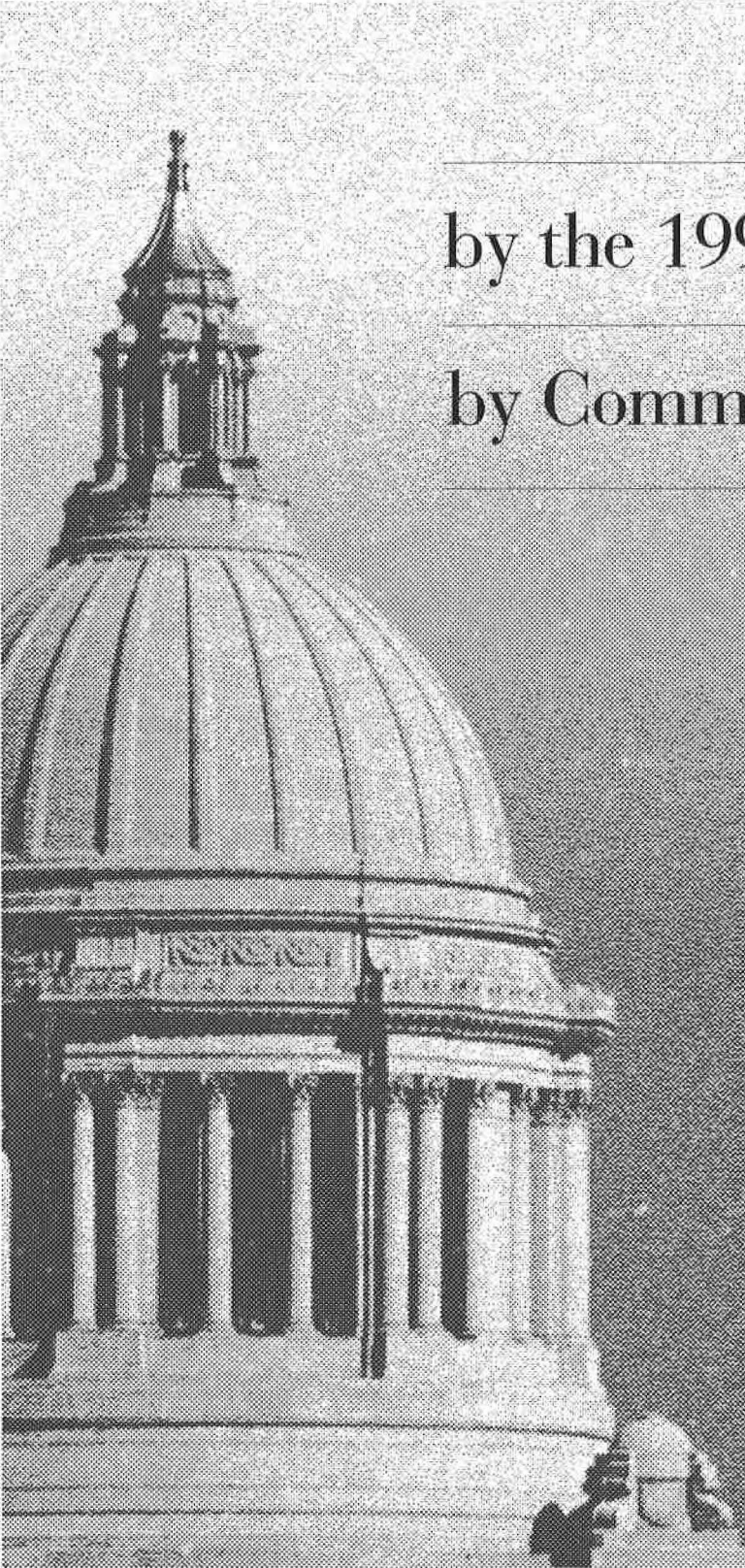


SENATE COMMITTEE SERVICES



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Bills Passed

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by the 1998 Legislature

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by Committee of Origin

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## **Bills Passed by the 1998 Legislature By Committee of Origin**

|   |       |
|---|-------|
| Agriculture & Environment .....                   | 1-7   |
| Commerce & Labor .....                            | 8-14  |
| Education .....                                   | 15-16 |
| Energy & Utilities .....                          | 17-20 |
| Financial Institutions, Insurance & Housing ..... | 21-25 |
| Government Operations .....                       | 26-34 |
| Health & Long-Term Care .....                     | 35-40 |
| Higher Education .....                            | 41-44 |
| Human Services & Corrections .....                | 45-50 |
| Law & Justice .....                               | 51-63 |
| Natural Resources & Parks .....                   | 64-68 |
| Ways & Means .....                                | 69-81 |



# Bills Passed by the 1998 Legislature By Committee of Origin

## Agriculture and Environment Committee

### Bills Passed by 1998 Legislature:

#### **2E2SHB 1354 — Changing Air Pollution Control Provisions**

*Prime Sponsor: Representative Pennington*

**(C 342 L 98)**

- The maximum allowable fee for an emissions test under the state's vehicle emission testing program is reduced to \$15 from \$18.
- The DOE must establish a science advisory board to review plans that establish or expand the geographical area for which vehicle emission testing is required.
- The DOE must evaluate the new exemption for vehicles less than five years old or more than 25 years old and make recommendations for changes to the program to the appropriate standing committees of the Legislature by January 1, 1999.
- The first stage of impaired air quality is reached when particles ten microns and smaller from wood stove smoke reach the average daily ambient level of 60 micrograms per cubic meter, rather than 75 micrograms per cubic meter as in current statute.

#### **SHB 2051 — Exempting Environmental Remedial Services, Labor, and Businesses from Taxation**

*Prime Sponsor: Representative Chandler*

**(C 308 L 98)**

- Hazardous waste site cleanups are taxed in the same manner as hazardous waste site cleanups for the federal government.
- The special tax treatment provided by the bill expires July 1, 2003.

#### **E2SHB 2339 — Authorizing Wetlands Mitigation Banking**

*Prime Sponsor: Representative Thompson*

**(C 248 L 98)**

- The Department of Ecology must adopt rules addressing certification, operation, and monitoring of wetland mitigation banks.
- The Department of Ecology may then certify banks meeting the requirements of the rules.

**EHB 2414 — Extending the Time in Which to Comply with Outdoor Burning Prohibitions**  
*Prime Sponsor: Representative Pennington* (C 68 L 98)

- Cities with a population of less than 5,000 that are not within an area not meeting federal or state air quality standards must phase out outdoor burning by December 31, 2006, rather than December 31, 2000.

**HB 2476 — Providing a Sales Tax Exemption for Parts Used for and Repairs to Farm Machinery and Implements Used Outside the State**  
*Prime Sponsor: Representative Schoesler* (C 167 L 98)

- An exemption for the collection of retail sales tax is provided for the sale of parts for machinery and implements used to conduct farm operations outside the state as well as for labor and services for repair of such machinery and implements. The parts must be transported out of the state immediately.

**ESHB 2514 — Providing for Integrated Watershed Management**  
*Prime Sponsor: Representative Chandler* (C 247 L 98)

- Funding to conduct watershed planning is available for different phases of watershed planning.
- Application for funding are submitted to the Department of Ecology.
- Watershed planning may be done on either a single WRIA or multi-WRIA basis.
- The local initiating group may choose to conduct planning regarding water quantity, or may opt to also include water quality, instream flows and fish habitat restoration.
- Watershed plans are not to contain provisions that:
  - conflict with existing state or federal laws or tribal treaty rights;
  - impair existing water rights; require modification of federal reclamation project operations or waste discharge permits;
  - affect ongoing general adjudications;
  - require modification of habitat restoration work done under the fish habitat restoration planning processes or an approved habitat conservation plan;
  - a water quality program adopted by an irrigation joint board of control; or,
  - affect forest practices that are in addition to or inconsistent with the Forest Practices Act.
- Watershed plans may be approved by a consensus of all the members of the planning unit or by consensus of the members that represent units of government plus a majority of the non-governmental members of the planning unit. Approval from a majority of the members of each county legislative authority is also required.
- Sections preempting other planning authorities and prohibiting the Department of Ecology from establishing a moratorium on water right permitting were vetoed.

**SHB 2523 — Regarding Fire Training Activities**

*Prime Sponsor: Representative Chandler*

**(C 43 L 98)**

- A facility must be operated in a manner that minimizes, to the extent possible, the air contaminants generated during operation. Written approval is required from the department or local air pollution control authority prior to the commencement of initial operation of training.
- A limited outdoor burning permit is required for the burning of prohibited materials done in conjunction with fire fighting or other actions to protect public health and safety. The burning of petroleum done in conjunction with aircraft crash rescue fire training is exempt from the requirement for a limited outdoor burning permit.

**SHB 2710 — Changing Irrigation District Administration**

*Prime Sponsor: Representative Chandler*

**(C 84 L 98)**

- The merger of a minor irrigation district into a major irrigation district may be initiated by a petition signed by ten owners of land within the minor district or 5 percent of the total number of landowners within the minor district, whichever is greater. The petition must be filed with the board of directors of the major irrigation district.
- Boards of joint control are specifically authorized, subject to the same limitations as an irrigation district, to exercise the powers of eminent domain and to purchase or lease property and property rights; and may sell, lease, or exchange surplus property and property rights.
- The unused statute, Chapter 89.30 RCW, is repealed.

**HB 2717 — Implementing House Joint Resolution No. 4209**

*Prime Sponsor: Representative Chandler*

**(C 31 L 98)**

- Any local government may use public money derived from operating revenues from the sale of storm water or sewer services to assist owners in financing storm water or sewer improvements.

**SHB 2960 — Authorizing permits-by-rule for certain solid waste recycling facilities**

*Prime Sponsor: Representative Chandler*

**(C 90 L 98)**

- The Department of Ecology is directed to continue to refine the recommendations contained in the 1997 review of the state's solid waste system.
- If a jurisdictional health department denies a permit renewal or suspends a permit for an operating recycling facility that receives waste from more than one city or county, and an appeal is filed, the permit denial or suspension is not effective until the completion of the appeal process.

**SHB 3056 — Implementing the Recommendations of the On-site Wastewater Certification Work Group**

*Prime Sponsor: Representative Chandler*

*(C 34 L 98)*

- The Department of Health and the Department of Licensing must develop legislation to establish licensing requirements for designers of on-site septic systems, and a certification program for inspectors of on-site septic systems.
- The Department of Health is required to develop a one-day course to train local health officers, environmental health officers, environmental health specialists, and technicians in the regulatory framework for the use on-site sewage treatment systems.

**HB 3060 — Changing Provisions Relating to Sufficient Cause for Nonuse of Water Rights**

*Prime Sponsor: Representative Chandler*

*(C 258 L 98)*

- A water right is not relinquished for five successive years of nonuse if:
  - the use of the right is precluded or reduced by federal or state agency leases of or options to purchase lands or water rights; or
  - the right or portion of the right is leased to another in accordance with a transfer of or change in the right, and the lessee makes beneficial use of the water right.

**SSB 5309 — Providing Excise Tax Exemptions Related to Horse**

*(Full Veto)*

*Prime Sponsor: Senator Morton*

- Feed sold for horses is exempt from the sales and use tax.
- The boarding, breeding or selling of horses is exempt from the B&O tax.

**ESSB 5527 — Providing Incentives for Water-efficient Irrigation Systems**

*(Full Veto)*

*Prime Sponsor: Senator McDonald*

- Water right holders are allowed to transfer to additional uses the portion of the water saved via reduced evaporative loss.
- Transfers can be to irrigate previously unirrigated land, to land with less senior water rights, or to the state water right trust account for augmentation of instream flows.
- Water rights that are transferred under this act retain their original date of priority.

**ESSB 5703 — Concerning a Water Right for the Beneficial Use of Water**

*(Full Veto)*

*Prime Sponsor: Senator Anderson*

- A person who placed surface or ground water to beneficial use before January 1, 1993, for which a right was not issued, may continue to use the water if certain conditions are met.
- The claimant may continue to use the water on an interim basis until either the department makes a final decision on granting or denying the application following the completion and adoption of a locally developed water resource watershed plan, or a court adjudication is completed.
- In making decisions regarding an application associated with such a claim, the department

must consider alternative sources or augmented sources of water including storage enhancements, or the substitution of ground water for surface water.

- If a claimant's water right application meets the requirements of the water right permitting statutes, then the department must issue a water right permit. The priority date of such permits is the effective date of this act.

**SB 6122 — Inspecting Horticultural Products**

*Prime Sponsor: Senator Morton*

*(C 154 L 98)*

- The state's Fruit and Vegetable Inspection Program's operating authority is altered to reflect current practices.
- The statutes are updated to give the department authority to adopt rules for mandatory inspection of apricots, apples, Italian prunes, peaches, sweet cherries, pears, potatoes and asparagus.
- Outdated provisions requiring financial reports to counties are removed.
- A new chapter in Title 15 for ginseng certification is recodified.

**ESB 6123 — Regulating Animal Health**

*Prime Sponsor: Senator Morton*

*(C 8 L 98)*

- Authority and power for the director of the Department of Agriculture to respond to animal health urgencies and to achieve protection of public health and safety as well as animal health and safety is provided.
- Broad power to carry out the purpose and provisions of the chapter is granted to the director with regard to preventing introduction or spread of disease in this state, governing the inspection and testing of animals within, or destined for, this state, and designating diseases that must be reported to the state.

**SSB 6129 — Allowing Continued Use of Pollution Control Tax Credits after Facilities Are Modified to Maintain Effective Pollution Control**

*Prime Sponsor: Senator Swecker*

*(C 9 L 98)*

- A holder of a certificate for tax credits for a pollution control facility is not required to apply for a new certificate when the facility is modified, if the remodeled facility continues to comply with air and water pollution control laws.

**SSB 6130 — Regulating Underground Storage Tanks**

*Prime Sponsor: Senator Swecker*

*(C 155 L 98)*

- The expiration date for the underground storage tank law is extended to July 1, 2009.
- A compliance tag is required for all underground storage tank facilities after the December 22, 1998 compliance deadline for corrosion, spill, and overfill protection.
- The annual tank fee is increased to \$100.



**SB 6158 — Repealing Duplicate Authority for the Washington State Wheat Commission**  
*Prime Sponsor: Senator Morton* (C 11 L 98)

- The unused chapter of law, originally passed in 1961, is repealed.
- The existing statute under which the Washington Wheat Commission is established is not affected.

**SB 6159 — Repealing the Authority for the Washington Land Bank**  
*Prime Sponsor: Senator Morton* (C 12 L 98)

- The statute providing for authority for the establishment of a State Land Bank, which has never been used, is repealed.

**SSB 6161 — Creating a Dairy Nutrient Management Program**  
*Prime Sponsor: Senator Swecker* (Partial Veto)  
(C 26 L 98)

- The dairy waste management program is modified by requiring that every dairy farm be inspected at least once within two years and that every dairy producer develop a dairy nutrient management plan.
- Dairy producers must obtain approval of their dairy nutrient management plan by July 1, 2002, and have a certified plan by December 31, 2003.
- To manage and track information from the inspections, as well as information related to planning and enforcement actions, the Department of Ecology, in consultation with the Conservation Commission, must create and maintain a database.
- Fines for violations of planning requirements may be levied by the Department of Ecology upon request of the Conservation Commission. Fines may not exceed \$5,000 for non-compliance with planning deadlines, and \$100 for failure to register.
- *A section creating an advisory and oversight committee was vetoed. (veto)*

**2SSB 6168 — Developing Housing for Temporary Workers**  
*Prime Sponsor: Senator Prentice* (C 37 L 98)

- The Department of Health is directed to adopt by rule a temporary worker building code, in conformance with the housing standards of WISHA, and other guidelines in the bill.
- The code must encourage the use of innovative designs and material that meet required performance standards. Standards for heating and insulation appropriate to the type of structure and length and season of occupancy are required.
- The Department of Labor and Industries is directed to adopt rules requiring electricity, and facilities for safe storage, and preparation of food in all temporary worker housing. The rules must be adopted by December 1, 1998.
- The department may impose civil fines for operating temporary worker housing without a license.

**ESSB 6203 — Authorizing Exemptions from Solid Waste Designations**

*Prime Sponsor: Senator Morton*

*(C 156 L 98)*

The Department of Ecology must adopt rules to:

- exempt a solid waste from permitting requirements for certain beneficial uses;
- exempt categories of solid waste handling facilities from the requirement to obtain a solid waste handling permit;
- establish procedures for seeking a determination that materials not specifically exempted by rule should be exempt from solid waste permitting; and
- specify when a local health department may defer solid waste permitting to other environmental permits issued for the same facility.

**SB 6204 — Increasing the Efficiency of Registering and Identifying Livestock (*Partial Veto*)**

*Prime Sponsor: Senator Morton*

*(C 263 L 98)*

- Veterinarians may be certified by the Department of Agriculture to inspect livestock.
- "Heritage brands" may be permanently renewed.
- *Sections creating the livestock inspection board, the regulatory program, and the fee structure were vetoed. (veto)*

**SSB 6474 — Adopting the Fertilizer Regulation Act**

*Prime Sponsor: Senator Jacobsen*

*(C 36 L 98)*

- Canadian fertilizer standards for maximum acceptable cumulative metal additions to soil are adopted. The Department of Agriculture may revise the standards by rule if federal or other risk-based studies are adopted.
- Beginning July 1, 1999, the Department of Agriculture must obtain written approval from the Department of Ecology before a waste-derived fertilizer is registered.
- The label of any commercial fertilizer must include a statement that the product has been registered with the Washington State Department of Agriculture and meets the Washington standards for heavy metals. Information regarding the components of all commercial fertilizers must be made available on the internet by the Department of Agriculture.
- The Department of Agriculture, in cooperation with the Departments of Ecology and Health, must conduct a comprehensive study of plant uptake of metals.
- The Department of Ecology, in cooperation with the Departments of Agriculture and Health, must undertake a study of whether dioxins occur in fertilizers, soil amendments, and soils, and if so, at what levels.

**SSB 6605 — Creating Lien Rights for Owners of Sires Providing Semen for Artificial Insemination**

*Prime Sponsor: Senator Morton*

*(C 99 L 98)*

- The duration of the lien obtained by owners of sires who provide breeding services is increased to 18 months from the date of service or from the date of birth of the offspring.
- The owner of a sire which provides reproductively viable semen for artificial insemination of a female, obtains a lien upon the inseminated female or the resultant offspring.

## Commerce and Labor Committee

### Bills Passed by 1998 Legislature:

#### ▶ **COMMERCE/REGULATORY ISSUES**

#### **2ESHB 1746 — Tobacco Possession by Minor**

*Prime Sponsor: Representative Sherstad*

*(C 133 L 98)*

- Possession of tobacco by minors is a class 3 civil infraction, with a \$50 fine or 4 hours of community service, and goes to a municipal or district court. Penalties for retailers who sell tobacco to minors can be reduced or waived, given inadequate proof or mitigating circumstances, such as due diligence; or, they can be exceeded, given aggravating circumstances.

#### **SHB 1829 — Computer Hardware Trade-ins**

*Prime Sponsor: Representative Van Luven*

*(C 134 L 98)*

- Computer retailers are required to keep records for up to one year regarding computer trade-in's or exchanges. This information will include:
  - The name of the individual involved in the transaction;
  - The date of the transaction; and
  - Identification of the item involved in the transaction.
- A violation of the act is a gross misdemeanor.

#### **ESHB 2313 — Elevators and Conveyances**

*Prime Sponsor: Representative Wood*

*(Partial Veto)*

*(C 137 L 98)*

- Various elevating devices are defined. Elevating devices in grain elevators and terminals are inspected by the Department of Labor and Industries elevator program. Construction elevators can't be used by the public. Private residence elevators don't need permits. The Department can impose penalties for failure to correct violations on time.
- *The Governor vetoed a section which required legislative approval of any new or increased fee (veto).*

#### **ESHB 2477 — Theatrical Agencies**

*Prime Sponsor: Representative Schoesler*

*(C 228 L 98)*

- Theatrical agencies, including modeling agencies, and proprietary schools are not considered employment agencies and are not regulated as such, unless they charge a fee in advance for procuring employment; giving information about finding employment; or providing career classes, auditions, or counseling.

**SHB 2576 — Manufactured/Mobile Home Lands**

*Prime Sponsor: Representative Honeyford*

*(C 46 L 98)*

- Licensed real estate brokers and affiliates can negotiate the purchase, sale, lease, or exchange of new manufactured or mobile homes in conjunction with purchase, sale, lease, exchange, or rental of land upon which the home is or will be located. They can share commissions with home dealers.

**2SHB 2782 — Private Club Liquor Licenses**

*Prime Sponsor: Representative McMorris*

*(Partial Veto)*

*(C 114 L 98)*

- Currently, nonprofit clubs such as benevolent or athletic clubs may hold full service private club liquor licenses, permitting them to serve members, guests, and visitors accompanied by members. Under this license, liquor may not be served at non-member events.
- This bill allows clubs to purchase a \$900 endorsement to their full service private club liquor license that enables them to hold 40 non-member events per year. These events could not be open to the general public, and the Liquor Control Board (LCB) could request to be notified of the events.
- *The Governor vetoed a section requiring the LCB to report on whether the act has improved compliance with the law and whether more amendments are needed. (veto)*

**SHB 2973 — Cigarette Seizure and Forfeiture**

*Prime Sponsor: Representative McMorris*

*(C 53 L 98)*

- This bill clarifies the authority of the Liquor Control Board to hear appeals from seizure and forfeiture of cigarettes and tobacco. In 1997, primary authority to enforce the cigarette and tobacco tax laws was transferred from the Department of Revenue to the Liquor Control Board. This bill authorizes the Liquor Control Board, as well as the Department of Revenue, to handle appeals regarding property seized under the cigarette and tobacco tax laws.

**SHB 3001 — Wine Furnished to Nonprofits**

*Prime Sponsor: Representative Honeyford*

*(C 256 L 98)*

- This bill creates an exception to the general prohibition on donating liquor. It allows domestic wineries and breweries to donate their wine or beer to nonprofit charitable organizations (501 (c)(3)s under the tax code) where the use of the liquor is consistent with the purposes entitling them to nonprofit status. The beer or wine donated remains subject to state liquor taxes.

**EHB 3003 — Computer Wires/fiber Optics**

*Prime Sponsor: Representative Honeyford*

*(Full Veto)*

- Fiber optic cables would be exempt from the electrical code. Structured communication cabling, which does not include fire, security, monitoring, or energy management systems, would be exempt from licensing and certification, but not from installation standards and inspection.

**SSB 6253 — Liquor Vendors/credit Sales**

*Prime Sponsor: Senator Schow*

*(C 265 L 98)*

- The Liquor Control Board is authorized to pay for the costs of supplying, installing, and maintaining equipment used by agency liquor vendor stores for the sale of liquor by debit or credit cards. This equipment must only be used for the purchase of liquor.
- The board is authorized to consider raising retail alcohol prices if this program negatively impacts the balance of the liquor revolving fund, and the subsequent transfers to local governments and the state general fund. The board is to provide a report evaluating the implementation of this program to the appropriate legislative committees by December 1, 1998.

**SB 6301 — Vehicle Franchise Agreements**

*Prime Sponsor: Senator Schow*

*(C 298 L 98)*

- Vehicle manufacturers must either pay or disapprove dealers' claims for warranty work within 30 days. They can audit claims and recover payments, for a year; or, they can recover under the fraud statutes. For warranty work and buy back on motor homes acquired after June 30, 1998, a reasonable number of repair attempts, out-of-service period, period to request arbitration, and reasonable offset for use are established. Manufacturers can coordinate repairs and have liability divided among them.

**SB 6539 — Liquor License Designations**

*Prime Sponsor: Senator Schow*

*(C 126 L 98)*

- Following changes made to the letter-designation liquor licensing scheme in 1997, further modifications are made to the designations for liquor licenses. "Full service" restaurant licenses are changed to "spirits, beer, and wine" licenses, and "limited service" restaurant licenses are changed to "beer and/or wine" restaurant licenses. Changes are also made to the license designations for wholesalers and brewers.

**E2SSB 6562 — Horse Racing Parimutuel Tax**

*Prime Sponsor: Senator Schow*

*(Partial Veto)*

*(C 345 L 98)*

- The parimutuel taxes for horse racing facilities in the state are reduced, allowing the tracks to retain more of the dollars wagered.
- The distribution of parimutuel tax revenues is modified.
- The Horse Racing Commission is the sole recipient of parimutuel taxes and license fees that are collected.
- County fairs and trade fairs are funded out of the state general fund, until an appropriate long term solution is found in the next session.
- The Horse Racing Commission is increased from three to five members.
- *The Governor vetoed the section that made the act null and void, if specific funding were not appropriated by June 30, 1998 (veto).*



**SB 6604 — Electric generation equipment/L&I**

*Prime Sponsor: Senator Schow*

*(C 98 L 98)*

- By rule, the Department of Labor and Industries can exempt from licensing requirements the electrical work done on pre-manufactured electric power generation equipment.

**ESSB 6648 — Retail alcoholic beverage business**

*Prime Sponsor: Senator Schow*

*(C 127 L 98)*

- The liquor statutes tied house requirements generally prohibit wholesalers, manufacturers and importers from engaging in or having a direct financial interest in, a retail liquor business. The Bill provides a specific exemption to this general tied house law for corporate entities, provided they do not unduly influence the retail outlet and do not offer for sale any of their corporate liquor products. In addition they are permitted to use various financing methods in connection with the construction or operation of their facilities.

**SB 6668 — Thoroughbred race tracks/tax**

*Prime Sponsor: Senator Heavey*

*(C 339 L 98)*

- The date on which the repayment of the sales and use tax deferral for the Emerald Downs racing facility is extended by five years to December 31, 2006.

▶ **LABOR ISSUES (Commerce & Labor Committee)**

**SHB 1992 — Workplace Safety**

*Prime Sponsor: Representative McMorris*

*(C 224 L 98)*

- The director of L&I is required to convene a meeting of individuals affected by any proposed significant legislative rule regarding workplace safety. The meeting is to identify problems and ambiguities with the rules and to address any education, training, and evaluation efforts needed. The meeting must take place 20 days or more before the effective date of the rule.

**Shb 2312 — Workers' Compensation Employer Obligation**

*Prime Sponsor: Representative Doumit*

*(C 279 L 98)*

- The bill requires out-of-state companies employing workers in Washington to have a workers' compensation account with L&I or be self-insured. Such out-of-state employers will be liable for the total compensation due under Washington Law and the Department may ensure payment by requiring additional security from self-insured employers. Failure to comply with coverage requirements will subject out-of-state employers to the same penalties as Washington Employers.

**SHB 2822 — L&I Medical Coverage Decisions**

*Prime Sponsor: Representative McMorris*

*(C 230 L 98)*

- The Department of Labor and Industries may make medical coverage decisions, such as whether a new medical device or course of therapy will be covered by workers' compensation, without going through the cumbersome rule-making process. The criteria for establishing medical coverage decisions will have to be set through the rule-making process.

**ESHB 2947 — Part-time Faculty Unemployment Compensation**

*Prime Sponsor: Representative McMorris*

*(C 233 L 98)*

- The bill addresses the State's federal conformity issue with the US Department of Labor, by making the following modifications to the unemployment insurance law:
- "Summer" is considered a part of the academic year for all educational institutions unless a they are specifically excluded due to objective criteria by the Employment Security Department (ESD);
- The definition of "Reasonable Assurance" which is a key factor in determining Unemployment Insurance eligibility, is modified to make its definition uniform for instructional employees of all academic institutions.
- The bill provides an intent section directing ESD to continue their current UI eligibility review practices with regards to part-time Community College Faculty.

**SB 6220 — Airline Employee Shift Trades**

*Prime Sponsor: Senator Horn*

*(C 239 L 98)*

- The state wage and hour laws requiring pay of one and one-half times the regular rate of pay for employees working over 40 hours per week does not apply to airline employees if those overtime hours were worked as a result of the employees' voluntary shift-trading.

**SSB 6420 — Unemployment Insurance Application**

*Prime Sponsor: Senator Schow*

*(C 161 L 98)*

- The bill allows unemployment insurance claims to be processed over the phone or other media through Call Centers. This will be in addition to the current method of making application in writing.
- The Employment Security is directed to ensure that claimants are registered for work in the Department's labor exchange program.
- The Joint Legislative Audit and Review Committee is authorized to conduct a performance study of the Call Center process.

**ESSB 6421 — Unemployment Compensation/public Contract**

*Prime Sponsor: Senator Schow*

*(C 162 L 98)*

- Under current law, when public sector employees receive settlement or other proceeds from the termination of an employment contract, the funds thus received are considered remuneration and will delay their eligibility for unemployment compensation. Under the bill, funds received by private sector employees from the termination of an employment contract will also be considered remuneration.

**SB 6536 — Employer-furnished Apparel**

*Prime Sponsor: Senator Horn*

*(C 334 L 98)*

- If an employer requires an employee to wear a uniform, the employer must furnish or compensate the employee for such apparel. The definition of a uniform does not include apparel of a common color (such as white, tan or blue for tops or tan, black, blue, or gray for bottoms) that conforms to a general dress code set by an employer. An employer is permitted to require an employee to obtain two sets of wearing apparel to accommodate seasonal changes in weather that necessitate a change in wearing apparel. If an employer changes the color or colors required to be worn by any of his or her employees during a two year period, such apparel would be defined as a uniform and the employer would be required to furnish or compensate affected employees for such apparel.

**SB 6699 — Job Reference Information**

*(Full Veto)*

*Prime Sponsor: Senator Schow*

- Under the bill, an employer would be immune from civil liability for disclosing job reference information regarding ability to do the job; diligence, skill, or reliability; and illegal or wrongful acts. Clear and convincing evidence that the information was knowingly false or deliberately misleading would be required to rebut a presumption that disclosure is made in good faith.

▶ ***ECONOMIC DEVELOPMENT ISSUES***

**HB 2436 — Sunset Review/ CINTRAFOR**

*Prime Sponsor: Representative McMorris*

*(C 108 L 98)*

- The bill removes the Center for International Trade in Forest Products (CINTRAFOR) from the sunset termination process. In addition, it changes the sunset termination date of the Office of Public Defense from June 30, 2000 to 2008.

**SHB 2529 — Small Business Exporters**

*Prime Sponsor: Representative Van Luven*

*(C 109 L 98)*

- The board of the Export Assistance Center is reduced in size from 19 to seven. The Center's authorization to make loans is removed. The businesses that the center may provide assistance to may have sales as large as \$200 million per year. The Center is to develop a comprehensive inventory of public and private export-financing resources.

**HB 2779 — Economic Development Finance Authority**

*Prime Sponsor: Representative Dunshee*

*(C 48 L 98)*

The Authority's outstanding bond debt limit is increased from \$250 million to \$500 million. In addition, the Finance Authority's termination date under the sunset process is changed from June 30, 2000 to 2004.

**SB 6541 — Tourism Development Funding**

*Prime Sponsor: Senator Sellar*

*(C 299 L 98)*

- The bill puts in place a tourism budget development process within the Department of Community Trade and Economic Development. This is intended to provide some consistency in level of state funding that is devoted to tourism development. The process is internal to the Department and will not change the current budgetary process for the Office of Financial Management (OFM) or the Legislature. In addition, the bill establishes a Tourism Advisory Committee to assist the Department in responding to the opportunities and challenges facing the tourism industry.

## Education Committee

### **Bills Passed by 1998 Legislature:**

#### **ESHB 1230 — Protecting Students' Religious Rights**

*Prime Sponsor: Representative Backlund*

*(C 131 L 98)*

- A student may express their religious beliefs and opinions where relevant and appropriate.
- Clarifies that no school employee may impose their religious beliefs or opinions upon students.

#### **E2SHB 1374 — Establishing Alternate Teacher Certification**

*(Full Veto)*

*Prime Sponsor: Representative Smith*

- A school may seek alternate teacher certification for individuals who hold a baccalaureate degree, have at least 5 years of relevant experience, meet age and character requirements, pass the state certification assessments when they become available, and have an employment contract with a school district.
- After 2 years of successful teaching under the alternative certificate the individual is eligible to receive an initial or residency teaching certificate. If the state certification assessments are available the individual must pass the assessments, however no other conditions may be required to obtain the initial or residency certification.

#### **SHB 1977 — Allowing Arrangements for Running Start Students to Attend Out-of-state Community Colleges.**

*Prime Sponsor: Representative Honeyford*

*(C 63 L 98)*

- Washington school districts may contract with community colleges in Idaho and Oregon so that Running Start students may attend the out-of-state community colleges and earn Washington college credits.

#### **ESHB 2300 — Changing Provisions Relating to Educational Pathways**

*Prime Sponsor: Representative Johnson*

*(C 225 L 98)*

- Middle, junior and high schools using educational pathways, which integrate academic and vocational education, must ensure that students have access to courses necessary to meet admission requirements at 4-year institutions of higher education.
- Parents must be informed of the opportunities and objectives within a pathway chosen by a student.
- Pathways may not retain students in high school beyond the date that the students are eligible to graduate, even if they transfer between pathways.



**ESHB 2330 — Authorizing Church Schools**

*(Full Veto)*

*Prime Sponsor: Representative Hickel*

- Parents can satisfy the compulsory attendance law by sending their children to a religiously affiliated exempt school that need not be state approved.
- Church schools are not subject to the minimum requirements that state-approved private schools must meet, except that they must have adequate facilities.

**2SHB 2849 — Enhancing Student Achievement Accountability**

*Prime Sponsor: Representative Talcott*

*(C 319 L 98)*

- Enacts the recommendations of the Commission on Student Learning (CSL) for a state-wide accountability system for K-4 reading. Schools and school districts must calculate a three year goal to improve student scores on the CSL's fourth grade reading test.
- Moves the fourth grade norm-referenced test (CTBS) to the third grade.

**E2SSB 6509 — Providing Reading Instruction Training**

*Prime Sponsor: Senator Hochstatter*

*(Partial Veto)*

*(C 271 L 98)*

- Provides funds for professional development and materials for K-2 teachers, volunteers, and school principals for training in beginning reading instructional methods.
- Provides grant funds for K-6 volunteer tutoring and mentoring reading programs.
- *The name of the Act (The Successful Readers Act) and the null and void clause were vetoed. (veto)*

**SSB 6574 — Authorizing Learning Materials to Be Loaned to Private School Students**

*Prime Sponsor: Senator Johnson*

*(Full Veto)*

- Establishes a procedure and guidelines for the discretionary lending of materials to private school students by public schools.

**ESSB 6600 — Establishing an Education Program for Juveniles Incarcerated in Adult Correctional Facilities**

*Prime Sponsor: Senator T. Sheldon*

*(C 244 L 98)*

- Establishes a detailed process to find education program providers for juveniles incarcerated in adult correctional facilities.
- The local Educational Service District is the default provider.
- Requires a study of educational needs of juveniles in Department of Corrections and county facilities.

## Energy and Utilities Committee

### **Bills Passed by 1998 Legislature:**

#### **HB 2503 — Authorizing Consideration of the Income Level of Customers When Setting Rates and Charges for a Storm Water Control Facility**

*Prime Sponsor: Representative Robertson*

*(C 74 L 98)*

- County legislative authorities are given discretion to consider the income level of citizens when setting fees for county storm water control services.

#### **ESHB 2551 — Allowing Utilities to Take Actions, Such as Requiring Deposits, to Ensure Payment**

*Prime Sponsor: Representative Crouse*

*(C 285 L 98)*

- Municipal utilities, water-sewer districts, and irrigation districts may require deposits from customers to guarantee payment for services.
- Municipal utilities and districts are also authorized to provide duplicates of tenant utility service bills to owners of rental property. Utilities and districts may notify an owner that a tenant's account is delinquent and must provide such notice when a landlord requests it in writing. When utilities or districts give notice to a landlord about a tenant's account, the tenant must be notified that the landlord is receiving the information.
- After January 1, 1999, if a utility or district fails to notify the owner of a tenant's delinquency after receiving a written request to do so, the utility or district is prohibited from placing a lien on the property for the tenant's delinquent bill.
- The length of time an account must be delinquent before a water-sewer district may terminate service is reduced from 60 days to 30 days.
- Utilities and districts may determine how to allocate partial payments on past due accounts.

#### **HB 2553 — Extending the Prohibition on Filing a Tariff for Mandatory Measured Telecommunications Service**

*Prime Sponsor: Representative Crouse*

*(C 110 L 98)*

- The ban on the WUTC's ability to approve a mandatory local measured service tariff filing is extended to June 1, 2001.
- The prohibition is expanded to include a ban on the commission's ability to approve a price list that imposes mandatory local measured service.

#### **HB 2577 — Using and Administering the Hanford Area Economic Investment Fund**

*Prime Sponsor: Representative Hankins*

*(C 76 L 98)*

- The Hanford Area Economic Investment Fund (HAEIF) Committee's authority is clarified with regard to establishing and administering the revolving fund and making grants from

the fund.

- Further clarifications are made allowing that HAEIF moneys may be used for reasonable costs incurred by an assistant attorney general in support of the Committee.
- Additional statutory language is amended to conform the law with the committee's current practices relating to administration and interactions with the governor.

**HB 2663 — Requiring Companies That Seek to Contract with an Affiliated Interest to File with the WUTC**

*Prime Sponsor: Representative Crouse*

*(C 47 L 98)*

- The requirement for prior approval of affiliated interest transactions by the WUTC is eliminated.
- Companies must continue to file verified copies of contracts with any affiliated interest prior to the effective date of the contract or modification.
- The commission is authorized to initiate an investigation and disapprove or amend the contract if it finds the company has failed to prove its reasonableness and consistency with the public interest.

**ESHB 2752 — Prohibiting Unsolicited Electronic Mail**

*Prime Sponsor: Representative Bush*

*(C 149 L 98)*

- Sending a commercial e-mail message from a computer located in Washington or to a Washington resident that contains untrue or misleading information is prohibited.
- A violation of the Consumer Protection Act occurs when a sender uses a third party's internet domain name without permission, misrepresents any information in identifying the point of origin or transmission path of the message, or puts false or misleading information in the subject line of the message.
- Minimum damages of \$500 for individuals and \$1,000 for ISPs or actual damages, whichever are greater, are established for each message sent in violation of the section. A plaintiff who brings a civil suit may also recover the costs of bringing the action.
- An ISP is given the authority to block the receipt or transmission of e-mail which it reasonably believes is or will be sent in violation of the law and is exempt from liability for blocking such e-mail.
- A select task force on commercial electronic mail is created to study technical, legal, and cost issues related to the transmission and receipt of commercial e-mail messages, evaluate whether existing laws are sufficient to resolve problems created by the increasing volume of commercial e-mail, review efforts made by the federal government and other states to regulate the transmission of commercial e-mail, and report back to the House Energy and Utilities Committee by November 15, 1998.

**SHB 2773 — Requiring Electric Utilities to Provide Net Metering Systems to Their Customer-generators**

*Prime Sponsor: Representative Poulsen*

*(C 328 L 98)*

- Electric utilities are required to offer residential customers the opportunity to use net metering systems for small renewable resources such as wind and solar generators.

- Customer-generators may offset their electricity costs by receiving credit for the excess energy they generate.
- Safety standards for the net metering equipment are specified and fair compensation is authorized to the utilities for their costs associated with interconnecting the systems.

**SHB 2831 — Requiring Electric Utilities to Unbundle the Costs of Their Assets and Operations**

*Prime Sponsor: Representative Crouse*

*(Partial Veto)*

*(C 287 L 98)*

- Electric utilities are required to unbundle the costs of their electrical service, prepare cost studies and submit information on their current level of service quality and reliability.
- Investor-owned electric utilities must file their studies and reports with the WUTC and consumer-owned utilities must file theirs with the State Auditor.
- By December 1, 1998, the WUTC and state auditor will submit a joint report on the results of the cost studies and service quality and reliability reports to the Energy and Utilities Committees of the House and Senate.
- The report will also include an examination of alternative formats for simple, standardized disclosure of the fuel mix, air emissions, and other environmental impacts of generating resources.
- Small utilities are exempted from these requirements, but they are encouraged to comply voluntarily.
- *Governor vetoed section 5, which required Seattle City Light to produce additional information in its annual report about its administrative costs and public purpose expenditures. (veto)*

**SHB 2931 — Refining the Electronic Signature Law**

*Prime Sponsor: Representative McMorris*

*(C 33 L 98)*

- Three changes are made to the licensing requirements for certification authorities: (1) repository requirements are modified; (2) employee criminal history requirements are relaxed; and (3) proof of sufficient working capital is deleted as a licensing requirement for licensing.
- An exemption from public disclosure is added to protect trade secrets and computer security information submitted to the Secretary of State as part of a license application.

**SHB 2941 — Limiting Liability for Utilities in Protecting Their Facilities from Vegetation**

*Prime Sponsor: Representative Sheahan*

*(Full Veto)*

- Immunity from liability is granted to utilities for cutting or removing trees, timber, or shrubs under specified, limited circumstances.
- Utilities are immune from paying damages for "emotional distress" caused by the cutting of vegetation adjacent to their utility facilities.
- When damages are awarded for natural vegetation, they are limited to stumpage value only.

**SSB 6358 — Providing the WUTC authority to regulate certain pipeline facilities**

*Prime Sponsor: Senator Rossi*

*(C 123 L 98)*

- The WUTC is directed to adopt rules relating to safety standards for intrastate pipeline companies.
- Criminal and civil penalties are authorized for violations of the act or WUTC rules. The civil penalties are the same as those allowed under federal pipeline safety laws, which is enforced by the WUTC through agreement with the federal government.

**SB 6400 — Extending the WA Telephone Assistance Program through 2003**

*Prime Sponsor: Senator Brown*

*(C 159 L 98)*

- The Washington Telephone Assistance Program is extended until June 30, 2003.

**ESSB 6560 — Protecting the Rights of Retail Electric Customers**

*Prime Sponsor: Senator Brown*

*(Partial Veto)*

*(C 300 L 98)*

- Electricity distribution utilities are obligated to make certain disclosures to their retail electric customers, including consumer protection policies and procedures and an annual report.
- Utilities must include a statement on all customer bills identifying the various components of electricity service that customers are charged for as part of the bill.
- The WUTC & CTED are directed jointly to study the impacts of "virtual restructuring" and numerous issues that the legislature will face when/if it chooses to restructure the retail electric industry, including prices, cost-shifting, service quality and reliability.
- *Governor vetoed sections 9 and 12. Section 9 contained a null and void clause for the study, which was funded in the budget, and section 12 was an emergency clause. (veto)*

**ESSB 6622 — Implementing the Universal Service Program of the Federal Telecommunications Act**

*Prime Sponsor: Finkbeiner*

*(C 337 L 98)*

- The WUTC is directed to plan and prepare a program for the advancement of universal telecommunication services for approval by the Legislature.
- The commission is directed to estimate costs, determine the assessments required and the manner of collection, designate those eligible to receive funds, provide a schedule of all fees and payments proposed, establish standards for review or testing of compliance and make all necessary rules for administration of the program.
- The commission is directed to report to the Legislature on the details and recommendations of the program by November 1, 1998.
- The commission is authorized to take actions as permitted or contemplated under the Federal Telecommunications Act of 1996 and establish fees to offset in whole or part the commission's expenses in implementing the act.
- The review process for a non-controversial competitive classification petition is shortened. A petition may take effect on a date certain unless suspended by the commission and set for a hearing or formal investigation and fact-finding. The commission must issue a final order within six months.



## Financial Institutions, Insurance and Housing Committee

### **Bills Passed by 1998 Legislature:**

#### **2SHB 1065 — Filing Certain Insurance Corporate Document Filing**

*Prime Sponsor: Representative L. Thomas*

*(C 23 L 98)*

- Eliminates requirement of filing certain corporate documents with both the Secretary of State and the Office of the Insurance Commissioner.

#### **SHB 1750 — Protecting Existing Functional Mobile Home Park Septic Systems**

*Prime Sponsor: Representative D. Sommers*

*(C 61 L 98)*

- Cities and counties may not require mobile home parks to hook up to sewer systems unless local health officers determine the park septic system is failing.

#### **HB 2144 — Designating Depositories**

*Prime Sponsor: Representative Smith*

*(C 25 L 98)*

- Financial institutions that are solvent and lawfully doing business in Washington state no longer have to be domiciled in Washington state in order to serve as security depositories for insurers.

#### **HB 2321 — Allowing Consumer Loan Companies to Charge Borrowers Fees for Services Provided by Third Party**

*Prime Sponsor: Representative L. Thomas*

*(C 28 L 98)*

- Consumer loan companies are no longer limited to certain listed fees they may charge borrowers. They may obtain reimbursement for any fee paid to a third party in connection with making the loan. Examples are appraisals, recording, and title insurance.

#### **HB 2357 — Setting the Rates of Interest and Other Fees Charged by Pawnbrokers**

*Prime Sponsor: Representative L. Thomas*

*(Full Veto)*

- Interest rates and fees have not been increased by the Legislature since 1991. Costs of doing business have increased since then.

**HB 2429 — Providing for the Operation of the State Investment Board** (Full Veto)  
*Prime Sponsor: Representative Huff* (See SB 6192, C 14 L 98, companion bill)

- The State Investment Board is directed to use a standard of skill, care, prudence and diligence of appropriate investment funds, rather than the less appropriate standard of individual investors. This allows the board to get a contemplation of an entire portfolio and an integrated investment strategy.

**SHB 2459 — Regulating Public Housing Authorities in Large Jurisdictions** (C 140 L 98)  
*Prime Sponsor: Representative Veloria*

- For large public housing authorities (in cities with populations over 400,000), changes the composition, term of office, and conflict of interest standards including added two tenants as commissioners.

**HB 2550 — Regulating the Charitable Gift Annuity Business** (C 284 L 98)  
*Prime Sponsor: Representative L. Thomas*

- An insurer or institution conducting a charitable gift annuity business must have and maintain minimum unrestricted net assets of \$500,000 in order for the commissioner to grant them a certificate of exemption. The holder of a certificate of exemption must establish and maintain a separate trust fund. The commissioner can levy fines in addition to or in lieu of revoking, suspending, or refusing to grant a certificate of exemption.

**SHB 2560 — Regulating Trust Companies** (C 45 L 98)  
*Prime Sponsor: Representative L. Thomas*

- Provide parity between Washington state companies and those from other states engaged in the business of providing trust services, treating out of state companies in the same manner as Washington companies would be dealt with in the other state, in order to maintain consistent standards and assure that out of state companies do not have a competitive advantage.

**SHB 2611 — Regulating Mortgage Insurance** (C 255 L 98)  
*Prime Sponsor: Representative Keiser*

- If mortgage insurance is initially required, lenders must inform borrowers as to how and when they may cancel it. Applies to loans made after July 1, 1968.

**SHB 2680 — Clarifying the Definition of Capitalized Cost for Purposes of the Consumer Leasing act** (C 113 L 98)  
*Prime Sponsor: Representative L. Thomas*

- State vehicle leasing act requirements are harmonized with federal requirements.

**HB 3052 — Authorizing Self-audits by Insurers**

*(Full Veto)*

*Prime Sponsor: Representative L. Thomas*

- Mandates a study of insurance company self-audits to determine compliance with state law, and the grant of limited evidentiary privilege applied to documents that are generated by such audits.

**SHB 3096 — Declaring the State's Preemption of Excise or Privilege Taxes on Health Care Services**

*Prime Sponsor: Representative Zellinsky*

*(C 323 L 98)*

- January 1, 2000, local governments may not impose an excise or privilege tax on premiums or benefit plan payments to health care service contractors or health maintenance organizations. The prohibition does not apply to payments for health care delivered directly by the employees of health maintenance organizations.

**SB 5164 — Removing Certain Tenants and Occupants from a Mobile Home Park**

*Prime Sponsor: Senator Haugen*

*(C 118 L 98)*

- The eviction provisions of the Mobile Home Landlord-Tenant Act are amended to include "occupants". The definition of criminal activity, as a basis for eviction, is expanded to include the requirement that the tenant or occupant register as a sex offender with local law enforcement authorities. The requirement of registration then becomes a ground for eviction. The term "occupant" is added to the definitions section of the Mobile Home Landlord-Tenant Act.

**SSB 5873 — Defining Terms under the Model Toxics Control Act**

*Prime Sponsor: Senator Benton*

*(C 6 L 98)*

- Fiduciaries, such as executors of estates and trustees in bankruptcy, are given a qualified exemption from clean up liability under the model toxics control act.

**SB 6169 — Regulating Third-party Appraisals**

*Prime Sponsor: Senator Winsley*

*(C 120 L 98)*

- Exemption added to real estate appraiser licensing act. Unlicensed appraisers may provide appraisals for financial institutions or mortgage brokers unless a federal regulatory agency requires a licensed appraisal for the particular transaction.

**SB 6192 — Providing for the Operation of the State Investment Board**

*Prime Sponsor: Senator Sellar*

*(C 14 L 98)*

- The standard of judgement and care of the State Investment Board is modified to allow contemplation of the entire portfolio and an integrated investment strategy, as measured against other fund managers, rather than individual investors.

**SB 6202 — Changing The Securities Act to Conform With Federal Statute**

*Prime Sponsor: Senator Winsley*

*(C 15 L 98)*

- Makes technical and definition changes, to clarify and facilitate the filing, registration and marketing of securities in Washington state, to conform to federal legal changes and the Uniform Securities Act. Clarifies some of the DFI Director's enforcement and investigation duties.

**SSB 6302 — Establishing Risk-based Capital Standards For Health Carriers**

*Prime Sponsor: Senator Winsley*

*(C 241 L 98)*

- Establishes a system of risk based capital evaluation, to provide a standardized risk-assessment tool for the Office of the Insurance Commissioner to use in regulation of health carrier solvency, providing regulatory intervention points.

**SB 6355 — Regulating Share Insurance For Credit Unions**

*Prime Sponsor: Senator Winsley*

*(C 122 L 98)*

- Adjustments are made to the transition from state to federal share insurance for certain state chartered credit unions.

**Sb 6380 — Providing Mobile Home Relocation Assistance**

*Prime Sponsor: Senator Winsley*

*(C 124 L 98)*

- Mobile home owners forced to move because their park closes receive financial assistance from an existing fund established for that purpose. The grant for double wide relocations is increased from \$6,500 to \$7,000.

**SSB 6565 — Regulating Insurance Payments of Insureds Who Are Victims of Domestic Abuse**

*Prime Sponsor: Senator Hale*

*(C 301 L 98)*

- Insurers are prohibited from discriminating against insured persons or applicants for insurance on the basis of their being a victim of domestic abuse. Insurance benefits may not be denied to victims of domestic abuse when a co-insured causes the loss of insured property, provided the victim had no part in causing the loss, and cooperates in any investigation.

**SB 6729 — Financing Senior Housing**

*Prime Sponsor: Senator Prentice*

*(C 128 L 98)*

- A task force on finding new financing methods for senior housing, and housing for persons with disabilities is extended an additional year to February 1, 1999.

**SSB 6746 — Regulating Purchasing of Insurance Services**

*Prime Sponsor: Senator Winsley*

*(C 303 L 98)*

- Auto clubs, as well as other entities, offering products such as trip cancellation, bail bond service, or accident, health, or life insurance are required to offer those products through a company holding a certificate of authority for the Insurance Commissioner (unless “surplus lines: coverage is authorized).
- Other travel or automobile products and services offered by auto clubs are excluded from the regulatory provisions applicable to insure products under the Insurance Commissioner.

**SJM 8019 — Requesting Federal Funds For Housing Finance**

*Prime Sponsor: Senator Winsley*

*(Filed with Secretary of State)*

- Congress is requested to increase the tax-exempt private activity bond cap and the allocation of tax-exempt housing credits available to the states in order to restore purchasing power lost since 1998.
- Further, it is requested that the limits be indexed to increases in inflation for future years.

## Government Operations Committee

### Bills Passed by 1998 Legislature:

#### ▶ STATE

#### **SHB 1088 — State Fossil**

*Prime Sponsor: Representative Sheahan*

*(C 129 L 98)*

- The Columbian mammoth of North America (*Mammuthus COLUMBI*) is designated as the official fossil of the state of Washington.

#### **SHB 1193 — Personal Service Contracts**

*Prime Sponsor: Representative D. Schmidt*

*(C 101 L 98)*

- The statutory thresholds for personal service contracts are raised.
- The threshold below which a personal service contract is not subject to competitive bidding; the threshold below which a personal service contract must have documented evidence of competition; and the threshold above which a sole source contract must be approved by OFM.

#### **SHB 1504 — Strategy Discussions**

*Prime Sponsor: Representative McMorris*

*(Full Veto)*

- Records that would reveal strategy or position before and during grievance and mediation proceedings, labor negotiations, and collective bargaining are exempt from public inspection and copying.

#### **E2SHB 2345 — Administrative Law**

*Prime Sponsor: Representative Reams*

*(Partial Veto)*

*(C 280 L 98)*

- The chairmanship and vice chairmanship of the JARRC are of the same house and are of 2 years' duration.
- In response to a petition to amend or repeal a rule, an agency must initiate rule making with a proposed rule or deny the petition.
- *Sections 1, 3, 4, 8, 10, 11, 12 and 13 were vetoed. (veto)*

#### **SHB 2351— Address Confidentiality Program**

*Prime Sponsor: Representative McDonald*

*(C 138 L 98)*

- ▶ Victims of sexual assault are added to the program for the protection of victims of domestic violence.



**HB 2568 — Motor Vehicle Management**

*Prime Sponsor: Representative Smith*

*(C 111 L 98)*

- Statutes relating to the office of Motor Vehicle Services in the Department of General Administration are repealed.
- New statutory provisions are added clarifying the authority of GA to adopt guidelines and procedures for fleet operations for other state agencies.

**HB 2575 — Public Disclosure Member Activities**

*Prime Sponsor: Representative Pennington*

*(C 30 L98)*

- The bill clarifies that members of the PDC are prohibited from engaging in prohibited activities regardless of whether the activity occurs inside or outside the state of Washington.

**E2SHB 2880— Task Force on Agency Personal Service Contracts**

*Prime Sponsor: Representative Clements*

*(C 231 L 98)*

- A task force is created to study methods for improving state-wide practices relating to fee-for-service and client services contracts with nonprofit contractors that provide social services.
- The nine members will be appointed by the director of OFM.
- A report is due by November 1, 1999.

**E2SHB 2881 — Audits of State Contracts**

*Prime Sponsor: Representative Clements*

*(C 232 L 98)*

- The State Auditor is required to conduct an audit of a risk assessment-selected group of businesses (non-governmental businesses that receive over \$300,000 in state money for providing social services).
- Another group of businesses, randomly selected, is audited by a CPA.
- The State Auditor must review audits of the risk-assessment selected group to look for misuse of public money.

**SHB 2922 — State Investment Board**

*Prime Sponsor: Representative Carlson (6335 Sellar)*

*(C 116 L 98)*

- The assets of the Washington State Deferred Compensation Plan are placed in trust with the Washington State Investment Board for the exclusive use of the Plan's participants and beneficiaries.
- SIB is responsible for establishing investment policy and developing participant investment options, after consulting with the Employee Retirement Benefits Board, for the participants in DCP.
- The state is relieved of any liability for losses or deficiencies resulting from participant selection of investment options.

**SB 6118 — Gifts Under Public Ethics Laws**

*Prime Sponsor: Senator Long*

*(C 007 L 98)*

- The bill clarifies that payment of fees and travel expenses for educational seminars and conferences by government as well as private nonprofit professional, educational, trade, or charitable associations or institutions is not considered a gift.
- The value of a gift to a guest counts towards the \$50.00 annual limit.

**SB 6172 — Service of Petitions**

*Prime Sponsor: Senator McCaslin*

*(C 186 L 98)*

- The APA requires that a petition for judicial review of an administrative decision must be served on the parties of record.
- Permits service to be effective when it is made on the attorney of the party of record, including the attorney of the agency.

**SB 6219 — Reports to the Legislature**

*Prime Sponsor: Senator McDonald*

*(Partial Veto)*

*(C 245 L 98)*

- Over 200 reports to the Legislature that are no longer necessary are eliminated.
- *Three repealers are vetoed to avoid elimination of substantive law. (veto)*

**SB 6223 — Filing with the State Tax Board**

*Prime Sponsor: Senator McCaslin*

*(C 054 L 98)*

- Two provisions for filing appeals with the State Tax Board are revised.
- The date of filing is determined by the postmark date, uniformly for all appeals.
- The Board will be responsible for sending notice of an appeal to all named parties.

**E2SSB 6235 — Community Athletic Facilities**

*Prime Sponsor: Senator Jacobsen*

*(C 264 L 98)*

- The Community Outdoor Athletic Fields Advisory Council is created.
- It provides advice to the Interagency Committee for Outdoor Recreation on the youth athletic facility grants that are part of the Seahawks stadium financing mechanism.

**SB 6348 — Filing Certificates of Certain Sales and Use Tax Exemptions**

*Prime Sponsor: Senator McCaslin*

*(Partial Veto)*

*(C 330 L 98)*

- *The reporting requirement for sales and use tax exemptions for machinery and equipment used directly in a manufacturing operation or research and development operation is eliminated as of 1-1-99. (veto)*
- *Sections 3 and 4 were vetoed. (veto)*

**SB 6398 — Voting System Tests**

*Prime Sponsor: Senator McCaslin*

*(C 058 L 98)*

- Provisions for testing voting systems are revised.
- The office of Secretary of State defines by rule the programming testing that is performed before elections.
- The county auditor and any political party observers certify the testing.
- The Secretary of State has the discretion to publish procedures to restrict or define the use of approved systems.

**SSB 6425 — Legal Authority of Agency Heads**

*Prime Sponsor: Senator McCaslin*

*(C 125 L 98)*

- The bill clarifies when a summarizing memorandum must be prepared after a rule-making hearing under the APA.
- It also declares that the summarizing memorandum is a public document prepared for consideration by the agency head that summarizes the contents of the presentations made at the rule-making hearing.

**SSB 6507 — Cosmetology Board**

*Prime Sponsor: Senator Wood*

*(C 020 L 98)*

- The Board will continue in existence and retain its nine members.

**SSB 6575 — JARRC Jurisdiction**

*Prime Sponsor: Senator Hale*

*(C 021 L 98)*

- JARRC is permitted to determine whether an agency is using proposed or existing guidelines and documents of general applicability or their equivalents in place of a rule.
- JARRC may advise the Governor if an agency refuses to replace the document with a rule.

**SSB 6667 — Washington Gift of Life Medal**

*Prime Sponsor: Senator B. Sheldon*

*(C 059 L 98)*

- The family of an organ donor is entitled to receive this medal, one medal for each family member who was an organ donor, upon application by a family member; an accredited organ procurement organization; or a federally certified organ procurement organization.

**SB 6698 — Citizens' Commission on Salaries**

*Prime Sponsor: Senator McCaslin*

*(C 164 L 98)*

- In response to court order, the Citizens' Commission on Salaries must hold at least four public hearings on the issue of the proposed salary schedule before a final version of the salary schedule is adopted by filing the schedule with the Secretary of State.

▶ **LOCAL**

**SHB 1939 — Reserve Law Enforcement**

*Prime Sponsor: Representative Ogden*

**(C 307 L 98)**

- Gives municipalities an option to include their reserve law enforcement officers in the death and disability portion of the volunteer firefighters relief and pension system.

**SHB 2077 — Small Works, Competitive Bidding, and RTA**

*Prime Sponsor: Representative D. Schmidt*

**(C 278 L 98)**

- Uniform exemptions from competitive bidding requirements for purchases and public works for cities, counties and various special purpose districts are established.
- Provisions are added for leasing arrangements by King County, requested by the RTA.
- DOT is allowed to use the small works roster available to other state agencies.
- The vendor list process is allowed for very small purchases (2399).

**ESHB 2297 — Recording Documents**

*Prime Sponsor: Representative Sehlin*

**(C 027 L 98)**

- An instrument may be recorded with the county auditor even if a minor portion of a notary seal, incidental writing, or minor portion of a signature extends beyond the margin requirements.

**EHB 2302 — Moneys Held in Trust for Schools**

*Prime Sponsor: Representative Honeyford*

**(C 065 L 98)**

- Repeals the territorial law that established the Joshua Brown school fund.

**SHB 2411 — Functions of County Treasurers**

*Prime Sponsor: Representative Alexander*

**(C 106 L 98)**

- The daily operations of county treasurers' offices are streamlined.
- The Regional Transit Authority is granted authorization for certain kinds of borrowings and debt obligations.

**SHB 2431 — Southwest Washington Fair**

*Prime Sponsor: Representative DeBolt*

**(C 107 L 98)**

- As an alternative to appointing an advisory committee, the Lewis County commissioners may appoint a designee to fulfill all of the commissioners' obligations with respect to the Fair.
- Fair property is under the jurisdiction of Lewis County and under the management and control of the commissioners or a designee.

**HB 2542 — GMA / Opting Out**

*(Full Veto)*

*Prime Sponsor: Representative Mulliken*

- A permissive procedure is established allowing any county under 50,000 population planning under the GMA to opt out (Columbia, Douglas, Ferry, Franklin, Garfield, Jefferson, Kittitas, Mason, Pacific, Pend Oreille, SanJuan, Stevens).
- The procedure must be initiated by 12-31-98.
- A majority of the cities in the county have 60 days to concur with a county resolution to remove itself from the planning requirements of the GMA or the issue can be put to a vote of the people.
- If no longer required to plan under the GMA, the county must still designate and protect critical areas and designate resource lands. **(Emergency clause)**

**ESHB 2596 — Master Planned Resorts**

*Prime Sponsor: Representative Chandler*

*(C 112 L 98)*

- Infrastructure located on the site of the master planned resort may only serve the resort.
- Service providers located outside of the master planned resort, such as municipalities and special purpose districts, may provide capital facilities and utilities and services, provided that the master planned resort must pay for all costs associated with the service extensions and capacity increases directly attributable to the resort.

**HB 2698 Lodging Tax**

*Prime Sponsor: Representative B. Thomas*

*(C 035 L 98)*

- This is a technical bill that resolves conflicts from the 1997 rewrite of the hotel / motel statutes.

**HB 2784 — Public Water Supply / PUDs**

*Prime Sponsor: Representative Johnson*

*(C 049 L 98)*

- It is clarified that a PUD may supply water to people outside the district.
- Allows a PUD that is already set up to supply water to provide that service to another PUD that is not set up to do so.

**ESHB 2830 — Land Use Study Commission Recommendations**

*(Partial Veto)*

*Prime Sponsor: Representative Reams*

*(C 286 L 98)*

- The 120-day permit time line requirement and the waiver of liability for a local government that fails to meet it is extended to June 30, 2000.
- The area around designated resource lands in which a notice is required for plats and permits for development is expanded to 500 feet.
- Counties and cities must review mineral resource land designations and regulations as part of their five-year comprehensive plan review.
- Both code and non-code cities can annex "islands" under 100 acres regardless of when the island was created.

- Urban growth areas do not have to be uniformly urban.
- *Sections 4 and 6 amending planning goals for affordable housing and designation of urban growth areas were vetoed. (veto)*

**SHB 2977 — Binding Site Plans**

*(Full Veto)*

*Prime Sponsor: Representative Sheahan*

- Statutory subdivision requirements apply only to divisions of land for creation of a condominium on a portion of a parcel or tract and not to creation of a condominium within a portion.
- Condominium laws control over subdivision laws in the event of conflict.
- Local ordinances for binding site plans for condominiums may not impose requirements inconsistent with statutory requirements.
- Binding site plans for condominiums do not have to require that present or future improvements belong to the condominium owners or association or that lot boundaries be identified.

**SHB 3099 — Major Industrial Activity**

*(C 289 L 98)*

*Prime Sponsor: Representative DeBolt*

- Clark and Whatcom counties are presently allowed to designate industrial land banks on a pilot basis.
- Lewis, Grant, and Clallam counties are also now allowed to designate industrial land banks.
- The land bank authority is extended through 1999.

**2ESB 5185 GMA Hearings Boards**

*(Full Veto)*

*Prime Sponsor: Senator Horn*

- Hearing examiners may only make findings of fact, not conclusions of law, if assisting a hearings board in hearing cases before the board.
- A board may mediate or provide for mediation of disputes between counties or cities over whether their comprehensive plans are coordinated or consistent.
- A board is no longer authorized to determine whether a state agency is in compliance with GMA requirements, or whether OFM population forecasts should be adjusted.
- A board renders a decision, not an order, and does not determine validity.

**SSB 5532 — Mediation in Land Use Decisions**

*(C 119 L 98)*

*Prime Sponsor: Senator McCaslin*

- Before a party may appeal a hearing examiner's final decision involving a conditional or special use permit application for an entity licensed by DSHS or DOC, the party must initiate formal mediation procedures within five days after the final decision.
- The mediation process must be completed within 14 days from the time the mediator is selected, unless otherwise agreed by the parties.



**SSB 5853 — Fire Protection District Finance Officers**

*Prime Sponsor: Senator Goings*

*(C 005 L 98)*

- Fire protection districts with annual budgets of \$5 million or more are permitted to adopt a policy for issuing warrants to satisfy the claims or other obligations of the district.
- The county treasurer retains the obligation of redeeming the warrants.

**SSB 6119 — Water-Sewer District Assumption**

*Prime Sponsor: Senator Schow*

*(C 326 L 98)*

- A window is provided until July 1, 1999 in which a city must, if it so desires, assume all or part of a water-sewer district by majority vote of the whole district (i.e., the 60 percent assessed valuation assumption procedure cannot be accomplished by ordinance).

**ESSB 6174 — Special Purpose District Per Diem Compensation**

*Prime Sponsor: Senator McCaslin*

*(C 121 L 98)*

- In general, any special purpose district commissioner who was allowed to receive per diem compensation is raised from \$50 per day, not to exceed \$4,800 per year to up to \$70 per day, not to exceed \$6,720 per year.
- Commissioners of cemetery districts and metropolitan park districts are allowed to receive per diem compensation, however, they must rotate through their office.

**SSB 6175 — Financing Contracts**

*Prime Sponsor: Senator McCaslin*

*(C 291 L 98)*

- Local governments are allowed to pool their financing requirements through the office of State Treasurer, making for a more attractive package in the financial markets.

**ESSB 6205 Waiver of Interest on Property Taxes**

*Prime Sponsor: Senator McCaslin*

*(C 327 L 98)*

- A waiver of interest and penalties on residential property taxes is allowed if due to the death of a taxpayer's spouse, parent, or step-parent.

**SB 6278 — Port Name-Change Petitions**

*Prime Sponsor: Senator Horn*

*(C 240 L 98)*

- The number of signatures required on a petition to place on the ballot the question of changing the name of a port district is raised from 250 signatures to the signatures of 10 percent of the voters in the last general port election.

**SSB 6285 — Fire Protection District Service Charge**

*Prime Sponsor: Senator Goings*

*(C 016 L 98)*

- An alternative ballot title is allowed when a fire protection district is renewing a service charge.
- A district that discontinues a service charge is allowed to set its third \$0.50 levy at the amount that would have been allowed under the 106 per cent limitation if the levy, rather than the service charge, had been imposed.

**SSB 6489 — District Court Elections**

*Prime Sponsor: Senator McCaslin*

*(C 019 L 98)*

- No primary is held for the office of judge of the district court if there are no more than two candidates filed for the position.

**ESSB 6497 — Taking Private Property**

*Prime Sponsor: Senator McCaslin*

*(Full Veto)*

- For any governmental action concerning the regulation of private real property by local or state government requiring a public hearing, the local or state government must address in its public hearing the guidelines of the state Attorney General and prepare written findings and conclusions regarding unconstitutional takings.

**SB 6631 — School Director Filings**

*Prime Sponsor: Senator McCaslin*

*(C 022 L 98)*

- For school directors in joint school districts, the declaration of candidacy is filed with the county auditor of the county to which the joint school district is considered as belonging as designated by the State Board of Education.

## Health & Long-Term Care

### **Bills Passed by 1998 Legislature:**

#### **2SHB 1618 — Impaired Physicians Programs**

*Prime Sponsor: Representative Skinner*

**(C 132 L 98)**

- Physicians, physician's assistants, osteopathic assistants, and other health care providers who contract with the impaired physicians program are surcharged twenty-five dollars from licensing fees, which are deposited into a non-appropriated account that is for the impaired physicians program. The impaired physicians program offers services to providers whose practices are affected from substance abuse or mental incapacity.

#### **ESHB 1769 — Electronic Transfer of Prescription Information**

*Prime Sponsor: Representative Zellinsky*

**(C 222 L 98)**

- Prescriptions transferred to a pharmacy via electronic means are valid for medications that are not highly addictive. Computer systems utilized for the transfer of information must have a security system.

#### **SHB 1867 — Revising Provisions for Food Sanitation and Safety**

*Prime Sponsor: Representative Backlund*

**(C 136 L 98)**

- The renewal period for food and beverage workers' permits is reduced from five to three years, unless the employee obtains additional food safety training.
- The grace period to obtain a food and beverage service workers' permit is reduced from 30 to 14 days.
- A limited-duty food and beverage worker's permit for disabled people is created.
- Persons with contagious or infectious diseases that may be transmitted by food or beverage are prohibited from working in places where unwrapped or unpackaged food or beverages are prepared, consumed or sold.

#### **SHB 2364 — DOH Procedures and Requirements for Health Professions**

*Prime Sponsor: Representative Dyer*

**(C 29 L 98)**

- The termination date of July 1, 1998, of the secretary's authority to establish consolidated and consistent administrative procedures and administrative requirements regarding the credentialing of health professionals is extended to March 1, 1999.

**SHB 2452 — Medication Assistance in Community-Based Settings**

*Prime Sponsor: Representative Backlund*

*(C 70 L 98)*

- Medication assistance is defined as assistance rendered by a nonpractitioner to an individual residing in a community-based setting to help the individual self-administer a legend drug or controlled substance, where a practitioner has determined, in consultation with the individual, that medication assistance is appropriate.

**SHB 2634 — Denying General Assistance to Fleeing Felons**

*Prime Sponsor: Representative Sommers*

*(C 80 L 98)*

- Fleeing felons, and those violating parole, probation or community supervision, are denied General Assistance, a form of welfare for adults with no dependents.

**SHB 2688 — Hearing Instrument Fitters/Dispensers**

*Prime Sponsor: Representative Skinner*

*(C 142 L 98)*

- A license to fit or dispense hearing instruments requires a two year educational degree beginning in the year 2003.

**HB 2692 — Electronic Benefit Transfer of Food Stamps**

*Prime Sponsor: Representative Clements*

*(C 79 L 98)*

- Amends statutory references to food assistance to include "food stamp benefits transferred electronically," as required by federal welfare reform.

**HB 2704 - Inactive Licenses for Physical Therapists**

*Prime Sponsor: Representative Skinner*

*(C 143 L 98)*

- Physical therapists can obtain from the department of health an inactive status license for periods when they are not actively treating patients.

**HB 2788 - Training Nursing Assistants**

*Prime Sponsor: Representative Backlund*

*(C 85 L 98)*

- Persons who have received training as a long-term caregiver can apply for certification as a nursing assistant and apply the caregiver training to their nursing assistant certification application.

**ESHB 2900 — Providing Pro Rata Calculation of Welfare Benefits**

*Prime Sponsor: Representative Cooke*

*(C 88 L 98)*

- Creates a feasibility study regarding the provision of pro rata benefits for recipients of Temporary Assistance for Needy Families (TANF), and requires department of social and health services to make recommendations on alternative calculation systems.

**ESHB 2901 — Requires a Work First Job Search Component**

*Prime Sponsor: Representative Cooke*

*(C 89 L 98)*

- Nonexempt recipients of Temporary Assistance for Needy Families (TANF) benefits may participate in up to 12 weeks of job search, and be assisted with search activities, with an employability review in the first four weeks.

**EHB 2920 — Clarifying Continuing Education Requirements for Certified Counselors**

*Prime Sponsor: Representative Skinner*

*(C 32 L 98)*

- Counselors who are certified must document to the department of health at the time their license is renewed completion of continuing education in the amount of thirty-six hours every two years. The continuing education must include credits in law and professional ethics.

**E2SHB 2935 — Nursing Home Payment Rates**

*Prime Sponsor: Representative Dyer*

*(C 322 L 98)*

- The state's nursing home medicaid reimbursement system is changed from a primarily cost-based system to a case-mix system which adjusts payments to nursing homes based on patient acuity.
- Payment rates are to be facility specific, and have six components: direct care, therapy care, support services, operations, property, and return on investment rate.
- For the direct care component, both a floor and ceiling are set, which define the minimum and maximum amount of reimbursement to be paid per case mix unit. The bill adopts a hold harmless approach for facilities with costs above ceiling. Over time, the corridor between the minimum and maximum reimbursement is narrowed.
- Limits to the costs that the state will reimburse are also established for the other rate components.
- Reimbursement rates are to be adjusted over time based on updated cost reports and an inflation factor to be identified by the legislature in the biennial budget. Rates are also to be adjusted if the statewide average daily rate per person to be paid to nursing facilities exceeds the amount stated in the budget.
- Facilities are generally required to pay back any overpayments, but facilities in substantial compliance with federal survey requirements may keep any unspent funds up to 1% of their rate.

**HB 2990 — Third Party Accreditation of Boarding Homes**

*Prime Sponsor: Representative Dyer*

*(C 92 L 98)*

- A coalition of interested parties is to develop a plan for implementing a pilot program for the third-party accreditation of boarding homes.
- The plan is to be funded by the Assisted Living Federation of America, and is to be presented to the legislature by January, 1999.

**HB 3103 — Newborn Drug Screening**

*Prime Sponsor: Representative Dickerson*

*(C 93 L 98)*

- The department of health is to develop screening criteria to use in identifying pregnant women who are at risk of conceiving a drug-affected baby, and is to develop training protocols to instruct personnel to use the screening criteria.
- The department of health is to investigate the feasibility of protocols for testing or screening of newborns for drug or alcohol exposure, and report its findings to the legislature by December 1, 1998.

**HJM 4030 — Petitioning for Medicaid Flexibility**

*Prime Sponsor: Representative Backlund*

*(Filed with Secretary of State)*

- The joint memorial petitions the President to submit, and the Congress to pass, legislation granting extensive flexibility to the states in the use of Medicaid funding for acute and long-term care services.

**ESSB 5305 — Controlling Drugs used to Facilitate Rape**

*Prime Sponsor: Senator Fairley*

*(Partial Veto)*

*(C 290 L 98)*

- The criminal penalties for unlawful acts involving the sedative Flunitrazepam are increased.
- *It is specified that the crimes of second degree rape and indecent liberties include certain situations where a controlled substance is used to induce helplessness or incapacity (veto).*
- *Sexual assault investigators must receive training regarding the use of sedating substances in committing sexual assaults (veto).*

**SB 6113 — Property Tax Exemption for Nonprofit Medical Research Organizations**

*Prime Sponsor: Senator Wood*

*(C 184 L 98)*

- Property used by a nonprofit organization which is available without charge for research by or training of medical or hospital personnel, or used for medical research which is available without cost to the public, is exempt from property tax.

**SB 6329 — Disclosure of Health Care Information to Coroners and Medical Examiners**

*Prime Sponsor: Senator Deccio*

*(C 158 L 98)*

- A health care provider may disclose health care information about a patient, without the patient's authorization, to a county coroner or medical examiner for death investigations.



**ESSB 6418 — Child Support Enforcement Compliance with Federal Welfare Reform**

*Prime Sponsor: Senator Deccio*

*(C160 L 98)*

- Makes technical changes to child support enforcement laws, to improve tracking and reporting of obligors and their employment.
- Requires the use of social security numbers as identifiers on license applications.
- Requires department of social and health services to seek a waiver from the use of social security numbers on applications for licenses, while assuring the state will comply if the waiver is denied.

**2SSB 6544 — Improving Long-Term Care**

*Prime Sponsor: Senator Deccio*

*(C272 L 98)*

- Department of health and the department of social and health services are directed to meet with boarding home and adult family home providers and resident groups to develop recommendations on training standards. Their report is due to the Legislature by December 1, 1998.
- An adult family home advisory committee is authorized. The committee is made up of six members appointed by the secretary of health.
- Nurses who delegate specific tasks in long-term care settings need only get one written consent. The Joint Select Committee on Nurse Delegation is extended for one more year.
- All regulatory powers and duties regarding boarding homes are transferred from the department of health to the department of social and health services.
- A joint legislative and executive task force on long-term care is established. The Governor is to appoint seven members, including representatives of the department of health, the department of social and health services, the state Long-Term Care Ombudsman, two members of the Senate and two members from the House.
- *It is specified when residents of boarding home and adult family homes who become bed bound as the result of illness must be seen by a licensed practitioner, and defines those practitioners and their duties. (veto)*

**SSB 6545 — Impaired Physician's Programs**

*Prime Sponsor: Senator Wood*

*(Full Veto)*

- Physicians, physician's assistants, osteopathic assistants, and other health care providers who contract with the impaired physicians program are surcharged twenty-five dollars from licensing fees, which are deposited into a non-appropriated account that is for the impaired physicians program. The impaired physicians program offers services to providers whose practices are affected from substance abuse or mental incapacity.

**SSB 6550 — Certified Chemical Dependency Professionals**

*Prime Sponsor: Senator Deccio*

*(C243 L 98)*

- Chemical dependency counselors who meet education, training and fee requirements can practice as certified chemical dependency professionals in programs approved by the department of social and health services.

**SSB 6751 — Choice for Citizens with Developmental Disabilities**

*Prime Sponsor: Senator Deccio*

*(C216 L 98)*

- Until June 30, 2003, the capacity of community residential support services and residential habilitation centers for persons with developmental disabilities must not be reduced below the capacity provided for in the 1997-99 operating budget.
- Any vacancy in a residential habilitation center must be offered to an eligible person with developmental disabilities, but only if the person is simultaneously offered community services, and is allowed to choose either the vacancy or the services.
- The department of social and health services, with the participation of the developmental disabilities stakeholders work group, is to conduct an assessment of all persons with developmental disabilities who are eligible for services. The analysis is to include a broad look at all services, and will result in a long-term strategic plan for the department regarding the developmentally disabled.

## Higher Education Committee

### Bills Passed by 1998 Legislature:

#### **2SHB 2430 — Changing Provisions Relating to the Advanced College Tuition Payment Program (SB 6319)**

*Prime Sponsor: Representative Huff*

*(C 69 L 98)*

- The supplemental budget includes an appropriation allowing the Advance College Tuition Payment Program to begin selling tuition units by July 1, 1998. The bill includes an emergency clause.
- Several administrative issues are addressed:
  - financial and commercial information supplied in relation to the purchase or sale of tuition units is exempt from public inspection and copying;
  - the Committee on Advance Tuition Payment may maintain offices and employ personnel; and
  - committee members are immune from liability while performing the duties of their office.

#### **HB 2534 — Waiving Operating Fees for Students Registered for a Doctor of Pharmacy (SB 6531)**

*Prime Sponsor: Representative Parlette*

*(C 75 L 98)*

- Full-time students registered for more than eighteen credit hours are charged an additional operating fee for each credit over eighteen.
- Institutions may exempt all, or a portion of, the additional operating fee for students who are registered in a first professional program for medicine, dental medicine, veterinary medicine, law, or those registered exclusively in required courses in vocational preparatory programs.
- This bill provides that institutions may exempt the additional operating fee for doctor of pharmacy students enrolled for more that eighteen credit hours.

#### **SSB 5517 — Requiring One Student Member on Each State Institution of Higher Education's Governing Board (SHB 2374)**

*Prime Sponsor: Senator Wood*

*(C 95 L 98)*

- Full-time students in good standing may serve one year terms on the governing boards of the public 4-year institutions.
- The student will be appointed by the Governor, with the consent of the Senate, from a list of at least 3 and not more than 5 names submitted by the student governing body (TESC, the student body).
- Student members may not participate in personnel matters.

**SB 5631 — Exempting Education Loan Guarantee Services from Business and Occupation Tax**

*Prime Sponsor: Senator Wood*

*(C 324 L 98)*

- Nonprofit agencies providing guarantees for student loans made through programs other than the federal guaranteed student loan programs are exempt from B&O tax, if they are also exempt from federal income tax under Section 501 (c) (3) of the federal internal revenue code.
- (1997 Session through Senate Higher Education, 1998 through House Finance Committee)

**SSB 6396 — Establishing the Washington Center for Real Estate Research (HB 2691)**

*Prime Sponsor: Senator Wood*

*(Full Veto)*

- The Washington Center for Real Estate Research is established at WSU to be financed by a \$10 fee on each real estate broker, associate broker, and sales person original license and renewal license, including inactive renewals.
- The center may charge for its publications, may receive gifts and grants, and may engage in contract work for both public and private clients.

**SSB 6655 — Changing the Spokane Intercollegiate Research and Technology Institute**

*Prime Sponsor: Senator West*

*(Partial Veto)*

*(C 344 L 98)*

- Eliminates the JCHE and creates SIRTI as a separate agency with DCTED as the fiscal agent.
- Eliminates the collocation of EWU in Spokane and directs EWU to focus on its Cheney campus.
- WSU is responsible for the expansion of upper division and graduate programs in Spokane.
- Requires the HECB to do an economic assessment and a higher education needs assessment for the Spokane area.
- To receive a housing allowance, Presidents of 4-year institutions must live in the community designated in statute.

▶ *BILLS RELATED TO HIGHER EDUCATION*

**SHB 1977 — Allowing Arrangements for Running Start Students to Attend Out-of-state Community Colleges**

*Prime Sponsor: Representative Honeyford*

*(C 63 L 98)*

- School districts in Washington may enter agreements with community colleges in Oregon and Idaho to let Washington students enroll for concurrent high school and college credits.
- The Running Start laws apply to the agreements except that a school district may agree to

pay less than the Running Start rate so long as students are not required to pay tuition and fees.

- At no time may a school district agree to pay more than the Running Start rate.
- Agreements may require students to pay some tuition and fees, but the agreements must not allow the out-of-state colleges to charge nonresident tuition rates.
- The agreements must also ensure that participating students enroll in courses that transfer to a public college or university in Washington.
- This bill went through the Education Committee.

**SHB 2368 — Registering Sex Offenders and Kidnappers, and Regulating Firearms, on Campuses of Institutions of Higher Education**

*Prime Sponsor: Representative Carlson*

*(C 139 L 98)*

- Individuals required to register with the county sheriff due to a sex or kidnaping offense must also notify the sheriff of their intent to attend any public or private institution of higher education within 10 days of enrollment or by the first business day after arrival, whichever is earlier.
- Persons currently attending an institution on the effective date of the act must notify their sheriff immediately.
- The sheriff will notify the institutions' public safety department.
- This bill went through the Human Services and Corrections Committee.

**ESHB 2947 — Revising Unemployment Compensation for Part-time Faculty**

*Prime Sponsor: Representative McMorris*

*(C 233 L 98)*

- The bill is designed to make state unemployment compensation law conform to federal law governing education employees through two modifications to state law
- "Academic year" continues to be defined to include the summer quarter unless the Employment Security Department, based on objective criteria, determines it to be otherwise. This definition is now consistent across all education institutions.
- The provision defining "reasonable assurance" as not including agreements that are contingent on funding, enrollment or program changes is deleted.
- The bill went through the Commerce and Labor Committee and is of particular significance to CTC part-time faculty.

**HJM 4039 — Petitioning for Amendment to the Federal Communications Commission Ruling Barring Direct Reimbursement to State Agencies that Provide Telecommunications Services (SJM 8031)**

*Prime Sponsor: Representative Huff*

*(Filed with the Secretary of State)*

- Congress is petitioned to urge the FCC to review and amend its ruling barring direct reimbursement to state agencies that provide telecommunications services.
- This has significant consequences for the K-20 Network.
- This is a Ways and Means Committee bill.

**SSB 6727 — Modifying the Savings Incentive and Education Savings Account**

*Prime Sponsor: Senator West*

*(C 302 L 98)*

- The Education Savings Account is made subject to legislative appropriation.
- Ten percent of the existing balance in the account and 10 percent of future appropriations are to be divided among three existing state trust funds established for specific higher education purposes: 50 percent for distinguished professorships, 17 percent for graduate fellowships, and 33 percent for community and technical colleges exceptional faculty awards.
- This is a **Ways and Means Committee** bill.



## Human Services and Corrections Committee

### **Bills Passed by 1998 Legislature:**

#### **SHBC — Child Custody Cases**

*Prime Sponsor: Representative Valoria*

**(C 130 L 98)**

- Grandparents, relatives or other caregivers can obtain a permanent child custody order that could be recognized in a juvenile court dependency action, which eliminates duplicitous court custody cases.

#### **HB 1172 — Sex Offender Registration**

*Prime Sponsor: Representative Sommers*

**(C 220 L 98)**

Amends Sex Offender Registration to require:

- The jurisdictional agency and the division of developmental disabilities to assist DD offenders to register;
- Registration within 72 hours of moving (change from 14 days prior);
- Non-resident offenders who are students or employed in Washington to register in this state; (6433)
- Registration prior to release from custody; (6433)
- Sheriffs to notify new jurisdiction when notified of an address change; (6433)
- Annual address verification; (6433)
- Ten-year minimum registration, with no relief for multiple offenders (6433); and
- Offenders who change their names to notify their county sheriff when an application has been made and when the change has been ordered. It restricts name changes that would interfere with law enforcement to religious and legitimate cultural reasons and changes in marital status (6640).

#### **SHB 1781 — Supervised Offender Monitoring**

*Prime Sponsor: Representative Lambert*

**(C 223 L 98)**

- Authorizes establishment of the SMART (supervision monitoring and recidivist tracking) system database.
- Requires dormant information to be automatically archived after 7 years and defines dormant and archived.
- Limits system to criminal justice administration purposes only.

**ESHB 2346 — DSHS Vendor Revenue Recovery**

*Prime Sponsor: Representative Clements*

*(C 66 L 98)*

- When the department determines that it has overpaid a vendor, the vendor has the right to dispute the overpayment at an administrative hearing. The department may enforce an administrative order through any authorized debt collection action.

**EHB 2350 — Sex Offender Registry Information**

*Prime Sponsor: Representative McDonald*

*(C 67 L 98)*

- Requires the state patrol to provide local law enforcement access to the sex offender central registry by merging the sex offender central registry database with the WA State Crime Information Center (WACIC) database.

**SHB 2368 — Higher Education Campus Security**

*Prime Sponsor: Representative Carlson*

*(C 139 L 98)*

**Requires:**

- Registered offenders to notify their county sheriff of their enrollment in a higher education institution;
- Sheriffs must notify the higher education institution; and
- The Washington state patrol must notify all registered offenders of changes in the registration requirements.

**SHB 2556 — Child Abuse Prevention and Treatment**

*Prime Sponsor: Representative Cooke (By request of DSHS)*

*(Partial Veto)*

*(C 314 L 98)*

- AMENDMENTS TO CONFORM STATE LAW TO C.A.P.T.A. The paramount concern in providing "reasonable efforts" to reunify families is the health and safety of the child. Two aggravated circumstances are added to the current list of items justifying expedited termination of parental rights.
- The foster parents, pre-adoptive parents, or relatives providing care to a dependent child must be given the opportunity to provide input to the judge. The court must notify the caretakers of all review hearings.
- The court must hold a permanency planning hearing within 12 months after the date of the child's removal from home. Additional grounds for termination of parents' rights are created.
- Licensing and employment decisions by the department may not be based on unfounded child abuse or neglect reports. All persons named in founded reports of child abuse or neglect have the right to seek review of the finding.
- FAMILY POLICY COUNCIL. *The Family Policy Council's legislative membership is expanded from four members to eight members (veto).* Network members must sign a declaration indicating whether they have a fiduciary interest in any agency. The council may recommend to the Legislature ceilings on network spending on planning and administrative tasks. (6542)

- CITIZEN REVIEW PANELS. The Washington Institute of Public Policy will study the creation of citizen review panels to oversee the department's child abuse prevention and treatment activities. (6558)
- ADOPTION SUPPORT. Funds received from the adoption support program shall not be considered in determining a family's eligibility for the basic health plan. (6406)
- DRUG-AFFECTED INFANTS. DSHS shall define "drug-affected infant" and "alcohol-affected infant." DSHS shall operate a model project to serve women who give birth to infants exposed to drugs or alcohol. DSHS develops a comprehensive plan for provision of service to these women.
- *A process is established to test, report, and provide care for drug-affected and alcohol-affected infants. Mothers of these infants are given the choice of chemical dependency treatment or having a dependency petition filed for removal of their child. On the birth of a second child, the woman must use long-term pharmaceutical birth control and enter into treatment. After the birth of a third child, the court may enter a dependency order on all drug-affected children born before the third child. (5278 & 3008) (veto)*

**HB 2557 — Notice of Civil Action for Out-of-home Placements for Developmentally Disabled Children**

*Prime Sponsor: Representative Tokuda (By request of DSHS) (C 229 L 98)*

- A department request bill, intended to make technical corrections, was amended to require DSHS notify parents of their right to civil action in cases where voluntary out-of-home placements are not agreed to for a developmentally disabled child.
- No court hearing is required for out-of-home placements that end within one-hundred and eighty days.

**HB 2558 — Technical Corrections Within the Dependency Statutes**

*Prime Sponsor: Representative Tokuda (C 141 L 98)*

- Made technical cross reference corrections in the dependency statutes.

**EHB 2707 — Inmate Work Programs/Sex Offenders**

*Prime Sponsor: Representative Backlund (C 83 L 98)*

- DOC must ensure that sex offenders in work programs not have any access to any individual's name, address, or telephone number in the course of performing his or her duties.

**HB 2905 — Sexually Violent Predators**

*Prime Sponsor: Representative Carrell (C 146 L 98)*

- Sexually violent predators may not be placed, even temporarily, in any state mental health or regional habilitation center.

**ESSB 5760 — Mentally Ill Offenders**

*Prime Sponsor: Senator Long*

*(C 260 L 98)*

- The court must order a pre-sentence report when the court determines the defendant may be a mentally ill person.
- The court may order an offender to undergo mental health treatment if the offender is a mentally ill person and the condition is likely to have influenced the offense.
- If an offender fails to undergo mental status evaluation or treatment, the community corrections officer must consult with the offender's treatment provider before taking action on the violation.

**ESSB 5936 — Fee-Based Offender Education**

*Prime Sponsor: Senator Kohl*

*(C 261 L 98)*

- Requires DOC & the community colleges to collaboratively explore alternatives to increasing post-secondary academic opportunities for offenders;
- Requires a report to legislature that addresses such areas as fee-based pilot projects, correspondence & video courses, and K-20 technology; and
- Creates an exemption to the "mandatory deductions requirement" for money offenders receive to pay for fee-based educational programs.

**SSB 6136 — Background Checks & Drug Offenses**

*Prime Sponsor: Senator Bob Oke*

*(C 10 L 98)*

- Permits agencies & persons performing background checks under Title 43 to receive information regarding convictions for certain drug offenses and to consider these offenses in their hiring decision.

**SSB 6208 — At-Risk Youth (BECCA IV)**

*Prime Sponsor Senator Hargrove*

*(Partial Veto)*

*(C 296 L 98)*

- In 1995, the Legislature passed a comprehensive act dealing with runaway, truant, and at-risk youth, commonly referred to as the Becca Bill. SSB 6208 bill addresses unresolved issues concerning the parent's rights to obtain medical treatment for their children.
- Separates the procedures for chemical dependency and mental health treatment for minor children into three separate categories: (1) voluntary outpatient and inpatient treatment, (2) parent-initiated treatment, and (3) court-authorized involuntary treatment petitions.
- Parents may obtain mental health and chemical dependency treatment for their children, without the child's consent, when the decision is made by a medical professional.
- The bill also provides: (1) A children's statement of rights; (2) An independent review based on medically necessary; (3) A child's right to file a petition requesting judicial review; (4) A mandatory ITA filing no later than 54 days after arrival; (5) The child's release upon written request of the parent; and (6) A 3 day hold to allow parent to file an ARY Petition.
- The court may utilize remedial (civil) contempt when enforcing the court's orders. Truancy petitions may be served in any manner reasonably calculated to provide actual notice.

- Gives DSHS the ability to transfer funds to the counties for the operation of staff secure crisis residential centers. Requires DSHS to report the number of parent-initiated admissions to treatment facilities. Expands the crime of "unlawful harboring of a minor child." (veto)

**2SSB 6214 — Mentally Ill Commitment**

*Prime Sponsor: Senator Long*

*(C 297 L 98)*

- This bill addresses issues related to the mentally ill misdemeanor offenders and is the result of recommendations by the Task Force on Mentally Ill Offenders. The bill provides a seamless system of care between two previously separate systems, the mental health and criminal justice systems. The bill focuses the process on public safety, increasing the sharing of information, and ensuring additional opportunities for treatment of mentally ill offenders.
- Helps protect the public from misdemeanor offenders who suffer from a mental illness and have a history of committing violent acts or offenses, or have previously been found incompetent or insane.
- Provides necessary treatment, supervision, and opportunity to restore competency for these offenders, while protecting the offender's due process rights. Ensures the offenders are examined by mental health professionals, and that the decision to release a mentally ill offender to the community will be reviewed by a court.
- Allows mental health professionals better access to records and information and ensures better decisions about offenders who pose a threat to public safety.
- DSHS must develop statewide protocols for use by County Designated Mental Health Professionals. The Washington State Institute for Public Policy and the Joint Legislative Audit Review Committee will conduct evaluations of this act.
- Many of the key provisions take effect on March 1, 1999. *The act is to expire on June 30, 2001. (veto)*

**ESSB 6238 — Changes to the dependency statutes**

*Prime Sponsor: Senator Stevens*

*(Partial Veto)*

*(C 328 L 98)*

- The dependency statutes are amended to require DSHS file a supporting affidavit or declaration when seeking an ex parte court order to remove a child from the home. The affidavit or declaration must evidence imminent harm to the child, and must be served with the petition and order on the parents at the time the child is removed.
- The summons served in a dependency action must notify the parent of the parent's right to documents DSHS intends to rely upon in support of its removal petition. The parent's must have an opportunity to review these documents prior to a shelter care hearing.
- Substance abuse is a risk assessment factor.
- *DSHS must report statistical information to the legislature concerning the relationship between substance abuse and dependency actions. (veto)*

**SB 6429 — Children's Trust Fund**

**(C 268 L 98)**

*Prime Sponsor: Senator Long (By request of the WA Council for Prevention of Child Abuse and Neglect)*

- Returned to WSCAP the interest on the Children's Trust Fund.

**E2SSB 6445 — Children in Community Facility Placements**

**(C 269 L 98)**

*Prime Sponsor: Senator Long*

- JRA must hold public hearings prior to siting any new community facility;
- JRA must work with local communities to establish community placement oversight committees (CPOC) following the results of the study;
- DSHS must adopt a policy for the common use of community facilities that house both JRA and DCFS children. JRA children who commit a class A felony may not be placed with DCFS children unless certain criteria are met;
- DSHS must adopt a violations policy and define serious infractions and violations. Juveniles who commit a serious infraction/violation must return to an institution until they can adhere to conditions of placement and a new risk assessment is done;
- Service providers must report serious infractions/violations upon discovery and all other infractions/violations within 24 hours. Failure to report properly subjects them to monetary penalties and contract sanctions. DSHS must maintain records of infractions/violations and consider a service provider's record in any contract action;
- DSHS must maintain a staffed, 24-hour toll-free phone. The number must be published and distributed to the persons most likely to have contact with the juvenile;
- Juveniles placed in a school, work, or volunteer situation are subject to monitoring agreements which state the juvenile's offender status, and provide for performance reviews, random accountability checks, and notification upon discovery of a breached condition;
- Juveniles are ineligible for placement until they have served the greater of 10% of their sentence or 30 days in an institution;
- Prior to placement, JRA must receive education records and review them in conjunction with other information to conduct a security classification and complete a risk assessment (indicating the juvenile poses not more than a minimal risk to public safety), local law enforcement must be properly notified, and any existing CPOC must review the placement;
- Employees and volunteers must pass background checks and are prospectively disqualified from access to children if they have committed sex or violent offenses. Failure to report a post-employment conviction constitutes misconduct; and
- WSIPP will conduct a study of community facilities, juvenile detention standards and parole effectiveness.

**SB 6758 — Work Ethic Camp Program**

**(C 273 L 98)**

*Prime Sponsor: Senator Long*

- Repeals the Sunset Clause.



## Law & Justice

### **Bills Passed by 1998 Legislature:**

#### **SHB 1043 — Landlord/Tenant Preemption**

*(Full Veto)*

*Prime Sponsor: Representative Schoesler*

- *State landlord tenant law preempts all local landlord/tenant regulations*
- *Contains grandfather clause for all local laws & amendments passed before 1/1/99*
- *Exempts local ordinances dealing with health & safety/anti-discrimination/houseboats*

#### **SHB 1072 — Pen Registers**

*Prime Sponsor: Representative Sterk*

*(C 217 L 98)*

- *Authorizes law enforcement to use pen registers and trap and trace devices with a court order and, under limited circumstances, without a court order*
- *Department of Corrections is exempted from these requirements*

#### **ESHB 1074 — Personalty Rights**

*Prime Sponsor: Representative Sheahan*

*(C 274 L 98)*

- *Property right created - one's personality (name/voice/signature/photograph/likeness)*
- *Individual is entitled to compensation when the right is used for commercial purposes*
- *Right is freely transferable by will, contract or gift*

#### **SHB 1077 — Proof of Identity**

*Prime Sponsor: Representative Sterk*

*(C 24 L 98)*

- *Persons or entities issuing ID cards required to mark the cards in flourescent yellow ink, 14 point type, "not official proof of identification"*
- *Background color to be different than Washington driver's license or identicards*
- *Several exceptions for legitimate uses*
- *Penalty is a class 1 civil infraction, \$250.00 fine*

#### **HB 1082 — Extending Authority/Contempt of Court**

*Prime Sponsor: Representative McDonald*

*(C 3 L 98)*

- *Commissioners courts of limited jurisdiction may impose - contempt of court*



**SHB 1083 — Use of DOL Records Criminal Prosecutions**

*Prime Sponsor: Representative McDonald*

*(C 218 L 98)*

- DOL case record admitted into evidence by prosecution or defense where relevant

**HB 1117 — Supplying/Possession Liquor -- Minors**

*Prime Sponsor: Representative Benson*

*(C 4 L 98)*

- Providing liquor to minor and minor possessing or consuming liquor is gross misdemeanor

**ESHB 1130 — Protecting the Institute of Marriage**

*Prime Sponsor: Representative Thompson*

*(C 1 L 98)*

- State declares it has compelling interest in protecting the institute of marriage
- Marriage is a union between a man and a woman
- State will only recognize a marriage from another jurisdiction if valid in this state

**HB 1165 — Watercraft Crimes**

*Prime Sponsor: Representative Backlund*

*(C 219 L 98)*

- Assault by watercraft is class B felony
- Homicide by watercraft is class A felony

**ESHB 1221 — Impounding Vehicles/Suspended License**

*Prime Sponsor: Representative Ballasiotes*

*(Partial Veto)*

*(C 203 L 98)*

- Vehicles are subject to impoundment by a law enforcement officer pursuant to local ordinance
- If the vehicle is impounded because the driver is in violation of DWLS 3, and the driver has a previous DWLS violation in the past five years, the vehicle may be held for up to 30 days
- If the vehicle is impounded because the driver is in violation of DWLS 1 or DWLS 2, the vehicle may be held for up to 30 days
- If the operator has a prior DWLS 1 or 2 conviction within the past five years, the vehicle may be held for up to 60 days
- If the operator has two or more prior DWLS 1 or 2 convictions within the past five years, the vehicle may be held for up to 90 days
- *Local governments are authorized to use "home impoundment" to immobilize vehicles driven by drunk drivers. (veto)*
- *The Office of Financial Management must verify claims for reimbursement submitted by local governments for increased levels of services mandated by the act. Sections 7 & 13 Vetoed. (veto)*

**ESHB 1223 — Unlawful Detainer of Gang Tenants**

*Prime Sponsor: Representative Carrell*

*(C 276 L 98)*

- Unlawful detainer actions may be brought against gang tenants
- Neighbor allowed to bring the action 10 days after notifying the landlord, if the landlord fails to take action

**HB 1248 — Fax Filings to the Secretary of State**

*Prime Sponsor: Representative Sump*

*(C 38 L 98)*

- The Secretary of State's office is allowed to accept business filings by fax

**HB 1250 — Trademarks**

*Prime Sponsor: Representative Wensman*

*(C 39 L 98)*

- Trademark for all goods and services may be obtained by a single application with Secretary of State
- Easier to make corrections and amendments to an existing trademark

**HB 1252 — Limited Partnership Dissolution**

*Prime Sponsor: Representative Wensman*

*(C 277 L 98)*

- Limited partnerships are required to file updated information every five years
- Requires the Secretary of State to send notice requesting the information
- If information is not provided, the Secretary may commence proceedings to administratively dissolve the limited partnership.

**SHB 1253 — Business Names**

*Prime Sponsor: Representative Parlette*

*(C 102 L 98)*

- The naming conventions for business entities made uniform

**EHB 1254 — Destruction of Driving Records -- DUI**

*Prime Sponsor: Representative Sterk*

*(C 204, L 98)*

- Courts required to keep records of drunk driving convictions permanently

**HB 1297 — Murder Aggravating Circumstances**

*Prime Sponsor: Representative DeBolt*

*(C 305 L 98)*

- Death penalty may be imposed if a murder has been committed:
  - Violation of a no contact or restraining order
  - Victim in a family or household relationship with the offender; and the offender had previously engaged in a pattern or practice (3 or more) of crimes committed within 5 years

**HB 1308 — Hazardous Device Handling**

*Prime Sponsor: Representative Mielke*

*(C 40 L 98)*

- Hazardous device technicians exempted Explosives Act when handling limited amounts of explosives

**HB 1309 — Disarming a Law Enforcement Officer**

*Prime Sponsor: Representative Mielke*

*(C 252 L 98)*

- New felony of disarming a law enforcement or corrections officer
- Committed with the intent to interfere with the officer's duties
- Person knowingly removes a firearm/weapon from the officer or deprives officer's use
- Officer must be performing official duties
- Officer does not consent to removal, and person has reasonable cause to know individual is an officer
- Not a crime if the officer is acting criminally

**EHB 1408 — Out of State Concealed Pistol Licenses**

*Prime Sponsor: Representative Mielke*

*(Partial Veto)*

*(C 253 L 98)*

- *Valid CPL from another state exempts need for Washington CPL to carry on person (Sections veto'd) (veto)*
- Law enforcement from other states given same exemption as state law enforcement

**SHB 1441 — Voyeurism**

*Prime Sponsor: Representative McDonald*

*(C 221 L 98)*

- New crime of voyeurism created
- For sexual gratification or arousal, views, photographs or films the victim in a place where the victim has reasonable expectation of privacy -- guilty of class C felony
- Exceptions made for personnel of local jails and DOC for security or investigation

**2SHB 1501 — Corrections to Driver's License Statutes**

*Prime Sponsor: Representative Robertson*

*(C 41 L 98)*

- The process for appealing a driver's license suspension or revocation after arrest for DUI is set forth
- RCW 46.61.503 amended to clarify crime for a minor to be in physical control of, not just driving, a motor vehicle while having an alcohol level of .02 or more
- Name of record is established for a person holding a driver's license
- DOL prohibited from changing a person's name of record without evidence

**SHB 1541 — Sport Shooting Ranges**

*Prime Sponsor: Representative Sump*

*(Full Veto)*

- Operators and users of sport shooting ranges are given immunity from certain civil and

criminal liabilities

- Ranges that conform to existing laws must be permitted to continue operation
- If a range is in compliance with whatever noise control laws are in place when the act takes effect, then an operator or user of the range is immune from civil and criminal liability, and from injunctive action for noise or noise pollution
- Requires range to carry insurance

**HB 2293 — District Court Judge-Snohomish County**

*Prime Sponsor: Representative Sherstad*

*(C 64 L 98)*

- Number of district court judges increased from seven to eight

**SHB 2295 — Court of Appeals**

*Prime Sponsor: Representative Sheahan*

*(C 26 L 98)*

- The dates changed for filling 2 unfilled positions Court of Appeals King County

**SHB 2386 — Uniform Partnership Act**

*Prime Sponsor: Representative Sheahan*

*(C 103 L 98)*

- Updated and modernized based on the national model act

**HB 2387 — Shareholder's Rights**

*Prime Sponsor: Representative Sheahan*

*(C 104 L 98)*

- Conflict between statutes clarified - provisions adopted by corporations to fight off hostile takeovers are valid including "poison pill provisions"

**HB 2402 — Electronic Court Records Preservation**

*Prime Sponsor: Representative Sheahan*

*(C 226 L 98)*

- County clerks may store document reproductions electronically
- State Archives may provide certified copies of records they store for county clerks, if they have the clerk's written permission

**HB 2463 — Garnishee Processing Fees**

*Prime Sponsor: Representative Sheahan*

*(C 227 L 98)*

- If the writ is not for a continuing lien on earnings, the garnishee is entitled to a check or money order in the amount of \$20 at the time the writ is served.

**EHB 2465 — Health Provider/Patient Privilege**

*Prime Sponsor: Representative Dyer*

*(C 72 L 98)*

- Communication between podiatric physicians/surgeons and patients need not be disclosed in civil actions

**HB 2499 — District Court Jurisdiction**

*Prime Sponsor: Representative Sheahan*

*(C 73 L 98)*

- The state long arm statute is extended to district court in civil cases
- District courts are given jurisdiction over out of state parties in civil matters

**HB 2500 — Fresh Pursuit**

*Prime Sponsor: Representative Sheahan*

*(C 205 L 98)*

- Officers from other states may pursue, arrest, and hold subjects suspected of DUI, impaired driving, or reckless driving -- same authority as local officers

**HB 2628 — Methamphetamine Manufacture**

*Prime Sponsor: Representative Schoesler*

*(C 78 L 98)*

- The manufacture of methamphetamine is ranked at level X on the sentencing grid

**HB 2732 — Wage Assignment Orders**

*Prime Sponsor: Representative Robertson*

*(C 77 L 98)*

- Employer to deliver withheld earnings within 5 working days of regular pay interval

**EHB 2772 — Drug Paraphernalia**

*Prime Sponsor: Representative McDonald*

*(C 317 L 98)*

- Sale or gift of drug paraphernalia are prohibited to a person under 18 years -- class I civil infraction

**SHB 2790 — Restitution Hearings for Juveniles**

*Prime Sponsor: Representative Mastin*

*(C 86 L 98)*

- In juvenile court, if a restitution hearing is set for a date after the disposition hearing, that date must be within 180 days of the disposition hearing date
- Court may continue the hearing beyond the 180 days period for good cause

**EHB 2791 — Methamphetamine Manufacture**

*Prime Sponsor: Representative Schoesler*

*(Partial Veto)*

*(C 81 L 98)*

- *Manufacture is a "strike" (This section veto'd by Governor)*
- Allows distribution of funds from local toxic control account for site clean up

**SHB 2885 — Penalty Options for Drunk Driving**

*(Partial Veto)*

*Prime Sponsor: Representative Mulliken*

*(C 206 L 98)*

- For a first time DUI offender with a BAC below .15, the court may order 15 days of electronic home monitoring in lieu of the current mandatory one day in jail
- Home monitoring must be paid by offender and may include breathalyzer testing and restrictions on alcohol consumption
- For a first time DUI offender with a BAC of .15 or more, the court may order electronic home monitoring for minimum of 30 days, in lieu of mandatory 2 days in jail
- Court jurisdiction over DUI offenders on probation is extended from 2 to 5 years
- OFM to verify to verify local government claims ( Section 2) (veto)

**HB 2907 — Small Claims Appeals**

*Prime Sponsor: Representative Sheahan*

*(C 52 L 98)*

- Process for appealing case from small claims (district court) to superior court is clarified

**SHB 2936 — Health Care Statute of Limitations**

*Prime Sponsor: Representative Sheahan*

*(C 147 L 98)*

- The statute of limitations on commencing health care malpractice lawsuits is revised in cases involving fraud, concealment or the negligent presence of a foreign body
- Lawsuit must be commenced 1 year from knowledge by plaintiff of defendant's act

**HB 2965 — Crime Victims Compensation**

*Prime Sponsor: Representative Ballasiotes*

*(C 91 L 98)*

- The Crime Victims Compensation Program is authorized to hire private attorneys to pursue civil legal actions against criminal offenders and negligent third parties for costs incurred by injured crime victims and the CVCP

**HB 2969 — Gun Safe Tax Exemption**

*Prime Sponsor: Representative Carrell*

*(C 178 L 98)*

- Gun safes are exempted from sales and use taxes

**SHB 2998 — External Defibrillators**

*Prime Sponsor: Representative Sheahan*

*(C 150 L 98)*

- Provides immunity from civil liability for organizations that maintain defibrillators according to manufacturer's guidelines, unless the organization is grossly negligent
- Immunity from liability is provided to individuals using these defibrillators in an emergency setting if the individual is acting under the good samaritan statute

**EHB 3041 — Family and Child Ombudsman Privilege**

*(Partial Veto)*

*Prime Sponsor: Representative Cooke*

*(C 288 L 98)*

- Right of privileged/confidential communication extended
- Legislative oversight committee is exempt from the privilege
- Ombudsman confirmed by Senate
- *Required reporting to the legislative oversight committee (Section 6 veto)*

**2SHB 3070 — Increasing Penalties for Drunk Driving**

*(Partial Veto)*

*Prime Sponsor: Representative McCune*

*(C 207 L 98)*

- Washout period changed to 7 years except deferred prosecutions & serious traffic offenses
- The “driving after consuming alcohol” offense clarified so that if a person under 21 years, has a BAC above the state per se illegal level, he or she can be charged with DUI
- *Court appearance next day, and OFM claim verification (Sections 6 & 11 veto)*

**2SHB 3089 — Eligibility for Deferred Prosecution**

*(Partial Veto)*

*Prime Sponsor: Representative McDonald*

*(C 208 L 98)*

- No person charged with a violation of the motor vehicle code is eligible for a deferred prosecution more than once in his or her lifetime
- Commission of another offense during the two year deferred prosecution program that results in conviction causes entry of judgment on the deferred prosecution charge
- The court may not dismiss the deferred charge until 3 years after proof of completion of the two year treatment program
- *Verification of local claims by OFM (Section 6 veto)*

**ESB 5499 — Assault on Bus Drivers**

*Prime Sponsor: Senator Roach*

*(C 94 L 98)*

- Felony if an assault occurs "while bus or transit driver is performing official duties"

**SSB 5582 — Purchase of Liquor by Intoxicated Persons**

*Prime Sponsor: Senator Roach*

*(C 259 L 98)*

- No person who is apparently under the influence of liquor may purchase or consume liquor on any premises licensed by the board
- Violation is an infraction punishable by a fine of not more than \$500
- Until July 1, 2000, notice must be posted in every establishment that sells liquor

**ESB 5695 — Firearm Crime Sentencing**

*Prime Sponsor: Senator Roach*

*(C 235 L 98)*

- Clarifies that firearm enhancements are to be served consecutive to a defendant's total sentence, not in association with any particular crime



**ESSB 5769 — Beverage Crate and Pallet Theft**

*Prime Sponsor: Senator Johnson*

*(C 236 L 98)*

- Criminal penalties for theft and possession of 10 or more stolen pallets, crates, or a combination of pallets and crates is increased
- Theft or possession of less than 10 is a gross misdemeanor
- Theft or possession of 10 or more is a class C felony

**ESB 6139 — Amphetamine Penalties**

*Prime Sponsor: Senator Oke*

*(C 82 L 98)*

- Penalties for sale or delivery of amphetamine increase to level VIII on sentencing grid

**ESB 6142 — Administrative License Suspension**

*Prime Sponsor: Senator Kline*

*(C 209 L 98)*

- Driver's license administratively suspended for 90 days, for 1st violation of DUI laws
- A person whose license is administratively suspended for a first violation of DUI may submit an application for an occupational driver's license to DOL

**SSB 6153 — Damages for Injury or Death of a Child**

*Prime Sponsor: Senator Fairley*

*(C 237 L 98)*

- The wrongful death statute is amended to require that an action for the injury or death of a minor child can only be maintained by a mother or father, or both, who has regularly contributed to the support of his or her minor child

**SB 6155 — Municipal Court Probation**

*Prime Sponsor: Senator Roach*

*(C 238, L 98)*

- The court administrator, rather than the presiding judge, is responsible for the direction and supervision of the probation services of the Seattle Municipal Court

**ESSB 6165 — Ignition Interlock Devices**

*Prime Sponsor: Senator Rossi*

*(Partial Veto)*

*(C 210 L 98)*

- Court shall require person convicted DUI to drive only vehicle equipped with ignition interlock device, but may waive requirement if not reasonably available locally
- *The mandatory jail terms of 30, 60, 90 days for driving without an interlock device when required to do so (veto)*
- *The requirement that vehicles driven without interlock devices in violation of court orders be impounded for use as evidence (veto)*
- *The requirement that all DUI charges must be filed in court and the defendants arraigned on the charges within 21 days of arrest (veto)*

**ESSB 6166 — Penalties for Drunk Driving**

*Prime Sponsor: Senator Rossi*

*(C 211 L 98)*

- Individual convicted of vehicular homicide while under the influence of intoxicating liquor or any drug receives the standard sentence plus an enhancement of two years for each "prior offense"
- Conviction for 2<sup>nd</sup> degree reckless endangerment or reckless driving, when the individual was originally charged with a DUI, counts as a prior offense for purposes of sentencing for subsequent DUIs
- Period of a DUI related deferred prosecution is five years
- Court is directed to verify current criminal history and driving record before entering a deferred prosecution, dismissing a charge, or sentencing for a DUI

**SSB 6181 — Probate, Trusts and Estates**

*Prime Sponsor: Senator Johnson*

*(C 292, L 98)*

- A person's will, written after the creation of a specified non-probate asset, is allowed to control the distribution of specified non-probate assets, in accordance with the person's intent
- Notice provisions are provided to protect financial institutions
- Technical updates & corrections made in the probate code and estate tax statutes
- A slayer is prohibited from receiving state retirement benefits from the victim

**SSB 6182 Professional Service Corporations**

*Prime Sponsor: Senator Johnson*

*(C 293 L 98)*

- Professionals not licensed in Washington, but properly licensed in any other jurisdiction, may become shareholders, directors, and officers of a professional service corporation in this state.
- Professional service corporations may render services outside Washington through an individual who is not licensed in Washington
- Foreign corporations may also render services in Washington through professionals licensed in Washington

**ESSB 6187 — Adding Penalties Alcohol Offenders**

*Prime Sponsor: Senator Stevens*

*(C 212 L 98)*

- A person who seeks reinstatement or reissuance of a driver's license after suspension or revocation due to a DUI conviction must pay a fee of \$150
- 63% of the revenue generated by the increased fee is deposited into the newly created impaired driving safety account
- 37% of the revenue is deposited into the highway safety fund

**2SSB 6190 — Disabled Parking**

*Prime Sponsor: Senator Oke*

*(C 294 L 98)*

- The disabled parking statute is reworked to provide for meaningful issuance and enforcement of the disabled parking statutes
- Police officers and volunteers can match up the permits with ID cards
- Some fines are increased
- DOL must monitor the program to detect fraudulent use
- It is a gross misdemeanor to knowingly give false information to get a placard

**ESSB 6191 — Deeds of Trust**

*Prime Sponsor: Senator Johnson*

*(C 295 L 98)*

- Amended to clarify and modernize its procedures, and reflect current practices

**ESB 6257 — Lowering Statutory Level for DUI**

*Prime Sponsor: Senator Strannigan*

*(C 213 L 98)*

- The illegal per se breath and blood alcohol concentration standard for DUI is .08
- The offense of "driving after consuming alcohol" applies to persons under 21 years who have an alcohol concentration of at least .02 but less than the illegal per se breath/blood alcohol level for the offense of DUI

**SSB 6258 — Technical Corrections to RCW**

*Prime Sponsor: Senator Roach*

*(C 55 L 98)*

- Seven technical errors in enacted statutes identified by the Statute Law Committee and recommended for change by the Code Reviser's office are corrected

**E2SSB 6293 — Penalties for Drunk Driving**

*Prime Sponsor: Senator Benton*

*(C 214 L 98)*

- A person convicted of DUI with a BAC of:
  - less than .15 with 1 prior offense within 5 years will be punished, in addition to current law, by 60 days electronic home monitoring;
  - .15 or more with a prior offense within 5 years will be punished, in addition to current law, by 90 days of electronic home monitoring;
  - less than .15 with 2 prior offenses within 5 years will be punished, in addition to current law, by 120 days of electronic home monitoring;
  - .15 or more with 2 prior offenses within 5 years will be punished, in addition to current law, by 150 days of electronic home monitoring
- When court imposes less than 1 year in jail for a DUI, it will also suspend a period of 5 years of confinement and impose conditions of probation

**SB 6299 — Venue of Bad Check Cases**

*Prime Sponsor: Senator Johnson*

*(C 56 L 98)*

- In an unlawful check case, a plaintiff is allowed to bring suit in the county where the defendant resides or in any division of the judicial district where the check was issued or where the check was presented as payment

**ESSB 6323 — Adverse Possession of Forest Lands**

*Prime Sponsor: Senator Roach*

*(C 57 L 98)*

- Anyone claiming adverse possession of forest land, defined as land used for growing and harvesting timber, is required to show that they have erected a structure costing at least \$50,000 and that that structure has remained on the land for at least 10 years
- Exceptions are made for adverse claimants who relied on a bona fide land survey and any landowner who owns less than 20 acres of forest lands

**ESSB 6408 Penalties for DUI with Minor in Vehicle**

*Prime Sponsor: Senator McCaslin*

*(C 215 L 98)*

- When determining the penalty for a DUI conviction, the court is directed to consider whether the person was driving or in physical control of a vehicle with one or more passengers at the time of the offense

**ESSB 6492 — Superior Court Positions Yakima County**

*Prime Sponsor: Senator Newhouse*

*(C 270 L 98)*

- Superior court judges in Yakima County increased from 6 to 8
- Superior court judges in Clark County increased from 7 to 8
- Superior court judges in Lewis County increased from 2 to 3
- The 5 judicial positions authorized in Chelan County & Douglas County joint superior court reallocated - 4 in Chelan and 1 in Douglas County. The three currently filled positions are allocated to Chelan County effective upon the appointment of a judge in Douglas County to one of the unfilled positions. The remaining unfilled position is allocated to Chelan County

**SSB 6518 — First Degree Rape**

*Prime Sponsor: Senator Roach*

*(C 242 L 98)*

- Rape 1st degree when offender causes physical injury resulting in unconsciousness

**SSB 6535 — Electronic Transfer Criminal Justice Information**

*Prime Sponsor: Senator Horn*

*(C 197 L 98)*

- Court clerks authorized to electronically transfer criminal case disposition to WSP

**SB 6581 — Child Support Standards**

*Prime Sponsor: Senator Roach*

*(C 163 L 98)*

- \$25 minimum child support obligation - rebuttable presumption

## Natural Resources and Parks Committee

### **Bills Passed by 1998 Legislature:**

#### **SHB 1692 — Public Marina Rental Rates**

*(Full Veto)*

*Prime Sponsor: Representative Sehlin*

- Public ports in coves may have free marina aquatic leases from the Department of Natural Resources.
- Cities that operate public marinas do not have to pay for aquatic land leases.

#### **HB 2355 — State Park Land Sales**

*Prime Sponsor: Representative Alexander*

*(C 42 L 98)*

- Lands which have been donated to the state for park purposes may be sold if not needed.
- The sale money will go into the park land development account.

#### **SHB 2461 — Forest Board Timber Rates**

*(C 71 L 98)*

*Prime Sponsor: Representative Buck*

- Funds from county forest board timber sales must be transferred to the county in seven working days by the Department of Natural Resources.

#### **ESHB — 2496 Salmon Recovery**

*Prime Sponsor: Representative Buck*

*(C 246 L 98)*

- Salmon restoration and habitat improvement process.
- Lead entities chosen by joint decision of counties, cities, and tribal governments.
- Funding distribution decisions made by interagency team composed of Conservation Commission, Department of Transportation and Department of Fish and Wildlife.
- Project areas defined by WRIA or ESU or other areas determined by counties, cities and tribes.
- Project lists developed by lead entities.
- Governor's Salmon Office created.
- Technical assistance provided by Sea Grant and conservation districts.
- Scientific advisory panel created.
- Puget Sound Action Team to assist in salmon recovery.
- Critical pathways methodology specified to assist project planning and implementation.

**HB 2537 — Shellfish Grower Violations**

*Prime Sponsor: Representative Butler*

*(C 44 L 98)*

- Shellfish sanitation laws enforced by the Department of Health.
- Shellfish growers who violate can not transfer their license to another person and continue operating.

**HB 2797 — Natural Heritage Advisory Council**

*Prime Sponsor: Representative Regala*

*(C 50 L 98)*

- Membership of the Natural Heritage Advisory Council is increased by one public member.
- Hearings are required in the area where a natural area preserve is being created.

**ESHB 2819 — Fish and Wildlife Access Area Fees**

*Prime Sponsor: Representative Buck*

*(C 89 L 98)*

- Designated water access areas will require a vehicle decal.
- The cost is \$10 for the first and \$5 for an additional vehicle.
- One vehicle decal is free with a hunting or fishing license.
- Funds will be used to maintain Department of Fish and Wildlife water access areas.

**SHB 2826 — Off-road Vehicle Facility Maintenance**

*Prime Sponsor: Representative Schoesler*

*(C 44 L 98)*

- Off-road vehicle facilities such as roads and parking areas may be maintained by volunteer organizations on private lands.
- State non-highway vehicle funds can be used.

**ESHB 2836 — Pilot Program for Steelhead Recovery**

*Prime Sponsor: Representative Pennington*

*(C 60 L 98)*

- A steelhead trout recovery area is established consisting of Clark, Cowlitz, Lewis, Skamania, and Wahkiakum Counties.
- A management board is created for the area to conduct planning and implementation of steelhead recovery.
- Effective date is 3/19/98.
- Program terminates July 1, 2002.



**HB 2837 — Yakima Hatchery Exchange**

*Prime Sponsor: Representative Clements*

*(C 51 L 98)*

- Fish and Wildlife abandoned fish hatchery.
- Department of Fish and Wildlife shall work with local government. to achieve a land exchange beneficial to wildlife.
- Yakima airport will be able to expand if exchange is accomplished.
- Effective date is 3/18/98.

**2SHB 2879 — Exemption for Fish Habitat Projects from Local Permits**

*Prime Sponsor: Representative Buck*

*(C 249 L 98)*

Projects are expedited if:

- Volunteer or cooperative fish enhancement approval by Fish and Wildlife.
- Sponsored by watershed restoration plan.
- Department of Fish and Wildlife sponsored.
- Jobs for environment program.
- Conservation district sponsored.
- Legislative grant program for fish habitat.
- Local governments may not require permits for projects that are expedited and:
  - Eliminate fish barriers.
  - Restore stream banks.
  - Provide instream structures for fish.
- Department of Transportation grant program created:
  - Removes fish passage barriers.

**HJM 4032 — Salmon and Steelhead Protection**

*(Filed with the Secretary of State)*

*Prime Sponsor: Representative Buck*

The Federal Government is asked for assistance to:

- Resolve US/Canada fishing dispute.
- Enforce 200 mile limit.
- Fund Columbia River recovery efforts.

**SHJM 4035 — Forest Land Exchange**

*(Filed with the Secretary of State)*

*Prime Sponsor: Representative Dyer*

- Congress is asked to encourage the exchange of forest land in Eastern King County between the Forest Service and the Plum Creek Timber Company.

**SB 5636 — County Search Warrants for Septic Tank Inspections**

*Prime Sponsor: Senator Oke*

*(C 152 L 98)*

- Search warrants may be obtained from a court if strict procedures are followed by county health officers.
- There must be probable cause to obtain the warrant.
- An inspection plan must be presented to the court.

**SB 6114 — Zebra Mussel and Green Crab Infestation Prevention**

*Prime Sponsor: Senator Jacobsen*

*(C 153 L 98)*

- The Department of Fish and Wildlife shall develop a prevention program and proposed rules for legislative consideration in December 1998.

**SB 6149 — Regional Fisheries Enhancement Group Advisory Board**

*Prime Sponsor: Senator Swecker*

*(C 91 L 98)*

To make recommendations on:

- Overhead costs of regional groups.
- Number and salary of paid employees.
- Limiting commissions.
- Report to Legislature by January 1, 1999.

**SSB 6150 — Selective Fishing Methods**

*Prime Sponsor: Senator Swecker*

*(C 97 L 98)*

Department of Fish and Wildlife shall:

- Conduct a selective fishing methods study with Treaty tribes, commercial fishers and recreational fishers.
- Report to Legislature by December 31, 1998.

**2SSB 6156 — Aquatic Land Lease Rates**

*Prime Sponsor: Senator Swecker*

*(C 185 L 98)*

- Water dependent lease rates will be studied and the legislature will receive a report by November 1, 1998.
- Lease rates for marinas remain in effect and will not increase until July 1, 1999 when a new rate system is established.

**2SSB 6264 — Mass Marking Chinook Salmon**

*Prime Sponsor: Senator Oke*

*(C 250 L 98)*

Department of Fish and Wildlife shall:

- Mark all appropriate hatchery Chinook Salmon by June 30, 1999 and each year thereafter.
- Develop selective fishing for mass marked Chinook Salmon.
- Work with treaty tribes to implement mass marking.

**SSB 6324 — Remote Site Incubators**

*Prime Sponsor: Senator Morton*

*(C 251 L 98)*

Department of Fish and Wildlife shall:

- Utilize remote site incubators to restore salmonid populations.
- Emphasize use of volunteers.
- Report to Legislature by December 1, 2000 on feasibility of RSI's for warm water fish.

**ESHB 6328 — Fish and Wildlife Enforcement Code Revision**

*(Partial Veto)*

*Prime Sponsor: Senator Oke*

*(C 190 L 98)*

- The enforcement code is consolidated to reflect the merger of the two agencies.
- Substantive changes were minimal.
- *Partial veto corrects a double amendment. (veto)*

**2SSB 6330 — Recreational Fishing and Hunting Licenses**

*(Partial Veto)*

*Prime Sponsor: Senator Oke*

*(C 191 L 98)*

Revised and simplified format.

- Eventually to be fully automated.
- *Partial veto corrects a double amendment and removes prohibitions on disclosure of license buyer information. (veto)*
- Effective date for new licenses is January 1, 1999.

**SSB 6341— Charter Boat Alternate Operators**

*Prime Sponsor: Senator Snyder*

*(C 267 L 98)*

- Alternate operators are not required to purchase a license from the Fish and Wildlife Department.

**SSB 6669 — Perpetual Timber Right Land Conversion Statements**

*Prime Sponsor: Senator Rossi*

*(C 100 L 98)*

- Owners of perpetual timber rights who do not own the land may agree to keep the land in timber production under the Forest Practices Act.

## Ways & Means Committee

### **Bills Passed by 1998 Legislature:**

#### **HB 1835 — Audit Resolution Reports**

*Prime Sponsor: Representative Skinner*

*(C 135 L 98)*

- If the State Auditor takes exception to specific agency expenditures or practices, the Director of Financial Management is required to take corrective action within six months.
- OFM must report on the status of audit resolution annually to the appropriate committees of the Legislature, the State Auditor, and the Attorney General. The report must include any actions taken as a result of an audit, including types of personnel actions, costs and types of litigation, and the value of any recouped goods or services.

#### **SHB 1971 — Teachers as Legislators**

*Prime Sponsor: Representative Bush*

*(C 62 L 98)*

- Allows K-12 teachers to choose between receiving the Health Care Authority (HCA) insurance benefits available to state employees or to choose to have the legislature pay the school district for the cost of continuing district-provided benefits while the legislator is on leave from the school district.
- The amount paid to the school district by the legislature cannot exceed the cost of the insurance benefit package provided by the HCA to state employees.

#### **HB 2371 — Retiree Medical Expense Plan**

*Prime Sponsor: Representative Carlson*

*(C 254 L 98)*

- Currently, retiring state and higher education classified employees can receive payment for their unused sick leave at a rate of 1 day of pay for every 4 days of sick leave.
- Groups of employees (can't be an individual option) can choose to have this payment put into a medical expense account.
- These accounts are tax-free to the employees.
- The money in the accounts can be used to reimburse for medical, dental, and vision expenses.

#### **SHB 2394 — Department of General Administration Funds**

*Prime Sponsor: Representative Alexander*

*(C 105 L 98)*

- Consolidates several revolving funds administered by the Department of General Administration.
- Creates the General Administration Services Account, a nonappropriated account. The department must use the account for all activities previously budgeted and accounted for

in the motor transport account, the general administration management fund, the facilities and services revolving fund, the central stores revolving fund, the surplus property purchase revolving fund, and the risk management account.

**ESHB 2491 — Investment Gains Sharing**

*Prime Sponsor: Representative Carlson*

**(C 340 L 98)**

- When the State Investment Board earns an average of 10% or more on the retirement trust fund assets over a 4-year period, half of the amount over 10% will be used to fund benefit increases for retirees.
- Effective 7/1/98, Teachers Retirement System (TRS) 1 and Public Employees Retirement System (PERS)1 retirees will receive an increase of \$.10 per month per year of service to their Uniform COLA.
- Members of the Judges Retirement System, the Law Enforcement Officers and Fire Fighters Retirement system (LEOFF) Plan 2, TRS 1 and 2, and PERS 1 and 2 who retired before January 1, 1996; elected a survivor option; and are predeceased by the beneficiary; will have their monthly benefit increased, known as the "retroactive pop-up."
- The other half of gain sharing will be used to reduce the Plan 1 unfunded liability by approximately 1.2 years. Statute requires the unfunded liability to be paid off by July 1, 2024.

**SHB 2544 — Retirement System Funding**

*Prime Sponsor: Representative Helen Sommers*

**(Partial Veto)**

**(C 283 L 98)**

- Currently, the Economic and Revenue Forecast Council (ERFC) adopts long-term economic assumptions used in the actuarial valuation in odd-numbered years. The council also adopts the resulting pension contribution rates, used to fund the state retirement systems, in even-numbered years.
- A newly formed Pension Funding Council (6 members -- directors of OFM and the Department of Retirement Systems, plus the chairs and ranking minority members of the House and Senate fiscal committees) will adopt the long-term economic assumptions used in the actuarial valuation and adopt the pension contribution rates.
- A Pension Funding Work Group will also be formed to support the Pension Funding Council. The 6 members will include staff from DRS, OFM, the State Investment Board, Senate Ways & Means, House Appropriations, and the ERFC.
- An outside actuary will be hired to perform a concurrent audit of the State Actuary's actuarial valuations that are used for pension contribution rate-setting purposes.
- *The current requirements that long-term economic assumptions be changed only as part of a regular two-year cycle is eliminated and the number of votes needed to make a change in the assumptions is reduced from five to four. (veto)*

**SHB 2724 — Legislative Oversight of Enforcement Moneys**

*Prime Sponsor: Representative Boldt*

**(Full Veto)**

- Prohibits state agencies from expending moneys without an appropriation where the moneys are received in an administrative or judicial regulatory or civil enforcement action.
- The appropriation requirement does not apply to: nonappropriated statutory accounts that

are not referenced in the bill; trust funds established outside the treasury for certain types of environmental remediation; "cy pres" distributions to injured parties other than state agencies; statutory funds of the Department of Labor & Industries; fees or enforcement actions to collect fees; and recoveries by the Department of Social and Health Services for services, benefits, vendor payments, or amounts collected by the Child Support Division.

**SHB 2922 — Deferred Compensation Plan**

*Prime Sponsor: Representative Carlson*

*(C 116 L 98)*

- Currently, Deferred Compensation Plan assets are considered state property until money is paid to the participating employees.
- Amended Internal Revenue Code requires that the assets of government deferred compensation plans be held for the exclusive benefit of employees. Existing plans have until January 1, 1999, to place their plans into trust accounts or insurance contracts.
- Due to the fiduciary expertise of the State Investment Board (SIB) and based upon the request from the Department of Retirement Systems (DRS), management of these trust accounts will transfer from DRS to SIB.

**HB 3053 — Teachers' Retirement III**

*Prime Sponsor: Representative Clements*

*(C 117 L 98)*

- A Teachers Retirement System Plan 3 member who has a terminal illness and who has terminated employment may choose to have the balance in the his or her defined contribution account distributed as a lump-sum payment based upon the most recent asset valuation in order to expedite the payment.

**2SHB 3058 — Waste Reduction, Recycling, and Litter Control**

*Prime Sponsor: Representative Chandler*

*(Partial Veto)*

*(C 257 L 98)*

- Changes the allocation of litter account revenues as follows:  
50% for state agency litter collection programs;  
20% for local government waste reduction, litter control, and recycling programs; and 30% for Department of Ecology waste reduction and recycling programs.
- Establishes Department of Ecology as the coordinating agency for all programs funded from the litter account.
- Changes collection of the litter tax to coincide with collection of the business and occupation tax.
- *Allows the use of logos on adopt-a-highway signs to recognize business participation in litter control. (veto)*

**SHB 3109 — Basic Health Plan Eligibility**

*Prime Sponsor: Representative Huff*

*(C 148 L 98)*

- If a Basic Health Plan enrollee fails to report his/her income accurately, the administrator of the Health Care Authority is authorized either to bill the enrollee for the amount of

overpayment or to impose a civil penalty of up to 200 percent of the amount of subsidy overpaid as a result of the incorrect reporting.

**HJM 4039 — Agency Telecommunications Services**

*Prime Sponsor: Representative Huff*

*(Filed with Secretary of State)*

- Petitions Congress to urge the FCC to amend its ruling barring direct reimbursement to state agencies that provide telecommunications services.

**SB 5217 — Providing Death Benefits for Volunteer Fire Fighters**

*Prime Sponsor: Senator Bauer*

*(C 151 L 98)*

- An additional \$150,000 duty-related benefit is provided to survivors of volunteer fire fighters, for a total of \$152,000.
- If SHB 1939 is enacted, local governments will have the option of providing death and disability coverage to reserve officers through the Volunteer Fire Fighters' Relief and Pension Act. The duty-related benefit provided to the survivors would also be \$152,000.

**ESSB 6108 — 1988 Supplemental Operating Budget**

*Prime Sponsor: Senator West*

*(Partial Veto)*

*(C 346 L 98)*

- Modifies the 1997-99 state budget, which appropriates \$19.085 billion from the state General Fund. Appropriations for various state agencies are modified, with no net increase in appropriations from the state General Fund. For additional information, see *1998 Legislative Budget Notes* published by the legislative fiscal committees.

**SB 6171 — Public Works Projects**

*Prime Sponsor: Senator Strannigan*

*(C 13 L 98)*

- Authorizes loans from the Public Works Trust Fund for 71 local government public works projects totaling \$124,465,982.
- The 71 authorized projects fall into the following categories:
  - (1) Thirty-eight water projects totaling \$55,611,70;
  - (2) Nineteen sewer projects totaling \$32,281,917;
  - (3) Six road projects totaling \$20,923,038;
  - (4) Three bridge projects totaling \$7,694,103;
  - (5) Four storm projects totaling \$6,104,218; and
  - (6) One solid waste project totaling \$1,851,000.
- \$2,205,326 is authorized to be used by the Public Works Board to provide emergency loans to local governments.



**SB 6303 — Retirement Service Credit***Prime Sponsor: Senator Bauer***(C 17 L 98)**

- In 1994, a uniform policy for purchase or repurchase of service credit was enacted. Specific language was placed in RCW 41.50.165, with cross references to other chapters. SB 6303 places uniform policy for purchase or repurchase of service credit under the individual chapters for the Teachers Retirement System, the Public Employees Retirement System, the Law Enforcement Officers and Fire Fighters Retirement System, and the Washington State Patrol Retirement System.
- Specifically, this bill will allow Washington State University classified employees, who transferred from the WSU retirement system to the Public Employees Retirement System in 1973, to purchase or repurchase service credit.
- Eligible members are responsible to pay for the full actuarial value of any benefits gained through the purchase of additional service credit.

**ESB 6305 — Police Officer Death Benefit***Prime Sponsor: Senator Roach***(C 157 L 98)**

- A \$150,000 duty-related death benefit is provided to survivors of the Public Employees Retirement Systems (PERS) Plans 1 & 2 members who had the opportunity to transfer to the Law Enforcement Officers and Fire Fighters Retirement System pursuant to Chapter 502, Laws of 1993 but elected to remain in PERS.
- RCW 41.20.060 is divided into 2 separate sections, distinguishing between disability benefits received for duty-related disabilities and those received for disabilities not incurred in the line of duty.

**SSB 6306 — School Employees Retirement System***Prime Sponsor: Senator Long***(C 341 L 98)**

- September 1, 2000, all classified school district and educational service district employees in the Public Employees Retirement System (PERS)2 will move into the newly created School Employees Retirement System (SERS) 2.
- At that time, SERS 2 members may transfer to SERS Plan 3. New school district classified employees will go into SERS 3 automatically.
- SERS 3 transferees who transfer by March 1, 2001, will receive a 65% transfer payment.
- TRS 3 members who transferred prior to January 1, 1998, will receive an additional transfer payment of 25% on July 1, 1998, for a total transfer payment of 65%.
- Provides gain sharing for Plan 3 members. (When the State Investment Board earns an average of 10% or more on the retirement trust fund assets over a 4-year period, half of the amount over 10% will be distributed to both active and retired Plan 3 members based upon their years of service.)
- Requires various studies to be done concerning the SERS/TRS merger issue and administrative costs.

**SSB 6455 — Supplemental Capital Budget**

*Prime Sponsor: Senator Strannigan*

*(C 347 L 98)*

- Provides supplemental appropriations for state capital projects.
- Authorizes \$17.7 million in net new bonded indebtedness which will be paid from the General Fund.
- Total new appropriations is \$62 million from all funds.
- Authorizes agencies to enter into financial contracts for land and buildings.
- For additional information, see *1998 Legislative Budget Notes* published by the legislative fiscal committees.

**SSB 6727 — Education Savings Account**

*Prime Sponsor: Senator West*

*(C 302 L 98)*

- Modifies the Education Savings Account and the Savings Incentive Account, which were established in 1997 to receive state agency reversions from General Fund appropriations.
- The Education Savings Account is made subject to legislative appropriation.
- Ten percent of the existing balance in the Education Savings Account and 10 percent of future appropriations are to be divided among three existing state trust funds established for specific higher education purposes: 50 percent for distinguished professorships, 17 percent for graduate fellowships, and 33 percent for community and technical college exceptional faculty awards.
- The definition of incentive savings is clarified to allow administrative savings in entitlement programs to be deposited in the Savings Incentive Account, and the definition of entitlement programs is clarified to include specific appropriations intended for pass-through to third parties.

► ***Revenue Bills***

**ESHB 1042 — Dental Appliances, Devices, Restorations, and Substitutes**

*Prime Sponsor: Representative Dyer*

*(C 168 L 98)*

- Defines dental laboratory activities as manufacturing rather than as service activities for purposes of business and occupation (B&O) taxation.
- Results in the B&O tax rate on the sale of a dental laboratory's manufactured products decreasing from the 1.5 percent service rate to the 0.471 percent retailing rate for products sold at retail and to the 0.484 percent wholesaling rate for products sold at wholesale.

**SHB 1126 — 911 Emergency Communications Funding**

*Prime Sponsor: Representative Mastin*

*(C 304 L 98)*

- Makes 20 cents per switched access line a permanent maximum tax rate for the state enhanced 911 excise tax.

- Transfers responsibility for tax collection from the Military Department to the Department of Revenue.
- Allows temporary state salary assistance for 911 staffing costs for counties with populations under 75,000 residents.
- Allows state assistance to a multi-county region when two or more counties jointly operate a multi-county enhanced 911 system.
- Allows on-going state salary assistance for 911 staffing costs to a multi-county region if the counties have fewer than 75,000 residents.

**SHB 1184 — Coin-operated Laundromats in Apartments and Mobile Home Communities**  
*Prime Sponsor: Representative Van Luven* (C 275 L 98)

- Exempts coin-operated laundries located in apartment complexes, rooming houses, or mobile home parks from sales and use taxes.

**E2SHB 1328 — B&O Taxation of the Handling of Hay, Alfalfa, and Seed**  
*Prime Sponsor: Representative Schoesler* (C 170 L 98)

- Exempts from B&O tax wholesale sales to farmers of seed conditioned for use in planting and not packaged for retail sale, or conditioning seed for planting owned by others.

**SHB 1447 — Thoroughbred Horses Taxation** (Full Veto)  
*Prime Sponsor: Representative Robertson*

- Exempts persons who race, raise, ride, exercise, groom, breed, train, or sell thoroughbred race horses from paying B&O taxes on amounts received as compensation for these services or sales transactions, including amounts received from purse winnings or awards.

**HB 1549 — Property Tax Assessment Reduction in Response to Government Restrictions**  
*Prime Sponsor: Representative H. Sommers* (C 306 L 98)

- Allows a property owner to request that the county assessor reconsider the value of real property if a government entity adopts a restriction on the property that limits the use of the property.

**HB 2278 — Electric Generating Facilities Powered by Landfill Gas**  
*Prime Sponsor: Representative Honeyford* (C 309 L 98)

- Extends the machinery and equipment sales and use tax exemption for wind and sun energy facilities to facilities using landfill gas.

**HB 2309 — Notification of Denial of Property Tax Exemption**  
*Prime Sponsor: Representative Thompson* (C 310 L 98)

- Allows property tax exemption denial notices to be sent by regular mail rather than certified mail.

**SHB 2315 — Technical Corrections to Excise and Property Tax Statutes**

*Prime Sponsor: Representative Thompson*

*(C 311 L 98)*

- Clarifies that only mortgage brokers are exempt from paying B&O taxes on money received from borrowers and held in trust for payment of third party costs.
- Subjects all nonprofit organizations eligible for property tax exemptions to the same definition of "nonprofit."
- Makes other technical corrections to excise and property tax statutes.

**HB 2335 — Consolidation of B&O Tax Rates into Fewer Categories**

*Prime Sponsor: Representative B. Thomas*

*(C 312 L 98)*

- Reduces the number of B&O tax rates from 10 to 6 by consolidating and eliminating tax rates.
- Reduces the tax rate for child care providers from 1.5 percent to 0.484 percent.

**E2SHB 2342 — Tax Exemptions for Businesses in Community Empowerment Zones that provide Selected International Services**

*Prime Sponsor: Representative Van Luven*

*(C 313 L 98)*

- Provides B&O and insurance premium tax credits for creating jobs providing international services if the jobs are created inside community empowerment zones or designated areas in cities and contiguous cities larger than 80,000 that meet the unemployment and poverty criteria of empowerment zones.

**HB 2566 — Sales of Laundry Service**

*Prime Sponsor: Representative Alexander*

*(C 315 L 98)*

- Removes the sale of laundry services to nonprofit health care facilities from the definition of a retail sale.
- Results in a sales tax exemption for these services, and the B&O tax rate for providers of these services increases from the 0.471 percent retailing rate to the 1.5 percent service rate.

**HB 2598 — Property Tax Exemptions for Nonprofit Organizations**

*Prime Sponsor: Representative Radcliff*

*(C 174 L 98)*

- Makes permanent the property tax exemption granted for property leased by a nonprofit organization and used as transitional or emergency housing for low-income persons or victims of domestic violence.

**SHB 2711— Small Irrigation Districts**

*Prime Sponsor: Representative Parlette*

*(C 316 L 98)*

- Exempts an irrigation district from paying public utility and B&O taxes on its gross receipts generated from sales of drinking water, if the irrigation district serves fewer than

1,500 drinking water connections and charges a residential water rate exceeding 125 percent of the average statewide residential water rate.

- Expires the exemption July 1, 2004.
- Extends the expiration of similar tax exemptions, scheduled to expire in 2003, for water-sewer districts and small water systems to July 1, 2004.

**ESHB 2871 — Classification of Land as Agricultural Land with Long-term Commercial Significance for Tax Purposes** *(Partial Veto)*  
*Prime Sponsor: Representative Parlette* *(C 320 L 98)*

- Removes from land eligible for current use taxation under the farm and agricultural land classification land designated as agricultural lands of long term commercial significance under the Growth Management Act (GMA) and land zoned as agricultural land under GMA that is not within an urban growth area.
- *Vetoed was a provision creating a new current use property tax program for land designated as agricultural land of long-term commercial significance by counties and cities planning under the Growth Management Act if the was devoted primarily to agricultural uses and not be used for residential, industrial, or other commercial purposes and the city or county had adopted development regulations required under the Growth Management Act to conserve the agricultural land. (veto)*

**EHB 2894 — Motor Vehicle Excise Tax (MEVT) Reduction and Redistribution** *(Partial Veto)*  
*Prime Sponsor: Representative Huff* *(C 321 L 98)*

- Provides funding for state and local transportation improvements using portions of the MVET that were deposited into the state General Fund, including authorization for \$1.9 billion in bonding authority for the location, design, right of way, and construction of state and local highway improvements.
- Reduces the MVET through a \$30 tax credit and a change in the valuation of vehicles subject to the tax.
- Increases funding for local governments, including local criminal justice assistance.
- Exempts the transfers from Initiative Measure No. 601, and reaffirms the initiative.
- Allows the Legislature to fund mandates they impose on local governments for local programs by new state revenue distributions in addition to specific appropriations.
- Refers the foregoing to the people for approval (Referendum Bill No. 49).
- *Vetoed was a section creating a joint committee to study the long-term transportation funding needs in the state. (veto)*
- *Vetoed was a section making a \$25 million loan to the Motor Vehicle Fund from the General Fund. (veto)*

**ESHB 2933 — Business Warehousing and Selling of Pharmaceutical Drugs** *(C 343 L 98)*  
*Prime Sponsor: Representative Radcliff*

- Reduces the tax rate for wholesalers of prescription drugs from 0.484 percent of gross income to 0.138 percent of gross income, beginning July 1, 2001.

**SHB 3015 — Tax Exemptions for the State Route Number 16 Corridor**

*Prime Sponsor: Representative Huff*

*(C 179 L 98)*

- Defers the state and local sales tax on State Route 16 corridor construction (Narrows Bridge) under the Public-Private Initiatives in Transportation (Chapter 47.46 RCW).
- Defers taxes for five years to be repaid over the following 10 years.
- Exempts the State Route 16 corridor improvements project from leasehold excise tax, property tax, state public utility tax, state B&O tax, real estate excise tax, and local business tax.

**SHB 3076 — Tax Information Sharing for Investigation of Food Stamp Fraud.**

*Prime Sponsor: Representative H. Sommers*

*(C 234 L 98)*

- Permits the Department of Revenue to disclose tax information to the U.S. Department of Agriculture for the limited purpose of investigating food stamp fraud by retailers.

**SSB 5309 — Excise Tax Exemptions Related to Horses**

*(Full Veto)*

*Prime Sponsor: Senator Morton*

- Exempts feed sold for horses from sales and use taxes.
- Exempts any amounts received as compensation for boarding, breeding, or selling horses from B&O taxes.

**SSB 5355 — Property Donated to Charitable Organizations**

*Prime Sponsor: Senator Benton*

*(C 182 L 98)*

- Creates new use tax exemptions for persons who donate materials to nonprofit organizations or to state or local governments.
- Exempts persons who receive donated items from a nonprofit organization from paying use tax on the items received.

**SB 5622 — New Construction of Alternative Housing for Youth in Crisis**

*Prime Sponsor: Senator Long*

*(C 183 L 98)*

- Makes permanent the sales and use tax exemptions for items used in constructing new alternative housing for youth in crisis.

**SSB 6077 — Nonprofit Hospice Agencies B&O Tax Exemptions**

*Prime Sponsor: Senator McCaslin*

*(C 325 L 98)*

- Exempts nonprofit hospice agencies from paying B&O taxes on amounts received as compensation for patient services or as proceeds from the sale of prescription drugs furnished to patients.



**SB 6113 — Nonprofit Organizations Providing Medical Research or Training of Medical Personnel**

*Prime Sponsor: Senator Wood*

*(C 184 L 98)*

- Exempts a nonprofit corporation or association from paying property taxes on leased property if: 1) the leased property is used for medical research which is made available to the public without cost; or 2) the leased property is made available without charge to medical or hospital personnel for training or research purposes.

**SB 6270 — Elimination of the B&O Tax on Internal Distributions**

*Prime Sponsor: Senator Anderson*

*(C 329 L 98)*

- Eliminates the 0.484 percent B&O tax on value of merchandise distributed by firms from their own warehouses to two or more of their own retail stores.

**SSB 6297 — Local Public Health Financing**

*Prime Sponsor: Senator Benton*

*(C 266 L 98)*

- Uses excess revenues in the County Sales and Use Tax Equalization Account to cover the cost of including the populations of cities over 50,000 that incorporated in 1996 and 1997 in the county public health funding calculation.

**SB 6311 — Assembly Halls or Meeting Places Used for the Promotion of Specific Educational Purposes**

*Prime Sponsor: Senator Snyder*

*(C 189 L 98)*

- Allows a nonprofit assembly hall or meeting place located in a county with fewer than 10,000 residents to be used for private dance, art, or music classes without affecting the tax-exempt status of the property.

**SB 6449 — B&O Tax Rate for Royalty Income from the Use of Intangible Rights**

*Prime Sponsor: Senator West*

*(C 331 L 98)*

- Reduces the B&O tax rate on royalty income from 1.5 percent to 0.484 percent.

**ESSB 6470 — Canned and Custom Software**

*Prime Sponsor: Senator West*

*(Partial Veto)*

*(C 332 L 98)*

- Taxes the customization of canned software as a service rather than as a sale subject to retail sales tax.
- *Vetoed was a section eliminating the B&O tax for firms that create, distribute, wholesale or warehouse canned or custom software in distressed counties for the first 36 months of operation and reducing the tax after 36 months by 90 percent for firms creating or distributing canned or custom software and by 70 percent for firms wholesaling or warehousing canned or custom software. (veto)*



**SB 6483— Cigarette and Tobacco Tax Enforcement**

*Prime Sponsor: Senator West*

**(C 18 L 98)**

- Clarifies the Liquor Control Board's authority to enforce the cigarette and tobacco tax laws which was clouded by a 1997 gubernatorial veto.

**ESSB 6533 — Property Tax Exemptions and Deferrals for Senior Citizens and Persons Retired for Reasons of Physical Disability**

**(Partial Veto)**

**(C 333 L 98)**

*Prime Sponsor: Senator Strannigan*

- Increases the \$15,000 income threshold for the senior citizens and persons retired due to disability property tax relief program to \$18,000. The valuation exempt from regular property taxes for persons with incomes less than this amount is increased from \$30,000 or 30 percent of the value, but not more than \$50,000, to \$40,000 or 35 percent of the value, but not more than \$60,000.
- Increases the \$18,000 income threshold to \$24,000. The valuation exempt from regular property taxes for persons with incomes less than this amount but greater than the lower threshold is increased from \$34,000 or 50 percent of the value to \$50,000 or 65 percent of the value.
- Increases the \$28,000 income threshold to \$30,000.
- *Vetoed was a section increasing the parcel size eligible for tax relief from 1 acre to 5 acres if the larger parcel size is required under land use regulations and allowing a deduction from income for medical insurance payments and veterans' disability payments. (veto)*

**SB 6552 — Ad Valorem Taxation of Vessels or Ferries**

*Prime Sponsor: Senator Strannigan*

**(C 335 L 98)**

- Makes the property taxation of all commercial vessels the same by eliminating the steamboat vessel classification.

**SB 6588 — Movie Theater Snack Counters Exempted from the Stadium Tax Imposed on Restaurants**

**(Full Veto)**

*Prime Sponsor: Senator Winsley*

- Provides that the special 0.5 percent county stadium food and beverage tax does not apply to consumable items sold at snack counters located in movie theaters or in centers or theaters for the performing arts.

**SB 6599 — Fund-raising Activities by Nonprofit Organizations**

*Prime Sponsor: Senator Benton*

**(C 336 L 98)**

- Expands B&O and sales tax exemptions for nonprofit organizations' fund-raising activities.
- Exempts eligible nonprofit organizations from paying B&O taxes on income earned from fund-raising activities involving direct solicitation or the exchange of goods or services for money.

- Exempts from sales tax goods and services sold by an eligible nonprofit organization during a fund-raising activity.
- Excludes the operation of a regular place of business such as a thrift store or bookshop.

**SSB 6602 — Carbonated Beverage Tax Credit Against B&O Taxes** (Full Veto)  
*Prime Sponsor: Senator Anderson*

- Allows retailers to claim a credit against the B&O tax for one-half the amount of carbonated syrup taxes paid.

**SB 6662— Property Managers' Compensation** (C 338 L 98)  
*Prime Sponsor: Senator Strannigan*

- Exempts from B&O tax amounts received by property management companies for the payment of wages and benefits to on-site personnel.

**SB 6728 — Hop Commission B&O Tax Exemption** (C 200 L 98)  
*Prime Sponsor: Senator Newhouse*

- Provides a B&O tax exemption for amounts received by a nonprofit organization from business activities for a hop commodity commission or board if the activity is approved by a referendum conducted by the commission or board.

**SSB 6731 — Property Tax Exemption for Larger Airports Belonging to Out-of-state Municipal Corporations** (C 201 L 98)  
*Prime Sponsor: Senator Newhouse*

- Repeals the property tax exemption for airports larger than 500 acres which belong to municipal corporations in adjoining states.

**SSB 6737 — Property Taxation of Residential Housing Occupied by Low-income Developmentally Disabled Persons** (C 202 L 98)  
*Prime Sponsor: Senator Deccio*

- Exempts from property taxation all real or personal property owned and used by a nonprofit organization to provide housing for low-income persons with developmental disabilities.