

**FIFTY SECOND DAY**

**MORNING SESSION**

Senate Chamber, Olympia, Wednesday, March 2, 2011

The Senate was called to order at 10:00 a.m. by President Owen. The Secretary called the roll and announced to the President that all Senators were present with the exception of Senator Hewitt.

The Sergeant at Arms Color Guard consisting of Pages Kelly Smith and Alex Naylor, presented the Colors. Senator Shin offered the prayer.

**MOTION**

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

**MOTION**

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

**MESSAGE FROM THE HOUSE**

March 1, 2011

MR. PRESIDENT:

The House has passed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1492,

ENGROSSED HOUSE BILL NO. 1730.

and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

**MESSAGE FROM THE HOUSE**

March 1, 2011

MR. PRESIDENT:

The House has passed:

SUBSTITUTE HOUSE BILL NO. 1008,

SUBSTITUTE HOUSE BILL NO. 1051,

HOUSE BILL NO. 1052,

SUBSTITUTE HOUSE BILL NO. 1145,

SUBSTITUTE HOUSE BILL NO. 1148,

SUBSTITUTE HOUSE BILL NO. 1170,

SUBSTITUTE HOUSE BILL NO. 1247,

SUBSTITUTE HOUSE BILL NO. 1249,

SUBSTITUTE HOUSE BILL NO. 1542,

HOUSE BILL NO. 1544,

HOUSE BILL NO. 1657,

SUBSTITUTE HOUSE BILL NO. 1719,

HOUSE BILL NO. 1916.

and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

**MESSAGE FROM THE HOUSE**

March 1, 2011

MR. PRESIDENT:

The House has passed:

SECOND SUBSTITUTE HOUSE BILL NO. 1153,

SUBSTITUTE HOUSE BILL NO. 1169,  
HOUSE BILL NO. 1195,  
HOUSE BILL NO. 1215,  
HOUSE BILL NO. 1222,  
HOUSE BILL NO. 1466,  
SUBSTITUTE HOUSE BILL NO. 1493,  
SECOND SUBSTITUTE HOUSE BILL NO. 1507,  
ENGROSSED HOUSE BILL NO. 1559,  
SUBSTITUTE HOUSE BILL NO. 1565,  
SUBSTITUTE HOUSE BILL NO. 1626,  
SUBSTITUTE HOUSE BILL NO. 1697,  
HOUSE BILL NO. 1867,  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1885,  
SUBSTITUTE HOUSE BILL NO. 1899.  
and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

**MOTION**

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

**INTRODUCTION AND FIRST READING**

SB 5862 by Senators Hargrove, Pridemore and Swecker

AN ACT Relating to the administration of natural resources programs; amending RCW 77.55.021, 77.55.031, 77.55.141, 77.15.300, 77.55.231, 76.09.040, 76.09.050, 76.09.150, 76.09.065, and 76.09.030; reenacting and amending RCW 77.55.011 and 76.09.060; adding new sections to chapter 77.55 RCW; creating new sections; repealing RCW 77.55.291; prescribing penalties; and providing an expiration date.

Referred to Committee on Natural Resources & Marine Waters.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

ESHB 1071 by House Committee on Transportation (originally sponsored by Representatives Moeller, Fitzgibbon and Frockt)

AN ACT Relating to creating a complete streets grant program; adding new sections to chapter 47.04 RCW; and creating a new section.

Referred to Committee on Transportation.

HB 1106 by Representatives Takko, Orcutt and Blake

AN ACT Relating to sale, lease, and disposal of lands within the Seashore Conservation Area; and amending RCW 79A.05.630.

Referred to Committee on Natural Resources & Marine Waters.

HB 1168 by Representatives Liiias, Probst, Kenney, Maxwell, Hunt, McCoy, Finn, Billig and Ormsby

AN ACT Relating to career and technical education; and amending RCW 28A.300.380 and 28B.50.531.

Referred to Committee on Early Learning & K-12 Education.

E2SHB 1186 by House Committee on General Government Appropriations & Oversight (originally sponsored by Representatives Rolfes, Hudgins, Upthegrove, Appleton, Roberts, Pedersen, Carlyle, Goodman, Liias, Van De Wege, Dickerson, Cody, Fitzgibbon, Dunshee, McCoy, Finn, Jacks, Reykdal, Tharinger, Frockt, Billig, Hunt, Kenney, Stanford, Ryu and Seaquist)

AN ACT Relating to requirements under the state's oil spill program; amending RCW 88.46.060, 88.46.100, 88.46.090, 90.48.366, and 90.56.370; reenacting and amending RCW 88.46.010; adding new sections to chapter 88.46 RCW; creating new sections; prescribing penalties; and providing expiration dates.

Referred to Committee on Natural Resources & Marine Waters.

SHB 1218 by House Committee on Judiciary (originally sponsored by Representatives Goodman and Rodne)

AN ACT Relating to making technical corrections to the Revised Code of Washington; amending RCW 13.32A.082, 18.51.070, and 35.21.217; reenacting and amending RCW 28B.67.020 and 46.61.350; reenacting RCW 39.94.040; providing an effective date; and providing an expiration date.

Referred to Committee on Judiciary.

SHB 1254 by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Lytton, Blake, Takko, Van De Wege, Ladenburg and Rolfes)

AN ACT Relating to the institute of forest resources; amending RCW 76.44.020, 76.44.030, and 76.44.050; adding new sections to chapter 76.44 RCW; and creating a new section.

Referred to Committee on Natural Resources & Marine Waters.

E2SHB 1267 by House Committee on General Government Appropriations & Oversight (originally sponsored by Representatives Pedersen, Walsh, Jinkins, Eddy, Roberts, Kagi, Sullivan, Van De Wege, Hurst, Goodman, Orwall, Moeller, Kirby, Frockt, Carlyle, Liias, Kenney, Clibborn, Seaquist, Blake, Hudgins, Fitzgibbon, Darneille, Dunshee, Morris, Takko, Pettigrew, Finn, Billig, Hunter, Cody, Dickerson, Stanford, Springer, Reykdal, Haigh, Rolfes, Sells, Jacks, Appleton, Hunt, Maxwell, Ryu, Ormsby, Ladenburg, McCoy, Santos, Lytton, Moscoso, Upthegrove, Green, Hasegawa and Tharinger)

AN ACT Relating to clarifying and expanding the rights and obligations of state registered domestic partners and other couples related to parentage; amending RCW 26.26.011, 26.26.021, 26.26.041, 26.26.051, 26.26.101, 26.26.106, 26.26.111, 26.26.116, 26.26.130, 26.26.150, 26.26.300, 26.26.305, 26.26.310, 26.26.315, 26.26.320, 26.26.330, 26.26.335, 26.26.340, 26.26.360, 26.26.375, 26.26.400, 26.26.405, 26.26.410, 26.26.420, 26.26.425, 26.26.430, 26.26.435, 26.26.445, 26.26.505, 26.26.510, 26.26.525,

26.26.530, 26.26.535, 26.26.540, 26.26.545, 26.26.550, 26.26.555, 26.26.570, 26.26.575, 26.26.585, 26.26.590, 26.26.600, 26.26.620, 26.26.625, 26.26.630, 26.26.700, 26.26.705, 26.26.710, 26.26.715, 26.26.720, 26.26.725, 26.26.730, 26.26.735, 26.26.740, 26.26.903, 26.26.911, 9A.64.030, and 26.26.220; adding new sections to chapter 26.26 RCW; creating new sections; and repealing RCW 26.26.210, 26.26.230, 26.26.240, 26.26.250, and 26.26.260.

Referred to Committee on Government Operations, Tribal Relations & Elections.

SHB 1294 by House Committee on Environment (originally sponsored by Representatives Tharinger, Warnick, Seaquist, Finn, Smith, Upthegrove, Springer, Dunshee, Orcutt, Hudgins, Reykdal, Rolfes, Hunt, Moscoso, Green, McCoy, Morris, Frockt, Ryu, Jinkins, Fitzgibbon, Sells, Blake, Appleton, Liias, Maxwell, Kenney, Carlyle, Hope and Billig)

AN ACT Relating to establishing the Puget Sound corps while reforming the state's conservation corps programs; amending RCW 43.220.020, 43.220.060, 43.220.070, 43.220.170, 43.220.231, 43.220.250, 43.60A.152, and 79A.05.545; reenacting and amending RCW 43.220.040 and 77.85.130; adding new sections to chapter 43.220 RCW; adding a new section to chapter 43.30 RCW; adding a new section to chapter 77.12 RCW; creating new sections; and repealing RCW 43.220.010, 43.220.030, 43.220.080, 43.220.090, 43.220.120, 43.220.130, 43.220.160, 43.220.180, 43.220.190, 43.220.210, 79A.05.500, 79A.05.505, 79A.05.510, 79A.05.515, 79A.05.520, 79A.05.525, 79A.05.530, 79A.05.535, and 79A.05.540.

Referred to Committee on Natural Resources & Marine Waters.

HB 1340 by Representatives Kretz, McCune, Johnson and Warnick

AN ACT Relating to unlawful hunting of big game; and amending RCW 77.15.410.

Referred to Committee on Natural Resources & Marine Waters.

HB 1395 by Representatives Dunshee, Chandler, Blake, Van De Wege, Tharinger, Rolfes, Hinkle, Fitzgibbon, Dickerson, Stanford and Reykdal

AN ACT Relating to eliminating expiration dates for the derelict vessel and invasive species removal fee; and amending RCW 88.02.640 and 43.21A.667, 43.43.400, and 77.12.879.

Referred to Committee on Natural Resources & Marine Waters.

SHB 1402 by House Committee on State Government & Tribal Affairs (originally sponsored by Representatives Upthegrove and Orwall)

AN ACT Relating to social card games in an area annexed by a city or town that allowed a house-banked social card game business to continue operating under RCW 9.46.295; and amending RCW 9.46.295.

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Referred to Committee on Labor, Commerce & Consumer Protection.

HB 1413 by Representatives Blake, Chandler, Tharinger and Hinkle

AN ACT Relating to the expiration date of the invasive species council and account; amending RCW 79A.25.310 and 79A.25.370; creating a new section; repealing 2007 c 241 s 75 (uncodified); repealing 2006 c 152 s 10 (uncodified); and providing an expiration date.

Referred to Committee on Natural Resources & Marine Waters.

HB 1419 by Representatives Kagi, Roberts and Dickerson

AN ACT Relating to allowing the department of early learning and the department of social and health services to share background check information; and amending RCW 43.20A.710, 43.43.837, 43.215.200, and 43.215.215.

Referred to Committee on Human Services & Corrections.

HB 1477 by Representatives Schmick, Sells, Springer, Haler, Roberts and Kenney

AN ACT Relating to the authority to offer educational specialist degrees; and adding a new section to chapter 28B.35 RCW.

Referred to Committee on Higher Education & Workforce Development.

ESHB 1489 by House Committee on Environment (originally sponsored by Representatives Billig, Morris, Frockt, Carlyle, Crouse, Ryu, Finn, Jinkins, Fitzgibbon, Tharinger, Rolfes, Liias, Moscoso, Stanford, Dunshee, Pettigrew, Ladenburg, Ormsby, Van De Wege, Moeller, Hunt, Pedersen, Maxwell, Roberts, Reykdal, Kagi, Darneille, Clibborn, Jacks and Kenney)

AN ACT Relating to protecting water quality through restrictions on fertilizer containing phosphorus; amending RCW 15.54.270, 15.54.470, and 15.54.474; adding a new section to chapter 15.54 RCW; creating a new section; and providing an effective date.

Referred to Committee on Environment, Water & Energy.

SHB 1506 by House Committee on Judiciary (originally sponsored by Representatives Chandler, Takko and Johnson)

AN ACT Relating to fire suppression efforts and capabilities on unprotected land outside a fire protection jurisdiction; reenacting and amending RCW 64.06.015 and 64.06.020; adding a new section to chapter 52.12 RCW; and adding a new section to chapter 4.24 RCW.

Referred to Committee on Government Operations, Tribal Relations & Elections.

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SHB 1543 by House Committee on Transportation (originally sponsored by Representatives Rolfes, Frockt, Anderson and Kirby)

AN ACT Relating to limiting the issuance of motorcycle instruction permits; and amending RCW 46.20.510.

Referred to Committee on Transportation.

SHB 1549 by House Committee on Early Learning & Human Services (originally sponsored by Representatives Dahlquist, Armstrong, Hurst, Pearson, Hope, Moscoso, Dammeier, Anderson, Wilcox, McCune, Kelley and Smith)

AN ACT Relating to notification to schools regarding the release of certain offenders; and adding a new section to chapter 72.09 RCW.

Referred to Committee on Human Services & Corrections.

SHB 1564 by House Committee on Judiciary (originally sponsored by Representatives Kenney, Cody, Kagi and Moscoso)

AN ACT Relating to the right to control the disposition of human remains; and amending RCW 68.50.160.

Referred to Committee on Judiciary.

HB 1582 by Representatives Lytton, Morris, Chandler, Blake, Wilcox, Orcutt, Tharinger, Hinkle, McCune, Pearson and Van De Wege

AN ACT Relating to forest practices applications leading to conversion of land for development purposes; and amending RCW 76.09.050, 76.09.240, and 43.21C.037.

Referred to Committee on Natural Resources & Marine Waters.

HB 1594 by Representatives Santos and Anderson

AN ACT Relating to the membership and work of the financial education public-private partnership; and amending RCW 28A.300.450 and 28A.300.462.

Referred to Committee on Early Learning & K-12 Education.

SHB 1595 by House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Appleton and Green)

AN ACT Relating to graduates of foreign medical schools; and amending RCW 18.71.051.

Referred to Committee on Health & Long-Term Care.

HB 1613 by Representatives Warnick and Reykdal

AN ACT Relating to providing eyeglasses for medicaid enrollees; and amending RCW 72.09.100.

Referred to Committee on Human Services & Corrections.

SHB 1614 by House Committee on Early Learning & Human Services (originally sponsored by Representatives

Dickerson, Rodne, Hope, Goodman, Walsh, Roberts, Green, McCoy, Blake, Kagi, Dunshee, Springer, Appleton, Seaquist, Johnson, Jinkins, Liias, Kelley, Rolfes, Maxwell, Van De Wege and Kenney)

AN ACT Relating to the traumatic brain injury strategic partnership; and amending RCW 74.31.005, 74.31.020, 74.31.030, 74.31.040, 74.31.050, and 74.31.060.

Referred to Committee on Health & Long-Term Care.

HB 1618 by Representatives Sells, Crouse, Dunshee, McCoy, Liias, Kristiansen and Pearson

AN ACT Relating to public utility districts and deferred compensation and supplemental savings plans; amending RCW 54.04.050; and creating a new section.

Referred to Committee on Government Operations, Tribal Relations & Elections.

SHB 1621 by House Committee on Early Learning & Human Services (originally sponsored by Representatives Orwall, Kagi and Maxwell)

AN ACT Relating to technical corrections to department of early learning statutes; and amending RCW 43.215.532 and 43.215.555.

Referred to Committee on Early Learning & K-12 Education.

HB 1677 by Representatives Reykdal, Sells, Hunt, Green, Ormsby, Kenney and Roberts

AN ACT Relating to changing the certified and registered mail requirements of the department of labor and industries and employment security department; and amending RCW 18.27.060, 18.27.230, 18.27.370, 18.106.100, 18.106.180, 19.28.131, 19.28.271, 19.28.341, 19.28.490, 43.22.435, 43.22A.080, 43.22A.130, 49.17.140, 49.26.110, 49.40.060, 49.48.083, 50.20.190, 50.24.070, 50.24.110, 50.24.115, 70.79.320, 70.87.125, 70.87.185, and 70.87.205.

Referred to Committee on Labor, Commerce & Consumer Protection.

HB 1698 by Representatives Lytton, Morris, Van De Wege, Blake and Liias

AN ACT Relating to recreational fishing opportunities; amending RCW 77.105.005, 77.105.020, 77.105.030, 77.105.050, and 77.105.160; adding a new section to chapter 77.105 RCW; and repealing RCW 77.105.040, 77.105.060, 77.105.070, 77.105.080, 77.105.090, 77.105.100, 77.105.110, 77.105.120, and 77.105.130.

Referred to Committee on Natural Resources & Marine Waters.

ESHB 1721 by House Committee on Environment (originally sponsored by Representatives Frockt, Kenney, Roberts, Fitzgibbon and Stanford)

AN ACT Relating to preventing storm water pollution from coal tar sealants; and adding a new chapter to Title 70 RCW.

Referred to Committee on Environment, Water & Energy.

HB 1833 by Representatives Finn and Rolfes

AN ACT Relating to motorcycle safety; and amending RCW 46.20.520.

Referred to Committee on Transportation.

ESHB 1886 by House Committee on Local Government (originally sponsored by Representatives Takko, Angel, Bailey and Tharinger)

AN ACT Relating to implementing recommendations developed in accordance with Substitute Senate Bill No. 5248, chapter 353, Laws of 2007; amending RCW 36.70A.280; reenacting and amending RCW 36.70A.130; adding new sections to chapter 36.70A RCW; and creating a new section.

Referred to Committee on Agriculture & Rural Economic Development.

HB 1926 by Representatives Kenney, Ormsby, Finn, Hasegawa, Ryu, Pettigrew and Liias

AN ACT Relating to using a web-based business services system; and amending RCW 43.330.060, 43.330.080, and 43.330.082.

Referred to Committee on Economic Development, Trade & Innovation.

#### MOTION

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

#### MOTION

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

#### SECOND READING

#### CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

#### MOTION

Senator Hatfield moved that Gubernatorial Appointment No. 9002, Max Anderson, as a member of the Board of Trustees, Lower Columbia Community College District No. 13, be confirmed.

Senator Hatfield spoke in favor of the motion.

#### APPOINTMENT OF MAX ANDERSON

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9002, Max Anderson as a member of the Board of Trustees, Lower Columbia Community College District No. 13.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9002, Max Anderson as a member of the Board of Trustees, Lower Columbia Community

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College District No. 13 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Absent: Senator Hewitt

Gubernatorial Appointment No. 9002, Max Anderson, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Lower Columbia Community College District No. 13.

MOTION

On motion of Senator Eide, Senator Hewitt was excused.

SECOND READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Regala moved that Gubernatorial Appointment No. 9028, Elizabeth Dunbar, as a member of the Board of Trustees, Tacoma Community college District No. 22, be confirmed.

Senator Regala spoke in favor of the motion.

APPOINTMENT OF ELIZABETH DUNBAR

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9028, Elizabeth Dunbar as a member of the Board of Trustees, Tacoma Community college District No. 22.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9028, Elizabeth Dunbar as a member of the Board of Trustees, Tacoma Community college District No. 22 and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Gubernatorial Appointment No. 9028, Elizabeth Dunbar, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Tacoma Community college District No. 22.

SECOND READING

SENATE BILL NO. 5278, by Senators Holmquist Newbry and King

Addressing information contained in rate notices under the industrial insurance laws.

The measure was read the second time.

MOTION

On motion of Senator Holmquist Newbry, the rules were suspended, Senate Bill No. 5278 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Baxter and Kohl-Welles spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5278.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5278 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SENATE BILL NO. 5278, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Schoesler: "Mr. President, I heard voices from the past from the desk of the gentleman from the Fourth District. Somehow it's as if Bob McCaslin never left. I can tell that the gentleman sitting in that desk, like Bob, is short, like Bob is follically challenged, like Bob, has never voted for a tax and probably never will and he seems to be reluctant to vote for fees. So, it is as if Bob has never left. The reference to Old Spice dates the desk as still being Bob and Bob's district is still at the desk. The only hope I have today Mr. President is that the gentleman seated in Bob's desk isn't looking for dates like Senator McCaslin was."

PERSONAL PRIVILEGE

Senator Brown: "Thank you Mr. President. Well, Senator I couldn't disagree with you more. I really don't believe that our new senator is going to be able to fill the shoes of the honorable-serving Senator Bob McCaslin. And one, as you mentioned, one very important reason, number one, you haven't asked me to marry you yet. Second I want to make some observations, our districts are neighboring districts and your district is a very attractive place. I have to say I ride my bike on the Centennial Trail, through your district there's the lovely Liberty Lake and the beautiful Newman Lake where I had a cabin at one point. In fact, I like your district so much that I recently spoken to the new member for, appointed by me, to the Redistricting Commission and we've decided to redistrict you into Idaho. Thank you."

PERSONAL PRIVILEGE

Senator Carrell: "Well, the new Senator from the Fourth District sits right next to me on several committees and he's asked me for advice on what should I do and this and that and I thought I had him going on the right track when I saw this bill today. Now

this is the guy that said, 'I can't be voting for taxes' and, 'I don't want to do regulations.' And here's a bill all about regulation and taxes. I'm beginning to wonder if he is so quickly gone to the dark side? So, I guess I need to counsel him a little bit more before he rashly approves a bill like this. Welcome to the senate."

#### PERSONAL PRIVILEGE

Senator Baxter: "I would like to express my gratitude and appreciation for the members of this body and welcoming me to the legislature. It's truly an honor and privilege to occupy the seat of the Washington State Senate."

#### REMARKS BY THE PRESIDENT

President Owen: "Senator Baxter, the President must inform you, it is not allowed to read on the floor of the Senate."

#### PERSONAL PRIVILEGE

Senator Baxter: "Mr. President, may I have permission to read on the floor of the senate?"

#### REPLY BY THE PRESIDENT

President Owen: "If there are no objections."

#### PERSONAL PRIVILEGE

Senator Baxter: "As a tradition in the Senate I am happy to present you with some gifts from the district that you will all enjoy. Among the gifts in your bag which we delivered to your desks you'll find several gifts from Comcast. As you may know they are a major employer in Spokane but the Company and its Foundation are also vital members of Eastern Washington's Fourth District. The Comcast Foundation has been instrumental in helping groups like the Boys and Girls Clubs bridge the gap of technology facing some of our disadvantaged kids today. Also included in your gift bag is a pound of Zags blend coffee. Just like our Gonzaga Bulldogs this is sure to please the most loyal Starbucks addict. In 2006 the students of Gonzaga chose Cravens Coffee as their brand of choice, so please enjoy. Last but not least you'll receive your own Bumble bar. It's a great tasting all natural gluten free energy bar and I'm sure you'll enjoy the taste. Some of you know I own three businesses myself and would like to tell you the story of this great product. It's one of the truly great American success stories. Started by a mom in her own kitchen, the company now ships around the world from the Fourth District. Owners Liz and Glenn Ward provide excellent jobs at a living wage and buy most of their ingredients from local producers. They're committed to strengthening our local community. In the last year alone they have donated thousands of bars to numerous local and national charity events. I hope you enjoy these gifts from some of our local clients in my district. I hope that we will be able to work together to improve the chance for businesses like these will be able to stay in our state and provide the jobs our economy depends on and no, there's no Old Spice."

#### INTRODUCTION OF SPECIAL GUEST

The President welcomed and introduced the wife of Senator Baxter, Diane, who was seated in the gallery.

#### SECOND READING

SENATE BILL NO. 5025, by Senators Hargrove, Becker, Sheldon, Litzow, Haugen, Carrell, White, King, Honeyford, Shin, Kilmer, Regala, Parlette, Conway, Tom, Rockefeller, Roach and Holmquist Newbry

Concerning making requests by or on behalf of an inmate under the public records act ineligible for penalties.

#### MOTIONS

On motion of Senator Hargrove, Substitute Senate Bill No. 5025 was substituted for Senate Bill No. 5025 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Hargrove, the rules were suspended, Substitute Senate Bill No. 5025 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hargrove and Stevens spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5025.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5025 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

Voting yea: Senators Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senators Baumgartner, Fain, Hill and Litzow

SUBSTITUTE SENATE BILL NO. 5025, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5417, by Senators Becker, Swecker, Benton, Stevens, Delvin, Honeyford, Sheldon, Hatfield, Hobbs, Shin, Roach and Kline

Allowing for the distribution of legislators' contact cards, newsletters, government guides, or similar printed materials produced with legislative resources in certain circumstances.

#### MOTIONS

On motion of Senator Pridemore, Substitute Senate Bill No. 5417 was substituted for Senate Bill No. 5417 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Pridemore, the rules were suspended, Substitute Senate Bill No. 5417 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Becker and Pridemore spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5417.

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## ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5417 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE SENATE BILL NO. 5417, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

SENATE BILL NO. 5371, by Senators Keiser and Conway

Addressing the needs for health insurance coverage for persons under age nineteen.

## MOTION

On motion of Senator Keiser, Substitute Senate Bill No. 5371 was substituted for Senate Bill No. 5371 and the substitute bill was placed on the second reading and read the second time.

## MOTION

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

On page 8, line 25, after "nineteen" insert "applying for coverage as allowed by section 4(1) of this act or"

On page 8, beginning on line 27, after "(P.L. 111-148)" strike everything through "period." on line 31 and insert "that is not a grandfathered health plan in the individual market, a carrier must not impose a preexisting condition exclusion or waiting period or other limitations on benefits or enrollment due to a preexisting condition."

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

The President declared the question before the Senate to be the adoption of the amendment by Senators Keiser and Becker on page 8, line 25 to Substitute Senate Bill No. 5371.

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

## MOTION

On motion of Senator Keiser, the rules were suspended, Engrossed Substitute Senate Bill No. 5371 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Keiser spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5371.

## ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5371 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Tom, White and Zarelli

Voting nay: Senator Swecker

ENGROSSED SUBSTITUTE SENATE BILL NO. 5371, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

SENATE BILL NO. 5035, by Senators Shin, Honeyford and Kohl-Welles

Requiring landlords to provide tenants with written receipts upon request under the manufactured/mobile home landlord-tenant act.

The measure was read the second time.

## MOTION

On motion of Senator Shin, the rules were suspended, Senate Bill No. 5035 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Shin spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5035.

## ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5035 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senator Holmquist Newbry

SENATE BILL NO. 5035, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

SENATE BILL NO. 5495, by Senators Kohl-Welles and Pflug

Addressing shareholder quorum and voting requirements under the Washington business corporation act. Revised for 1st

Substitute: Concerning shareholder quorum and voting requirements under the Washington business corporation act.

#### MOTIONS

On motion of Senator Kohl-Welles, Substitute Senate Bill No. 5495 was substituted for Senate Bill No. 5495 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Kohl-Welles, the rules were suspended, Substitute Senate Bill No. 5495 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Kohl-Welles and Pflug spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5495.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5495 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE SENATE BILL NO. 5495, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

At 11:10 a.m., on motion of Senator Eide, the Senate was declared to be at ease subject to the call of the President.

#### AFTERNOON SESSION

The Senate was called to order at 1:40 p.m. by President Owen.

#### MOTION

On motion of Senator Honeyford, Senator Zarelli was excused.

#### MOTION

On motion of Senator Ericksen, Senator Hewitt was excused.

#### SECOND READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

#### MOTION

Senator Prentice moved that Gubernatorial Appointment No. 9004, Sherry Armijo, as a member of the Board of Trustees, Columbia Basin Community College District No. 19, be confirmed.

Senator Prentice spoke in favor of the motion.

#### APPOINTMENT OF SHERRY ARMIJO

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9004, Sherry Armijo as a member of the Board of Trustees, Columbia Basin Community College District No. 19.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9004, Sherry Armijo as a member of the Board of Trustees, Columbia Basin Community College District No. 19 and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom and White

Excused: Senators Hewitt and Zarelli

Gubernatorial Appointment No. 9004, Sherry Armijo, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Columbia Basin Community College District No. 19.

#### SECOND READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

#### MOTION

Senator Ranker moved that Gubernatorial Appointment No. 9031, Ramiro Espinoza, as a member of the Board of Trustees, Western Washington University, be confirmed.

Senator Ranker spoke in favor of the motion.

#### APPOINTMENT OF RAMIRO ESPINOZA

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9031, Ramiro Espinoza as a member of the Board of Trustees, Western Washington University.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9031, Ramiro Espinoza as a member of the Board of Trustees, Western Washington University and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom and White

Excused: Senators Hewitt and Zarelli

Gubernatorial Appointment No. 9031, Ramiro Espinoza, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Western Washington University.

#### SECOND READING



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SENATE BILL NO. 5154, by Senators Harper, Kline, Pflug, Hobbs, Ericksen, Rockefeller, Nelson and Roach

Modifying vehicle prowling provisions.

#### MOTIONS

On motion of Senator Harper, Substitute Senate Bill No. 5154 was substituted for Senate Bill No. 5154 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Harper, the rules were suspended, Substitute Senate Bill No. 5154 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Harper spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5154.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5154 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE SENATE BILL NO. 5154, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5011, by Senators White, Kohl-Welles, Murray, Chase, Nelson and McAuliffe

Concerning the victimization of homeless persons.

The measure was read the second time.

#### MOTION

On motion of Senator White, the rules were suspended, Senate Bill No. 5011 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator White spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5011.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5011 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs,

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Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SENATE BILL NO. 5011, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5116, by Senators Swecker, Hatfield and Parlette

Concerning public health district authority as it relates to gifts, grants, conveyances, bequests, and devises of real or personal property.

The measure was read the second time.

#### MOTION

On motion of Senator Swecker, the rules were suspended, Senate Bill No. 5116 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Swecker, Pridemore and Roach spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5116.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5116 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SENATE BILL NO. 5116, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE JOINT MEMORIAL NO. 8004, by Senators Parlette, Nelson, Tom, Zarelli, Fraser, Hewitt, Kline, Hatfield, Murray and Shin

Requesting the reestablishment of the road leading to the upper Stehekin Valley within the North Cascades National Park.

#### MOTIONS

On motion of Senator Parlette, Substitute Senate Joint Memorial No. 8004 was substituted for Senate Joint Memorial No. 8004 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Parlette, the rules were suspended, Substitute Senate Joint Memorial No. 8004 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Parlette spoke in favor of passage of the memorial.

The President declared the question before the Senate to be the final passage of Substitute Senate Joint Memorial No. 8004.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Joint Memorial No. 8004 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE SENATE JOINT MEMORIAL NO. 8004, having received the constitutional majority, was declared passed.

#### SECOND READING

SENATE BILL NO. 5526, by Senators Regala, Delvin, Eide, Zarelli, Murray, Pridemore, Holmquist Newbry, Morton, Hewitt, Chase, Honeyford, Fraser and McAuliffe

Concerning incentives for sterling converters.

The measure was read the second time.

#### MOTION

On motion of Senator Regala, the rules were suspended, Senate Bill No. 5526 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Regala spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Ericksen, Senator Litzow was excused.

#### MOTION

On motion of Senator Eide, Senator McAuliffe was excused.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5526.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5526 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller,

Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Excused: Senators Litzow and McAuliffe

SENATE BILL NO. 5526, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

At 2:22 p.m., on motion of Senator Eide, the Senate was declared to be at ease for the purpose of caucuses.

The Senate was called to order at 4:18 p.m. by President Owen.

#### SECOND READING

SENATE BILL NO. 5083, by Senators Ranker, Kilmer, Swecker, Hobbs, Holmquist Newbry, Zarelli, Hargrove, Eide, Harper, Tom, Honeyford, White, Parlette, Ericksen, Shin, Hewitt, Sheldon, Roach and Benton

Clarifying that the basis for business and occupation tax for real estate firms is the commission amount received by each real estate firm involved in a transaction.

The measure was read the second time.

#### MOTION

On motion of Senator Ranker, the rules were suspended, Senate Bill No. 5083 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Ranker and Benton spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5083.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5083 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Absent: Senator Brown

SENATE BILL NO. 5083, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

On motion of Senator Eide, Senator Brown was excused.

#### SECOND READING

SENATE BILL NO. 5531, by Senators King, Prentice, Keiser and Shin

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Reimbursing counties for providing judicial services involving mental health commitments.

## MOTIONS

On motion of Senator King, Substitute Senate Bill No. 5531 was substituted for Senate Bill No. 5531 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator King, the rules were suspended, Substitute Senate Bill No. 5531 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

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

## MOTION

On motion of Senator Eide, Senator Rockefeller was excused.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5531.

## ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5531 and the bill passed the Senate by the following vote: Yeas, 43; Nays, 5; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Carrell, Chase, Delvin, Eide, Erickson, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senators Conway, Holmquist Newbry, Kastama, Kilmer and Regala

Excused: Senator Brown

SUBSTITUTE SENATE BILL NO. 5531, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

SENATE BILL NO. 5097, by Senators Delvin, Kohl-Welles, McAuliffe and Chase

Concerning juveniles with developmental disabilities who are in correctional detention centers, juvenile correction institutions or facilities, and jails.

## MOTIONS

On motion of Senator Delvin, Substitute Senate Bill No. 5097 was substituted for Senate Bill No. 5097 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Delvin, the rules were suspended, Substitute Senate Bill No. 5097 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Delvin spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5097.

## ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5097 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Erickson, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE SENATE BILL NO. 5097, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

SENATE BILL NO. 5364, by Senators Swecker, Pridemore, Fraser, Nelson, Honeyford, Shin and Morton

Concerning public water system operating permits.

## MOTIONS

On motion of Senator Swecker, Substitute Senate Bill No. 5364 was substituted for Senate Bill No. 5364 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Swecker, the rules were suspended, Substitute Senate Bill No. 5364 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Swecker spoke in favor of passage of the bill.

## POINT OF INQUIRY

Senator Benton: "Would Senator Swecker yield to a question? Can you tell me Senator I read in this bill, there is no specific fee in the bill so the way I read it is we're giving the agency the ability and the authority to set the fee based on what it cost to administer the program?"

Senator Swecker: "Yes, that's correct and it allows us to come back as a legislative body and approve that fee. Doesn't preclude us from doing that."

Senator Benton: "Does it require legislative approval?"

Senator Swecker: "I don't believe it does."

Senators Benton, Honeyford, Sheldon, Roach and Pflug spoke against passage of the bill.

Senators Rockefeller and Nelson spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5364.

## ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5364 and the bill passed the Senate by the following vote: Yeas, 28; Nays, 21; Absent, 0; Excused, 0.

Voting yea: Senators Brown, Chase, Conway, Eide, Fraser, Hargrove, Harper, Hatfield, Haugen, Hobbs, Kastama, Keiser, Kilmer, Kline, Kohl-Welles, Litzow, McAuliffe, Murray, Nelson, Prentice, Pridemore, Ranker, Regala, Rockefeller, Shin, Swecker, Tom and White

Voting nay: Senators Baumgartner, Baxter, Becker, Benton, Carrell, Delvin, Ericksen, Fain, Hewitt, Hill, Holmquist Newbry, Honeyford, King, Morton, Parlette, Pflug, Roach, Schoesler, Sheldon, Stevens and Zarelli

SUBSTITUTE SENATE BILL NO. 5364, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

At 4:54 p.m., on motion of Senator Eide, the Senate was recessed until 7:00 pm.

#### EVENING SESSION

The Senate was called to order at 7:00 p.m. by President Owen.

#### SECOND READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

#### MOTION

Senator Pridemore moved that Gubernatorial Appointment No. 9019, Denise Colley, as a member of the Board of Trustees, State School for the Blind, be confirmed.

Senator Pridemore spoke in favor of the motion.

#### MOTION

On motion of Senator Fain, Senators Baumgartner, Delvin, Ericksen, Hewitt, Schoesler and Zarelli were excused.

#### APPOINTMENT OF DENISE COLLEY

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9019, Denise Colley as a member of the Board of Trustees, State School for the Blind.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9019, Denise Colley as a member of the Board of Trustees, State School for the Blind and the appointment was confirmed by the following vote: Yeas, 45; Nays, 0; Absent, 1; Excused, 3.

Voting yea: Senators Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom and White

Absent: Senator Kline

Excused: Senators Baumgartner, Hewitt and Zarelli

Gubernatorial Appointment No. 9019, Denise Colley, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, State School for the Blind.

#### SECOND READING

SENATE BILL NO. 5428, by Senators McAuliffe, Harper, Hargrove, Stevens, Zarelli, Pridemore, Shin and Roach

Requiring notification to schools regarding the release of certain offenders.

#### MOTIONS

On motion of Senator McAuliffe, Substitute Senate Bill No. 5428 was substituted for Senate Bill No. 5428 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator McAuliffe, the rules were suspended, Substitute Senate Bill No. 5428 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

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

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5428.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5428 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE SENATE BILL NO. 5428, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5584, by Senators Harper, Kohl-Welles and Kline

Concerning the conforming of apprenticeship program standards to federal labor standards.

The measure was read the second time.

#### MOTION

On motion of Senator Harper, the rules were suspended, Senate Bill No. 5584 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Harper spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5584.

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ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5584 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SENATE BILL NO. 5584, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5080, by Senators Sheldon, Rockefeller, Shin and Chase

Reducing water pollution by replacing or repairing failing on-site sewage systems or connecting failing on-site sewage systems to a sewerage system.

The measure was read the second time.

MOTION

On motion of Senator Sheldon, the rules were suspended, Senate Bill No. 5080 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Sheldon spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5080.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5080 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SENATE BILL NO. 5080, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5708, by Senator Keiser

Creating flexibility in the delivery of long-term care services.

MOTION

On motion of Senator Keiser, Substitute Senate Bill No. 5708 was substituted for Senate Bill No. 5708 and the substitute bill was placed on the second reading and read the second time.

MOTION

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

Beginning on page 6, line 33, strike all of sections 6 and 7 and insert the following:

"Sec. 6. RCW 70.127.040 and 2003 c 275 s 3 and 2003 c 140 s 8 are each reenacted and amended to read as follows:

The following are not subject to regulation for the purposes of this chapter:

(1) A family member providing home health, hospice, or home care services;

(2) A person who provides only meal services in an individual's permanent or temporary residence;

(3) An individual providing home care through a direct agreement with a recipient of care in an individual's permanent or temporary residence;

(4) A person furnishing or delivering home medical supplies or equipment that does not involve the provision of services beyond those necessary to deliver, set up, and monitor the proper functioning of the equipment and educate the user on its proper use;

(5) A person who provides services through a contract with a licensed agency;

(6) An employee or volunteer of a licensed agency who provides services only as an employee or volunteer;

(7) Facilities and institutions, including but not limited to nursing homes under chapter 18.51 RCW, hospitals under chapter 70.41 RCW, adult family homes under chapter 70.128 RCW, boarding homes under chapter 18.20 RCW, developmental disability residential programs under chapter 71A.12 RCW, other entities licensed under chapter 71.12 RCW, or other licensed facilities and institutions, only when providing services to persons residing within the facility or institution;

(8) Local and combined city-county health departments providing services under chapters 70.05 and 70.08 RCW;

(9) An individual providing care to ill ~~individuals~~, ~~((disabled))~~ individuals with disabilities, or vulnerable individuals through a contract with the department of social and health services;

(10) Nursing homes, hospitals, or other institutions, agencies, organizations, or persons that contract with licensed home health, hospice, or home care agencies for the delivery of services;

(11) In-home assessments of an ill ~~individual~~, ~~((disabled))~~ an individual with a disability, or a vulnerable individual that does not result in regular ongoing care at home;

(12) Services conducted by and for the adherents of a church or religious denomination that rely upon spiritual means alone through prayer for healing in accordance with the tenets and practices of such church or religious denomination and the bona fide religious beliefs genuinely held by such adherents;

(13) A medicare-approved dialysis center operating a medicare-approved home dialysis program;

(14) A person providing case management services. For the purposes of this subsection, "case management" means the assessment, coordination, authorization, planning, training, and monitoring of home health, hospice, and home care, and does not include the direct provision of care to an individual;

(15) Pharmacies licensed under RCW 18.64.043 that deliver prescription drugs and durable medical equipment that does not involve the use of professional services beyond those authorized to be performed by licensed pharmacists pursuant to chapter 18.64 RCW and those necessary to set up and monitor the proper

functioning of the equipment and educate the person on its proper use;

(16) A volunteer hospice complying with the requirements of RCW 70.127.050; ~~(and)~~

(17) A person who provides home care services without compensation; and

(18) Nursing homes that provide telephone or web-based transitional care management services.

**NEW SECTION. Sec. 7.** A new section is added to chapter 74.42 RCW to read as follows:

(1) Nursing facilities may provide telephone or web-based transitional care management services to persons discharged from the facility to home for up to thirty days postdischarge.

(2) When a nursing facility provides transitional care management services, the facility must coordinate postdischarge care and service needs with in-home agencies licensed under chapter 70.127 RCW, and other authorized care providers, to promote evidence-based transition care planning. In-home service agencies and other authorized care providers, including the department, shall, when appropriate, determine resident eligibility for postdischarge care and services and coordinate with nursing facilities to plan a safe transition of the client to the home setting. When a resident is discharged to home and is without in-home care or services due to the resident's refusal of care or their ineligibility for care, the nursing facility may provide telephone or web-based transitional care management services. These services may include care coordination services, review of the discharge plan, instructions to promote compliance with the discharge plan, reminders or assistance with scheduling follow-up appointments with other health care professionals consistent with the discharge plan, and promotion of self-management of the client's health condition. Web-based transition care services may include patient education and the provision of services described in this section. They are not intended to include telehealth monitoring.

(3) If the nursing facility identifies concerns in client care that result from telephone or web-based transitional care management services, the nursing facility will notify the client's primary care physician. The nursing facility will also discuss with the client options for care or other services which may include in-home services provided by agencies licensed under chapter 70.127 RCW."

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

The President declared the question before the Senate to be the adoption of the amendment by Senator Keiser and others on page 6, line 33 to Substitute Senate Bill No. 5708.

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

#### MOTION

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

On page 1, line 2 of the title, after "18.20.030," strike "18.52.030, and 70.126.020;" and insert "and 18.52.030; reenacting and amending RCW 70.127.040;"

#### MOTION

On motion of Senator Keiser, the rules were suspended, Engrossed Substitute Senate Bill No. 5708 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Keiser spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5708.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5708 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

ENGROSSED SUBSTITUTE SENATE BILL NO. 5708, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5201, by Senators Hargrove, Swecker, Regala, Fraser and Parlette

Regarding issues that impact the department of fish and wildlife.

#### MOTIONS

On motion of Senator Hargrove, Substitute Senate Bill No. 5201 was substituted for Senate Bill No. 5201 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Hargrove, the rules were suspended, Substitute Senate Bill No. 5201 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hargrove and Morton spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5201.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5201 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE SENATE BILL NO. 5201, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

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On motion of Senator Ranker, Senator Hargrove was excused.

## SECOND READING

SENATE BILL NO. 5445, by Senators Keiser, Pflug, White, Conway and Kline

Establishing a health benefit exchange.

## MOTIONS

On motion of Senator Keiser, Substitute Senate Bill No. 5445 was substituted for Senate Bill No. 5445 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Keiser, the rules were suspended, Substitute Senate Bill No. 5445 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Keiser spoke in favor of passage of the bill.

Senator Becker spoke on final passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5445.

## ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5445 and the bill passed the Senate by the following vote: Yeas, 27; Nays, 22; Absent, 0; Excused, 0.

Voting yea: Senators Becker, Brown, Chase, Conway, Eide, Fraser, Hargrove, Harper, Hatfield, Haugen, Hobbs, Keiser, Kilmer, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Pflug, Prentice, Pridemore, Ranker, Regala, Rockefeller, Shin, Tom and White

Voting nay: Senators Baumgartner, Baxter, Benton, Carrell, Delvin, Ericksen, Fain, Hewitt, Hill, Holmquist Newbry, Honeyford, Kastama, King, Litzow, Morton, Parlette, Roach, Schoesler, Sheldon, Stevens, Swecker and Zarelli

SUBSTITUTE SENATE BILL NO. 5445, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

SENATE BILL NO. 5187, by Senators Becker, Keiser, Hargrove, Stevens and Carrell

Concerning the accountability of mental health professionals employed by an evaluation and treatment facility for communicating with a parent or guardian about the option of parent-initiated mental health treatment.

## MOTIONS

On motion of Senator Regala, Substitute Senate Bill No. 5187 was substituted for Senate Bill No. 5187 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Regala, the rules were suspended, Substitute Senate Bill No. 5187 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Becker spoke in favor of passage of the bill.

## MOTION

On motion of Senator White, Senator Hargrove was excused.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5187.

## ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5187 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Excused: Senator Hargrove

SUBSTITUTE SENATE BILL NO. 5187, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

SENATE BILL NO. 5636, by Senators Haugen, Harper, Shin and Delvin

Concerning the University Center of North Puget Sound.

## MOTIONS

On motion of Senator Haugen, Second Substitute Senate Bill No. 5636 was substituted for Senate Bill No. 5636 and the second substitute bill was placed on the second reading and read the second time.

On motion of Senator Haugen, the rules were suspended, Second Substitute Senate Bill No. 5636 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Haugen and Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5636.

## ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5636 and the bill passed the Senate by the following vote: Yeas, 39; Nays, 9; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Fain, Fraser, Harper, Hatfield, Haugen, Hewitt, Hobbs, Holmquist Newbry, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Regala, Roach, Schoesler, Sheldon, Shin, Stevens, Swecker, White and Zarelli

Voting nay: Senators Ericksen, Hill, Honeyford, Litzow, McAuliffe, Pridemore, Ranker, Rockefeller and Tom

Excused: Senator Hargrove

SECOND SUBSTITUTE SENATE BILL NO. 5636, having received the constitutional majority, was declared passed. There

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

## SECOND READING

SENATE BILL NO. 5764, by Senators Kastama, Chase, Shin, Kilmer, Brown, Conway and McAuliffe

Creating innovate Washington.

The measure was read the second time.

## MOTION

On motion of Senator Kastama, Substitute Senate Bill No. 5764 was not substituted for Senate Bill No. 5764 and the substitute bill was not adopted.

## MOTION

Senator Kastama moved that the following striking amendment by Senators Kastama, Baumgartner and Rockefeller be adopted:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) Innovate Washington is hereby created as a state agency exercising public and essential governmental functions. Innovate Washington is created as the successor to the Washington technology center and the Spokane intercollegiate research and technology institute. Innovate Washington is created to be a collaborative effort between the state's public and private institutions of higher education, private industry, and government and is to be the primary agency responding to the technology transfer needs of existing businesses in the state.

(2) The mission of innovate Washington is to make Washington the best place to develop, build, and deploy innovative products, services, and solutions to serve the world. To carry out this mission, innovate Washington is to: Develop and strengthen academic-industry relationships through research and assistance that is primarily of interest to existing small and medium-sized Washington-based companies; facilitate company growth through early stage financing; and leverage state investments in sector-focused, innovation-based economic development initiatives consistent with the state's economic development strategic plan. Innovate Washington shall:

(a) Provide leading edge collaborative research and technology transfer opportunities to existing state businesses directly and by working with industry associations and innovation partnership zones;

(b) Coordinate its activities with the commercialization and technology transfer activities of the state's research institutions to facilitate research that supports and develops state industries;

(c) Provide methods, systems, and venues for effective interaction and collaboration between the state's technology-based industries and its institutions of higher education;

(d) Provide assistance and support to businesses in:

(i) Securing federal and private funds to support research;

(ii) Developing and integrating technology in new or enhanced products and services; and

(iii) Launching those products and services in sustainable businesses in the state;

(e) Establish programmatic activities that, through partnerships with the private sector, increase the competitiveness of state industries. This may include support provided to firms in innovation partnership zones established under RCW 43.330.270;

(f) Provide opportunities for training undergraduate and graduate students in technology transfer and commercialization processes through direct involvement in research and industry interactions;

(g) Administer technology and innovation grant and loan programs including bridge funding programs for the state's technology sector; and

(h) Emphasize and develop nonstate support of program activities.

(3)(a) Administrative responsibilities for the Washington technology center facilities located on the University of Washington Seattle campus and the Spokane intercollegiate research and technology institute facilities located on the Riverpoint campus operated by Washington State University Spokane are hereby transferred to innovate Washington. The facilities shall be used for purposes consistent with the obligations of innovate Washington under this chapter. As initially established, the University of Washington and Washington State University shall continue to provide the facility support and maintenance for these facilities as required by innovate Washington; however, other institutions of higher education may provide facility support and maintenance subsequently.

(b) The University of Washington, Washington State University, and other institutions of higher education participating in innovate Washington programs shall provide the affiliated staff and faculty participating in these programs at their own expense.

(4) The facilities of innovate Washington shall be made available to any institution of higher education within the state when this would benefit specific program needs consistent with this chapter.

(5) Innovate Washington shall, by December 1, 2012, develop a five-year business plan that must be updated by December 1st of every even-numbered year. The plan must include:

(a) A plan for operating additional facilities at Washington State University Vancouver, Washington State University Tri-Cities, Western Washington University, and such other locations as the innovate Washington board identifies as appropriate;

(b) Identification and specification of activities to be undertaken by those operating each of innovate Washington's facilities in collaboration with innovative programs at the state's community and technical colleges, which must include methods of working with the centers of excellence established under RCW 28B.50.902 to identify businesses that could benefit from innovate Washington services;

(c) The process to be followed, developed in collaboration with impact Washington or any successor manufacturing extension partnership program operating in the state, to ensure that impact Washington clients have ready access to innovate Washington's services when appropriate and that companies being assisted by innovate Washington have ready access to impact Washington's services; and

(d) Mechanisms for outreach to firms operating in the state's innovation partnership zones established under RCW 43.330.270 to ensure such firms benefit from innovate Washington services.

**NEW SECTION. Sec. 2.** (1) The powers of innovate Washington are vested in and shall be exercised by a board of directors consisting of:

(a) The governor of the state of Washington or the governor's designee;

(b) The chairs of the committees in the senate and the house of representatives responsible for economic development issues or their designees;

(c) The president of the University of Washington or the president's designee;

(d) The president of Washington State University or the president's designee;



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(e) The director of the department of commerce or the director's designee; and

(f) Seven members appointed by the governor from among individuals who own or are executives at technology-based and innovative firms that manufacture in the state. The term of office for each board member appointed by the governor shall be three years except, of the initial appointees, two shall be appointed for one year and two shall be appointed for two years. Members of the board may be appointed for additional terms.

(2) The board shall meet at least biannually. The initial meeting of the board must occur before December 31, 2011.

(3) A board member may be removed by the governor for cause under RCW 43.06.070 and 43.06.080. The governor must fill any vacancy on the board by appointment for the remainder of the unexpired term.

(4)(a) The appointed members of the board shall be compensated in accordance with RCW 43.03.240 and may be reimbursed for expenses incurred in the discharge of their duties under this chapter pursuant to RCW 43.03.050 and 43.03.060.

(b) The ex officio members of the board under subsection (1)(a) and (c) through (f) of this section may be reimbursed for expenses incurred in the discharge of their duties under this chapter pursuant to RCW 43.03.050 and 43.03.060.

(c) Legislative members of the board may be reimbursed for expenses incurred in the discharge of their duties under this chapter pursuant to RCW 44.04.120.

(5) A majority of currently serving board members constitutes a quorum.

(6) Meetings of the board shall be held in accordance with the open public meetings act, chapter 42.30 RCW, and at the call of the chair or when a majority of the board members so requests. Meetings of the board may be held at any location within or out of the state, and board members may participate in a meeting of the board by means of a conference telephone or similar communication equipment under RCW 23B.08.200.

(7) The innovate Washington board must:

(a) Develop operating policies for innovate Washington programs;

(b) Appoint, and perform an annual performance review of, an executive director;

(c) Approve an annual operating budget and ensure adequate funding for operations;

(d) Approve a five-year business plan and its updates;

(e) Perform the duties required under chapter 70.210 RCW relating to the investing in innovation program;

(f) Convene representatives of the commercialization and technology transfer offices of private and public research institutions in the state to determine the best methods for:

(i) Integrating existing databases into a single database of in-state technologies and inventions;

(ii) Making the technologies in the integrated database accessible; and

(iii) Promoting the integrated database to entrepreneurs and investors for commercialization and licensing purposes;

(g) Set performance goals for each program or service established; and

(h) Provide a report to the governor and the legislature detailing the fund-raising activities and outcomes, operations, economic impact, and performance of innovate Washington. The report is due by December 1st of every year and the first report is due by December 1, 2012. The report must include measures related to customer satisfaction as well as measures of results derived from assistance provided to businesses, including but not limited to job creation inside and outside of Washington, new product development, new markets opened and other export measures, the

adoption of new production processes, revenue and sales growth, measures that would be included in a balanced scorecard, and such other outcome-based measures as the board determines is appropriate.

(8) The board may:

(a) Make and execute agreements, contracts, and other instruments with any private, public, or nonprofit entity for the performance, operation, administration, implementation, or advancement of any program in accordance with this chapter;

(b) Employ, contract with, or engage staff, counsel, advisors, auditors, other technical or professional assistants, and such other personnel as are necessary or desirable to implement this chapter. Staff support for innovate Washington programs may be provided through cooperative agreements with any public or private institution of higher education;

(c) Solicit and receive gifts, grants, donations, sponsorships, or contributions from any federal, state, or local governmental agency or program or any private source, and expend the same for any purpose consistent with this chapter;

(d) Establish such affiliated organizations, special funds consistent with the provisions of chapter 43.88 RCW, and controls as it finds convenient for the implementation of this chapter;

(e) Create one or more advisory committees;

(f) Adopt rules consistent with this chapter;

(g) Delegate any of its powers and duties if consistent with the purposes of this chapter; and

(h) Exercise any other power reasonably required to implement the purposes of this chapter.

**NEW SECTION. Sec. 3.** (1) To increase participation by Washington state small business innovators in federal small business research programs, innovate Washington shall provide or contract for the provision of a small business innovation assistance program. The program must include a proposal review process and must train and assist Washington small business innovators to win awards from federal small business research programs. The program must collaborate with small business development centers, entrepreneur-in-residence programs, and other appropriate sources of technical assistance to ensure that small business innovators also receive the planning, counseling, and support services necessary to expand their businesses and protect their intellectual property.

(2) In operating the program, innovate Washington must give priority to first-time applicants to the federal small business research programs, new businesses, and firms with fewer than ten employees, and may charge a fee for its services.

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

(a) "Federal small business research programs" means the programs, operating pursuant to the small business innovation development act of 1982, P.L. 97-219, and the small business technology transfer act of 1992, P.L. 102-564, title II, that provide funds to small businesses to conduct research having commercial application.

(b) "Small business" means a corporation, partnership, sole proprietorship, or individual, operating a business for profit, with two hundred fifty employees or fewer, including employees employed in a subsidiary or affiliated corporation, that otherwise meets the requirements of federal small business research programs.

**NEW SECTION. Sec. 4.** The investing in innovation account is created in the custody of the state treasurer. All receipts from fund-raising activities pursuant to section 2 of this act must be deposited into the account. Expenditures from the account may be used only for the purposes of the investing in innovation programs established in chapter 70.210 RCW and any other purpose consistent with this chapter. Only the executive director of innovate Washington or the executive director's designee may

authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**NEW SECTION. Sec. 5.** The Washington clean energy partnership is created as a programmatic activity of innovate Washington. The partnership shall develop, implement, and manage programs and funding initiatives related to expanding the clean energy sector in Washington. The partnership shall coordinate clean energy initiatives and implement the clean energy leadership council's recommendations provided in the Washington state clean energy leadership plan report.

**NEW SECTION. Sec. 6.** (1) The Washington clean energy partnership shall, as funds are available:

(a) Implement the strategy and recommendations of the clean energy leadership council including implementing the first three market-driving initiatives identified by the council in its 2010 report:

(i) Combined energy efficiency, green buildings, and smart grid;

(ii) Renewable energy resource optimization and smart grid deployment; and

(iii) Bioenergy deployment acceleration;

(b) Assess periodically other potential opportunities, such as the production of thermal energy as a clean energy technology, and add market-driving initiatives if justified by comprehensive analysis;

(c) Serve as the primary point of contact and lead entity in the state for developing and coordinating clean energy-related initiatives and funding programs targeted at expanding the clean energy sector;

(d) Secure a minimum of fifty percent nonstate funds for projects undertaken by the partnership, however nonstate funds or moneys that the partnership is directed to manage that have different matching contribution requirements are not subject to this subsection (1)(d);

(e) Use state funding to demonstrate state commitment, serve as a catalyst for attracting matching funding from multiple sources, and stimulate collaborative projects among other purposes;

(f) Work with the public and private utilities, district energy providers, and the utilities and transportation commission to develop recommendations to improve alignment of state investments, policies, and the work of the partnership, with the operations of utilities, including investor-owned utilities regulated by the utilities and transportation commission, however, this subsection does not create a right in any person to challenge a regulatory decision of the utilities and transportation commission;

(g) Work with the legislature to establish a long-term, stable funding strategy appropriate for supporting the partnership;

(h) Track, identify, and create opportunities to attract federal and other nonstate funding, and make recommendations for increasing Washington's success rate in receiving federal and other nonstate funds;

(i) Work with regional public and private utilities to identify a process for understanding and prioritizing their goals and make recommendations for aligning, coordinating, and leveraging the partnership's investments with the needs of regional utilities in ways that help accelerate the growth of clean energy jobs and technology in the region;

(j) Participate fully in federal and other governmental programs and take such actions as are necessary and consistent with this chapter to secure for the partnership and the people of the state the benefits of those programs and to meet their requirements; and

(k) Conduct analyses as necessary to identify and communicate to policymakers the best opportunities for Washington to maintain and expand the clean energy sector in Washington state.

(2) Existing energy policy and regulatory functions of the department of commerce shall remain with the state energy office.

(3) By November 1, 2012, and November 1st biennially thereafter, innovate Washington must submit a report to the legislature and the governor with recommendations on ways to improve policy alignment, streamline regulatory requirements, and remove administrative barriers that limit the growth of the clean energy sector in Washington as well as a discussion of best practices encountered in implementing the market-driving initiatives.

**NEW SECTION. Sec. 7.** The Washington clean energy partnership fund is created in the custody of the state treasurer to receive state and federal funds, grants, private gifts, or contributions to further the purpose of the Washington clean energy partnership. Only the executive director of innovate Washington or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**Sec. 8.** RCW 43.325.040 and 2009 c 564 s 942 and 2009 c 451 s 5 are each reenacted and amended to read as follows:

(1) The energy freedom account is created in the state treasury. All receipts from appropriations made to the account and any loan payments of principal and interest derived from loans made under the energy freedom account must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for financial assistance for further funding for projects consistent with this chapter or otherwise authorized by the legislature.

(2) The green energy incentive account is created in the state treasury as a subaccount of the energy freedom account. All receipts from appropriations made to the green energy incentive account shall be deposited into the account, and may be spent only after appropriation. Expenditures from the account may be used only for:

(a) Refueling projects awarded under this chapter;

(b) Pilot projects for plug-in hybrids, including grants provided for the electrification program set forth in RCW 43.325.110; and

(c) Demonstration projects developed with state universities as defined in RCW 28B.10.016 and local governments that result in the design and building of a hydrogen vehicle fueling station.

(3)(a) The energy recovery act account is created in the state treasury. State and federal funds may be deposited into the account and any loan payments of principal and interest derived from loans made from the energy recovery act account must be deposited into the account. Moneys in the account may be spent only after appropriation.

(b) Expenditures from the account may be used only for loans, loan guarantees, and grants that encourage the establishment of innovative and sustainable industries for renewable energy and energy efficiency technology, including but not limited to:

(i) Renewable energy projects or programs that require interim financing to complete project development and implementation;

(ii) Companies with innovative, near-commercial or commercial, clean energy technology; ~~(and)~~

(iii) Energy efficiency technologies that have a viable repayment stream from reduced utility costs; and

(iv) Initiatives approved by the Washington clean energy partnership.

~~((e))~~ (4)(a) The director shall establish policies and procedures for processing, reviewing, and approving applications for funding under this section. ~~((When developing these))~~ The policies and procedures ~~((the department must consider the clean energy leadership strategy developed under section 2, chapter 318, Laws of 2009))~~ developed under this section must be approved by the Washington clean energy partnership.

~~((d))~~ (b) The director shall enter into agreements with approved applicants to fix the term and rates of funding provided from this account.

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~~((3))~~ (c) The policies and procedures of this subsection ~~((3))~~ (4) do not apply to assistance awarded for projects under RCW 43.325.020(3).

~~((4))~~ (5) Any state agency receiving funding from the energy freedom account is prohibited from retaining greater than three percent of any funding provided from the energy freedom account for administrative overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce unless this provision is waived in writing by the director.

~~((5))~~ (6) Any university, institute, or other entity that is not a state agency receiving funding from the energy freedom account is prohibited from retaining greater than fifteen percent of any funding provided from the energy freedom account for administrative overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce.

~~((6))~~ Subsections (2), (4) and (5) of this section do not apply to assistance awarded for projects under RCW 43.325.020(3).

(7) During the 2009-2011 fiscal biennium, the legislature may transfer from the energy freedom account to the state general fund such amounts as reflect the excess fund balance of the account.)

**NEW SECTION. Sec. 9.** A new section is added to chapter 41.06 RCW to read as follows:

In addition to the exemptions in RCW 41.06.070, this chapter does not apply to any position in or employee of innovate Washington under chapter 43.--- RCW (the new chapter created in section 23 of this act).

**Sec. 10.** RCW 28B.50.902 and 2009 c 151 s 4 are each amended to read as follows:

(1) The college board, in consultation with business, industry, labor, the workforce training and education coordinating board, the department of ~~((community, trade, and economic development))~~ commerce, the employment security department, and community and technical colleges, shall designate centers of excellence and allocate funds to existing and new centers of excellence based on a competitive basis.

(2) Eligible applicants for the program established under this section include community and technical colleges. Priority shall be given to applicants that have an established education and training program serving the targeted industry and that have in their home district or region an industry cluster with the same targeted industry at its core.

(3) It is the role of centers of excellence to employ strategies to:

- (a) Create educational efficiencies;
- (b) Build a diverse, competitive workforce for strategic industries;
- (c) Maintain an institutional reputation for innovation and responsiveness;
- (d) Develop innovative curriculum and means of delivering education and training;
- (e) Act as brokers of information and resources related to community and technical college education and training ~~((for))~~ and assistance available for firms in a targeted industry, including working with innovate Washington to develop methods to identify businesses within a targeted industry that could benefit from the services offered by innovate Washington under chapter 43.--- RCW (the new chapter created in section 23 of this act); and
- (f) Serve as partners with workforce development councils, associate development organizations, and other workforce and economic development organizations.

(4) Examples of strategies under subsection (3) of this section include but are not limited to: Sharing curriculum and other instructional resources, to ensure cost savings to the system; delivering collaborative certificate and degree programs; and holding statewide summits, seminars, conferences, and workshops

on industry trends and best practices in community and technical college education and training.

**Sec. 11.** RCW 70.210.010 and 2003 c 403 s 1 are each amended to read as follows:

It is the intent of the legislature to promote growth in the technology sectors of our state's economy and to particularly focus support on the ~~((creation and))~~ commercialization of intellectual property ~~((in the technology, energy, and telecommunications industries))~~ and the manufacture of innovative products in the state.

**Sec. 12.** RCW 70.210.020 and 2003 c 403 s 2 are each amended to read as follows:

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

(1) ("Center" means the Washington technology center established under RCW 28B.20.283 through 28B.20.295.

(2)) "Board" means the innovate Washington board of directors ~~((for the center)).~~

(3) "Innovate Washington" means the agency created in section 1 of this act.

**Sec. 13.** RCW 70.210.030 and 2003 c 403 s 4 are each amended to read as follows:

(1) The investing in innovation ~~((grants))~~ program is established.

(2) ~~((The center))~~ Innovate Washington shall periodically make strategic assessments of the types of ~~((state))~~ investments in research ~~((and)),~~ technology, and industrial development in this state that would likely create new products, jobs, and business opportunities and produce the most beneficial long-term improvements to the lives and health of the citizens of the state. The assessments shall be available to the public and shall be used to guide decisions on awarding ~~((grants))~~ funds under this chapter.

**Sec. 14.** RCW 70.210.040 and 2003 c 403 s 5 are each amended to read as follows:

The board shall:

(1) Develop criteria for the awarding of loans or grants to qualifying universities, institutions, businesses, or individuals;

(2) Make decisions regarding distribution of ~~((grant))~~ funds ~~((and make grant awards)); ((and))~~

(3) In making ~~((grant awards, seek to provide a balance between research grant awards and commercialization grant awards))~~ funding decisions, primarily benefit enterprises that:

(a) Were created through, and have existing intellectual property agreements in place with, public and private research institutions in the state; and

(b) Intend to manufacture in the state; and

(4) Specify in contracts awarding funds that recipients must conduct their research, development, and any subsequent production activities within Washington, and that a failure to comply with this requirement will obligate the recipient to return the amount of the award plus interest as determined by the board.

**Sec. 15.** RCW 70.210.050 and 2003 c 403 s 6 are each amended to read as follows:

(1) The board may accept grant and loan proposals and establish a competitive process for the awarding of grants and loans.

(2) The board shall establish a peer review committee to include board members, scientists, engineers, and individuals with specific recognized expertise. The peer review committee shall provide to the board an independent peer review of all proposals determined to be competitive for a loan or grant award that are submitted to the board.

(3) In the awarding of grants and loans, priority shall be given to proposals that leverage additional private and public funding resources.

(4) ~~((Up to fifty percent of available funds from the investing in innovation account may be used to support commercialization~~

opportunities for research in Washington state through an organization with commercialization expertise such as the Spokane intercollegiate research and technology institute.

(5) The center) Innovate Washington may not be a direct recipient of ((grant awards)) funding under this chapter ((403, Laws of 2003))

**Sec. 16.** RCW 70.210.060 and 2003 c 403 s 7 are each amended to read as follows:

The board shall establish performance benchmarks against which the program will be evaluated. The ((grants)) program shall be reviewed periodically by the board. The board shall report annually to the appropriate standing committees of the legislature on loans made and grants awarded and as appropriate on program reviews conducted by the board.

**Sec. 17.** RCW 70.210.070 and 2003 c 403 s 8 are each amended to read as follows:

(1) ((The center)) Innovate Washington shall administer the investing in innovation ((grants)) program.

(2) Not more than one percent of the available funds from the investing in innovation account may be used for administrative costs of the program.

**Sec. 18.** RCW 42.30.110 and 2010 1st sp.s. c 33 s 5 are each amended to read as follows:

(1) Nothing contained in this chapter may be construed to prevent a governing body from holding an executive session during a regular or special meeting:

(a) To consider matters affecting national security;

(b) To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price;

(c) To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public;

(d) To review negotiations on the performance of publicly bid contracts when public knowledge regarding such consideration would cause a likelihood of increased costs;

(e) To consider, in the case of an export trading company, financial and commercial information supplied by private persons to the export trading company;

(f) To receive and evaluate complaints or charges brought against a public officer or employee. However, upon the request of such officer or employee, a public hearing or a meeting open to the public shall be conducted upon such complaint or charge;

(g) To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. However, subject to RCW 42.30.140(4), discussion by a governing body of salaries, wages, and other conditions of employment to be generally applied within the agency shall occur in a meeting open to the public, and when a governing body elects to take final action hiring, setting the salary of an individual employee or class of employees, or discharging or disciplining an employee, that action shall be taken in a meeting open to the public;

(h) To evaluate the qualifications of a candidate for appointment to elective office. However, any interview of such candidate and final action appointing a candidate to elective office shall be in a meeting open to the public;

(i) To discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency.

This subsection (1)(i) does not permit a governing body to hold an executive session solely because an attorney representing the agency is present. For purposes of this subsection (1)(i), "potential litigation" means matters protected by RPC 1.6 or RCW 5.60.060(2)(a) concerning:

(i) Litigation that has been specifically threatened to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party;

(ii) Litigation that the agency reasonably believes may be commenced by or against the agency, the governing body, or a member acting in an official capacity; or

(iii) Litigation or legal risks of a proposed action or current practice that the agency has identified when public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence to the agency;

(j) To consider, in the case of the state library commission or its advisory bodies, western library network prices, products, equipment, and services, when such discussion would be likely to adversely affect the network's ability to conduct business in a competitive economic climate. However, final action on these matters shall be taken in a meeting open to the public;

(k) To consider, in the case of the state investment board, financial and commercial information when the information relates to the investment of public trust or retirement funds and when public knowledge regarding the discussion would result in loss to such funds or in private loss to the providers of this information;

(l) To consider proprietary or confidential nonpublished information related to the development, acquisition, or implementation of state purchased health care services as provided in RCW 41.05.026;

(m) To consider in the case of the life sciences discovery fund authority, the substance of grant applications and grant awards when public knowledge regarding the discussion would reasonably be expected to result in private loss to the providers of this information;

(n) To consider in the case of a health sciences and services authority, the substance of grant applications and grant awards when public knowledge regarding the discussion would reasonably be expected to result in private loss to the providers of this information;

(o) To consider in the case of innovate Washington, the substance of grant or loan applications and grant or loan awards if public knowledge regarding the discussion would reasonably be expected to result in private loss to the providers of this information.

(2) Before convening in executive session, the presiding officer of a governing body shall publicly announce the purpose for excluding the public from the meeting place, and the time when the executive session will be concluded. The executive session may be extended to a stated later time by announcement of the presiding officer.

**Sec. 19.** RCW 42.56.270 and 2009 c 394 s 3 are each amended to read as follows:

The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

(1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;

(2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (b) highway construction or improvement as required by RCW 47.28.070;

(3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;

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(4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;

(5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;

(6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;

(7) Financial and valuable trade information under RCW 51.36.120;

(8) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW;

(9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;

(10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), liquor license, gambling license, or lottery retail license;

(b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;

(11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011;

(12)(a) When supplied to and in the records of the department of ~~((community, trade, and economic development))~~ commerce:

(i) Financial and proprietary information collected from any person and provided to the department of ~~((community, trade, and economic development))~~ commerce pursuant to RCW 43.330.050(8); and

(ii) Financial or proprietary information collected from any person and provided to the department of ~~((community, trade, and economic development))~~ commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business;

(b) When developed by the department of ~~((community, trade, and economic development))~~ commerce based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;

(c) For the purposes of this subsection, "siting decision" means the decision to acquire or not to acquire a site;

(d) If there is no written contact for a period of sixty days to the department of ~~((community, trade, and economic development))~~ commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter;

(13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

(14) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

(16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085;

(17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit;

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;

(18) Financial, commercial, operations, and technical and research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;

(19) Information gathered under chapter 19.85 RCW or RCW 34.05.328 that can be identified to a particular business; ~~((and))~~

(20) Financial and commercial information submitted to or obtained by the University of Washington, other than information the university is required to disclose under RCW 28B.20.150, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this information; and

(21) Financial, commercial, operations, and technical and research information and data submitted to or obtained by innovate Washington in applications for, or delivery of, grants and loans under chapter 43.--- RCW (the new chapter created in section 23 of this act), to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information.

NEW SECTION. Sec. 20. The following acts or parts of acts are each repealed:

(1) RCW 28B.20.283 (Washington technology center--Findings) and 1995 c 399 s 25 & 1992 c 142 s 1;

(2) RCW 28B.20.285 (Washington technology center--Created--Purpose) and 2004 c 151 s 3, 2003 c 403 s 10, 1992 c 142 s 3, & 1983 1st ex.s. c 72 s 11;

(3) RCW 28B.20.287 (Washington technology center--Definitions) and 2004 c 151 s 4 & 1992 c 142 s 2;

(4) RCW 28B.20.289 (Washington technology center--Administration--Board of directors) and 2003 c 403 s 11, 1995 c 399 s 26, & 1992 c 142 s 4;

(5) RCW 28B.20.291 (Washington technology center--Support from participating institutions) and 1992 c 142 s 5;

(6) RCW 28B.20.293 (Washington technology center--Role of department of community, trade, and economic development) and 1995 c 399 s 27 & 1992 c 142 s 6;

(7) RCW 28B.20.295 (Washington technology center--Availability of facilities to other institutions) and 1992 c 142 s 7;

(8) RCW 28B.20.296 (Washington technology center--Renewable energy and energy efficiency business development--Strategic plan) and 2004 c 151 s 2;

(9) RCW 28B.20.297 (Washington technology center--Small business innovation research assistance program) and 2005 c 357 s 1;

(10) RCW 28B.38.010 (Spokane intercollegiate research and technology institute) and 2004 c 275 s 55 & 1998 c 344 s 9;

(11) RCW 28B.38.020 (Administration--Board of directors--Powers and duties) and 1998 c 344 s 10;

(12) RCW 28B.38.030 (Support from participating institutions) and 1998 c 344 s 11;

(13) RCW 28B.38.040 (Operating staff--Cooperative agreements for programs and research) and 1998 c 344 s 12;

(14) RCW 28B.38.050 (Role of department of community, trade, and economic development) and 1998 c 344 s 13;

(15) RCW 28B.38.060 (Availability of facilities to other institutions) and 1998 c 344 s 14;

(16) RCW 28B.38.070 (Authority to receive and expend funds) and 1998 c 344 s 15; and

(17) RCW 28B.38.900 (Captions not law) and 1998 c 344 s 16.

**NEW SECTION. Sec. 21.** (1) The Spokane intercollegiate research and technology institute and the Washington technology center are hereby abolished and the powers, duties, and functions are hereby transferred to innovate Washington. Once the board created in section 2 of this act has convened, all references to the Spokane intercollegiate research and technology institute or the Washington technology center in the Revised Code of Washington shall be construed to mean innovate Washington.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the Spokane intercollegiate research and technology institute or the Washington technology center shall be delivered to the custody of innovate Washington. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the Spokane intercollegiate research and technology institute or the Washington technology center shall be made available to innovate Washington. All funds, credits, or other assets held by the Spokane intercollegiate research and technology institute or the Washington technology center shall be assigned to innovate Washington.

(b) Any appropriations made to the Spokane intercollegiate research and technology institute or the Washington technology center shall, on the effective date of this section, be transferred and credited to innovate Washington.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the Spokane intercollegiate research and technology institute or the Washington technology center are transferred to the jurisdiction of innovate Washington. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to innovate Washington to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the Spokane intercollegiate research and technology institute or the Washington technology center shall be continued and acted upon by innovate Washington. All existing contracts and obligations shall remain in full force and shall be performed by innovate Washington.

(5) The transfer of the powers, duties, functions, and personnel of the Spokane intercollegiate research and technology institute and the Washington technology center shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the Spokane intercollegiate research and technology institute or the Washington technology center assigned to innovate Washington under this section whose positions are within an existing bargaining unit description at innovate Washington shall become a part of the existing bargaining unit at innovate Washington and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

**NEW SECTION. Sec. 22.** RCW 70.210.010, 70.210.020, 70.210.030, 70.210.040, 70.210.050, 70.210.060, and 70.210.070 are each recodified as sections in chapter 43.--- RCW (the new chapter created in section 23 of this act).

**NEW SECTION. Sec. 23.** Sections 1 through 7 and 21 of this act constitute a new chapter in Title 43 RCW.

**NEW SECTION. Sec. 24.** Section 8 of this act expires June 30, 2016.

**NEW SECTION. Sec. 25.** This act takes effect August 1, 2011."

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Kastama Baumgartner and Rockefeller to Senate Bill No. 5764.

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

#### MOTION

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

On page 1, line 1 of the title, after "Washington;" strike the remainder of the title and insert "amending RCW 28B.50.902, 70.210.010, 70.210.020, 70.210.030, 70.210.040, 70.210.050, 70.210.060, 70.210.070, 42.30.110, and 42.56.270; reenacting and amending RCW 43.325.040; adding a new section to chapter 41.06 RCW; adding a new chapter to Title 43 RCW; recodifying RCW 70.210.010, 70.210.020, 70.210.030, 70.210.040, 70.210.050, 70.210.060, and 70.210.070; repealing RCW 28B.20.283, 28B.20.285, 28B.20.287, 28B.20.289, 28B.20.291, 28B.20.293, 28B.20.295, 28B.20.296, 28B.20.297, 28B.38.010, 28B.38.020, 28B.38.030, 28B.38.040, 28B.38.050, 28B.38.060, 28B.38.070, and 28B.38.900; providing an effective date; and providing an expiration date."

#### MOTION

On motion of Senator Kastama, the rules were suspended, Engrossed Senate Bill No. 5764 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Kastama, Rockefeller, Baumgartner, Chase, Brown and Shin spoke in favor of passage of the bill.

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Senator Honeyford spoke on final passage of the bill.

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

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5764.

MOTION

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5764 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 2; Absent, 0; Excused, 1.

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

On page 8, line 10, strike "~~((A))~~ (i) A" and insert "~~((A))~~ (i) An original"

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Fain, Fraser, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

On page 8, line 13, after "cannabis" insert ". Valid documentation must include the proper form of consumption and dosage amounts for the cannabis authorized for the most effective treatment of the terminal or debilitating medical condition"

On page 8, line 26, after "cannabis" insert ". Valid documentation must include the proper form of consumption and dosage amounts for the cannabis authorized for the most effective treatment of the terminal or debilitating medical condition"

Voting nay: Senators Ericksen and Pridemore

Excused: Senator Hargrove

ENGROSSED SENATE BILL NO. 5764, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

Senator Carrell spoke in favor of adoption of the amendment. Senator Pflug spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Carrell on page 8, line 10 to Second Substitute Senate Bill No. 5073.

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

MOTION

MOTION

At 8:20 p.m., on motion of Senator Eide, the Senate was declared to be at ease for the purpose of caucuses.

Senator Carrell moved that the following amendment by Senators Carrell and Delvin be adopted:

On page 10, line 13, after "cannabis," insert the following:

The Senate was called to order at 9:32 p.m. by President Owen.

"(v) Have a business or practice which consists primarily of examining patients for the purpose of authorizing the medical use of cannabis;

SECOND READING

SENATE BILL NO. 5073, by Senators Kohl-Welles, Delvin, Keiser, Regala, Pflug, Murray, Tom, Kline, McAuliffe and Chase

(vi) Include any statement or reference, visual or otherwise, on the medical use of cannabis in any advertisement for his or her business or practice;"

Concerning the medical use of cannabis.

Reletter the remaining subsection consecutively and correct any internal references accordingly.

MOTION

On page 10, after line 16, insert the following:

On motion of Senator Kohl-Welles, Second Substitute Senate Bill No. 5073 was substituted for Senate Bill No. 5073 and the second substitute bill was placed on the second reading and read the second time.

"(3) A violation of any provision of subsection (2) of this section constitutes unprofessional conduct under chapter 18.130 RCW."

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

MOTION

The President declared the question before the Senate to be the adoption of the amendment by Senators Carrell and Delvin on page 10, line 13 to Second Substitute Senate Bill No. 5073.

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

Senator Sheldon moved that the following amendment by Senators Sheldon, Schoesler and Hargrove be adopted:

On page 5, line 3, after "means a" strike "person" and insert "nonprofit medical organization"

MOTION

On page 25, after line 19, insert the following:

"**NEW SECTION.**" **Sec. 704.** Licensed dispensers must be licensed and approved by the counties and cities in which they are located."

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

Senator Sheldon spoke in favor of adoption of the amendment.

On page 24, line 32, after "(j)" insert "Establishing maximum amounts of cannabis and cannabis products that may be kept at one time at a dispensary. In determining maximum amounts, the secretary must consider the security of the dispensary and the surrounding community;

Senator Keiser spoke against adoption of the amendment.

(k)"

Reletter the remaining subsections consecutively and correct any internal references accordingly.

The President declared the question before the Senate to be the adoption of the amendment by Senators Sheldon, Schoesler and Hargrove on page 5, line 3 to Second Substitute Senate Bill No. 5073.

Senators Honeyford and Kohl-Welles spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Honeyford on page 24, line 32 to Second Substitute Senate Bill No. 5073.

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

#### MOTION

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

On page 24, line 32, after "(j)" insert "Establishing the number of dispensaries permitted in any given region of the state; (k)"

Reletter the remaining subsections consecutively and correct any internal references accordingly.

Senator Honeyford spoke in favor of adoption of the amendment.

Senator Kohl-Welles spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Honeyford on page 24, line 32 to Second Substitute Senate Bill No. 5073.

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

#### MOTION

Senator Sheldon moved that the following amendment by Senators Sheldon, Schoesler and Hargrove be adopted:

On page 25, after line 19, insert the following:

"**NEW SECTION. Sec. 704.** A licensed dispenser may not sell cannabis in any city, county, or town without first being authorized to do so by the city, county, or town legislative authority."

Senators Sheldon, Hargrove, Roach, Parlette, Hewitt, Honeyford and Carrell spoke in favor of adoption of the amendment.

Senators Kohl-Welles, Brown, Delvin and Kline spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Sheldon, Schoesler and Hargrove on page 25, after line 19 to Second Substitute Senate Bill No. 5073.

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

#### MOTION

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

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

#### MOTION

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

On page 25, beginning on line 27, after "No" strike all material through "billboard" on line 29 and insert "person, partnership,

corporation, association, or agency may advertise cannabis for sale to the general public"

On page 26, line 10, after "radio broadcast licensee," insert "newspaper, magazine,"

Senators Kohl-Welles and Baumgartner spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Kohl-Welles and Baumgartner on page 25, line 27 to Second Substitute Senate Bill No. 5073.

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

#### WITHDRAWAL OF AMENDMENT

On motion of Senator Parlette, the amendment by Senators Parlette and Kohl-Welles on page 28, line 7 to Second Substitute Senate Bill No. 5073 was withdrawn.

#### MOTION

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

Beginning on page 28, line 7, strike all of sections 901, 902, and 903 and insert the following:

"**NEW SECTION. Sec. 901.** (1) By July 1, 2012, the department of health shall, in consultation with the department of agriculture, adopt rules for the creation, implementation, maintenance, and timely upgrading of a secure and confidential registration system that allows:

(a) A peace officer to verify at any time whether a health care professional has registered a person who has been contacted by that peace officer and has provided that peace officer information necessary to verify his or her registration as either a qualifying patient or a designated provider;

(b) A peace officer to verify at any time during ordinary business hours of the department of health whether a health care professional has registered a person as either a qualifying patient or a designated provider, or an address as the primary residence of a qualifying patient or designated provider; and

(c) A peace officer to verify at any time during ordinary business hours of the department of health whether a person, location, or business is licensed by the department of agriculture or the department of health as a licensed producer, licensed processor of cannabis products, or licensed dispenser.

(2) The department of agriculture must, in consultation with the department of health, create and maintain a secure and confidential list of persons to whom it has issued a license to produce cannabis for medical use or a license to process cannabis products, and the physical addresses of the licensees' production and processing facilities. The list must meet the requirements of subsection (9) of this section and be transmitted to the department of health to be included in the registry established by this section.

(3) The department of health must, in consultation with the department of agriculture, create and maintain a secure and confidential list of the persons to whom it has issued a license to dispense cannabis for medical use that meets the requirements of subsection (9) of this section and must be included in the registry established by this section.

(4) Law enforcement shall comply with Article I, section 7 of the state Constitution when accessing the registration system for criminal investigations, which, at a minimum, requires an articulated individualized suspicion of: (a) Criminal activity; or (b) the possession, use, manufacture, production, processing, delivery,



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transport, or distribution of cannabis, whether criminal or noncriminal.

(5) Registration in the system shall be optional for qualifying patients and designated providers, not mandatory, and registrations are valid for one year, except that qualifying patients must be able to remove themselves from the registry at any time. For licensees, registrations are valid for the term of the license and the registration must be removed if the licensee's license is expired or revoked. The department of health must adopt rules providing for registration renewals and for removing expired registrations and expired or revoked licenses from the registry.

(6) Fees, including renewal fees, for qualifying patients and designated providers participating in the registration system shall be limited to the cost to the state of implementing, maintaining, and enforcing the provisions of this section and the rules adopted to carry out its purposes.

(7) The department of health, in conjunction with the department of agriculture, must establish and collect reasonable fees for the dissemination of information to employees of state and local law enforcement agencies relating to whether a person is a licensed producer, processor of cannabis products, or dispenser, or that a location is the recorded address of a license producer, processor of cannabis products, or dispenser, and for the dissemination of log records relating to such requests for information to the subjects of those requests.

(8) During the rule-making process, the department of health shall consult with stakeholders and persons with relevant expertise, to include, but not be limited to, qualifying patients, designated providers, health care professionals, state and local law enforcement agencies, and the University of Washington computer science and engineering security and privacy research lab.

(9) The registration system shall meet the following requirements:

(a) Any personally identifiable information included in the registration system must be "nonreversible," pursuant to definitions and standards set forth by the national institute of standards and technology;

(b) Any personally identifiable information included in the registration system must not be susceptible to linkage by use of data external to the registration system;

(c) The registration system must incorporate current best differential privacy practices, allowing for maximum accuracy of registration system queries while minimizing the chances of identifying the personally identifiable information included therein; and

(d) The registration system must be upgradable and updated in a timely fashion to keep current with state of the art privacy and security standards and practices.

(10) The registration system shall maintain a log of each verification query submitted by a peace officer, including the peace officer's name, agency, and identification number, for a period of no less than three years from the date of the query. Personally identifiable information of qualifying patients and designated providers included in the log shall be confidential and exempt from public disclosure, inspection, or copying under chapter 42.56 RCW: PROVIDED, That:

(a) Names and other personally identifiable information from the list may be released only to:

(i) Authorized employees of the department of agriculture and the department of health as necessary to perform official duties of either department; or

(ii) Authorized employees of state or local law enforcement agencies, only as necessary to verify that the person or location is a qualified patient, designated provider, licensed producer, licensed processor of cannabis products, or licensed dispenser, and only after

the inquiring employee has provided adequate identification. Authorized employees who obtain personally identifiable information under this subsection may not release or use the information for any purpose other than verification that a person or location is a qualified patient, designated provider, licensed producer, licensed processor of cannabis products, or licensed dispenser;

(b) Information contained in the registration system may be released in aggregate form, with all personally identifying information redacted, for the purpose of statistical analysis and oversight of agency performance and actions;

(c) The subject of a registration query may appear during ordinary department of health business hours and inspect or copy log records relating to him or her upon adequate proof of identity; and

(d) The subject of a registration query may submit a written request to the department of health, along with adequate proof of identity, for copies of log records relating to him or her.

(11) This section does not prohibit a department of agriculture employee or a department of health employee from contacting state or local law enforcement for assistance during an emergency or while performing his or her duties under this chapter.

(12) Fees collected under this section must be deposited into the health professions account under RCW 43.70.320." Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 34, beginning on line 27, after "under" strike "sections 901, 902, and 903" and insert "section 901"

Senators Parlette and Kohl-Welles spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Parlette and Kohl-Welles on page 28, line 7 to Second Substitute Senate Bill No. 5073.

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

#### MOTION

On motion of Senator Kohl-Welles, the rules were suspended, Engrossed Second Substitute Senate Bill No. 5073 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Kohl-Welles, Regala, Delvin and Pflug spoke in favor of passage of the bill.

Senator Hargrove spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5073.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5073 and the bill passed the Senate by the following vote: Yeas, 29; Nays, 20; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Benton, Brown, Chase, Delvin, Eide, Fain, Fraser, Harper, Hatfield, Hewitt, Hill, Hobbs, Keiser, Kline, Kohl-Welles, Litzow, McAuliffe, Murray, Nelson, Pflug, Prentice, Pridemore, Ranker, Regala, Rockefeller, Tom, White and Zarelli

Voting nay: Senators Baxter, Becker, Carrell, Conway, Ericksen, Hargrove, Haugen, Holmquist Newbry, Honeyford,

Kastama, Kilmer, King, Morton, Parlette, Roach, Schoesler, Sheldon, Shin, Stevens and Swecker

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5073, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5575, by Senators Hatfield, Delvin, Eide, Schoesler, Haugen, Shin, Kilmer, Hobbs, Becker, Honeyford, Conway and Sheldon

Recognizing certain biomass energy facilities as an eligible renewable resource.

The measure was read the second time.

#### MOTION

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

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

"(3) By promoting the recognition of certain pre-1999 biomass facilities as new renewable energy under the energy independence act, it is also appropriate to reflect this inclusion by increasing the renewable energy targets under the act."

On page 5, after line 8, insert the following:

"Sec. 3. RCW 19.285.040 and 2007 c 1 s 4 are each amended to read as follows:

(1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible.

(a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period.

(b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period.

(c) In meeting its conservation targets, a qualifying utility may count high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings.

(d) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission's policies and practice.

(e) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.

(2)(a) Each qualifying utility shall use eligible renewable resources or acquire equivalent renewable energy credits, or a combination of both, to meet the following annual targets:

(i) At least three ~~and three-tenths~~ percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;

(ii) At least nine ~~and nine-tenths~~ percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and

(iii) At least ~~((fifteen))~~ sixteen and five-tenths percent of its load by January 1, 2020, and each year thereafter.

(b) A qualifying utility may count distributed generation at double the facility's electrical output if the utility: (i) Owns or has contracted for the distributed generation and the associated renewable energy credits; or (ii) has contracted to purchase the associated renewable energy credits.

(c) In meeting the annual targets in (a) of this subsection, a qualifying utility shall calculate its annual load based on the average of the utility's load for the previous two years.

(d) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if: (i) The utility's weather-adjusted load for the previous three years on average did not increase over that time period; (ii) after December 7, 2006, the utility did not commence or renew ownership or incremental purchases of electricity from resources other than renewable resources other than on a daily spot price basis and the electricity is not offset by equivalent renewable energy credits; and (iii) the utility invested at least one percent of its total annual retail revenue requirement that year on eligible renewable resources, renewable energy credits, or a combination of both.

(e) The requirements of this section may be met for any given year with renewable energy credits produced during that year, the preceding year, or the subsequent year. Each renewable energy credit may be used only once to meet the requirements of this section.

(f) In complying with the targets established in (a) of this subsection, a qualifying utility may not count:

(i) Eligible renewable resources or distributed generation where the associated renewable energy credits are owned by a separate entity; or

(ii) Eligible renewable resources or renewable energy credits obtained for and used in an optional pricing program such as the program established in RCW 19.29A.090.

(g) Where fossil and combustible renewable resources are cofired in one generating unit located in the Pacific Northwest where the cofiring commenced after March 31, 1999, the unit shall be considered to produce eligible renewable resources in direct proportion to the percentage of the total heat value represented by the heat value of the renewable resources.

(h)(i) A qualifying utility that acquires an eligible renewable resource or renewable energy credit may count that acquisition at one and two-tenths times its base value:

(A) Where the eligible renewable resource comes from a facility that commenced operation after December 31, 2005; and

(B) Where the developer of the facility used apprenticeship programs approved by the council during facility construction.

(ii) The council shall establish minimum levels of labor hours to be met through apprenticeship programs to qualify for this extra credit.

(i) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if events beyond the reasonable control of the utility that could not have been reasonably anticipated or ameliorated prevented it from meeting the renewable energy target. Such events include weather-related damage, mechanical failure, strikes, lockouts, and actions of a governmental authority that adversely affect the generation, transmission, or distribution of an eligible renewable resource under contract to a qualifying utility.

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(3) Utilities that become qualifying utilities after December 31, 2006, shall meet the requirements in this section on a time frame comparable in length to that provided for qualifying utilities as of December 7, 2006."

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

On page 1, line 5 of the title, after "19.285.030" insert "and 19.285.040"

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

Senators Delvin and Hatfield spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Rockefeller on page 2, after line 2 to Senate Bill No. 5575.

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

#### MOTION

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

On page 2, line 28, after "facilities" strike "has" and insert "; (a) Has" and after "megawatts" insert "; or (b) generates not more than twenty average megawatts in a calendar year"

Senator Nelson spoke in favor of adoption of the amendment. Senator Delvin spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Nelson on page 2, line 28 to Senate Bill No. 5575.

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

#### MOTION

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

On page 2, line 35, after "services;" strike "or" and insert "((or))"

On page 2, line 36, after "(b)" insert "Electricity from hydroelectric generation used to firm, shape, and integrate wind power into the northwestern electric grid for delivery to Washington residents; or

(c)"

Reletter the remaining subsection consecutively and correct any internal references accordingly.

#### POINT OF ORDER

Senator Hatfield: "Thank you Mr. President. I believe amendment 64 is beyond the scope and object of the underlying bill. The amendment recognizes certain forms of small hydro power as an eligible renewable resource. I believe the amendment is outside the scope and object of the bill because the bill is about biomass and recognizes certain biomass energy facilities located in economically distressed communities. I would like to submit further written arguments if I may Mr. President?"

#### REPLY BY THE PRESIDENT

President Owen: "The President will take the scope and object ruling under consideration. If there are no objections, we'll move to the next amendment."

#### MOTION

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

On page 2, line 36, after "(b)" insert "(i) Electricity from a hydroelectric generating facility with an installed generating capacity of five megawatts or less that discharges the water it uses for power generation into either:

(A) A conduit, with the water flowing directly to a point of agricultural, municipal, or industrial consumption; or

(B) A natural water body if a quantity of water equal to or greater than the quantity discharged from the hydroelectric facility is withdrawn from the natural water body on which the hydroelectric generating facility is located, unless that consumption would occur for agricultural, municipal, or industrial consumption purposes even if hydroelectric generating facilities were not installed;

(ii) Electricity from a hydroelectric generating facility must not come from a dam or weir that creates more than intraday storage of water

(iii) Electricity from a hydroelectric generating facility must be certified by a nationally recognized organization that certifies hydroelectric facilities as low-impact hydroelectric; or

(c)"

Reletter the remaining subsection consecutively and correct any internal references accordingly.

On page 5, after line 8, insert the following:

"(24) "Intraday storage of water" means the amount of water that is retained by a dam or weir over a twenty-four hour period that is in excess of normal stream flow."

#### POINT OF ORDER

Senator Hatfield: "Thank you Mr. President. I would challenge the scope and object of this amendment also being beyond that of the underlying bill. For the reasons outlined in the previous amendment I believe this one is beyond the scope and object of the bill."

#### REPLY BY THE PRESIDENT

President Owen: "Thank you Senator. The President will take the scope and object under consideration. If there are no objections, we'll move to the next amendment."

#### MOTION

Senator Nelson moved that the following amendment by Senators Nelson, Ranker and Rockefeller be adopted:

On page 3, beginning on line 5, after "impoundments" strike all material through "energy" on line 6

Beginning on page 4, after line 27, strike all material through "19.285.030." on page 5, line 13

On page 1, beginning on line 1 of the title, after "Relating to" strike all material through "sections." on line 6 and insert "promoting and sustaining investment and employment in communities dependent on agricultural or natural resource industries by recognizing certain biomass energy as an eligible renewable resource; amending RCW 19.285.030; and creating a new section."

Senator Nelson spoke in favor of adoption of the amendment.

Senators Delvin and Chase spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Nelson, Ranker and Rockefeller on page 3, line 8 to Senate Bill No. 5575.

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

#### MOTION

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

On page 3, line 19, after "gases." insert "For an anaerobic digester, its nonpower attributes may be separated into avoided emissions of carbon dioxide and other greenhouse gases, and into renewable energy credits."

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

The President declared the question before the Senate to be the adoption of the amendment by Senator Nelson on page 3, line 19 to Senate Bill No. 5575.

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

#### MOTION

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

On page 4, after line 20, strike all material through "waste." on line 23 and insert "food waste; (vi) liquors derived from algae and other sources; (vii) dedicated energy crops; (viii) biosolids; and (ix) yard waste."

Senator Chase spoke in favor of adoption of the amendment. Senator Hatfield spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Chase on page 4, after line 20 to Senate Bill No. 5575.

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

#### MOTION

Senator Rockefeller moved that the following amendment by Senators Rockefeller, Nelson and Ranker be adopted:

On page 4, line 29, after "facility" insert "not owned by a qualifying utility"

Senator Rockefeller spoke in favor of adoption of the amendment.

Senator Delvin spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Rockefeller, Nelson and Ranker on page 4, line 29 to Senate Bill No. 5575.

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

#### MOTION

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

On page 4, line 30, after "(a)" strike "(i)"

On page 4, line 31, before "Is" strike "(ii)" and insert "(b)"

Beginning on page 4, after line 32, strike all material through "utility." on page 5, line 3

Senators Chase, Pridemore, Benton and Hatfield spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Chase on page 4, line 30 to Senate Bill No. 5575.

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

#### MOTION

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

On page 5, after line 8, insert the following:

"Sec. 3. RCW 19.285.040 and 2007 c 1 s 4 are each amended to read as follows:

(1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible.

(a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period.

(b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period.

(c) In meeting its conservation targets, a qualifying utility may count high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings.

(d) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission's policies and practice.

(e) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.

(2)(a) Each qualifying utility shall use eligible renewable resources or acquire equivalent renewable energy credits, or a combination of both, to meet the following annual targets:

(i) At least three percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;

(ii) At least nine percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and

(iii) At least fifteen percent of its load by January 1, 2020, and each year thereafter.

(b) A qualifying utility may count distributed generation at double the facility's electrical output if the utility: (i) Owns or has contracted for the distributed generation and the associated renewable energy credits; or (ii) has contracted to purchase the associated renewable energy credits.

(c) A qualifying utility may only count generation from a qualified biomass facility at fifty percent of the facility's electrical output

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(d) In meeting the annual targets in (a) of this subsection, a qualifying utility shall calculate its annual load based on the average of the utility's load for the previous two years.

~~((d))~~ (e) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if: (i) The utility's weather-adjusted load for the previous three years on average did not increase over that time period; (ii) after December 7, 2006, the utility did not commence or renew ownership or incremental purchases of electricity from resources other than renewable resources other than on a daily spot price basis and the electricity is not offset by equivalent renewable energy credits; and (iii) the utility invested at least one percent of its total annual retail revenue requirement that year on eligible renewable resources, renewable energy credits, or a combination of both.

~~((e))~~ (f) The requirements of this section may be met for any given year with renewable energy credits produced during that year, the preceding year, or the subsequent year. Each renewable energy credit may be used only once to meet the requirements of this section.

~~((f))~~ (g) In complying with the targets established in (a) of this subsection, a qualifying utility may not count:

(i) Eligible renewable resources or distributed generation where the associated renewable energy credits are owned by a separate entity; or

(ii) Eligible renewable resources or renewable energy credits obtained for and used in an optional pricing program such as the program established in RCW 19.29A.090.

~~((g))~~ (h) Where fossil and combustible renewable resources are cofired in one generating unit located in the Pacific Northwest where the cofiring commenced after March 31, 1999, the unit shall be considered to produce eligible renewable resources in direct proportion to the percentage of the total heat value represented by the heat value of the renewable resources.

~~((h))~~ (i) A qualifying utility that acquires an eligible renewable resource or renewable energy credit may count that acquisition at one and two-tenths times its base value:

(A) Where the eligible renewable resource comes from a facility that commenced operation after December 31, 2005; and

(B) Where the developer of the facility used apprenticeship programs approved by the council during facility construction.

(ii) The council shall establish minimum levels of labor hours to be met through apprenticeship programs to qualify for this extra credit.

~~((i))~~ (j) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if events beyond the reasonable control of the utility that could not have been reasonably anticipated or ameliorated prevented it from meeting the renewable energy target. Such events include weather-related damage, mechanical failure, strikes, lockouts, and actions of a governmental authority that adversely affect the generation, transmission, or distribution of an eligible renewable resource under contract to a qualifying utility.

(3) Utilities that become qualifying utilities after December 31, 2006, shall meet the requirements in this section on a time frame comparable in length to that provided for qualifying utilities as of December 7, 2006."

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

On page 1, line 5 of the title, after "19.285.030" insert "and 19.285.040"

Senator Chase spoke in favor of adoption of the amendment.

Senators Hatfield and Delvin spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Chase on page 5, after line 8 to Senate Bill No. 5575.

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

MOTION

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

On page 5, after line 8, insert the following:

"Sec. 3. RCW 19.285.040 and 2007 c 1 s 4 are each amended to read as follows:

(1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible.

(a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period.

(b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period.

(c) A qualifying utility that acquires solar energy may count that acquisition at six times its base value when the energy is produced using solar inverters and modules manufactured in Washington state.

(d) In meeting its conservation targets, a qualifying utility may count high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings.

~~((d))~~ (e) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission's policies and practice.

~~((e))~~ (f) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.

(2)(a) Each qualifying utility shall use eligible renewable resources or acquire equivalent renewable energy credits, or a combination of both, to meet the following annual targets:

(i) At least three percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;

(ii) At least nine percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and

(iii) At least fifteen percent of its load by January 1, 2020, and each year thereafter.

(b) A qualifying utility may count distributed generation at double the facility's electrical output if the utility: (i) Owns or has contracted for the distributed generation and the associated

renewable energy credits; or (ii) has contracted to purchase the associated renewable energy credits.

(c) In meeting the annual targets in (a) of this subsection, a qualifying utility shall calculate its annual load based on the average of the utility's load for the previous two years.

(d) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if: (i) The utility's weather-adjusted load for the previous three years on average did not increase over that time period; (ii) after December 7, 2006, the utility did not commence or renew ownership or incremental purchases of electricity from resources other than renewable resources other than on a daily spot price basis and the electricity is not offset by equivalent renewable energy credits; and (iii) the utility invested at least one percent of its total annual retail revenue requirement that year on eligible renewable resources, renewable energy credits, or a combination of both.

(e) The requirements of this section may be met for any given year with renewable energy credits produced during that year, the preceding year, or the subsequent year. Each renewable energy credit may be used only once to meet the requirements of this section.

(f) In complying with the targets established in (a) of this subsection, a qualifying utility may not count:

(i) Eligible renewable resources or distributed generation where the associated renewable energy credits are owned by a separate entity; or

(ii) Eligible renewable resources or renewable energy credits obtained for and used in an optional pricing program such as the program established in RCW 19.29A.090.

(g) Where fossil and combustible renewable resources are cogenerated in one generating unit located in the Pacific Northwest where the cogen commenced after March 31, 1999, the unit shall be considered to produce eligible renewable resources in direct proportion to the percentage of the total heat value represented by the heat value of the renewable resources.

(h)(i) A qualifying utility that acquires an eligible renewable resource or renewable energy credit may count that acquisition at one and two-tenths times its base value:

(A) Where the eligible renewable resource comes from a facility that commenced operation after December 31, 2005; and

(B) Where the developer of the facility used apprenticeship programs approved by the council during facility construction.

(ii) The council shall establish minimum levels of labor hours to be met through apprenticeship programs to qualify for this extra credit.

(i) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if events beyond the reasonable control of the utility that could not have been reasonably anticipated or ameliorated prevented it from meeting the renewable energy target. Such events include weather-related damage, mechanical failure, strikes, lockouts, and actions of a governmental authority that adversely affect the generation, transmission, or distribution of an eligible renewable resource under contract to a qualifying utility.

(3) Utilities that become qualifying utilities after December 31, 2006, shall meet the requirements in this section on a time frame comparable in length to that provided for qualifying utilities as of December 7, 2006."

Re-number the remaining section consecutively and correct any internal references accordingly.

On page 1, line 5 of the title, after "19.285.030" insert "and 19.285.040"

#### POINT OF ORDER

Senator Hatfield: "Thank you Mr. President. Well this amendment does apply to solar and I request a ruling on the scope and object of it because I believe for the same arguments submitted on hydro power to this bill that the amendment on solar is also beyond the scope and object of the bill."

#### REPLY BY THE PRESIDENT

President Owen: "Senator Hatfield has raised the point of order that the amendment changes the scope and object of the underlying bill. If there are no objections, the President will take this under consideration and move to the next amendment."

#### MOTION

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

On page 5, after line 8, insert the following:

"Sec. 3. RCW 19.285.080 and 2007 c 1 s 8 are each amended to read as follows:

(1) The commission may adopt rules to ensure the proper implementation and enforcement of this chapter as it applies to investor-owned utilities.

(2) The department shall adopt rules concerning only process, timelines, and documentation to ensure the proper implementation of this chapter as it applies to qualifying utilities that are not investor-owned utilities. Those rules include, but are not limited to, rules associated with a qualifying utility's development of conservation targets under RCW 19.285.040(1); a qualifying utility's decision to pursue alternative compliance in RCW 19.285.040(2) (d) or (i) or 19.285.050(1); and the format and content of reports required in RCW 19.285.070. Nothing in this subsection may be construed to restrict the rate-making authority of the commission or a qualifying utility as otherwise provided by law.

(3) The commission and department may coordinate in developing rules related to process, timelines, and documentation that are necessary for implementation of this chapter.

(4)(a) Pursuant to the administrative procedure act, chapter 34.05 RCW, rules needed for the implementation of this chapter must be adopted by December 31, (~~2007~~) 2011. These rules may be revised as needed to carry out the intent and purposes of this chapter.

(b) Within six months of the adoption by the Pacific Northwest electric power and conservation planning council of each of its regional power plans, the department shall initiate rule making to consider adopting any changes in methodologies used by the Pacific Northwest electric power and conservation planning council that would impact a qualifying utility's conservation potential assessment in accordance with RCW 19.285.040(1).

(c) Within six months of the adoption by the Pacific Northwest electric power and conservation planning council of each of its regional power plans, the commission shall initiate rule making to consider adopting any changes in methodologies used by the Pacific Northwest electric power and conservation planning council that would impact a qualifying utility's conservation potential assessment in accordance with RCW 19.285.040(1).

(d) Rules adopted under (b) and (c) of this subsection must be applied to the next biennial target that begins at least six months after the adoption date of the rules."

Re-number the remaining section consecutively.

On page 1, line 5 of the title, after "19.285.030" insert "and 19.285.080"

Senator Keiser spoke in favor of adoption of the amendment.

Senator Delvin spoke against adoption of the amendment.

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The President declared the question before the Senate to be the adoption of the amendment by Senators Keiser and Rockefeller on page 5, after line 8 to Senate Bill No. 5575.

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

MOTION

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

On page 5, after line 13, insert the following:

**"NEW SECTION. Sec. 4.** The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation."

On page 1, beginning on line 5 of the title, after "19.285.030;" strike the remainder of the title and insert "creating new sections; and providing for submission of this act to a vote of the people."

Senator Nelson spoke in favor of adoption of the amendment.

Senator Hatfield spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Nelson on page 5, after line 13 to Senate Bill No. 5575.

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

MOTION

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

On page 5, after line 13, insert the following:

**"NEW SECTION. Sec. 4.** Section 2 of this act takes effect January 1, 2012."

On page 1, beginning on line 5 of the title, after "19.285.030;" strike the remainder of the title and insert "creating new sections; and providing an effective date."

Senator Nelson spoke in favor of adoption of the amendment.

Senator Hatfield spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Nelson on page 5, after line 13 to Senate Bill No. 5575.

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

MOTION

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

On page 5, after line 13, insert the following:

**"NEW SECTION. Sec. 4.** Not later than December 1, 2011, the energy policy division within the department of commerce shall provide a report to the energy committees within the senate and house of representatives on the facilities generating "qualified biomass energy" under this act, and the utilization of such energy to satisfy the qualifying utility's compliance with the targets established in RCW 19.285.040."

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

Senator Schoesler spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Kohl-Welles on page 5, after line 13 to Senate Bill No. 5575.

The motion by Senator Kohl-Welles failed and the amendment was not adopted by voice vote.

MOTION

On motion of Senator Eide, further consideration of Senate Bill No. 5575 was deferred and the bill held its place on the second reading calendar.

MOTION

At 11:27 p.m., on motion of Senator Eide, the Senate adjourned until 9:30 a.m. Thursday, March 3, 2011.

BRAD OWEN, President of the Senate

THOMAS HOEMANN, Secretary of the Senate





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| 1153-S2 | Messages.....                               | 1 | 1582   | Introduction & 1 <sup>st</sup> Reading..... | 3 |
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| 1195    | Messages.....                               | 1 | 1618   | Introduction & 1 <sup>st</sup> Reading..... | 4 |
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| 1222    | Messages.....                               | 1 | 1657   | Messages.....                               | 1 |
| 1247-S  | Messages.....                               | 1 | 1677   | Introduction & 1 <sup>st</sup> Reading..... | 4 |
| 1249-S  | Messages.....                               | 1 | 1697-S | Messages.....                               | 1 |
| 1254-S  | Introduction & 1 <sup>st</sup> Reading..... | 2 | 1698   | Introduction & 1 <sup>st</sup> Reading..... | 4 |
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| 1395    | Introduction & 1 <sup>st</sup> Reading..... | 2 | 1833   | Introduction & 1 <sup>st</sup> Reading..... | 4 |
| 1402-S  | Introduction & 1 <sup>st</sup> Reading..... | 2 | 1867   | Messages.....                               | 1 |
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| 1466    | Messages.....                               | 1 | 1899-S | Messages.....                               | 1 |
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| 1489-S  | Introduction & 1 <sup>st</sup> Reading..... | 3 | 1926   | Introduction & 1 <sup>st</sup> Reading..... | 4 |
| 1492-S  | Messages.....                               | 1 | 5011   | Second Reading.....                         | 9 |
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| 1506-S  | Introduction & 1 <sup>st</sup> Reading..... | 3 | 5025   | Second Reading.....                         | 6 |
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| Third Reading Final Passage ..... | 10     | 5708              | Second Reading .....  | 13                     |    |
| 5097                              |        | 5708-S            | Second Reading .....  | 13                     |    |
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| Second Reading.....               | 6      |                   |   |                        |    |
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| Second Reading.....               | 6      |                   |   |                        |    |
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| 5428                              |        |                   |   |                        |    |
| Second Reading.....               | 12     |                   |   |                        |    |
| 5428-S                            |        |                   |   |                        |    |
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| 5445                              |        |                   |   |                        |    |
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