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SIXTY-FIRST LEGISLATURE - REGULAR SESSION

TWENTY SIXTH DAY

House Chamber, Olympia, Friday, February 6, 2009

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

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages McKenzie Phillips and Keenan Ordon-Bakalian. The Speaker (Representative Morris presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Jim Cammack, BAHAT's of Mason County.

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

INTRODUCTION AND FIRST READING

HB 2002 by Representatives Klippert, Morris, Blake, Haler and McCune

AN ACT Relating to the generation of electricity in carbonless energy parks; amending RCW 80.50.300; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating a new section; and providing expiration dates.

Referred to Committee on Technology, Energy & Communications.

HB 2010 by Representatives Dunshee and Nelson

AN ACT Relating to state funding for local projects; amending RCW 43.155.070, 43.160.060, 43.160.900, 39.102.040, and 47.26.282; and creating a new section.

Referred to Committee on Capital Budget.

HB 2011 by Representatives Chase, Orcutt, Herrera, Kristiansen, Campbell, Newhouse, Simpson, Kenney, Pearson, Klippert, Kretz, Cox, Hasegawa, Smith, Warnick, Sullivan, Morrell, Kelley and Ormsby

AN ACT Relating to firearms safety education programs; and adding a new section to chapter 28A.230 RCW.

Referred to Committee on Education.

HB 2012 by Representatives Bailey, Cody, Moeller and Morrell

AN ACT Relating to creating the Washington health care discount plan organization act; adding a new chapter to Title 48 RCW; and prescribing penalties.

Referred to Committee on Health Care & Wellness.

HB 2013 by Representatives Green, Roach, Kirby, Warnick and Morrell

AN ACT Relating to self-service storage specialty producers; adding a new chapter to Title 48 RCW; and providing an effective date.

Referred to Committee on Financial Institutions & Insurance.

HB 2014 by Representatives Kelley, Ericksen, Green and Morrell

AN ACT Relating to tamper-resistant prescription pads; and adding a new section to chapter 18.64 RCW.

Referred to Committee on Health Care & Wellness.

HB 2015 by Representatives Lias, Upthegrove, Haler, Pedersen, Walsh, Maxwell, Nelson, Ormsby, Rolfes, Kagi, Carlyle, Probst, Orwall, Hasegawa, Morrell, Kenney, Quall, Moeller, Hunt, Sells, Williams, Sullivan, Dickerson, Van De Wege, Darneille, Santos, Chase, White and Kessler

AN ACT Relating to enhancing antiharassment strategies in public schools; amending RCW 28A.300.285; adding a new section to chapter 43.06B RCW; and creating a new section.

Referred to Committee on Education.

HB 2016 by Representatives Flannigan, Appleton, Hurst, Miloscia and Hunt

AN ACT Relating to campaign contribution and disclosure laws; amending RCW 42.17.020, 42.17.020, 42.17.367, 42.17.369, 42.17.461, 42.17.463, 42.17.350, 42.17.360, 42.17.370, 42.17.690, 42.17.380, 42.17.405, 42.17.420, 42.17.450, 42.17.030, 42.17.040, 42.17.050, 42.17.060, 42.17.065, 42.17.067, 42.17.080, 42.17.090, 42.17.3691, 42.17.093, 42.17.100, 42.17.103, 42.17.105, 42.17.550, 42.17.135, 42.17.561, 42.17.565, 42.17.570, 42.17.575, 42.17.510, 42.17.520, 42.17.540, 42.17.110, 42.17.610, 42.17.640, 42.17.640, 42.17.645, 42.17.070, 42.17.095, 42.17.125, 42.17.660, 42.17.720, 42.17.740, 42.17.790, 42.17.680, 42.17.130, 42.17.245, 42.17.150, 42.17.155, 42.17.160, 42.17.170, 42.17.172, 42.17.175, 42.17.180, 42.17.190, 42.17.200, 42.17.210, 42.17.220, 42.17.230, 42.17.240, 42.17.241, 42.17.242, 42.17.390, 42.17.395, 42.17.397, 42.17.400, and 42.56.010; reenacting and amending RCW 42.17.2401; adding a new chapter to Title 42 RCW; creating new sections; recodifying RCW 42.17.010, 42.17.020,

42.17.035, 42.17.440, 42.17.367, 42.17.369, 42.17.460,
 42.17.461, 42.17.463, 42.17.350, 42.17.360, 42.17.370,
 42.17.690, 42.17.380, 42.17.405, 42.17.420, 42.17.430,
 42.17.450, 42.17.030, 42.17.040, 42.17.050, 42.17.060,
 42.17.065, 42.17.067, 42.17.080, 42.17.090, 42.17.3691,
 42.17.093, 42.17.100, 42.17.103, 42.17.105, 42.17.550,
 42.17.135, 42.17.561, 42.17.565, 42.17.570, 42.17.575,
 42.17.510, 42.17.520, 42.17.530, 42.17.540, 42.17.110,
 42.17.610, 42.17.640, 42.17.645, 42.17.700, 42.17.070,
 42.17.095, 42.17.120, 42.17.125, 42.17.650, 42.17.660,
 42.17.670, 42.17.720, 42.17.730, 42.17.740, 42.17.770,
 42.17.780, 42.17.790, 42.17.680, 42.17.760, 42.17.128,
 42.17.130, 42.17.710, 42.17.750, 42.17.245, 42.17.150,
 42.17.155, 42.17.160, 42.17.170, 42.17.172, 42.17.175,
 42.17.180, 42.17.190, 42.17.200, 42.17.210, 42.17.220,
 42.17.230, 42.17.240, 42.17.2401, 42.17.241, 42.17.242,
 42.17.390, 42.17.395, 42.17.397, 42.17.400, 42.17.410,
 42.17.900, 42.17.910, 42.17.911, 42.17.912, 42.17.920,
 42.17.930, 42.17.940, 42.17.945, 42.17.950, 42.17.955,
 42.17.960, 42.17.961, 42.17.962, 42.17.963, 42.17.964,
 42.17.965, and 42.17.966; repealing RCW 42.17.131,
 42.17.362, 42.17.365, 42.17.375, 42.17.465, 42.17.467,
 42.17.469, 42.17.471, 42.17.562, 42.17.620, and 42.17.647;
 providing an effective date; providing an expiration date; and
 declaring an emergency.

Referred to Committee on State Government & Tribal Affairs.

HB 2017 by Representatives Kretz and Newhouse

AN ACT Relating to contractor registration for property owners;
 and amending RCW 18.27.010 and 18.27.090.

Referred to Committee on Commerce & Labor.

HB 2018 by Representatives Simpson, Miloscia and Chase

AN ACT Relating to state funding for low-income housing;
 amending RCW 43.180.080; reenacting and amending RCW
 43.185.070; adding a new section to chapter 43.185 RCW;
 adding a new section to chapter 36.22 RCW; and declaring an
 emergency.

Referred to Committee on Local Government & Housing.

HB 2019 by Representatives McCoy, Chase and Kenney

AN ACT Relating to creating the office of archaeology and
 historic preservation; amending RCW 43.334.010, 43.334.020,
 43.334.060, 43.334.070, 43.334.075, 43.334.077, 43.334.080,
 27.34.020, 27.34.220, 27.34.230, 27.34.240, 27.34.270,
 27.34.280, 27.34.330, 27.34.415, 27.44.055, 41.06.095,
 43.17.010, 43.17.020, 68.50.645, 68.60.030, 68.60.055,
 90.48.366, 90.48.368, 27.53.020, 27.53.030, 27.53.060,
 27.53.080, 27.53.090, 27.53.095, 27.53.100, 27.53.110,
 27.53.120, 27.53.130, 27.53.140, and 79A.05.075; reenacting
 and amending RCW 27.53.070; creating a new section; and
 repealing RCW 43.334.030, 43.334.040, 43.334.050, and
 43.334.900.

Referred to Committee on State Government & Tribal Affairs.

HB 2020 by Representatives Simpson, Chase, Hunter and
 Van De Wege

AN ACT Relating to the annexation of unincorporated areas
 served by fire protection districts; amending RCW 35.10.360,
 35.10.365, 35.13.130, 35.13.215, and 35.13.225; adding new
 sections to chapter 35.13 RCW; adding a new section to chapter
 35.103 RCW; adding new sections to chapter 35A.14 RCW; and
 adding a new section to chapter 35A.92 RCW.

Referred to Committee on Local Government & Housing.

HB 2021 by Representatives Kenney, Probst, Wallace, Sullivan,
 Priest, Maxwell, Chase, Ormsby, Hudgins, Jacks, Lias,
 White, Sells, Morrell, Kelley, Darneille, Wood and Roberts

AN ACT Relating to revitalizing student financial aid;
 amending RCW 28B.92.060, 28B.92.030, 28B.15.543,
 28B.76.660, 28B.76.665, 28B.15.0681, 28B.76.500,
 28B.15.820, and 28B.12.030; adding a new section to chapter
 28B.101 RCW; adding new sections to chapter 28B.92 RCW;
 adding a new section to chapter 28A.600 RCW; adding a new
 section to chapter 28C.04 RCW; adding a new section to
 chapter 28B.15 RCW; adding new sections to chapter 28B.12
 RCW; creating a new section; repealing RCW 28B.76.670,
 28C.04.520, 28C.04.525, 28C.04.530, 28C.04.535, 28C.04.540,
 28C.04.545, 28C.04.550, 28B.101.005, 28B.101.010,
 28B.101.020, 28B.101.030, and 28B.101.040; providing
 effective dates; and providing expiration dates.

Referred to Committee on Higher Education.

HB 2022 by Representatives Chandler, Blake, Kristiansen, Pearson,
 Hope and Warnick

AN ACT Relating to setting instream flows; and amending
 RCW 90.54.020.

Referred to Committee on Agriculture & Natural Resources.

HB 2023 by Representatives Appleton, Chase, Ormsby and Darneille

AN ACT Relating to ending sentences of life imprisonment
 without the possibility of release or parole for certain juveniles;
 amending RCW 10.95.030, 9.94A.537, and 10.95.020; and
 reenacting and amending RCW 9A.20.021.

Referred to Committee on Public Safety & Emergency
 Preparedness.

HB 2024 by Representatives Orwall, Hunt, Newhouse, Hope,
 Klippert, Johnson, McCune, Sullivan and Kelley

AN ACT Relating to the authority of the Washington state
 patrol to accept donations; and adding a new section to chapter
 43.43 RCW.

Referred to Committee on State Government & Tribal Affairs.

HB 2025 by Representatives Orwall, Hinkle, Dickerson, Green,
 Appleton, Driscoll, Morrell, Kagi, Van De Wege and
 Kenney

AN ACT Relating to sharing of health care information to promote coordination of behavioral and medical care services; and amending RCW 71.05.630.

Referred to Committee on Human Services.

HB 2026 by Representatives Seaquist, Smith, Bailey, Angel, Morris, Van De Wege, Appleton, Haigh, Finn, Roberts, Rolfes, Cody and Carlyle

AN ACT Relating to directing the use of design-build and commercial, off-the-shelf procurement methods by the Washington state ferry system; amending RCW 47.56.030; adding new sections to chapter 47.60 RCW; and creating new sections.

Referred to Committee on Transportation.

HB 2027 by Representatives Smith, O'Brien, Bailey, Pearson, Hope, Warnick, Sullivan, Johnson, Takko, Short, Klippert, Kristiansen, Blake, Priest, McCune, Kretz, Orcutt, Kelley and Angel

AN ACT Relating to making it a felony to drive or be in physical control of a vehicle while under the influence of intoxicating liquor or any drug when the person has two or more prior offenses within seven years; amending RCW 46.61.502, 46.61.504, 46.61.5055, 9.94A.525, and 9.94A.640; creating a new section; prescribing penalties; providing an effective date; and declaring an emergency.

Referred to Committee on Judiciary.

HB 2028 by Representatives Smith, O'Brien, Bailey, Pearson, Hope, Johnson, Sullivan, Kristiansen, Takko, Klippert, Short, Blake, Priest, McCune, Kessler, Orcutt, Kelley, Warnick and Angel

AN ACT Relating to vehicular homicide and assault; amending RCW 46.61.520 and 46.61.522; reenacting and amending RCW 9.94A.515, 9.94A.030, 9.94A.533, and 13.04.030; creating a new section; prescribing penalties; and providing an effective date.

Referred to Committee on Judiciary.

HB 2029 by Representatives Ericks, Morris, McCoy, Ormsby, Hudgins, Hunt, Takko, Springer, Van De Wege, Conway, Eddy, Hasegawa, Finn, Dunshee, Haigh, Kenney, Kessler, Morrell and Goodman

AN ACT Relating to enhanced 911 emergency communications service; amending RCW 82.04.065; amending 2001 c 128 s 1 (uncodified); adding a new chapter to Title 82 RCW; repealing RCW 38.52.500, 38.52.501, 38.52.505, 38.52.510, 38.52.520, 38.52.525, 38.52.530, 38.52.532, 38.52.535, 38.52.540, 38.52.545, 38.52.550, 38.52.561, 82.14B.010, 82.14B.030, 82.14B.040, 82.14B.042, 82.14B.050, 82.14B.060, 82.14B.061, 82.14B.070, 82.14B.090, 82.14B.100, 82.14B.150, 82.14B.160, 82.14B.200, and 82.14B.210; repealing 2007 c 6 s 1707

(uncodified); prescribing penalties; providing an effective date; and declaring an emergency.

Referred to Committee on Technology, Energy & Communications.

HB 2030 by Representatives Hunt and Williams

AN ACT Relating to creating a capitol city district; adding a new section to chapter 43.34 RCW; and creating a new section.

Referred to Committee on Local Government & Housing.

HB 2031 by Representatives O'Brien, Appleton and Chase

AN ACT Relating to establishing the emergency management, preparedness, and assistance account; amending RCW 48.18.170 and 48.18.180; adding new sections to chapter 38.52 RCW; creating new sections; and providing an effective date.

Referred to Committee on Public Safety & Emergency Preparedness.

HB 2032 by Representatives Chandler, Ericks, Newhouse and Kessler

AN ACT Relating to creating the community agricultural worker safety grant program; adding a new section to chapter 15.04 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Commerce & Labor.

HB 2033 by Representatives Appleton, Armstrong, Hunt, Newhouse, Miloscia and Nelson

AN ACT Relating to membership on the Washington citizens' commission on salaries for elected officials; and amending RCW 43.03.305.

Referred to Committee on State Government & Tribal Affairs.

HB 2034 by Representatives Klippert, Hope, Johnson, McCune, Kretz, Orcutt, Warnick and Angel

AN ACT Relating to making residential burglary a crime against persons; and reenacting and amending RCW 9.94A.411.

Referred to Committee on Public Safety & Emergency Preparedness.

HB 2035 by Representatives Klippert, O'Brien, Shea, Halder, Roach, Armstrong, Pearson, McCune, Condotta, Orwall, Ross, Hurst, Smith, Kristiansen, Kretz, Orcutt, Kelley, Warnick and Angel

AN ACT Relating to requiring registered sex and kidnapping offenders to submit information regarding any e-mail addresses and any web sites they create or operate; amending RCW 9A.44.130; reenacting and amending RCW 9A.44.130; creating a new section; providing an effective date; and providing an expiration date.

Referred to Committee on Public Safety & Emergency Preparedness.

HB 2036 by Representatives Ericksen, Roach, Kristiansen, Newhouse, Kretz and Angel

AN ACT Relating to financing the state contribution to replacement of a viaduct through the creation of a transportation infrastructure improvement zone; adding a new section to chapter 82.32 RCW; and adding a new chapter to Title 39 RCW.

Referred to Committee on Transportation.

HB 2037 by Representatives Roach, Bailey, Haler, McCune, Kristiansen, Dammeier and Kretz

AN ACT Relating to making traffic congestion relief a higher priority of the state transportation system; and amending RCW 47.04.280.

Referred to Committee on Transportation.

HB 2038 by Representatives Roach, Haler, Kristiansen, Shea, Newhouse, McCune, Kretz and Kelley

AN ACT Relating to opening high occupancy vehicle lanes during nonpeak hours; and amending RCW 46.61.165 and 47.52.025.

Referred to Committee on Transportation.

HB 2039 by Representatives Roach, Bailey, Kristiansen, Johnson, Haler, McCune, Newhouse and Kretz

AN ACT Relating to providing an expedited permit process for transportation projects of statewide significance; adding a new section to chapter 47.01 RCW; and creating a new section.

Referred to Committee on Transportation.

HB 2040 by Representatives Conway and Condotta

AN ACT Relating to the work of the joint select committee on beer and wine regulation; amending RCW 66.28.180; adding new sections to chapter 66.28 RCW; creating a new section; and repealing RCW 66.28.010.

Referred to Committee on Commerce & Labor.

HB 2041 by Representatives Finn, Cox, Haigh, Priest, Hunt, Sullivan, Van De Wege, Ormsby and Goodman

AN ACT Relating to student transportation funding; amending RCW 28A.160.150, 28A.160.160, 28A.160.170, 28A.160.180, and 28A.160.190; adding new sections to chapter 28A.160 RCW; creating new sections; and providing effective dates.

Referred to Committee on Education Appropriations.

HB 2042 by Representatives Kenney, Parker, Hasegawa, Chase and Ormsby

AN ACT Relating to the incentive in the motion picture competitiveness programs; and amending RCW 43.365.020.

Referred to Committee on Community & Economic Development & Trade.

HB 2043 by Representatives DeBolt, Alexander, Smith, Johnson, Kristiansen, Chandler, Rodne, Roach, Dammeier, Kretz, Orcutt, Anderson, Warnick, Angel and Pearson

AN ACT Relating to establishing consistent standards for agency decision making; amending RCW 70.94.181, 77.55.021, 78.44.081, 86.16.025, 70.95.205, 15.54.820, 43.21C.033, 77.115.040, 16.65.030, 70.119A.110, 90.03.350, 90.03.370, 90.58.140, and 70.118B.030; reenacting and amending RCW 76.09.060; adding a new section to chapter 70.94 RCW; adding a new section to chapter 90.48 RCW; adding a new section to chapter 90.76 RCW; adding a new section to chapter 18.104 RCW; adding a new section to chapter 69.30 RCW; adding a new section to chapter 90.64 RCW; adding a new section to chapter 15.58 RCW; adding a new section to chapter 17.21 RCW; adding a new section to chapter 70.95J RCW; and adding a new section to chapter 90.66 RCW.

Referred to Committee on State Government & Tribal Affairs.

HB 2044 by Representatives Seaquist, Smith, Angel, Nelson, Morris, Finn, Appleton, Roberts, Rolfes, Cody and Carlyle

AN ACT Relating to Washington state ferries incident and accident investigation policies; adding a new section to chapter 47.60 RCW; and creating a new section.

Referred to Committee on Transportation.

HB 2045 by Representatives Herrera, Wallace, Orcutt, Schmick and Jacks

AN ACT Relating to clarifying the use of impact fees imposed by voter-approved transportation benefit districts; and amending RCW 36.73.120.

Referred to Committee on Transportation.

HB 2046 by Representatives Darneille, Cody, Dickerson, Moeller, Chase, Nelson and Santos

AN ACT Relating to medical marijuana; and amending RCW 69.51A.005, 69.51A.010, 69.51A.030, and 69.51A.060.

Referred to Committee on Health Care & Wellness.

HB 2047 by Representatives Darneille and Morrell

AN ACT Relating to charitable organizations; amending RCW 19.09.076, 19.09.520, and 19.09.530; adding new sections to chapter 19.09 RCW; and adding a new section to chapter 24.03 RCW.

Referred to Committee on Judiciary.

HB 2048 by Representatives Klippert, Rodne, Ross, Warnick and Kelley

AN ACT Relating to preventing the possession on school facilities of certain nonfirearm-related weapons that have the capacity to inflict death or substantial bodily harm; and amending RCW 9.41.280.

Referred to Committee on Judiciary.

HB 2049 by Representatives Seaquist, Appleton, Hunt, Armstrong, Chandler, Chase and Miloscia

AN ACT Relating to personnel practices regarding exempt employment; amending RCW 41.06.133 and 41.06.170; and repealing RCW 41.06.022.

Referred to Committee on State Government & Tribal Affairs.

HB 2050 by Representative Santos

AN ACT Relating to property tax relief for senior citizens and persons retired by reason of disability; amending RCW 84.36.381, 84.38.030, and 84.64.050; reenacting and amending RCW 84.36.383; adding a new section to chapter 84.36 RCW; adding a new section to chapter 84.55 RCW; and creating a new section.

Referred to Committee on Finance.

HB 2051 by Representatives Hunter, Priest, Sullivan, Pettigrew, Springer, Clibborn, Anderson, Ericks, Pedersen, Roach, White, Goodman, Nelson, Hurst, Carlyle, Eddy, Rodne, Kenney, Kessler, Kagi and Santos

AN ACT Relating to removing an expiration date applicable to heritage and arts program funding; amending RCW 67.28.180; providing an effective date; and declaring an emergency.

Referred to Committee on Finance.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

REPORTS OF STANDING COMMITTEES

February 4, 2009

HB 1010 Prime Sponsor, Representative Morris: Modifying the definition of "biofuel" for chapter 19.112 RCW, the motor fuel quality act. Reported by Committee on Technology, Energy & Communications

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives McCoy, Chair; Eddy, Vice Chair; Crouse, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Carlyle; Condotta; Finn; Hasegawa; Herrera; Hinkle; Hudgins; Jacks; McCune; Morris; Takko and Van De Wege.

Passed to Committee on Rules for second reading.

February 4, 2009

HB 1134 Prime Sponsor, Representative McCoy: Creating customer rebates and public utility tax credits for light and power businesses and gas companies. Reported by Committee on Technology, Energy & Communications

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives McCoy, Chair; Eddy, Vice Chair; Crouse, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Carlyle; Condotta; Finn; Hasegawa; Herrera; Hinkle; Hudgins; Jacks; McCune; Morris; Takko and Van De Wege.

Referred to Committee on Finance.

February 4, 2009

HB 1184 Prime Sponsor, Representative Chase: Extending the loan repayment period for municipally funded conservation projects. Reported by Committee on Technology, Energy & Communications

MAJORITY recommendation: Do pass. Signed by Representatives McCoy, Chair; Eddy, Vice Chair; Crouse, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Carlyle; Condotta; Finn; Hasegawa; Herrera; Hinkle; Hudgins; Jacks; McCune; Morris; Takko and Van De Wege.

Passed to Committee on Rules for second reading.

February 2, 2009

HB 1291 Prime Sponsor, Representative Maxwell: Changing library district annexation provisions. Reported by Committee on Local Government & Housing

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Simpson, Chair; Nelson, Vice Chair; Angel, Ranking Minority Member; Ericksen, Assistant Ranking Minority Member; Cox; Miloscia; Short; Springer; Upthegrove; White and Williams.

Passed to Committee on Rules for second reading.

February 2, 2009

HB 1369 Prime Sponsor, Representative Haler: Addressing county elected officials keeping offices at the county seat. Reported by Committee on Local Government & Housing

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Simpson, Chair; Nelson, Vice Chair; Angel, Ranking Minority Member; Ericksen, Assistant Ranking Minority Member; Cox; Miloscia; Short; Springer; Upthegrove; White and Williams.

Passed to Committee on Rules for second reading.

February 3, 2009

HB 1371 Prime Sponsor, Representative Armstrong: Modifying limitations on the use of intermediate licenses. Reported by Committee on Transportation

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Clibborn, Chair; Liias, Vice Chair; Roach, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Armstrong; Cox; Driscoll; Ericksen; Finn; Herrera; Johnson; Klippert; Kristiansen; Moeller; Morris; Rolfes; Sells; Shea; Simpson; Springer; Takko; Upthegrove; Williams and Wood.

Passed to Committee on Rules for second reading.

February 3, 2009

HB 1384 Prime Sponsor, Representative Miloscia: Increasing the debt limit of the housing finance commission. Reported by Committee on Capital Budget

MAJORITY recommendation: Do pass. Signed by Representatives Dunshee, Chair; Ormsby, Vice Chair; Blake; Chase; Jacks; Maxwell; Orwall and White.

MINORITY recommendation: Do not pass. Signed by Representatives Warnick, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Anderson; Hope; McCune and Smith.

Passed to Committee on Rules for second reading.

February 3, 2009

HB 1478 Prime Sponsor, Representative Orcutt: Addressing vehicle registrations for deployed military personnel. Reported by Committee on Transportation

MAJORITY recommendation: Do pass. Signed by Representatives Clibborn, Chair; Liias, Vice Chair; Roach, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Armstrong; Cox; Dickerson; Driscoll; Ericksen; Finn; Herrera; Johnson; Klippert; Kristiansen; Moeller; Morris; Rolfes; Sells; Shea; Simpson; Springer; Takko; Upthegrove; Williams and Wood.

Passed to Committee on Rules for second reading.

February 3, 2009

HB 1504 Prime Sponsor, Representative Liias: Eliminating the handling loss deduction for the motor vehicle fuel tax. Reported by Committee on Transportation

MAJORITY recommendation: Do pass. Signed by Representatives Clibborn, Chair; Liias, Vice Chair; Dickerson; Driscoll; Finn; Moeller; Morris; Rolfes; Sells; Simpson; Springer; Takko; Upthegrove; Williams and Wood.

MINORITY recommendation: Do not pass. Signed by Representatives Roach, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Armstrong; Cox; Ericksen; Herrera; Johnson; Klippert; Kristiansen and Shea.

Passed to Committee on Rules for second reading.

February 3, 2009

HB 1648 Prime Sponsor, Representative Hope: Increasing state contracts with veteran-owned businesses. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Armstrong, Ranking Minority Member; Alexander; Flannigan; Hurst; Miloscia and Newhouse.

Referred to Committee on Ways & Means.

There being no objection, the bills listed on the day's committee reports under the fifth order of business were referred to the committees so designated.

SECOND READING

HOUSE BILL NO. 1906, by Representatives Conway, Kenney, Wood, Moeller, Green, Hudgins, Williams, Dickerson, Sells, Sullivan, Appleton, Morrell, Hasegawa, Darneille, Ormsby, Kagi, Van De Wege, Santos, Goodman, McCoy, Cody, Simpson and Nelson

Improving economic security through unemployment compensation.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1906 was substituted for House Bill No. 1906 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1906 was read the second time.

Representative Probst moved the adoption of amendment (010):

On page 5, beginning on line 28, after "(ii)" strike all material through "(iii)" on line 33 and insert "Served in the United States military or the Washington national guard during the twelve-month period prior to the application date, was honorably discharged from military service or the Washington national guard and, after assessment, is determined to need job-related training to find suitable employment in the individual's labor market;

(iii) Is currently serving in the Washington national guard and, after assessment, is determined to need job-related training to find suitable employment in the individual's labor market; or
(iv)"

Representatives Probst and Condotta spoke in favor of adoption of the amendment.

Amendment (010) was adopted.

Representative Anderson moved the adoption of amendment (009):

Strike everything after the enacting clause and insert the following:

"PART I - BENEFITS

Sec. 1. RCW 50.04.030 and 1991 c 117 s 1 are each amended to read as follows:

ELIGIBILITY. "Benefit year" with respect to each individual, means the fifty-two consecutive week period beginning with the first day of the calendar week in which the individual files an application for an initial determination and thereafter the fifty-two consecutive week period beginning with the first day of the calendar week in which the individual next files an application for an initial determination after the expiration of the individual's last preceding benefit year: ~~PROVIDED, HOWEVER, That~~ the foregoing limitation shall not be deemed to preclude the establishment of a new benefit year under the laws of another state pursuant to any agreement providing for the interstate combining of employment and wages and the interstate payment of benefits nor shall this limitation be deemed to preclude the commissioner from backdating an initial application at the request of the claimant either for the convenience of the department of employment security or for any other reason deemed by the commissioner to be good cause.

An individual's benefit year shall be extended to be fifty-three weeks when at the expiration of fifty-two weeks the establishment of a new benefit year would result in the use of a quarter of wages in the new base year that had been included in the individual's prior base year.

Before July 4, 2010, no benefit year will be established unless it is determined that the individual earned wages in "employment" in not less than six hundred eighty hours of the individual's base year. On or after July 4, 2010, no benefit year will be established unless it is determined that the individual earned wages in "employment" in not less than one thousand three hundred hours of the individual's base year. ~~((PROVIDED, HOWEVER, That))~~ However, a benefit year cannot be established if the base year wages include wages earned prior to the establishment of a prior benefit year unless the individual worked and earned wages since the last separation from employment immediately before the application for initial determination in the previous benefit year if the applicant was an unemployed individual at the time of application, or since the initial separation in the previous benefit year if the applicant was not an unemployed individual at the time of filing an application for initial determination for the previous benefit year, of not less than six times the weekly benefit amount computed for the individual's new benefit year.

If an individual's prior benefit year was based on the last four completed calendar quarters, a new benefit year shall not be established until the new base year does not include any hours used in the establishment of the prior benefit year.

If the wages of an individual are not based upon a fixed duration of time or if the individual's wages are paid at irregular intervals or in such manner as not to extend regularly over the period of employment, the wages for any week shall be determined in such manner as the commissioner may by regulation prescribe. Such regulation shall, so far as possible, secure results reasonably similar to those which would prevail if the individual were paid his or her wages at regular intervals.

Sec. 2. RCW 50.04.310 and 2007 c 146 s 5 are each amended to read as follows:

CORPORATE OFFICER ELIGIBILITY. (1) An individual is "unemployed" in any week during which the individual performs no services and with respect to which no remuneration is payable to the individual, or in any week of less than full time work, if the remuneration payable to the individual with respect to such week is less than one and one-third times the individual's weekly benefit amount plus five dollars. The commissioner shall prescribe

regulations applicable to unemployed individuals making such distinctions in the procedures as to such types of unemployment as the commissioner deems necessary.

(2) An individual is not "unemployed" during any week which falls totally within a period during which the individual, pursuant to a collective bargaining agreement or individual employment contract, is employed full time in accordance with a definition of full time contained in the agreement or contract, and for which compensation for full time work is payable. This subsection may not be applied retroactively to an individual who had no guarantee of work at the start of such period and subsequently is provided additional work by the employer.

(3)(a) An officer of a corporation who owns ten percent or more of the outstanding stock of the corporation, or a corporate officer who is a family member of an officer who owns ten percent or more of the outstanding stock of the corporation, whose claim for benefits is based on any wages with that corporation, is:

~~((a))~~ (i) Not "unemployed" in any week during the individual's term of office or ownership in the corporation, even if wages are not being paid;

~~((b))~~ (ii) "Unemployed" in any week upon dissolution of the corporation or if the officer permanently resigns or is permanently removed from their appointment and responsibilities with that corporation in accordance with its articles of incorporation or bylaws.

(b) This subsection does not apply to officers of corporations with annual revenues of less than two million five hundred thousand dollars.

(4) As used in this section, "family member" means persons who are members of a family by blood or marriage as parents, stepparents, grandparents, spouses, children, brothers, sisters, stepchildren, adopted children, or grandchildren.

Sec. 3. RCW 50.20.099 and 2000 c 2 s 10 are each amended to read as follows:

VERIFICATION. (1) To ensure that unemployment insurance benefits are paid in accordance with RCW 50.20.098, the employment security department shall verify that an individual is eligible to work in the United States and has a social security account number before the individual receives ~~((training))~~ unemployment benefits under ~~((RCW 50.22.150))~~ this title. The department may use the e-verify program administered by the United States citizenship and immigration services for this purpose.

(2) By July 1, 2002, the employment security department shall:

(a) Develop and implement an effective method for determining, where appropriate, eligibility to work in the United States for individuals applying for unemployment benefits under this title;

(b) Review verification systems developed by federal agencies for verifying a person's eligibility to receive unemployment benefits under this title and evaluate the effectiveness of these systems for use in this state; and

(c) Report its initial findings to the legislature by September 1, 2000, and its final report by July 1, 2002.

(3) Where federal law prohibits the conditioning of unemployment benefits on a verification of an individual's status as a qualified or authorized alien, the requirements of this section shall not apply.

Sec. 4. RCW 50.20.050 and 2008 c 323 s 1 are each amended to read as follows:

LEAVING WORK VOLUNTARILY. (1) With respect to claims that have an effective date before January 4, 2004:

(a) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has left work voluntarily without good cause and thereafter for seven

calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount.

The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following:

(i) The duration of the work;
 (ii) The extent of direction and control by the employer over the work; and

(iii) The level of skill required for the work in light of the individual's training and experience.

(b) An individual shall not be considered to have left work voluntarily without good cause when:

(i) He or she has left work to accept a bona fide offer of bona fide work as described in (a) of this subsection;

(ii) The separation was because of the illness or disability of the claimant or the death, illness, or disability of a member of the claimant's immediate family if the claimant took all reasonable precautions, in accordance with any regulations that the commissioner may prescribe, to protect his or her employment status by having promptly notified the employer of the reason for the absence and by having promptly requested reemployment when again able to assume employment: PROVIDED, That these precautions need not have been taken when they would have been a futile act, including those instances when the futility of the act was a result of a recognized labor/management dispatch system;

(iii) He or she has left work to relocate for the spouse's employment that is due to an employer-initiated mandatory transfer that is outside the existing labor market area if the claimant remained employed as long as was reasonable prior to the move; or

(iv) The separation was necessary to protect the claimant or the claimant's immediate family members from domestic violence, as defined in RCW 26.50.010, or stalking, as defined in RCW 9A.46.110.

(c) In determining under this subsection whether an individual has left work voluntarily without good cause, the commissioner shall only consider work-connected factors such as the degree of risk involved to the individual's health, safety, and morals, the individual's physical fitness for the work, the individual's ability to perform the work, and such other work connected factors as the commissioner may deem pertinent, including state and national emergencies. Good cause shall not be established for voluntarily leaving work because of its distance from an individual's residence where the distance was known to the individual at the time he or she accepted the employment and where, in the judgment of the department, the distance is customarily traveled by workers in the individual's job classification and labor market, nor because of any other significant work factor which was generally known and present at the time he or she accepted employment, unless the related circumstances have so changed as to amount to a substantial involuntary deterioration of the work factor or unless the commissioner determines that other related circumstances would work an unreasonable hardship on the individual were he or she required to continue in the employment.

(d) Subsection (1)(a) and (c) of this section shall not apply to an individual whose marital status or domestic responsibilities cause him or her to leave employment. Such an individual shall not be eligible for unemployment insurance benefits beginning with the first day of the calendar week in which he or she left work and thereafter for seven calendar weeks and until he or she has requalified, either by obtaining bona fide work in employment covered by this title and earning wages in that employment equal to seven times his or her

weekly benefit amount or by reporting in person to the department during ten different calendar weeks and certifying on each occasion that he or she is ready, able, and willing to immediately accept any suitable work which may be offered, is actively seeking work pursuant to customary trade practices, and is utilizing such employment counseling and placement services as are available through the department. This subsection does not apply to individuals covered by (b)(ii) or (iii) of this subsection.

(2) With respect to claims that have an effective date on or after January 4, 2004, and before July 4, 2010:

(a) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has left work voluntarily without good cause and thereafter for seven calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount.

The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following:

(i) The duration of the work;
 (ii) The extent of direction and control by the employer over the work; and

(iii) The level of skill required for the work in light of the individual's training and experience.

(b) An individual is not disqualified from benefits under (a) of this subsection when:

(i) He or she has left work to accept a bona fide offer of bona fide work as described in (a) of this subsection;

(ii) The separation was necessary because of the illness or disability of the claimant or the death, illness, or disability of a member of the claimant's immediate family if:

(A) The claimant pursued all reasonable alternatives to preserve his or her employment status by requesting a leave of absence, by having promptly notified the employer of the reason for the absence, and by having promptly requested reemployment when again able to assume employment. These alternatives need not be pursued, however, when they would have been a futile act, including those instances when the futility of the act was a result of a recognized labor/management dispatch system; and

(B) The claimant terminated his or her employment status, and is not entitled to be reinstated to the same position or a comparable or similar position;

(iii)(A) With respect to claims that have an effective date before July 2, 2006, he or she: (I) Left work to relocate for the spouse's employment that, due to a mandatory military transfer: (1) Is outside the existing labor market area; and (2) is in Washington or another state that, pursuant to statute, does not consider such an individual to have left work voluntarily without good cause; and (II) remained employed as long as was reasonable prior to the move;

(B) With respect to claims that have an effective date on or after July 2, 2006, and before July 4, 2010, he or she: (I) Left work to relocate for the spouse's employment that, due to a mandatory military transfer, is outside the existing labor market area; and (II) remained employed as long as was reasonable prior to the move;

(iv) The separation was necessary to protect the claimant or the claimant's immediate family members from domestic violence, as defined in RCW 26.50.010, or stalking, as defined in RCW 9A.46.110;

(v) The individual's usual compensation was reduced by twenty-five percent or more;

(vi) The individual's usual hours were reduced by twenty-five percent or more;

(vii) The individual's worksite changed, such change caused a material increase in distance or difficulty of travel, and, after the change, the commute was greater than is customary for workers in the individual's job classification and labor market;

(viii) The individual's worksite safety deteriorated, the individual reported such safety deterioration to the employer, and the employer failed to correct the hazards within a reasonable period of time;

(ix) The individual left work because of illegal activities in the individual's worksite, the individual reported such activities to the employer, and the employer failed to end such activities within a reasonable period of time;

(x) The individual's usual work was changed to work that violates the individual's religious convictions or sincere moral beliefs; or

(xi) The individual left work to enter an apprenticeship program approved by the Washington state apprenticeship training council. Benefits are payable beginning Sunday of the week prior to the week in which the individual begins active participation in the apprenticeship program.

(3) With respect to claims that have an effective date on or after July 4, 2010, an individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has left work voluntarily and thereafter for seven calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount.

The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following: (a) The duration of the work; (b) the extent of direction and control by the employer over the work; and (c) the level of skill required for the work in light of the individual's training and experience.

Sec. 5. RCW 50.20.066 and 2006 c 13 s 13 are each amended to read as follows:

GROSS MISCONDUCT. With respect to claims that have an effective date on or after January 4, 2004:

(1) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has been discharged or suspended for misconduct connected with his or her work and thereafter for ten calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to ten times his or her weekly benefit amount. Alcoholism shall not constitute a defense to disqualification from benefits due to misconduct.

(2)(a) With respect to claims that have an effective date on or after January 4, 2004, and before July 4, 2010, an individual who has been discharged from his or her work because of gross misconduct shall have all hourly wage credits based on that employment or six hundred eighty hours of wage credits, whichever is greater, canceled.

(b) With respect to claims that have an effective date on or after July 4, 2010, an individual who has been discharged from his or her work because of gross misconduct shall have all hourly wage credits based on that employment or one thousand three hundred hours of wage credits, whichever is greater, canceled.

(3) The employer shall notify the department of a felony or gross misdemeanor of which an individual has been convicted, or has admitted committing to a competent authority, not later than six months following the admission or conviction.

(4) The claimant shall disclose any conviction of the claimant of a work-connected felony or gross misdemeanor occurring in the previous two years to the department at the time of application for benefits.

(5) All benefits that are paid in error based on this section are recoverable, notwithstanding RCW 50.20.190 or 50.24.020 or any other provisions of this title.

Sec. 6. RCW 50.20.120 and 2006 c 13 s 1 are each amended to read as follows:

BENEFIT AMOUNTS. (1)(a) Subject to the other provisions of this title, benefits shall be payable to any eligible individual during the individual's benefit year in a maximum amount equal to the lesser of thirty times the weekly benefit amount, as determined in subsection (2) of this section, or one-third of the individual's base year wages under this title: **PROVIDED,** That as to any week which falls in an extended benefit period as defined in RCW 50.22.010(1), an individual's eligibility for maximum benefits in excess of twenty-six times his or her weekly benefit amount will be subject to the terms and conditions set forth in RCW 50.22.020.

(b) With respect to claims that have an effective date on or after the first Sunday of the calendar month immediately following the month in which the commissioner finds that the state unemployment rate is six and eight-tenths percent or less and before July 4, 2010, benefits shall be payable to any eligible individual during the individual's benefit year in a maximum amount equal to the lesser of twenty-six times the weekly benefit amount, as determined in subsection (2) of this section, or one-third of the individual's base year wages under this title.

(c) With respect to claims that have an effective date on or after July 4, 2010, benefits shall be payable to any eligible individual during the individual's benefit year in a maximum amount equal to one-third of the individual's base year wages. In no case shall benefits paid during the individual's benefit year be more than fifty thousand dollars.

(2)(a) For claims with an effective date before January 4, 2004, an individual's weekly benefit amount shall be an amount equal to one twenty-fifth of the average quarterly wages of the individual's total wages during the two quarters of the individual's base year in which such total wages were highest.

(b) With respect to claims with an effective date on or after January 4, 2004, and before January 2, 2005, an individual's weekly benefit amount shall be an amount equal to one twenty-fifth of the average quarterly wages of the individual's total wages during the three quarters of the individual's base year in which such total wages were highest.

(c)(i) With respect to claims with an effective date on or after January 2, 2005, except as provided in (c)(ii) of this subsection, an individual's weekly benefit amount shall be an amount equal to one percent of the total wages paid in the individual's base year.

(ii) With respect to claims with an effective date on or after the first Sunday following April 22, 2005, and before July 4, 2010, an individual's weekly benefit amount shall be an amount equal to three and eighty-five one-hundredths percent of the average quarterly wages of the individual's total wages during the two quarters of the individual's base year in which such total wages were highest.

(d) With respect to claims with an effective date on or after July 4, 2010, an individual's weekly benefit amount shall be as follows:

(i) During the first nine weeks of benefits, the weekly benefit amount shall be an amount equal to five percent of the average quarterly wages of the individual's total wages during the two quarters of the individual's base year in which such total wages were highest.

(ii) During the nine weeks of benefits following the nine weeks of benefits subject to (d)(i) of this subsection, the weekly benefit amount shall be an amount equal to three percent of the average quarterly wages of the individual's total wages during the two quarters of the individual's base year in which such total wages were highest.

(ii) During the remaining eight weeks of benefits, the weekly benefit amount shall be an amount equal to one percent of the average quarterly wages of the individual's total wages during the two quarters of the individual's base year in which such total wages were highest.

(3) The maximum and minimum amounts payable weekly shall be determined as of each June 30th to apply to benefit years beginning in the twelve-month period immediately following such June 30th.

(a)(i) With respect to claims that have an effective date before January 4, 2004, the maximum amount payable weekly shall be seventy percent of the "average weekly wage" for the calendar year preceding such June 30th.

(ii) With respect to claims that have an effective date on or after January 4, 2004, and before July 4, 2010, the maximum amount payable weekly shall be either four hundred ninety-six dollars or sixty-three percent of the "average weekly wage" for the calendar year preceding such June 30th, whichever is greater.

(iii) With respect to claims that have an effective date on or after July 4, 2010, the maximum amount payable weekly shall be: (A) One thousand eight hundred seventy-five dollars during the first nine weeks of benefits; (B) one thousand one hundred twenty-five dollars during the nine weeks of benefits following the nine weeks of benefits subject to subsection (2)(d)(i) of this section; and (C) three hundred seventy-five dollars during the remaining eight weeks of benefits.

(b)(i) With respect to claims that have an effective date before July 4, 2010, the minimum amount payable weekly shall be fifteen percent of the "average weekly wage" for the calendar year preceding such June 30th.

(ii) With respect to claims that have an effective date on or after July 4, 2010, the minimum amount payable weekly shall be one hundred twenty-five percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services.

(4) If any weekly benefit, maximum benefit, or minimum benefit amount computed herein is not a multiple of one dollar, it shall be reduced to the next lower multiple of one dollar.

Sec. 7. RCW 50.22.150 and 2002 c 149 s 2 are each amended to read as follows:

TRAINING BENEFITS PROGRAM. (1) Subject to availability of funds, training benefits are available for an individual who is eligible for or has exhausted entitlement to unemployment compensation benefits and who:

(a) Is a dislocated worker as defined in RCW 50.04.075;

(b) Except as provided under subsection (2) of this section, has demonstrated, through a work history, sufficient tenure in an occupation or in work with a particular skill set. This screening will take place during the assessment process;

(c) Is, after assessment of demand for the individual's occupation or skills in the individual's labor market, determined to need job-related training to find suitable employment in his or her labor market. Beginning July 1, 2001, the assessment of demand for the individual's occupation or skill sets must be substantially based on declining occupation or skill sets identified in local labor market areas by the local workforce development councils, in cooperation

with the employment security department and its labor market information division, under subsection (10) of this section;

(d) Develops an individual training program that is submitted to the commissioner for approval within ~~((sixty))~~ ninety days after the individual is notified by the employment security department of the requirements of this section;

(e) Enters the approved training program ~~((by ninety days after the date of the notification, unless the employment security department determines that the training is not available during the ninety-day period, in which case the individual enters training))~~ as soon as it is available, but not later than the academic term beginning after the commissioner approves the individual training plan; and

(f) Is enrolled in training approved under this section on a full-time basis as determined by the educational institution, and is making satisfactory progress in the training as certified by the educational institution.

(2) Until June 30, 2002, the following individuals who meet the requirements of subsection (1) of this section may, without regard to the tenure requirements under subsection (1)(b) of this section, receive training benefits as provided in this section:

(a) An exhaustee who has base year employment in the aerospace industry assigned the standard industrial classification code "372" or the North American industry classification system code "336411";

(b) An exhaustee who has base year employment in the forest products industry, determined by the department, but including the industries assigned the major group standard industrial classification codes "24" and "26" or any equivalent codes in the North American industry classification system code, and the industries involved in the harvesting and management of logs, transportation of logs and wood products, processing of wood products, and the manufacturing and distribution of wood processing and logging equipment; or

(c) An exhaustee who has base year employment in the fishing industry assigned the standard industrial classification code "0912" or any equivalent codes in the North American industry classification system code.

(3) An individual is not eligible for training benefits under this section if he or she:

(a) Is a standby claimant who expects recall to his or her regular employer;

(b) Has a definite recall date that is within six months of the date he or she is laid off; or

(c) Is unemployed due to a regular seasonal layoff ~~((which demonstrates a pattern of unemployment consistent with the provisions of RCW 50.20.015))~~. Regular seasonal layoff does not include layoff due to permanent structural downsizing or structural changes in the individual's labor market.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Educational institution" means an institution of higher education as defined in RCW 28B.10.016 or an educational institution as defined in RCW 28C.04.410, including equivalent educational institutions in other states.

(b) "Sufficient tenure" means earning a plurality of wages in a particular occupation or using a particular skill set during the base year and at least two of the four twelve-month periods immediately preceding the base year.

(c) "Training benefits" means additional benefits paid under this section.

(d) "Training program" means:

(i) An education program determined to be necessary as a prerequisite to vocational training after counseling at the educational

institution in which the individual enrolls under his or her approved training program; or

(ii) A vocational training program at an educational institution:

(A) That is targeted to training for a high demand occupation. Beginning July 1, 2001, the assessment of high demand occupations authorized for training under this section must be substantially based on labor market and employment information developed by local workforce development councils, in cooperation with the employment security department and its labor market information division, under subsection (10) of this section;

(B) That is likely to enhance the individual's marketable skills and earning power; and

(C) That meets the criteria for performance developed by the workforce training and education coordinating board for the purpose of determining those training programs eligible for funding under Title I of P.L. 105-220.

"Training program" does not include any course of education primarily intended to meet the requirements of a baccalaureate or higher degree, unless the training meets specific requirements for certification, licensing, or for specific skills necessary for the occupation.

(5) Benefits shall be paid as follows:

(a)(i) Except as provided in (a)(iii) of this subsection, for exhaustees who are eligible under subsection (1) of this section, the total training benefit amount shall be fifty-two times the individual's weekly benefit amount, reduced by the total amount of regular benefits and extended benefits paid, or deemed paid, with respect to the benefit year; or

(ii) For exhaustees who are eligible under subsection (2) of this section, for claims filed before June 30, 2002, the total training benefit amount shall be seventy-four times the individual's weekly benefit amount, reduced by the total amount of regular benefits and extended benefits paid, or deemed paid, with respect to the benefit year; or

(iii) For exhaustees eligible under subsection (1) of this section from industries listed under subsection (2)(a) of this section, for claims filed on or after June 30, 2002, but before January 5, 2003, the total training benefit amount shall be seventy-four times the individual's weekly benefit amount, reduced by the total amount of regular benefits and extended benefits paid, or deemed paid, with respect to the benefit year.

(b) The weekly benefit amount shall be the same as the regular weekly amount payable during the applicable benefit year and shall be paid under the same terms and conditions as regular benefits. The training benefits shall be paid before any extended benefits but not before any similar federally funded program.

(c) Training benefits are not payable for weeks more than two years beyond the end of the benefit year of the regular claim.

(6) The requirement under RCW 50.22.010(10) relating to exhausting regular benefits does not apply to an individual otherwise eligible for training benefits under this section when the individual's benefit year ends before his or her training benefits are exhausted and the individual is eligible for a new benefit year. These individuals will have the option of remaining on the original claim or filing a new claim.

(7)(a) Except as provided in (b) of this subsection, individuals who receive training benefits under this section or under any previous additional benefits program for training are not eligible for training benefits under this section for five years from the last receipt of training benefits under this section or under any previous additional benefits program for training.

(b) With respect to claims that are filed before January 5, 2003, an individual in the aerospace industry assigned the standard industrial code "372" or the North American industry classification system code "336411" who received training benefits under this section, and who had been making satisfactory progress in a training program but did not complete the program, is eligible, without regard to the five-year limitation of this section and without regard to the requirement of subsection (1)(b) of this section, if applicable, to receive training benefits under this section in order to complete that training program. The total training benefit amount that applies to the individual is seventy-four times the individual's weekly benefit amount, reduced by the total amount of regular benefits paid, or deemed paid, with respect to the benefit year in which the training program resumed and, if applicable, reduced by the amount of training benefits paid, or deemed paid, with respect to the benefit year in which the training program commenced.

(8) An individual eligible to receive a trade readjustment allowance under chapter 2 of Title II of the Trade Act of 1974, as amended, shall not be eligible to receive benefits under this section for each week the individual receives such trade readjustment allowance. An individual eligible to receive emergency unemployment compensation, so called, under any federal law, shall not be eligible to receive benefits under this section for each week the individual receives such compensation.

(9) All base year employers are interested parties to the approval of training and the granting of training benefits.

(10) By July 1, 2001, each local workforce development council, in cooperation with the employment security department and its labor market information division, must identify occupations and skill sets that are declining and occupations and skill sets that are in high demand. For the purposes of RCW 50.22.130 through 50.22.150 and section 9, chapter 2, Laws of 2000, "high demand" means demand for employment that exceeds the supply of qualified workers for occupations or skill sets in a labor market area. Local workforce development councils must use state and locally developed labor market information. Thereafter, each local workforce development council shall update this information annually or more frequently if needed.

(11) The commissioner shall adopt rules as necessary to implement this section.

PART II - FINANCING

Sec. 8. RCW 50.29.021 and 2008 c 323 s 2 are each amended to read as follows:

EXPERIENCE RATING. (1) This section applies to benefits charged to the experience rating accounts of employers for claims that have an effective date on or after January 4, 2004.

(2)(a) An experience rating account shall be established and maintained for each employer, except employers as described in RCW 50.44.010, 50.44.030, and 50.50.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, based on existing records of the employment security department.

(b) Benefits paid to an eligible individual shall be charged to the experience rating accounts of each of such individual's employers during the individual's base year in the same ratio that the wages paid by each employer to the individual during the base year bear to the wages paid by all employers to that individual during that base year, except as otherwise provided in this section.

(c) When the eligible individual's separating employer is a covered contribution paying base year employer, benefits paid to the eligible individual shall be charged to the experience rating account of only the individual's separating employer if the individual qualifies for benefits under:

(i) RCW 50.20.050(2)(b)(i), as applicable, and became unemployed after having worked and earned wages in the bona fide work; or

(ii) RCW 50.20.050(2)(b) (v) through (x).

(3) The legislature finds that certain benefit payments, in whole or in part, should not be charged to the experience rating accounts of employers except those employers described in RCW 50.44.010, 50.44.030, and 50.50.030 who have properly elected to make payments in lieu of contributions, taxable local government employers described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, as follows:

(a) Benefits paid to any individual later determined to be ineligible shall not be charged to the experience rating account of any contribution paying employer. However, when a benefit claim becomes invalid due to an amendment or adjustment of a report where the employer failed to report or inaccurately reported hours worked or remuneration paid, or both, all benefits paid will be charged to the experience rating account of the contribution paying employer or employers that originally filed the incomplete or inaccurate report or reports. An employer who reimburses the trust fund for benefits paid to workers and who fails to report or inaccurately reported hours worked or remuneration paid, or both, shall reimburse the trust fund for all benefits paid that are based on the originally filed incomplete or inaccurate report or reports.

(b) Benefits paid to an individual filing under the provisions of chapter 50.06 RCW shall not be charged to the experience rating account of any contribution paying employer only if:

(i) The individual files under RCW 50.06.020(1) after receiving crime victims' compensation for a disability resulting from a nonwork-related occurrence; or

(ii) The individual files under RCW 50.06.020(2).

(c) Benefits paid which represent the state's share of benefits payable as extended benefits defined under RCW 50.22.010(6) shall not be charged to the experience rating account of any contribution paying employer.

(d) In the case of individuals who requalify for benefits under RCW 50.20.050 or 50.20.060, benefits based on wage credits earned prior to the disqualifying separation shall not be charged to the experience rating account of the contribution paying employer from whom that separation took place.

(e) Benefits paid to an individual who qualifies for benefits under RCW 50.20.050(2)(b) (iv) or (xi), as applicable, shall not be charged to the experience rating account of any contribution paying employer.

(f) With respect to claims with an effective date on or after the first Sunday following April 22, 2005, benefits paid that exceed the benefits that would have been paid if the weekly benefit amount for the claim had been determined as one percent of the total wages paid in the individual's base year shall not be charged to the experience rating account of any contribution paying employer. This subsection does not apply with respect to the calculation of contribution rates for rate year 2010 and thereafter.

(4)(a) A contribution paying base year employer, not otherwise eligible for relief of charges for benefits under this section, may receive such relief if the benefit charges result from payment to an individual who:

(i) Last left the employ of such employer voluntarily for reasons not attributable to the employer;

(ii) Was discharged for misconduct or gross misconduct connected with his or her work not a result of inability to meet the minimum job requirements;

(iii) Is unemployed as a result of closure or severe curtailment of operation at the employer's plant, building, worksite, or other facility. This closure must be for reasons directly attributable to a catastrophic occurrence such as fire, flood, or other natural disaster; or

(iv) Continues to be employed on a regularly scheduled permanent part-time basis by a base year employer and who at some time during the base year was concurrently employed and subsequently separated from at least one other base year employer. Benefit charge relief ceases when the employment relationship between the employer requesting relief and the claimant is terminated. This subsection does not apply to shared work employers under chapter 50.06 RCW.

(b) The employer requesting relief of charges under this subsection must request relief in writing within thirty days following mailing to the last known address of the notification of the valid initial determination of such claim, stating the date and reason for the separation or the circumstances of continued employment. The commissioner, upon investigation of the request, shall determine whether relief should be granted.

Sec. 9. RCW 50.29.025 and 2007 c 51 s 1 are each amended to read as follows:

CONTRIBUTION RATES. (1) Except as provided in subsections (2) and (3) of this section, the contribution rate for each employer subject to contributions under RCW 50.24.010 shall be determined under this subsection.

(a) A fund balance ratio shall be determined by dividing the balance in the unemployment compensation fund as of the September 30th immediately preceding the rate year by the total remuneration paid by all employers subject to contributions during the second calendar year preceding the rate year and reported to the department by the following March 31st. The division shall be carried to the fourth decimal place with the remaining fraction, if any, disregarded. The fund balance ratio shall be expressed as a percentage.

(b) The interval of the fund balance ratio, expressed as a percentage, shall determine which tax schedule in (e) of this subsection shall be in effect for assigning tax rates for the rate year. The intervals for determining the effective tax schedule shall be:

| Interval of the Fund Balance Ratio Expressed as a Percentage | Effective Tax Schedule |
|--|------------------------|
| 2.90 and above | AA |
| 2.10 to 2.89 | A |
| 1.70 to 2.09 | B |
| 1.40 to 1.69 | C |
| 1.00 to 1.39 | D |
| 0.70 to 0.99 | E |
| Less than 0.70 | F |

(c) An array shall be prepared, listing all qualified employers in ascending order of their benefit ratios. The array shall show for each qualified employer: (i) Identification number; (ii) benefit ratio; (iii) taxable payrolls for the four calendar quarters immediately preceding the computation date and reported to the department by the cut-off date; (iv) a cumulative total of taxable payrolls consisting of the employer's taxable payroll plus the taxable payrolls of all other employers preceding him or her in the array; and (v) the percentage equivalent of the cumulative total of taxable payrolls.

(d) Each employer in the array shall be assigned to one of twenty rate classes according to the percentage intervals of cumulative taxable payrolls set forth in (e) of this subsection: PROVIDED, That if an employer's taxable payroll falls within two or more rate classes, the employer and any other employer with the same benefit ratio shall be assigned to the lowest rate class which includes any portion of the employer's taxable payroll.

(e) Except as provided in RCW 50.29.026, the contribution rate for each employer in the array shall be the rate specified in the following tables for the rate class to which he or she has been assigned, as determined under (d) of this subsection, within the tax schedule which is to be in effect during the rate year:

| Percent of Cumulative Taxable Payrolls | | Rate Class | Schedules of Contributions Rates for Effective Tax Schedule | | | | | | | |
|--|----|------------|---|------|------|------|------|------|------|--|
| From | To | | AA | A | B | C | D | E | F | |
| 0 | 5 | 1 | 0.47 | 0.47 | 0.57 | 0.97 | 1.47 | 1.87 | 2.47 | |
| 5.01 | 10 | 2 | 0.47 | 0.47 | 0.77 | 1.17 | 1.67 | 2.07 | 2.67 | |
| 10.01 | 15 | 3 | 0.57 | 0.57 | 0.97 | 1.37 | 1.77 | 2.27 | 2.87 | |
| 15.01 | 20 | 4 | 0.57 | 0.73 | 1.11 | 1.51 | 1.9 | 2.4 | 2.98 | |
| 20.01 | 25 | 5 | 0.72 | 0.92 | 1.3 | 1.7 | 2.09 | 2.59 | 3.08 | |
| 25.01 | 30 | 6 | 0.91 | 1.11 | 1.49 | 1.89 | 2.29 | 2.69 | 3.18 | |
| 30.01 | 35 | 7 | 1 | 1.29 | 1.69 | 2.08 | 2.48 | 2.88 | 3.27 | |
| 35.01 | 40 | 8 | 1.19 | 1.48 | 1.88 | 2.27 | 2.67 | 3.07 | 3.47 | |
| 40.01 | 45 | 9 | 1.37 | 1.67 | 2.07 | 2.47 | 2.87 | 3.27 | 3.66 | |
| 45.01 | 50 | 10 | 1.56 | 1.86 | 2.26 | 2.66 | 3.06 | 3.46 | 3.86 | |
| 50.01 | 55 | 11 | 1.84 | 2.14 | 2.45 | 2.85 | 3.25 | 3.66 | 3.95 | |
| 55.01 | 60 | 12 | 2.03 | 2.33 | 2.64 | 3.04 | 3.44 | 3.85 | 4.15 | |
| 60.01 | 65 | 13 | 2.22 | 2.52 | 2.83 | 3.23 | 3.64 | 4.04 | 4.34 | |
| 65.01 | 70 | 14 | 2.4 | 2.71 | 3.02 | 3.43 | 3.83 | 4.24 | 4.54 | |
| 70.01 | 75 | 15 | 2.68 | 2.9 | 3.21 | 3.62 | 4.02 | 4.43 | 4.63 | |
| 75.01 | 80 | 16 | 2.87 | 3.09 | 3.42 | 3.81 | 4.22 | 4.53 | 4.73 | |
| 80.01 | 85 | 17 | 3.27 | 3.47 | 3.77 | 4.17 | 4.57 | 4.87 | 4.97 | |

| | | | | | | | | | |
|-------|-----|----|------|------|------|------|------|------|------|
| 85.01 | 90 | 18 | 3.67 | 3.87 | 4.17 | 4.57 | 4.87 | 4.97 | 5.17 |
| 90.01 | 95 | 19 | 4.07 | 4.27 | 4.57 | 4.97 | 5.07 | 5.17 | 5.37 |
| 95.01 | 100 | 20 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 |

(f) The contribution rate for each employer not qualified to be in the array shall be as follows:

(i) Employers who do not meet the definition of "qualified employer" by reason of failure to pay contributions when due shall be assigned a contribution rate two-tenths higher than that in rate class 20 for the applicable rate year, except employers who have an approved agency-deferred payment contract by September 30 of the previous rate year. If any employer with an approved agency-deferred payment contract fails to make any one of the succeeding deferred payments or fails to submit any succeeding tax report and payment in a timely manner, the employer's tax rate shall immediately revert to a contribution rate two-tenths higher than that in rate class 20 for the applicable rate year; and

(ii) For all other employers not qualified to be in the array, the contribution rate shall be a rate equal to the average industry rate as determined by the commissioner; however, the rate may not be less than one percent.

(2) ~~((Beginning with))~~ For contributions assessed for rate years 2005 through 2009, the contribution rate for each employer subject to contributions under RCW 50.24.010 shall be the sum of the array calculation factor rate and the graduated social cost factor rate determined under this subsection, and the solvency surcharge determined under RCW 50.29.041, if any.

(a) The array calculation factor rate shall be determined as follows:

(i) An array shall be prepared, listing all qualified employers in ascending order of their benefit ratios. The array shall show for each qualified employer: (A) Identification number; (B) benefit ratio; and (C) taxable payrolls for the four consecutive calendar quarters immediately preceding the computation date and reported to the employment security department by the cut-off date.

(ii) Each employer in the array shall be assigned to one of forty rate classes according to his or her benefit ratio as follows, and, except as provided in RCW 50.29.026, the array calculation factor rate for each employer in the array shall be the rate specified in the rate class to which the employer has been assigned:

| Benefit Ratio | | Rate Class | Rate (percent) |
|---------------|-----------|------------|----------------|
| At least | Less than | | |
| | 0 | 1 | 0 |
| 0 | 0.00125 | 2 | 0.13 |
| 0.00125 | 0.0025 | 3 | 0.25 |
| 0.0025 | 0.00375 | 4 | 0.38 |
| 0.00375 | 0.005 | 5 | 0.5 |
| 0.005 | 0.00625 | 6 | 0.63 |
| 0.00625 | 0.0075 | 7 | 0.75 |
| 0.0075 | 0.00875 | 8 | 0.88 |

| | | | |
|---------|---------|----|------|
| 0.00875 | 0.01 | 9 | 1 |
| 0.01 | 0.01125 | 10 | 1.15 |
| 0.01125 | 0.0125 | 11 | 1.3 |
| 0.0125 | 0.01375 | 12 | 1.45 |
| 0.01375 | 0.015 | 13 | 1.6 |
| 0.015 | 0.01625 | 14 | 1.75 |
| 0.01625 | 0.0175 | 15 | 1.9 |
| 0.0175 | 0.01875 | 16 | 2.05 |
| 0.01875 | 0.02 | 17 | 2.2 |
| 0.02 | 0.02125 | 18 | 2.35 |
| 0.02125 | 0.0225 | 19 | 2.5 |
| 0.0225 | 0.02375 | 20 | 2.65 |
| 0.02375 | 0.025 | 21 | 2.8 |
| 0.025 | 0.02625 | 22 | 2.95 |
| 0.02625 | 0.0275 | 23 | 3.1 |
| 0.0275 | 0.02875 | 24 | 3.25 |
| 0.02875 | 0.03 | 25 | 3.4 |
| 0.03 | 0.03125 | 26 | 3.55 |
| 0.03125 | 0.0325 | 27 | 3.7 |
| 0.0325 | 0.03375 | 28 | 3.85 |
| 0.03375 | 0.035 | 29 | 4 |
| 0.035 | 0.03625 | 30 | 4.15 |
| 0.03625 | 0.0375 | 31 | 4.3 |
| 0.0375 | 0.04 | 32 | 4.45 |
| 0.04 | 0.0425 | 33 | 4.6 |
| 0.0425 | 0.045 | 34 | 4.75 |
| 0.045 | 0.0475 | 35 | 4.9 |
| 0.0475 | 0.05 | 36 | 5.05 |
| 0.05 | 0.0525 | 37 | 5.2 |
| 0.0525 | 0.055 | 38 | 5.3 |
| 0.055 | 0.0575 | 39 | 5.35 |
| 0.0575 | | 40 | 5.4 |

(b) The graduated social cost factor rate shall be determined as follows:

(i)(A) Except as provided in (b)(i)(B) and (C) of this subsection, the commissioner shall calculate the flat social cost factor for a rate year by dividing the total social cost by the total taxable payroll. The division shall be carried to the second decimal place with the remaining fraction disregarded unless it amounts to five hundredths or more, in which case the second decimal place shall be rounded to the next higher digit. The flat social cost factor shall be expressed as a percentage.

(B) If, on the cut-off date, the balance in the unemployment compensation fund is determined by the commissioner to be an amount that will provide more than ten months of unemployment benefits, the commissioner shall calculate the flat social cost factor for the rate year immediately following the cut-off date by reducing the total social cost by the dollar amount that represents the number of months for which the balance in the unemployment compensation fund on the cut-off date will provide benefits above ten months and dividing the result by the total taxable payroll. However, the calculation under this subsection (2)(b)(i)(B) for a rate year may not result in a flat social cost factor that is more than four-tenths lower than the calculation under (b)(i)(A) of this subsection for that rate year.

For the purposes of this subsection, the commissioner shall determine the number of months of unemployment benefits in the unemployment compensation fund using the benefit cost rate for the average of the three highest calendar benefit cost rates in the twenty consecutive completed calendar years immediately preceding the cut-off date or a period of consecutive calendar years immediately preceding the cut-off date that includes three recessions, if longer.

(C) The minimum flat social cost factor calculated under this subsection (2)(b) shall be six-tenths of one percent, except that if the balance in the unemployment compensation fund is determined by the commissioner to be an amount that will provide:

(I) At least twelve months but less than fourteen months of unemployment benefits, the minimum shall be five-tenths of one percent; or

(II) At least fourteen months of unemployment benefits, the minimum shall be five-tenths of one percent, except that, for employers in rate class 1, the minimum shall be forty-five hundredths of one percent.

(ii)(A) Except as provided in (b)(ii)(B) of this subsection, the graduated social cost factor rate for each employer in the array is the flat social cost factor multiplied by the percentage specified as follows for the rate class to which the employer has been assigned in (a)(ii) of this subsection, except that the sum of an employer's array calculation factor rate and the graduated social cost factor rate may not exceed six and five-tenths percent or, for employers whose North American industry classification system code is within "111," "112," "1141," "115," "3114," "3117," "42448," or "49312," may not exceed six percent through rate year 2007 and may not exceed five and seven-tenths percent for rate year 2008 and thereafter:

(I) Rate class 1 - 78 percent;

(II) Rate class 2 - 82 percent;

(III) Rate class 3 - 86 percent;

(IV) Rate class 4 - 90 percent;

(V) Rate class 5 - 94 percent;

(VI) Rate class 6 - 98 percent;

(VII) Rate class 7 - 102 percent;

(VIII) Rate class 8 - 106 percent;

(IX) Rate class 9 - 110 percent;

(X) Rate class 10 - 114 percent;

(XI) Rate class 11 - 118 percent; and

(XII) Rate classes 12 through 40 - 120 percent.

(B) For contributions assessed beginning July 1, 2005, through December 31, 2007, for employers whose North American industry classification system code is "111," "112," "1141," "115," "3114," "3117," "42448," or "49312," the graduated social cost factor rate is zero.

(iii) For the purposes of this section:

(A) "Total social cost" means the amount calculated by subtracting the array calculation factor contributions paid by all employers with respect to the four consecutive calendar quarters immediately preceding the computation date and paid to the employment security department by the cut-off date from the total unemployment benefits paid to claimants in the same four consecutive calendar quarters. To calculate the flat social cost factor for rate year 2005, the commissioner shall calculate the total social cost using the array calculation factor contributions that would have been required to be paid by all employers in the calculation period if (a) of this subsection had been in effect for the relevant period.

(B) "Total taxable payroll" means the total amount of wages subject to tax, as determined under RCW 50.24.010, for all employers in the four consecutive calendar quarters immediately preceding the computation date and reported to the employment security department by the cut-off date.

(c) For employers who do not meet the definition of "qualified employer" by reason of failure to pay contributions when due:

(i) The array calculation factor rate shall be two-tenths higher than that in rate class 40, except employers who have an approved agency-deferred payment contract by September 30th of the previous rate year. If any employer with an approved agency-deferred payment contract fails to make any one of the succeeding deferred payments or fails to submit any succeeding tax report and payment in a timely manner, the employer's tax rate shall immediately revert to an array calculation factor rate two-tenths higher than that in rate class 40; and

(ii) The social cost factor rate shall be the social cost factor rate assigned to rate class 40 under (b)(ii) of this subsection.

(d) For all other employers not qualified to be in the array:

(i) For rate years 2005, 2006, and 2007:

(A) The array calculation factor rate shall be a rate equal to the average industry array calculation factor rate as determined by the commissioner, plus fifteen percent of that amount; however, the rate may not be less than one percent or more than the array calculation factor rate in rate class 40; and

(B) The social cost factor rate shall be a rate equal to the average industry social cost factor rate as determined by the commissioner, plus fifteen percent of that amount, but not more than the social cost factor rate assigned to rate class 40 under (b)(ii) of this subsection.

(ii) Beginning with contributions assessed for rate year 2008:

(A) The array calculation factor rate shall be a rate equal to the average industry array calculation factor rate as determined by the commissioner, multiplied by the history factor, but not less than one percent or more than the array calculation factor rate in rate class 40;

(B) The social cost factor rate shall be a rate equal to the average industry social cost factor rate as determined by the commissioner, multiplied by the history factor, but not more than the social cost factor rate assigned to rate class 40 under (b)(ii) of this subsection; and

(C) The history factor shall be based on the total amounts of benefits charged and contributions paid in the three fiscal years ending prior to the computation date by employers not qualified to be in the array, other than employers in (c) of this subsection, who were

first subject to contributions in the calendar year ending three years prior to the computation date. The commissioner shall calculate the history ratio by dividing the total amount of benefits charged by the total amount of contributions paid in this three-year period by these employers. The division shall be carried to the second decimal place with the remaining fraction disregarded unless it amounts to five one-hundredths or more, in which case the second decimal place shall be rounded to the next higher digit. The commissioner shall determine the history factor according to the history ratio as follows:

| | History Ratio | | History Factor (percent) |
|-------|---------------|-----------|--------------------------|
| | At least | Less than | |
| (I) | | 0.95 | 90 |
| (II) | 0.95 | 1.05 | 100 |
| (III) | 1.05 | | 115 |

(3) For contributions assessed for rate year 2010 and thereafter, the contribution rate for each employer subject to contributions under RCW 50.24.010 shall be the sum of the array calculation factor rate and the solvency surcharge determined under RCW 50.29.041, if any.

(a) The array calculation factor rate shall be determined as follows:

(i) An array shall be prepared, listing all qualified employers in ascending order of their benefit ratios. The array shall show for each qualified employer: (A) Identification number; (B) benefit ratio; and (C) taxable payrolls for the four consecutive calendar quarters immediately preceding the computation date and reported to the employment security department by the cut-off date.

(ii) Each employer in the array shall be assigned to one of forty rate classes according to his or her benefit ratio as follows, and, except as provided in RCW 50.29.026, the array calculation factor rate for each employer in the array shall be the rate specified in the rate class to which the employer has been assigned:

| Benefit Ratio | | Rate Class | Rate (percent) |
|----------------|----------------|------------|----------------|
| At least | Less than | | |
| | <u>0</u> | <u>1</u> | <u>0</u> |
| <u>0</u> | <u>0.00125</u> | <u>2</u> | <u>0.09</u> |
| <u>0.00125</u> | <u>0.0025</u> | <u>3</u> | <u>0.18</u> |
| <u>0.0025</u> | <u>0.00375</u> | <u>4</u> | <u>0.28</u> |
| <u>0.00375</u> | <u>0.005</u> | <u>5</u> | <u>0.37</u> |
| <u>0.005</u> | <u>0.00625</u> | <u>6</u> | <u>0.46</u> |
| <u>0.00625</u> | <u>0.0075</u> | <u>7</u> | <u>0.55</u> |
| <u>0.0075</u> | <u>0.00875</u> | <u>8</u> | <u>0.64</u> |
| <u>0.00875</u> | <u>0.01</u> | <u>9</u> | <u>0.74</u> |

| | | | |
|----------------|----------------|-----------|-------------|
| <u>0.01</u> | <u>0.01125</u> | <u>10</u> | <u>0.83</u> |
| <u>0.01125</u> | <u>0.0125</u> | <u>11</u> | <u>0.92</u> |
| <u>0.0125</u> | <u>0.01375</u> | <u>12</u> | <u>1.01</u> |
| <u>0.01375</u> | <u>0.015</u> | <u>13</u> | <u>1.11</u> |
| <u>0.015</u> | <u>0.01625</u> | <u>14</u> | <u>1.2</u> |
| <u>0.01625</u> | <u>0.0175</u> | <u>15</u> | <u>1.29</u> |
| <u>0.0175</u> | <u>0.01875</u> | <u>16</u> | <u>1.38</u> |
| <u>0.01875</u> | <u>0.02</u> | <u>17</u> | <u>1.47</u> |
| <u>0.02</u> | <u>0.02125</u> | <u>18</u> | <u>1.57</u> |
| <u>0.02125</u> | <u>0.0225</u> | <u>19</u> | <u>1.66</u> |
| <u>0.0225</u> | <u>0.02375</u> | <u>20</u> | <u>1.75</u> |
| <u>0.02375</u> | <u>0.025</u> | <u>21</u> | <u>1.84</u> |
| <u>0.025</u> | <u>0.02625</u> | <u>22</u> | <u>1.93</u> |
| <u>0.02625</u> | <u>0.0275</u> | <u>23</u> | <u>2.03</u> |
| <u>0.0275</u> | <u>0.02875</u> | <u>24</u> | <u>2.12</u> |
| <u>0.02875</u> | <u>0.03</u> | <u>25</u> | <u>2.21</u> |
| <u>0.03</u> | <u>0.03125</u> | <u>26</u> | <u>2.3</u> |
| <u>0.03125</u> | <u>0.0325</u> | <u>27</u> | <u>2.39</u> |
| <u>0.0325</u> | <u>0.03375</u> | <u>28</u> | <u>2.49</u> |
| <u>0.03375</u> | <u>0.035</u> | <u>29</u> | <u>2.58</u> |
| <u>0.035</u> | <u>0.03625</u> | <u>30</u> | <u>2.67</u> |
| <u>0.03625</u> | <u>0.0375</u> | <u>31</u> | <u>2.76</u> |
| <u>0.0375</u> | <u>0.04</u> | <u>32</u> | <u>2.86</u> |
| <u>0.04</u> | <u>0.0425</u> | <u>33</u> | <u>2.95</u> |
| <u>0.0425</u> | <u>0.045</u> | <u>34</u> | <u>3.04</u> |
| <u>0.045</u> | <u>0.0475</u> | <u>35</u> | <u>3.13</u> |
| <u>0.0475</u> | <u>0.05</u> | <u>36</u> | <u>3.22</u> |
| <u>0.05</u> | <u>0.0525</u> | <u>37</u> | <u>3.32</u> |
| <u>0.0525</u> | <u>0.055</u> | <u>38</u> | <u>3.41</u> |
| <u>0.055</u> | <u>0.0575</u> | <u>39</u> | <u>3.5</u> |
| <u>0.0575</u> | | <u>40</u> | <u>5.4</u> |

(iii) Each employer may deduct from the pay of each individual ten percent of the amount of contributions that may be attributed to that individual's employment.

(b) On the fifteenth day of the first month of each calendar quarter, an amount equaling twenty-five percent of the total social cost shall be transferred from the general fund into the unemployment compensation fund. The maximum amount of the total social cost transfer in any rate year shall be two and five-tenths percent of the taxable wage base. Before January 1, 2011, adjustments to the maximum amount of the total social cost transfer are prohibited, except as specifically authorized upon the affirmative vote of sixty percent of the members of each house of the legislature. For the purposes of this section, "total social cost" means the amount calculated by subtracting the array calculation factor contributions paid by all employers with respect to the four consecutive calendar quarters immediately preceding the computation date and paid to the employment security department by the cut-off date from the total unemployment benefits paid to claimants in the same four consecutive calendar quarters.

(c) For employers who do not meet the definition of "qualified employer" by reason of failure to pay contributions when due:

(i) The array calculation factor rate shall be two-tenths higher than that in rate class 40, except employers who have an approved agency-deferred payment contract by September 30th of the previous rate year. If any employer with an approved agency-deferred payment contract fails to make any one of the succeeding deferred payments or fails to submit any succeeding tax report and payment in a timely manner, the employer's tax rate shall immediately revert to an array calculation factor rate two-tenths higher than that in rate class 40.

(d) For all other employers not qualified to be in the array, the contribution rate shall be the contribution rate specified in this subsection, but not less than one percent:

(i) In the first two consecutive rate years in which an employer is not qualified, the array calculation factor rate shall be a rate equal to fifty percent of the average industry array calculation factor rate as determined by the commissioner;

(ii) In the second two consecutive rate years in which an employer is not qualified, the array calculation factor rate shall be a rate equal to seventy-five percent of the average industry array calculation factor rate as determined by the commissioner.

(4) Assignment of employers by the commissioner to industrial classification, for purposes of this section, shall be in accordance with established classification practices found ~~((in the "Standard Industrial Classification Manual" issued by the federal office of management and budget to the third digit provided in the standard industrial classification code, or))~~ in the North American industry classification system code.

NEW SECTION. Sec. 10. A new section is added to chapter 82.04 RCW to read as follows:

B&O TAX CREDIT. (1) In computing the tax imposed under this chapter, a credit is allowed for eighty-five percent of contributions paid under chapter 50.24 RCW for the prior rate year.

(2) Credit under this section may be claimed against taxes due under this chapter for any tax reporting period by the person claiming credit under this section. The credit may not exceed the tax otherwise due under this chapter for the tax reporting period. Unused credit may be carried over and used in subsequent tax reporting periods. No refunds shall be granted for credits under this section.

(3) This section applies to tax reports due on or after January 1, 2011.

Sec. 11. RCW 50.29.062 and 2006 c 47 s 2 are each amended to read as follows:

SUCCESSOR RATES. Except as provided in RCW 50.29.063, predecessor and successor employer contribution rates shall be computed in the following manner:

(1) If the successor is an employer, as defined in RCW 50.04.080, at the time of the transfer of a business, the following applies:

(a) The successor's contribution rate shall remain unchanged for the remainder of the rate year in which the transfer occurs; and

(b) Beginning January 1st following the transfer, the successor's contribution rate for each rate year shall be based on a combination of the following:

(i) The successor's experience with payrolls and benefits; and

(ii) Any experience assigned to the predecessor involved in the transfer. If only a portion of the business was transferred, then the experience attributable to the acquired portion is assigned to the successor.

(2) If the successor is not an employer at the time of the transfer, the following applies:

(a) For transfers before January 1, 2005:

(i) Except as provided in (ii) of this subsection (2)(a), the successor shall pay contributions at the lowest rate determined under either of the following:

(A) The contribution rate of the rate class assigned to the predecessor employer at the time of the transfer for the remainder of that rate year. Any experience relating to the assignment of that rate class attributable to the predecessor is transferred to the successor. Beginning with the January 1st following the transfer, the successor's contribution rate shall be based on a combination of the transferred experience of the acquired business and the successor's experience after the transfer; or

(B) The contribution rate equal to the average industry rate as determined by the commissioner, but not less than one percent, and continuing until the successor qualifies for a different rate in its own right. Assignment of employers by the commissioner to industrial classification, for purposes of this subsection, must be in accordance with established classification practices found in the North American industry classification system issued by the federal office of management and budget to the fourth digit provided in the North American industry classification system.

(ii) If the successor simultaneously acquires the business or a portion of the business of two or more employers in different rate classes, its rate from the date the transfer occurred until the end of that rate year and until it qualifies in its own right for a new rate, shall be the rate of the highest rate class applicable at the time of the acquisition to any predecessor employer who is a party to the acquisition, but not less than one percent.

(b) For transfers on or after January 1, 2005:

(i) Except as provided in (ii) and (iii) of this subsection (2)(b), the successor shall pay contributions:

(A) At the contribution rate assigned to the predecessor employer at the time of the transfer and not the new employer rate for the remainder of that rate year, so long as the successor retains at least sixty percent of the predecessor's employees. Any experience attributable to the predecessor relating to the assignment of the predecessor's rate class is transferred to the successor.

(B) Beginning January 1st following the transfer, the successor's contribution rate for each rate year shall be based on an array calculation factor rate that is a combination of the following: The successor's experience with payrolls and benefits; and any experience assigned to the predecessor involved in the transfer. If only a portion

of the business was transferred, then the experience attributable to the acquired portion is assigned to the successor if qualified under RCW 50.29.010(6) by including the transferred experience. If not qualified under RCW 50.29.010(6), the contribution rate shall equal the sum of the rates determined by the commissioner under RCW 50.29.025(2) ~~((c)(ii) and (d)(ii))~~ (d)(i), and 50.29.041, if applicable, and continuing until the successor qualifies for a different rate, including the transferred experience.

(ii) If there is a substantial continuity of ownership, control, or management by the successor of the business of the predecessor, the successor shall pay contributions at the contribution rate determined for the predecessor employer at the time of the transfer for the remainder of that rate year. Any experience attributable to the predecessor relating to the assignment of the predecessor's rate class is transferred to the successor. Beginning January 1st following the transfer, the successor's array calculation factor rate shall be based on a combination of the transferred experience of the acquired business and the successor's experience after the transfer.

(iii) If the successor simultaneously acquires the business or a portion of the business of two or more employers with different contribution rates, the successor's rate from the date the transfer occurred until the end of that rate year and until it qualifies in its own right for a new rate, shall be the sum of the rates determined by the commissioner under RCW 50.29.025(2) (a) and (b), and 50.29.041, applicable at the time of the acquisition, to the predecessor employer who, among the parties to the acquisition, had the largest total payroll in the completed calendar quarter immediately preceding the date of transfer, but not less than the sum of the rates determined by the commissioner under RCW 50.29.025(2) ~~((c)(ii) and (d)(ii))~~ (d)(i), and 50.29.041, if applicable.

(3) With respect to predecessor employers:

(a) The contribution rate on any payroll retained by a predecessor employer shall remain unchanged for the remainder of the rate year in which the transfer occurs.

(b) In all cases, beginning January 1st following the transfer, the predecessor's contribution rate or the predecessor's array calculation factor for each rate year shall be based on its experience with payrolls and benefits as of the regular computation date for that rate year excluding the experience of the transferred business or transferred portion of business as that experience has transferred to the successor: PROVIDED, That if all of the predecessor's business is transferred to a successor or successors, the predecessor shall not be a qualified employer until it satisfies the requirements of a "qualified employer" as set forth in RCW 50.29.010.

(4) For purposes of this section, "transfer of a business" means the same as RCW 50.29.063(4)(c).

Sec. 12. RCW 50.16.010 and 2008 c 329 s 915 are each amended to read as follows:

FUNDS. (1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund, an administrative contingency fund, and a federal interest payment fund, which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.

(2)(a) The unemployment compensation fund shall consist of:

(i) All contributions collected under RCW 50.24.010 and payments in lieu of contributions collected pursuant to the provisions of this title;

(ii) All amounts transferred from the general fund to the account pursuant to RCW 50.29.025;

(iii) Any property or securities acquired through the use of moneys belonging to the fund;

~~((iii))~~ (iv) All earnings of such property or securities;

~~((iv))~~ (v) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;

~~((v))~~ (vi) All money recovered on official bonds for losses sustained by the fund;

~~((vi))~~ (vii) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;

~~((vii))~~ (viii) All money received from the federal government as reimbursement pursuant to section 204 of the federal-state extended compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

~~((viii))~~ (ix) All moneys received for the fund from any other source.

(b) All moneys in the unemployment compensation fund shall be commingled and undivided.

(3)(a) Except as provided in (b) of this subsection, the administrative contingency fund shall consist of:

(i) All interest on delinquent contributions collected pursuant to this title;

(ii) All fines and penalties collected pursuant to the provisions of this title;

(iii) All sums recovered on official bonds for losses sustained by the fund; and

(iv) Revenue received under RCW 50.24.014.

(b) All fees, fines, forfeitures, and penalties collected or assessed by a district court because of the violation of this title or rules adopted under this title shall be remitted as provided in chapter 3.62 RCW.

(c) During the 2007-2009 biennium, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended as appropriated by the legislature for the (i) cost of the job skills program at the community and technical colleges, and (ii) reemployment services such as business and project development assistance, local economic development capacity building, and local economic development financial assistance at the department of community, trade, and economic development, and the remaining appropriation upon the direction of the commissioner, with the approval of the governor, whenever it appears to him or her that such expenditure is necessary solely for:

(i) The proper administration of this title and that insufficient federal funds are available for the specific purpose to which such expenditure is to be made, provided, the moneys are not substituted for appropriations from federal funds which, in the absence of such moneys, would be made available.

(ii) The proper administration of this title for which purpose appropriations from federal funds have been requested but not yet received, provided, the administrative contingency fund will be reimbursed upon receipt of the requested federal appropriation.

(iii) The proper administration of this title for which compliance and audit issues have been identified that establish federal claims requiring the expenditure of state resources in resolution. Claims must be resolved in the following priority: First priority is to provide services to eligible participants within the state; second priority is to provide substitute services or program support; and last priority is the direct payment of funds to the federal government.

Money in the special account created under RCW 50.24.014(1)(a) may only be expended, after appropriation, for the purposes specified in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

PART III - RENT SUBSIDIES AND MORTGAGE ASSISTANCE

Sec. 13. RCW 43.185.050 and 2006 c 371 s 236 are each amended to read as follows:

HOUSING ASSISTANCE ACCOUNT. (1) The department shall use moneys from the housing trust fund and other legislative appropriations to finance in whole or in part any loans or grant projects that will provide housing for persons and families with special housing needs and with incomes at or below fifty percent of the median family income for the county or standard metropolitan statistical area where the project is located. At least thirty percent of these moneys used in any given funding cycle shall be for the benefit of projects located in rural areas of the state as defined by the department. If the department determines that it has not received an adequate number of suitable applications for rural projects during any given funding cycle, the department may allocate unused moneys for projects in nonrural areas of the state.

(2) Activities eligible for assistance from the housing trust fund and other legislative appropriations include, but are not limited to:

(a) New construction, rehabilitation, or acquisition of low and very low-income housing units;

(b) Rent subsidies, including rent subsidy programs that give preference to individuals receiving unemployment benefits under title 50 RCW, who earned wages in employment in not less than one thousand three hundred hours of each of the past three calendar years, and whose income is less than two hundred percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services;

(c) Matching funds for social services directly related to providing housing for special-need tenants in assisted projects;

(d) Technical assistance, design and finance services and consultation, and administrative costs for eligible nonprofit community or neighborhood-based organizations;

(e) Administrative costs for housing assistance groups or organizations when such grant or loan will substantially increase the recipient's access to housing funds other than those available under this chapter;

(f) Shelters and related services for the homeless, including emergency shelters and overnight youth shelters;

(g) Mortgage subsidies, including temporary rental and mortgage payment subsidies to prevent homelessness, and mortgage subsidy programs that give preference to individuals receiving unemployment benefits under title 50 RCW, who earned wages in employment in not less than one thousand three hundred hours of each of the past three calendar years, and whose income is less than two hundred percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services;

(h) Mortgage insurance guarantee or payments for eligible projects;

(i) Down payment or closing cost assistance for eligible first-time home buyers;

(j) Acquisition of housing units for the purpose of preservation as low-income or very low-income housing;

(k) Projects making housing more accessible to families with members who have disabilities; and

(l) During the 2005-2007 fiscal biennium, a manufactured/mobile home landlord-tenant ombudsman conflict resolution and park registration program.

(3) During the 2005-2007 fiscal biennium, revenues generated under RCW 36.22.178 may be used for the development of

affordable housing projects and other activities funded in section 108, chapter 371, Laws of 2006.

(4) Legislative appropriations from capital bond proceeds may be used only for the costs of projects authorized under subsection (2)(a), (i), and (j) of this section, and not for the administrative costs of the department.

(5) Moneys from repayment of loans from appropriations from capital bond proceeds may be used for all activities necessary for the proper functioning of the housing assistance program except for activities authorized under subsection (2)(b) and (c) of this section.

(6) Administrative costs of the department shall not exceed five percent of the annual funds available for the housing assistance program.

Sec. 14. RCW 43.185A.030 and 2005 c 518 s 1803 are each reenacted amended to read as follows:

AFFORDABLE HOUSING PROGRAM. (1) Using moneys specifically appropriated for such purpose, the department shall finance in whole or in part projects that will provide housing for low-income households.

(2) Activities eligible for assistance include, but are not limited to:

(a) New construction, rehabilitation, or acquisition of housing for low-income households;

(b) Rent subsidies in new construction or rehabilitated multifamily units, including rent subsidy programs that give preference to individuals receiving unemployment benefits under title 50 RCW, who earned wages in employment in not less than one thousand three hundred hours of each of the past three calendar years, and whose income is less than two hundred percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services;

(c) Down payment or closing costs assistance for first-time home buyers;

(d) Mortgage subsidies for new construction or rehabilitation of eligible multifamily units, including mortgage subsidy programs that give preference to individuals receiving unemployment benefits under title 50 RCW, who earned wages in employment in not less than one thousand three hundred hours of each of the past three calendar years, and whose income is less than two hundred percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services; and

(e) Mortgage insurance guarantee or payments for eligible projects.

(3) Legislative appropriations from capital bond proceeds may be used only for the costs of projects authorized under subsection (2) (a), (c), (d), and (e) of this section, and not for the administrative costs of the department.

(4) Moneys from repayment of loans from appropriations from capital bond proceeds may be used for all activities necessary for the proper functioning of the affordable housing program except for activities authorized under subsection (2)(b) of this section.

(5) Administrative costs of the department shall not exceed four percent of the annual funds available for the affordable housing program, except in fiscal year 2005 when administrative costs shall not exceed five percent.

PART IV - MISCELLANEOUS

NEW SECTION. Sec. 15. FEDERAL SEVERABILITY. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal

unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

NEW SECTION. Sec. 16. STATE SEVERABILITY. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 17. DISCLAIMER. As used in this act, part headings and captions constitute no part of the law."

Correct the title.

POINT OF ORDER

Representative Hudgins requested a scope and object ruling on amendment (009) to Substitute House Bill No. 1906.

SPEAKER'S RULING

Mr. Speaker (Representative Morris presiding): "Representative Hudgins has raised a point of order requesting a scope and object ruling on amendment (009) to Substitute House Bill No. 1906.

The substitute bill before the House is titled an act relating to "improving economic security through unemployment compensation". It amends and creates new sections to Chapter 50 of the Revised Code of Washington, relating to unemployment compensation.

The substitute bill provides for a temporary increase in unemployment benefits for unemployed workers and expands eligibility for training benefits to low-wage workers, honorably discharged military personnel and workers who are disabled. It also eliminates restrictions on shared work programs and provides that employers will not be charged in unemployment compensation tax rates for the benefits provided in the bill.

The scope of the bill, as expressed in the title, is the unemployment compensation system. The object of the bill is to assist unemployed workers under the unemployment compensation system.

While portions of Amendment (009) relate to unemployed worker benefits under the unemployment compensation system, other provisions relate to business and occupation tax rates under RCW 82.04 and housing programs under the direction of the Department of Community, Trade and Economic Development.

The amendment clearly exceeds both the scope and object of the bill.

Representative Hudgins, your point of order is well taken."

The bill was ordered engrossed.

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

Representatives Conway, Ross, Orwall, Newhouse, Kenney, Condotta, Seaquist and Walsh spoke in favor of passage of the bill.

Representative Chandler spoke against passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1906.

MOTIONS

On motion of Representative Santos, Representatives Driscoll and Hunter were excused. On motion of Representative Walsh, Representatives Herrera and Hinkle were excused.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1906 and the bill passed the House by the following vote: Yeas, 91; Nays, 2; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chase, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Ericks, Ericksen, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Hope, Hudgins, Hunt, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Lias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nelson, Newhouse, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

Voting nay: Representatives Anderson and Chandler.

Excused: Representatives Driscoll, Herrera, Hinkle and Hunter.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1906, having received the necessary constitutional majority, was declared passed.

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

There being no objection, the House adjourned until 11:30 a.m., February 9, 2009, the 29th Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk