/dispensers)~~) aid specialists, audiologists, and interim permit holders shall also record the date the hearing instrument warranty expires, a description of the services and the dates the services were provided, and copies of any contracts and receipts. All records, as required pursuant to this chapter or by rule, shall be owned by the establishment or facility and shall remain with the establishment or facility in the event the licensee changes employment. If a contract between the establishment or facility and the licensee provides that the records are to remain with the licensee, copies of such records shall be provided to the establishment or facility.

Sec. 10. RCW 18.35.110 and 2002 c 310 s 12 are each amended to read as follows:

In addition to causes specified under RCW 18.130.170 and 18.130.180, any person licensed or holding an interim permit under this chapter may be subject to disciplinary action by the board for any of the following causes:

(1) For unethical conduct in dispensing hearing instruments. Unethical conduct shall include, but not be limited to:

(a) Using or causing or promoting the use of, in any advertising matter, promotional literature, testimonial, guarantee, warranty, label, brand, insignia, or any other representation, however disseminated or published, which is false, misleading or deceptive;

(b) Failing or refusing to honor or to perform as represented any representation, promise, agreement, or warranty in connection with the promotion, sale, dispensing, or fitting of the hearing instrument;

(c) Advertising a particular model, type, or kind of hearing instrument for sale which purchasers or prospective purchasers responding to the advertisement cannot purchase or are dissuaded from purchasing and where it is established that the purpose of the advertisement is to obtain prospects for the sale of a different model, type, or kind than that advertised;

(d) Falsifying hearing test or evaluation results;

(e)(i) Whenever any of the following conditions are found or should have been found to exist either from observations by the licensee or interim permit holder or on the basis of information furnished by the prospective hearing instrument user prior to fitting and dispensing a hearing instrument to any such prospective hearing instrument user, failing to advise that prospective hearing instrument user in writing that the user should first consult a licensed physician specializing in diseases of the ear or if no such licensed

physician is available in the community then to any duly licensed physician:

(A) Visible congenital or traumatic deformity of the ear, including perforation of the eardrum;

(B) History of, or active drainage from the ear within the previous ninety days;

(C) History of sudden or rapidly progressive hearing loss within the previous ninety days;

(D) Acute or chronic dizziness;

(E) Any unilateral hearing loss;

(F) Significant air-bone gap when generally acceptable standards have been established as defined by the food and drug administration;

(G) Visible evidence of significant cerumen accumulation or a foreign body in the ear canal;

(H) Pain or discomfort in the ear; or

(I) Any other conditions that the board may by rule establish. It is a violation of this subsection for any licensee or that licensee's employees and putative agents upon making such required referral for medical opinion to in any manner whatsoever disparage or discourage a prospective hearing instrument user from seeking such medical opinion prior to the fitting and dispensing of a hearing instrument. No such referral for medical opinion need be made by any licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder in the instance of replacement only of a hearing instrument which has been lost or damaged beyond repair within twelve months of the date of purchase. The licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder or their employees or putative agents shall obtain a signed statement from the hearing instrument user documenting the waiver of medical clearance and the waiver shall inform the prospective user that signing the waiver is not in the user's best health interest: PROVIDED, That the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder shall maintain a copy of either the physician's statement showing that the prospective hearing instrument user has had a medical evaluation within the previous six months or the statement waiving medical evaluation, for a period of three years after the purchaser's receipt of a hearing instrument. Nothing in this section required to be performed by a licensee or interim permit holder shall mean that the licensee or interim permit holder is engaged in the diagnosis of illness or the practice of medicine or any other activity prohibited under the laws of this state;

(ii) Fitting and dispensing a hearing instrument to any person under eighteen years of age who has not been examined and cleared for hearing instrument use within the previous six months by a physician specializing in otolaryngology except in the case of replacement instruments or except in the case of the parents or guardian of such person refusing, for good cause, to seek medical opinion: PROVIDED, That should the parents or guardian of such person refuse, for good cause, to seek medical opinion, the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist or licensed audiologist shall obtain from such parents or guardian a certificate to that effect in a form as prescribed by the department;

(iii) Fitting and dispensing a hearing instrument to any person under eighteen years of age who has not been examined by an audiologist who holds at least a master's degree in audiology for recommendations during the previous six months, without first advising such person or his or her parents or guardian in writing that he or she should first consult an audiologist who holds at least a master's degree in audiology, except in cases of hearing instruments replaced within twelve months of their purchase;

(f) Representing that the services or advice of a person licensed to practice medicine and surgery under chapter 18.71 RCW or osteopathic medicine and surgery under chapter 18.57 RCW or of a

clinical audiologist will be used or made available in the selection, fitting, adjustment, maintenance, or repair of hearing instruments when that is not true, or using the word "doctor," "clinic," or other like words, abbreviations, or symbols which tend to connote a medical or osteopathic medicine and surgery profession when such use is not accurate;

(g) Permitting another to use his or her license or interim permit;

(h) Stating or implying that the use of any hearing instrument will restore normal hearing, preserve hearing, prevent or retard progression of a hearing impairment, or any other false, misleading, or medically or audiolgically unsupportable claim regarding the efficiency of a hearing instrument;

(i) Representing or implying that a hearing instrument is or will be "custom-made," "made to order," "prescription made," or in any other sense specially fabricated for an individual when that is not the case; or

(j) Directly or indirectly offering, giving, permitting, or causing to be given, money or anything of value to any person who advised another in a professional capacity as an inducement to influence that person, or to have that person influence others to purchase or contract to purchase any product sold or offered for sale by the hearing ~~((instrument fitter/dispenser))~~ aid specialist, audiologist, or interim permit holder, or to influence any person to refrain from dealing in the products of competitors.

(2) Engaging in any unfair or deceptive practice or unfair method of competition in trade within the meaning of RCW 19.86.020.

(3) Aiding or abetting any violation of the rebating laws as stated in chapter 19.68 RCW.

Sec. 11. RCW 18.35.140 and 2002 c 310 s 14 are each amended to read as follows:

The powers and duties of the department, in addition to the powers and duties provided under other sections of this chapter, are as follows:

(1) To provide space necessary to carry out the examination set forth in RCW 18.35.070 of applicants for hearing ~~((instrument fitter/dispenser))~~ aid specialist licenses or audiology licenses.

(2) To authorize all disbursements necessary to carry out the provisions of this chapter.

(3) To require the periodic examination of testing equipment, as defined by the board, and to carry out the periodic inspection of facilities or establishments of persons who are licensed under this chapter, as reasonably required within the discretion of the department.

(4) To appoint advisory committees as necessary.

(5) To keep a record of proceedings under this chapter and a register of all persons licensed or holding interim permits under this chapter. The register shall show the name of every living licensee or interim permit holder for hearing ~~((instrument fitting/dispersing))~~ aid specialist, every living licensee or interim permit holder for speech-language pathology, and every living licensee or interim permit holder for audiology, with his or her last known place of residence and the date and number of his or her license or interim permit.

Sec. 12. RCW 18.35.150 and 2009 c 301 s 5 are each amended to read as follows:

(1) There is created hereby the board of hearing and speech to govern the three separate professions: Hearing ~~((instrument fitting/dispersing))~~ aid specialist, audiology, and speech-language pathology. The board shall consist of eleven members to be appointed by the governor.

(2) Members of the board shall be residents of this state. Three members shall represent the public and shall have an interest in the rights of consumers of health services, and shall not be or have been a member of, or married to a member of, another licensing board, a licensee of a health occupation board, an employee of a health

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facility, nor derive his or her primary livelihood from the provision of health services at any level of responsibility. Two members shall be hearing ~~((instrument fitter/dispensers))~~ aid specialists who are licensed under this chapter, have at least five years of experience in the practice of hearing instrument fitting and dispensing, and must be actively engaged in fitting and dispensing within two years of appointment. Two members of the board shall be audiologists licensed under this chapter who have at least five years of experience in the practice of audiology and must be actively engaged in practice within two years of appointment. Two members of the board shall be speech-language pathologists licensed under this chapter who have at least five years of experience in the practice of speech-language pathology and must be actively engaged in practice within two years of appointment. One advisory nonvoting member shall be a speech-language pathology assistant certified in Washington. One advisory nonvoting member shall be a medical physician licensed in the state of Washington.

(3) The term of office of a member is three years. Of the initial appointments, one hearing ~~((instrument fitter/dispenser))~~ aid specialist, one speech-language pathologist, one audiologist, and one consumer shall be appointed for a term of two years, and one hearing ~~((instrument fitter/dispenser))~~ aid specialist, one speech-language pathologist, one audiologist, and two consumers shall be appointed for a term of three years. Thereafter, all appointments shall be made for expired terms. No member shall be appointed to serve more than two consecutive terms. A member shall continue to serve until a successor has been appointed. The governor shall either reappoint the member or appoint a successor to assume the member's duties at the expiration of his or her predecessor's term. A vacancy in the office of a member shall be filled by appointment for the unexpired term.

(4) The chair shall rotate annually among the hearing ~~((instrument fitter/dispensers))~~ aid specialists, speech-language pathologists, audiologists, and public members serving on the board. In the absence of the chair, the board shall appoint an interim chair. In event of a tie vote, the issue shall be brought to a second vote and the chair shall refrain from voting.

(5) The board shall meet at least once each year, at a place, day and hour determined by the board, unless otherwise directed by a majority of board members. The board shall also meet at such other times and places as are requested by the department or by three members of the board. A quorum is a majority of the board. A hearing ~~((instrument fitter/dispenser))~~ aid specialist, speech-language pathologist, and audiologist must be represented. Meetings of the board shall be open and public, except the board may hold executive sessions to the extent permitted by chapter 42.30 RCW.

(6) Members of the board shall be compensated in accordance with RCW 43.03.240 and shall be reimbursed for their travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(7) The governor may remove a member of the board for cause at the recommendation of a majority of the board.

Sec. 13. RCW 18.35.161 and 2010 c 65 s 4 are each amended to read as follows:

The board shall have the following powers and duties:

(1) To establish by rule such minimum standards and procedures in the fitting and dispensing of hearing instruments as deemed appropriate and in the public interest;

(2) To adopt any other rules necessary to implement this chapter and which are not inconsistent with it;

(3) To develop, approve, and administer or supervise the administration of examinations to applicants for licensure under this chapter;

(4) To require a licensee or interim permit holder to make restitution to any individual injured by a violation of this chapter or chapter 18.130 RCW, the uniform disciplinary act. The authority to require restitution does not limit the board's authority to take other action deemed appropriate and provided for in this chapter or chapter 18.130 RCW;

(5) To pass upon the qualifications of applicants for licensure or interim permits and to certify to the secretary;

(6) To recommend requirements for continuing education and continuing competency requirements as a prerequisite to renewing a license or certification under this chapter;

(7) To keep an official record of all its proceedings. The record is evidence of all proceedings of the board that are set forth in this record;

(8) To adopt rules, if the board finds it appropriate, in response to questions put to it by professional health associations, hearing ~~((instrument fitter/dispensers or))~~ aid specialists, audiologists, speech-language pathologists, interim permit holders, and consumers in this state; and

(9) To adopt rules relating to standards of care relating to hearing ~~((instrument fitter/dispensers))~~ aid specialists or audiologists, including the dispensing of hearing instruments, and relating to speech-language pathologists, including dispensing of communication devices.

Sec. 14. RCW 18.35.185 and 2002 c 310 s 19 are each amended to read as follows:

(1) In addition to any other rights and remedies a purchaser may have, the purchaser of a hearing instrument shall have the right to rescind the transaction for other than the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder's breach if:

(a) The purchaser, for reasonable cause, returns the hearing instrument or holds it at the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder's disposal, if the hearing instrument is in its original condition less normal wear and tear. "Reasonable cause" shall be defined by the board but shall not include a mere change of mind on the part of the purchaser or a change of mind related to cosmetic concerns of the purchaser about wearing a hearing instrument; and

(b) The purchaser sends notice of the cancellation by certified mail, return receipt requested, to the establishment employing the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder at the time the hearing instrument was originally purchased, and the notice is posted not later than thirty days following the date of delivery, but the purchaser and the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder may extend the deadline for posting of the notice of rescission by mutual, written agreement. In the event the hearing instrument develops a problem which qualifies as a reasonable cause for rescission or which prevents the purchaser from evaluating the hearing instrument, and the purchaser notifies the establishment employing the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder of the problem during the thirty days following the date of delivery and documents such notification, the deadline for posting the notice of rescission shall be extended by an equal number of days as those between the date of the notification of the problem to the date of notification of availability for redeliveries. Where the hearing instrument is returned to the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder for any inspection for modification or repair, and the licensed hearing ~~((instrument fitter/dispenser))~~ aid specialist, licensed audiologist, or interim permit holder has notified the purchaser that the hearing instrument is available for redelivery, and where the purchaser has not responded by either taking

possession of the hearing instrument or instructing the licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist, licensed audiologist, or interim permit holder to forward it to the purchaser, then the deadline for giving notice of the rescission shall extend no more than seven working days after this notice of availability.

(2) If the transaction is rescinded under this section or as otherwise provided by law and the hearing instrument is returned to the licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist, licensed audiologist, or interim permit holder, the licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist, licensed audiologist, or interim permit holder shall refund to the purchaser any payments or deposits for that hearing instrument. However, the licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist, licensed audiologist, or interim permit holder may retain, for each hearing instrument, fifteen percent of the total purchase price or one hundred twenty-five dollars, whichever is less. After December 31, 1996, the rescission amount shall be determined by the board. The licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist, licensed audiologist, or interim permit holder shall also return any goods traded in contemplation of the sale, less any costs incurred by the licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist, licensed audiologist, or interim permit holder in making those goods ready for resale. The refund shall be made within ten business days after the rescission. The buyer shall incur no additional liability for such rescission.

(3) For the purposes of this section, the purchaser shall have recourse against the bond held by the establishment entering into a purchase agreement with the buyer, as provided by RCW 18.35.240.

Sec. 15. RCW 18.35.195 and 2006 c 263 s 802 are each amended to read as follows:

(1) This chapter shall not apply to military or federal government employees.

(2) This chapter does not prohibit or regulate:

(a) Fitting or dispensing by students enrolled in a board-approved program who are directly supervised by a licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist, a licensed audiologist under the provisions of this chapter, or an instructor at a two-year hearing (~~(instrument fitter/dispenser)~~) aid specialist degree program that is approved by the board;

(b) Hearing (~~(instrument fitter/dispensers)~~) aid specialists, speech-language pathologists, or audiologists of other states, territories, or countries, or the District of Columbia while appearing as clinicians of bona fide educational seminars sponsored by speech-language pathology, audiology, hearing (~~(instrument fitter/dispenser)~~) aid specialist, medical, or other healing art professional associations so long as such activities do not go beyond the scope of practice defined by this chapter; and

(c) The practice of audiology or speech-language pathology by persons certified by the Washington professional educator standards board as educational staff associates, except for those persons electing to be licensed under this chapter. However, a person certified by the board as an educational staff associate who practices outside the school setting must be a licensed audiologist or licensed speech-language pathologist.

Sec. 16. RCW 18.35.205 and 2009 c 301 s 6 are each amended to read as follows:

The legislature finds that the public health, safety, and welfare would best be protected by uniform regulation of hearing (~~(instrument fitter/dispensers)~~) aid specialists, speech-language pathologists, speech-language pathology assistants, audiologists, and interim permit holders throughout the state. Therefore, the provisions of this chapter relating to the licensing of hearing (~~(instrument fitter/dispensers)~~) aid specialists, speech-language pathologists, and audiologists, the certification of speech-language pathology assistants, and regulation of interim permit holders and their respective establishments or facilities is exclusive. No

political subdivision of the state of Washington within whose jurisdiction a hearing (~~(instrument fitter/dispenser)~~) aid specialist, audiologist, or speech-language pathologist establishment or facility is located may require any registrations, bonds, licenses, certificates, or interim permits of the establishment or facility or its employees or charge any fee for the same or similar purposes: PROVIDED, HOWEVER, That nothing herein shall limit or abridge the authority of any political subdivision to levy and collect a general and nondiscriminatory license fee levied on all businesses, or to levy a tax based upon the gross business conducted by any firm within the political subdivision.

Sec. 17. RCW 18.35.240 and 2002 c 310 s 24 are each amended to read as follows:

(1) Every individual engaged in the fitting and dispensing of hearing instruments shall be covered by a surety bond of ten thousand dollars or more, for the benefit of any person injured or damaged as a result of any violation by the licensee or permit holder, or their employees or agents, of any of the provisions of this chapter or rules adopted by the secretary.

(2) In lieu of the surety bond required by this section, the licensee or permit holder may deposit cash or other negotiable security in a banking institution as defined in chapter 30.04 RCW or a credit union as defined in chapter 31.12 RCW. All obligations and remedies relating to surety bonds shall apply to deposits and security filed in lieu of surety bonds.

(3) If a cash deposit or other negotiable security is filed, the licensee or permit holder shall maintain such cash or other negotiable security for one year after discontinuing the fitting and dispensing of hearing instruments.

(4) Each invoice for the purchase of a hearing instrument provided to a customer must clearly display on the first page the bond number covering the licensee or interim permit holder responsible for fitting/dispensing the hearing instrument.

(5) All licensed hearing (~~(instrument fitter/dispensers)~~) aid specialists, licensed audiologists, and permit holders must verify compliance with the requirement to hold a surety bond or cash or other negotiable security by submitting a signed declaration of compliance upon annual renewal of their license or permit. Up to twenty-five percent of the credential holders may be randomly audited for surety bond compliance after the credential is renewed. It is the credential holder's responsibility to submit a copy of the original surety bond or bonds, or documentation that cash or other negotiable security is held in a banking institution during the time period being audited. Failure to comply with the audit documentation request or failure to supply acceptable documentation within thirty days may result in disciplinary action.

Sec. 18. RCW 18.35.260 and 2009 c 301 s 7 are each amended to read as follows:

(1) A person who is not a licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist may not represent himself or herself as being so licensed and may not use in connection with his or her name the words "licensed hearing instrument fitter/dispenser," "hearing instrument specialist," or "hearing aid fitter/dispenser," or a variation, synonym, word, sign, number, insignia, coinage, or whatever expresses, employs, or implies these terms, names, or functions of a licensed hearing (~~(instrument fitter/dispenser)~~) aid specialist.

(2) A person who is not a licensed speech-language pathologist may not represent himself or herself as being so licensed and may not use in connection with his or her name the words including "licensed speech-language pathologist" or a variation, synonym, word, sign, number, insignia, coinage, or whatever expresses, employs, or implies these terms, names, or functions as a licensed speech-language pathologist.

(3) A person who is not a certified speech-language pathology assistant may not represent himself or herself as being so certified

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and may not use in connection with his or her name the words including "certified speech-language pathology assistant" or a variation, synonym, word, sign, number, insignia, coinage, or whatever expresses, employs, or implies these terms, names, or functions as a certified speech-language pathology assistant.

(4) A person who is not a licensed audiologist may not represent himself or herself as being so licensed and may not use in connection with his or her name the words "licensed audiologist" or a variation, synonym, letter, word, sign, number, insignia, coinage, or whatever expresses, employs, or implies these terms, names, or functions of a licensed audiologist.

(5) Nothing in this chapter prohibits a person credentialed in this state under another act from engaging in the practice for which he or she is credentialed.

NEW SECTION. Sec. 19. Section 4 of this act takes effect July 1, 2015."

Senator Becker spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health Care to Engrossed House Bill No. 2108.

The motion by Senator Becker carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "fitters/dispensers" strike the remainder of the title and insert "amending RCW 18.35.010, 18.35.020, 18.35.040, 18.35.050, 18.35.070, 18.35.095, 18.35.100, 18.35.105, 18.35.110, 18.35.140, 18.35.150, 18.35.161, 18.35.185, 18.35.195, 18.35.205, 18.35.240, and 18.35.260; creating a new section; and providing an effective date."

MOTION

On motion of Senator Becker, the rules were suspended, Engrossed House Bill No. 2108 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Becker and Pedersen spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 2108 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2108 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

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

Voting nay: Senators Baumgartner, Billig, Holmquist Newbry and Padden

ENGROSSED HOUSE BILL NO. 2108 as amended by the Senate, 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

On motion of Senator Billig, Senator Mullet was excused.

SECOND READING

SENATE BILL NO. 6249, by Senators Dammeier, Rivers, Brown, Hobbs, Fain, Mullet, McCoy and Tom

Establishing new authority for courts to assess cost recovery fees for costs associated with new indigent defense standards.

MOTION

On motion of Senator Dammeier, Second Substitute Senate Bill No. 6249 was substituted for Senate Bill No. 6249 and the second substitute bill was placed on the second reading and read the second time.

MOTION

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

On page 2, after line 3, insert the following:

"In addition, the legislature intends to review the fiscal impact the new standards and limits will have on each local court and identify appropriations to agencies of the state judicial branch for nonconstitutional functions, program, and services that could be redirected to local courts to mitigate those costs. The legislature intends through its exclusive constitutional power of appropriation to find existing resources within the agencies of the state judicial branch to remedy the detrimental impact the state supreme court's action will have on counties and cities."

On page 2, beginning on line 15, after "support" strike all material through "cases" on line 17 and insert "contracts, programs, and personnel specifically associated with indigent defense"

On page 4, beginning on line 17, after "support" strike all material through "cases" on line 19 and insert "contracts, programs, and personnel specifically associated with indigent defense"

On page 5, beginning on line 17, after "support" strike all material through "cases" on line 19 and insert "contracts, programs, and personnel specifically associated with indigent defense"

On page 5, after line 23, insert the following:

NEW SECTION. Sec. 7. The administrative office of the courts must conduct an analysis to determine the increased cost and fiscal impact of the state supreme court's new standards and caseload limits for public defenders will have on county and city criminal justice system and court operations. The analysis must be disaggregated and identify costs for each county and city within the state. The office may consult with representatives of counties and cities, judges, prosecutors, and public defenders in conducting its analysis. The analysis must be provided to the appropriate committees of the legislature by December 1, 2014.

The administrative office of the courts must also provide the legislature with a report identifying by program the amount of biennial expenditures for functions and services provided by the agencies of the state judicial branch that are not required under the federal or state Constitution. The report must describe the purpose and beneficiaries of each nonconstitutional program. Funding that is distributed by formula or by grant must be disaggregated and

reported by recipient. For purposes of this section, agencies of the state judicial branch include the supreme court, appellate courts, administrative office of the courts, and office of public defense. The report must be provided to the appropriate committees of the legislature by December 1, 2014."

Senators Padden, Kline and Dammeier spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Padden and others on page 2, after line 3 to Second Substitute Senate Bill No. 6249.

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

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 5 of the title, after "creating" strike "a new section" and insert "new sections"

WITHDRAWAL OF AMENDMENTS

On motion of Senator Padden, the following amendments by Senator Padden: on page 2, line 6; on page 4, line 26; and the striking amendment to Second Substitute Senate Bill No. 6249 were withdrawn.

MOTION

Senator Dansel moved that the following amendment by Senators Dansel and Padden be adopted:

On page 2, beginning on line 8, after "dollars." strike all material through "35.20.220(2)." on line 10 and insert "~~((This fee shall be subject to division with the state under RCW 3.46.120(2), 3.50.100(2), 3.62.020(2), 3.62.040(2), and 35.20.220(2)-))~~"

WITHDRAWAL OF AMENDMENT

On motion of Senator Dansel, the amendment by Senators Dansel and Padden on page 2, line 8 to Second Substitute Senate Bill No. 6249 was withdrawn.

MOTION

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

On page 2, line 15, after "local" insert "homeless shelters, local district"

WITHDRAWAL OF AMENDMENT

On motion of Senator Benton, the amendment by Senator Benton on page 2, line 15 to Second Substitute Senate Bill No. 6249 was withdrawn.

MOTION

Senator Kline moved that the following amendment by Senators Kline and Dammeier be adopted:

On page 2, beginning on line 15, after "support" strike all material through "cases" on line 17 and insert "contracts, programs, and personnel specifically associated with indigent defense"

On page 4, beginning on line 17, after "support" strike all material through "cases" on line 19 and insert "contracts, programs, and personnel specifically associated with indigent defense"

On page 5, beginning on line 17, after "support" strike all material through "cases" on line 19 and insert "contracts, programs, and personnel specifically associated with indigent defense"

WITHDRAWAL OF AMENDMENT

On motion of Senator Kline, the amendment by Senators Kline and Dammeier on page 2, line 15 to Second Substitute Senate Bill No. 6249 was withdrawn.

MOTION

On motion of Senator Padden, the rules were suspended, Engrossed Second Substitute Senate Bill No. 6249 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 6249.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 6249 and the bill passed the Senate by the following vote: Yeas, 34; Nays, 14; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Braun, Brown, Cleveland, Dammeier, Dansel, Eide, Ericksen, Fain, Hargrove, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, King, Kline, Liias, Litzow, O'Ban, Padden, Parlette, Pearson, Rivers, Roach, Rolfes, Schoesler, Sheldon and Tom

Voting nay: Senators Billig, Chase, Conway, Darneille, Fraser, Frockt, Hasegawa, Keiser, Kohl-Welles, McAuliffe, McCoy, Nelson, Pedersen and Ranker

Excused: Senator Mullet

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6249, 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.

PERSONAL PRIVILEGE

Senator Dammeier: "So Mr. President. I had the opportunity and actually my first opportunity to negotiate a bill with the good Senator with the Thirty-Seventh District as well as the good Senator from the Forty Eighth, excuse me, from the Fourth. I try to stay away from the good Senator from the Forty Eighth at all costs. As you might imagine those two Senators from the Fourth and the Thirty Seventh have some very different views and come from very different parts of the state and I would just like to thank both of them for their cooperation and support on this bill. I would like to call particular attention to the gentleman from the Thirty Seventh because I would say that he and I also have some very different perspectives and I really appreciate a gentleman who will work to find areas of agreement and to work the language to find the area that we can come to 'yes.' And Senator Kline did that very well. It took us a couple of iterations to get there and that's the best way that sometimes the negotiations can go. And I know this was a very challenging bill for him. When I first approached him to be a sponsor on the bill and he declined by the way. So, I really appreciate all the good work that he did,

FIFTY SECOND DAY, MARCH 5, 2014

Senator Kline I appreciate your work and thank you very much.
Thank you Mr. President.”

2014 REGULAR SESSION
BRAD OWEN, President of the Senate

HUNTER G. GOODMAN, Secretary of the Senate

MOTION

At 5:47 p.m., on motion of Senator Fain, the Senate adjourned
until 9:00 a.m. Thursday, March 6, 2014.

FIFTY SECOND DAY, MARCH 5, 2014

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1090-S	Second Reading	20	Second Reading	18	
	Third Reading Final Passage	20	Third Reading Final Passage.....	18	
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	Speaker Signed.....	5		Speaker Signed	5
1574-S2	Introduction & 1 st Reading	1	2208	Second Reading	5
1607	President Signed.....	6		Third Reading Final Passage.....	6
	Speaker Signed.....	5	2228	President Signed.....	6
1634-S	President Signed.....	6		Speaker Signed	5
	Speaker Signed.....	5	2261-S	President Signed.....	6
1643-S	Second Reading	20		Speaker Signed	5
	Third Reading Final Passage	21	2262-S	President Signed.....	6
1742-S	Second Reading	21		Speaker Signed	5
	Third Reading Final Passage	21	2298-S	Second Reading	17
1785	Second Reading	20		Third Reading Final Passage.....	17
	Third Reading Final Passage	20	2309-S	President Signed.....	6
1791-S	Second Reading.....	22		Speaker Signed	5
	Third Reading Final Passage	25	2446	President Signed.....	6
1841-S	Second Reading.....	19		Speaker Signed	5
	Third Reading Final Passage	20	2448-S	President Signed.....	6
2057-S	President Signed.....	6		Speaker Signed	5
	Speaker Signed.....	5	2515	President Signed.....	6
2080-S	Second Reading.....	21		Speaker Signed	5
	Third Reading Final Passage	21	2544-S	President Signed.....	6
2100	President Signed.....	6		Speaker Signed	5
	Speaker Signed.....	5	2547	President Signed.....	6
2105-S	Second Reading.....	19		Speaker Signed	5
	Third Reading Final Passage	19	2567-S	President Signed.....	6
2106	President Signed.....	6		Speaker Signed	5
	Speaker Signed.....	5	2583	Second Reading	6
2108	Other Action.....	33	2634-S	Introduction & 1 st Reading.....	1
	Second Reading.....	26	2674	President Signed.....	6
	Third Reading Final Passage	33		Speaker Signed	5
2119	President Signed.....	6	2680-S	President Signed.....	6
	Speaker Signed.....	5		Speaker Signed	5
2137	Second Reading.....	18	2733	President Signed.....	6
	Third Reading Final Passage	18		Speaker Signed	5
2140	President Signed.....	6	2744	Second Reading	18
	Speaker Signed.....	5		Third Reading Final Passage.....	18
2146-S	Other Action.....	19	2748-S	Introduction & 1 st Reading.....	1
	Second Reading.....	19	2762-S	Messages.....	1
	Third Reading Final Passage	19	2790	Introduction & 1 st Reading.....	1
2191-S	President Signed.....	6		Messages.....	1
	Speaker Signed.....	5	2797		
2192-S2					

6220	Introduced	3	
Other Action	8, 16		
Second Reading	6, 7, 8, 9, 10, 11, 13, 15, 16		
6249	Introduced	4	
Second Reading	33		
6249-S2	Introduced	4	
Other Action	34		
Second Reading	33, 34		
Third Reading Final Passage	34		
6472	Introduced	5	
Second Reading	25		
6472-S	Introduced	5	
Other Action	26		
Second Reading	26		
Third Reading Final Passage	26		
8700	Introduced	2	
Adopted	2		
8701	Introduced	2	
Adopted	3		
8704	Introduced	3	
Adopted	3		
8708	Introduced	3	
Adopted	4		
	8709	Adopted	4
		Introduced	4
	8710	Adopted	5
		Introduced	4
	8711	Adopted	5
		Introduced	5
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