AN ACT Relating to oversight of licensed or certified long-term care settings for vulnerable adults; amending RCW 70.128.005, 70.128.050, 70.128.065, 70.128.070, 70.128.120, 70.128.130, 70.128.140, 70.128.160, 70.128.220, 18.51.050, 18.20.050, and 70.128.060; adding new sections to chapter 74.39A RCW; creating new sections; repealing RCW 70.128.175; prescribing penalties; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

PART I

INTENT

NEW SECTION. Sec. 101. The legislature finds that Washington's long-term care system should more aggressively promote protections for the vulnerable populations it serves. The legislature intends to address current statutes and funding levels that limit the department of social and health services' ability to promote vulnerable adult protections. The legislature further intends that the cost of facility oversight should be supported by an appropriate license fee paid by the regulated businesses, rather than by the general taxpayers.
Sec. 201. RCW 70.128.005 and 2009 c 530 s 2 are each amended to read as follows:

(1) The legislature finds that:

(a) Adult family homes are an important part of the state's long-term care system. Adult family homes provide an alternative to institutional care and promote a high degree of independent living for residents.

(b) Persons with functional limitations have broadly varying service needs. Adult family homes that can meet those needs are an essential component of a long-term system. Different populations living in adult family homes, such as persons with developmental disabilities and elderly persons, often have significantly different needs and capacities from one another.

(c) There is a need to update certain restrictive covenants to take into consideration the legislative findings cited in (a) and (b) of this subsection; the need to prevent or reduce institutionalization; and the legislative and judicial mandates to provide care and services in the least restrictive setting appropriate to the needs of the individual. Restrictive covenants which directly or indirectly restrict or prohibit the use of property for adult family homes (i) are contrary to the public interest served by establishing adult family homes and (ii) discriminate against individuals with disabilities in violation of RCW 49.60.224.

(2) It is the legislature's intent that department rules and policies relating to the licensing and operation of adult family homes recognize and accommodate the different needs and capacities of the various populations served by the homes. Furthermore, the development and operation of adult family homes that promote the health, welfare, and safety of residents, and provide quality personal care and special care services should be encouraged.

(3) The legislature finds that many residents of community-based long-term care facilities are vulnerable and their health and well-being are dependent on their caregivers. The quality, skills, and knowledge of their caregivers are the key to good care. The legislature finds that the need for well-trained caregivers is growing
as the state's population ages and residents' needs increase. The legislature intends that current training standards be enhanced.

(4) The legislature finds that the state of Washington has a compelling interest in (protecting and promoting) developing and enforcing standards that promote the health, welfare, and safety of vulnerable adults residing in adult family homes. The health, safety, and well-being of vulnerable adults must be the paramount concern in determining whether to issue a license to an applicant, whether to suspend or revoke a license, or whether to take other licensing actions.

Sec. 202. RCW 70.128.050 and 1989 c 427 s 19 are each amended to read as follows:

(1) After July 1, 1990, no person shall operate or maintain an adult family home in this state without a license under this chapter.

(2) Couples legally married or state registered domestic partners may not apply for separate licenses.

(3) In order to preserve the residential, home-like nature of the adult family home, and to promote the health and safety of vulnerable residents, the provider may not operate a separate business in the adult family home, unless otherwise specified in rule.

Sec. 203. RCW 70.128.065 and 1996 c 81 s 6 are each amended to read as follows:

(1) A multiple facility operator must successfully demonstrate to the department financial solvency and management experience for the homes under its ownership and the ability to meet other relevant safety, health, and operating standards pertaining to the operation of multiple homes, including ways to mitigate the potential impact of vehicular traffic related to the operation of the homes.

(2) The department shall only accept an application for licensure of an additional home when:

(a) A period of no less than thirty-six months has passed since the issuance of the previous adult family home license; and

(b) The department has taken no enforcement actions against the applicant's currently licensed adult family homes during the thirty-six months prior to application.
In the event of noncompliance with federal, state, or local laws, or regulations relating to the provision of care or services to vulnerable adults or children, the department is authorized to take one or more actions listed in RCW 70.128.160(2) against any home or homes operated by the provider.

A provider is ultimately responsible for the day-to-day operations of each licensed home.

Sec. 204. RCW 70.128.070 and 2004 c 143 s 1 are each amended to read as follows:

(1) A license shall remain valid unless voluntarily surrendered, suspended, or revoked in accordance with this chapter.

(2)(a) Homes applying for a license shall be inspected at the time of licensure.

(b) Homes licensed by the department shall be inspected at least every eighteen months, (subject to available funds) with an annual average of fifteen months. However, an adult family home may be allowed to continue without inspection for two years if the adult family home had no inspection citations for the past three consecutive inspections and has received no written notice of violations resulting from complaint investigations during that same time period.

(c) The department may make an unannounced inspection of a licensed home at any time to assure that the home and provider are in compliance with this chapter and the rules adopted under this chapter.

(3) If the department finds that the home is not in compliance with this chapter, it shall require the home to correct any violations as provided in this chapter.

Sec. 205. RCW 70.128.120 and 2006 c 249 s 1 are each amended to read as follows:

Each adult family home provider, applicant, and each resident manager shall have the following minimum qualifications, except that only ((providers)) applicants are required to meet the provisions of subsections (10) and (11) of this section:

(1) Twenty-one years of age or older;

(2) For those applying after September 1, 2001, to be licensed as providers, and for resident managers whose employment begins after
September 1, 2001, a United States high school diploma or general educational development (GED) certificate or any English or translated government documentation of the following:

(a) Successful completion of government-approved public or private school education in a foreign country that includes an annual average of one thousand hours of instruction over twelve years or no less than twelve thousand hours of instruction;

(b) A foreign college, foreign university, or United States community college two-year diploma;

(c) Admission to, or completion of coursework at, a foreign university or college for which credit was granted;

(d) Admission to, or completion of coursework at, a United States college or university for which credits were awarded;

(e) Admission to, or completion of postgraduate coursework at, a United States college or university for which credits were awarded; or

(f) Successful passage of the United States board examination for registered nursing, or any professional medical occupation for which college or university education preparation was required;

(3) Good moral and responsible character and reputation;

(4) Literacy and the ability to communicate in the English language (however, a person not literate in the English language may meet the requirements of this subsection by assuring). The provider and resident manager must assure that there is a person on staff and available to residents, at all times, who is able to communicate (or make provisions for communicating) with the resident in his or her primary language and capable of understanding and speaking English well enough to be able to respond appropriately to emergency situations and be able to read and understand resident care plans;

(5) Management and administrative ability to carry out the requirements of this chapter;

(6) Satisfactory completion of department-approved basic training and continuing education training as (specified by the department in rule, based on recommendations of the community long term care training and education steering committee and working in collaboration with providers, consumers, caregivers, advocates, family members, educators, and other interested parties in the rule-making process) required by RCW 74.39A.073, and in rules adopted by the department;
(7) Satisfactory completion of department-approved, or equivalent, special care training before a provider may provide special care services to a resident;

(8) Not been convicted of any crime ((listed in)) that is disqualifying under RCW 43.43.830 ((and)) 43.43.842, and 74.39A.050(8), or department rules adopted under this chapter;

(9) For those applying ((after September 1, 2001,)) to be licensed as providers, and for resident managers whose employment begins after ((September 1, 2001)) the effective date of this section, at least ((three hundred twenty)) one thousand hours in the previous twenty-four months of successful, direct caregiving experience obtained after age eighteen to vulnerable adults in a licensed or contracted setting prior to operating or managing an adult family home. The applicant or resident manager must have credible evidence of the successful, direct caregiving experience; ((and))

(10) ((Prior to being granted a license, providers applying after January 1, 2007,)) For applicants, proof of financial solvency; and

(11) Applicants must complete ((a department-approved forty-eight hour)) an adult family home administration and business planning class, prior to being granted a license. The class must be a minimum of forty-eight hours of classroom time and approved by the department. The department shall promote and prioritize bilingual capabilities within available resources and when materials are available for this purpose.

Sec. 206. RCW 70.128.130 and 2000 c 121 s 6 are each amended to read as follows:

(1) The provider is ultimately responsible for the day-to-day operations of each licensed adult family home.

(2) The provider is responsible for the health, safety, and well-being of each resident residing in each licensed adult family home.

(3) Adult family homes shall be maintained internally and externally in good repair and condition. Such homes shall have safe and functioning systems for heating, cooling, hot and cold water, electricity, plumbing, garbage disposal, sewage, cooking, laundry, artificial and natural light, ventilation, and any other feature of the home.
(4) In order to preserve and promote the residential home-like nature of adult family homes, adult family homes shall:

(a) Have sufficient space to accommodate all residents at one time in the dining and living room areas;
(b) Provide all residents free access to resident common areas throughout the adult family home, including, but not limited to, kitchens, dining and living areas, and bathrooms;
(c) Have hallways and doorways wide enough to accommodate residents who use mobility aids such as wheelchairs and walkers; and
(d) Have outdoor areas that are safe for residents to use.

(5) Adult family homes shall be maintained in a clean and sanitary manner, including proper sewage disposal, food handling, and hygiene practices.

(6) Adult family homes shall develop a fire drill plan for emergency evacuation of residents, shall have working smoke detectors in each bedroom where a resident is located, shall have working fire extinguishers on each floor of the home, and shall not keep nonambulatory patients above the first floor of the home.

(7) The adult family home shall keep residents who require physical, mental, or verbal assistance on the ground level floor of the home where the home can assist residents to exit the home without the use of interior or exterior steps.

(8) Adult family homes shall have clean, functioning, and safe household items and furnishings.

(9) Adult family homes shall provide a nutritious and balanced diet and shall recognize residents' needs for special diets.

(10) Adult family homes shall establish health care procedures for the care of residents including medication administration and emergency medical care.

(a) Adult family home residents shall be permitted to self-administer medications.
(b) Adult family home providers may administer medications and deliver special care only to the extent authorized by law.

(11) Adult family home providers shall either: (a) Reside at the adult family home; or (b) employ or otherwise contract with a qualified resident manager to reside at the adult family home. (The department may exempt, for good cause, a provider from the requirements of this subsection by rule.)
A provider will ensure that any volunteer, student, employee, or person residing within the adult family home who will have unsupervised access to any resident shall not have been convicted of a crime listed under RCW 43.43.830 or 43.43.842. (Except that) A provider may conditionally employ a person (may be conditionally employed) pending the completion of a criminal conviction background inquiry, but may not allow the person to have unsupervised access to any resident.

A provider shall offer activities to residents under care as defined by the department in rule.

An adult family home must be financially solvent, and upon request, shall provide the department with detailed information about the home's finances.

An adult family home provider must ensure that staff are competent and receive necessary training to perform assigned tasks. Staff must satisfactorily complete department-approved staff orientation, basic training, and continuing education as specified by the department by rule.

Sec. 207. RCW 70.128.140 and 1995 1st sp.s. c 18 s 26 are each amended to read as follows:

(1) Each adult family home shall meet applicable local licensing, zoning, building, and housing codes, and state and local fire safety regulations as they pertain to a single-family residence. It is the responsibility of the home to check with local authorities to ensure all local codes are met.

(2) An adult family home must be considered a residential use of property for zoning and public and private utility rate purposes. Adult family homes are a permitted use in all areas zoned for residential or commercial purposes, including areas zoned for single-family dwellings.

Sec. 208. RCW 70.128.160 and 2001 c 193 s 5 are each amended to read as follows:

(1) The department is authorized to take one or more of the actions listed in subsection (2) of this section in any case in which the department finds that an adult family home provider has:
(a) Failed or refused to comply with the requirements of this
chapter or the rules adopted under this chapter;
(b) Operated an adult family home without a license or under a
revoked license;
(c) Knowingly or with reason to know made a false statement of
material fact on his or her application for license or any data
attached thereto, or in any matter under investigation by the
department; or
(d) Willfully prevented or interfered with any inspection or
investigation by the department.
(2) When authorized by subsection (1) of this section, the
department may take one or more of the following actions:
(a) Refuse to issue a license;
(b) Impose reasonable conditions on a license, such as correction
within a specified time, training, and limits on the type of clients
the provider may admit or serve;
(c) Impose civil penalties of ((not more than)) at least one
hundred dollars per day per violation;
(d) Impose civil penalties of up to three thousand dollars for each
incident that violates adult family home licensing laws and rules,
including, but not limited to, chapters 70.128, 70.129, 74.34, and
74.39A RCW and related rules. Each day upon which the same or
substantially similar action occurs is a separate violation subject to
the assessment of a separate penalty;
(e) Impose civil penalties of up to ten thousand dollars for a
current or former licensed provider who is operating an unlicensed
home;
(f) Suspend, revoke, or refuse to renew a license; or
((→)) (g) Suspend admissions to the adult family home by imposing
stop placement.
(3) When the department orders stop placement, the facility shall
not admit any person until the stop placement order is terminated. The
department may approve readmission of a resident to the facility from
a hospital or nursing home during the stop placement. The department
shall terminate the stop placement when: (a) The violations
necessitating the stop placement have been corrected; and (b) the
provider exhibits the capacity to maintain correction of the violations
previously found deficient. However, if upon the revisit the
department finds new violations that the department reasonably believes will result in a new stop placement, the previous stop placement shall remain in effect until the new stop placement is imposed.

(4) After a department finding of a violation for which a stop placement has been imposed, the department shall make an on-site revisit of the provider within fifteen working days from the request for revisit, to ensure correction of the violation. For violations that are serious or recurring or uncorrected following a previous citation, and create actual or threatened harm to one or more residents' well-being, including violations of residents' rights, the department shall make an on-site revisit as soon as appropriate to ensure correction of the violation. Verification of correction of all other violations may be made by either a department on-site revisit or by written or photographic documentation found by the department to be credible. This subsection does not prevent the department from enforcing license suspensions or revocations. Nothing in this subsection shall interfere with or diminish the department's authority and duty to ensure that the provider adequately cares for residents, including to make departmental on-site revisits as needed to ensure that the provider protects residents, and to enforce compliance with this chapter.

(5) Chapter 34.05 RCW applies to department actions under this section, except that orders of the department imposing license suspension, stop placement, or conditions for continuation of a license are effective immediately upon notice and shall continue in effect pending any hearing.

Sec. 209. RCW 70.128.220 and 2002 c 223 s 3 are each amended to read as follows:

Adult family homes have developed rapidly in response to the health and social needs of the aging population in community settings, especially as the aging population has increased in proportion to the general population. The growing demand for elder care with a new focus on issues affecting senior citizens, including persons with developmental disabilities, mental illness, or dementia, has prompted a growing need for professionalization of adult family home providers to address quality care and quality of life issues consistent with standards of accountability and regulatory safeguards for the health
and safety of the residents. ((The establishment of an advisory committee to the department of social and health services under RCW 70.128.225 formalizes a stable process for discussing and considering these issues among residents and their advocates, regulatory officials, and adult family home providers. The dialogue among all stakeholders interested in maintaining a healthy option for the aging population in community settings assures the highest regard for the well-being of these residents within a benign and functional regulatory environment. The secretary shall be advised by an advisory committee on adult family homes established under RCW 70.128.225.))

NEW SECTION. Sec. 210. RCW 70.128.175 (Definitions) and 1997 c 392 s 401, 1995 1st sp.s. c 18 s 29, & 1989 1st ex.s. c 9 s 815 are each repealed.

PART III
LONG-TERM CARE LICENSING FEES

Sec. 301. RCW 18.51.050 and 1991 sp.s. c 8 s 1 are each amended to read as follows: (1)(a) Upon receipt of an application for a license, the department may issue a license if the applicant and the nursing home's facilities meet the requirements established under this chapter, except that the department shall issue a temporary license to a court-appointed receiver for a period not to exceed six months from the date of appointment. ((Prior to the issuance or renewal of the license, the licensee shall pay a license fee as established by the department.))

(b)(i) Except as provided in (b)(ii) of this subsection, prior to the issuance or renewal of the license, the licensee shall pay a license fee. Beginning July 1, 2011, and thereafter, the per bed license fee must be established in the omnibus appropriations act and any amendment or additions made to that act. The license fees established in the omnibus appropriations act and any amendment or additions made to that act may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.
(ii) No fee shall be required of government operated institutions or court-appointed receivers. (All)

  (c) A license(s) issued under (the provisions of) this chapter (shall) may not exceed twelve months in duration and expires on a date (to be) set by the department, but no license issued pursuant to this chapter shall exceed thirty-six months in duration.

  (d) In the event of a change of ownership (occurs, the entity becoming the licensed operating entity of the facility shall pay a fee established by the department at the time of application for the license), the previously (determined date of) established license expiration date shall not change. (The department shall establish license fees at an amount adequate to reimburse the department in full for all costs of its licensing activities for nursing homes, adjusted to cover the department's cost of reimbursing such fees through medicaid.)

(2) All applications and fees for renewal of the license shall be submitted to the department not later than thirty days prior to the date of expiration of the license. All applications and fees, if any, for change of ownership (licenses) shall be submitted to the department not later than sixty days before the date of the proposed change of ownership. (Each) A nursing home license shall be issued only to the (operating entity and those persons named in the license application) person who applied for the license. The license is valid only for the operation of the facility at the location specified in the license application. Licenses are not transferable or assignable. Licenses shall be posted in a conspicuous place on the licensed premises.

Sec. 302. RCW 18.20.050 and 2004 c 140 s 1 are each amended to read as follows:

  (1)(a) Upon receipt of an application for license, if the applicant and the boarding (home) home's facilities meet the requirements established under this chapter, the department (shall) may issue a license. If there is a failure to comply with the provisions of this chapter or the (standards and) rules adopted (pursuant thereto) under this chapter, the department may in its discretion issue a provisional license to an applicant for a license(τ) or for the renewal of a license(τ). A provisional license (which will)
permits the operation of the boarding home for a period to be
determined by the department, but not to exceed twelve months((which
provisional license shall not be)) and is not subject to renewal. The
department may also place conditions on the license under RCW
18.20.190. ((At the time of the application for or renewal of a
license or provisional license the licensee shall pay a license fee as
established by the department under RCW 43.20B.110. All licenses
issued under the provisions of this chapter shall expire on a date to
be set by the department, but no license issued pursuant to this
chapter shall exceed twelve months in duration. However, when the
annual license renewal date of a previously licensed boarding home is
set by the department on a date less than twelve months prior to the
expiration date of a license in effect at the time of reissuance, the
license fee shall be prorated on a monthly basis and a credit be
allowed at the first renewal of a license for any period of one month
or more covered by the previous license.))

(b) At the time of the application for or renewal of a license or
provisional license, the licensee shall pay a license fee. Beginning
July 1, 2011, and thereafter, the per bed license fee must be
established in the omnibus appropriations act and any amendment or
additions made to that act. The license fees established in the
omnibus appropriations act and any amendment or additions made to that
act may not exceed the department's annual licensing and oversight
activity costs and must include the department's cost of paying
providers for the amount of the license fee attributed to medicaid
clients.

(c) A license issued under this chapter may not exceed twelve
months in duration and expires on a date set by the department. A
boarding home license must be issued only to the person that applied
for the license. All applications for renewal of a license shall be
made not later than thirty days prior to the date of expiration of the
license. Each license shall be issued only for the premises and
persons named in the application, and no license shall be transferable
or assignable. Licenses shall be posted in a conspicuous place on the
licensed premises.

(2) A licensee who receives notification of the department's
initiation of a denial, suspension, nonrenewal, or revocation of a
boarding home license may, in lieu of appealing the department's
action, surrender or relinquish the license. The department shall not
issue a new license to or contract with the licensee, for the purposes
of providing care to vulnerable adults or children, for a period of
twenty years following the surrendering or relinquishment of the former
license. The licensing record shall indicate that the licensee
relinquished or surrendered the license, without admitting the
violations, after receiving notice of the department's initiation of a
denial, suspension, nonrenewal, or revocation of a license.

(3) The department shall establish, by rule, the circumstances
requiring a change in licensee, which include, but are not limited to,
a change in ownership or control of the boarding home or licensee, a
change in the licensee's form of legal organization, such as from sole
proprietorship to partnership or corporation, and a dissolution or
merger of the licensed entity with another legal organization. The new
licensee is subject to the provisions of this chapter, the rules
adopted under this chapter, and other applicable law. In order to
ensure that the safety of residents is not compromised by a change in
licensee, the new licensee is responsible for correction of all
violations that may exist at the time of the new license.

(4) The department may deny, suspend, modify, revoke, or refuse to
renew a license when the department finds that the applicant or
licensee or any partner, officer, director, managerial employee, or
majority owner of the applicant or licensee:

(a) Operated a boarding home without a license or under a revoked
or suspended license; or

(b) Knowingly or with reason to know made a false statement of a
material fact (i) in an application for license or any data attached to
the application, or (ii) in any matter under investigation by the
department; or

(c) Refused to allow representatives or agents of the department to
inspect (i) the books, records, and files required to be maintained, or
(ii) any portion of the premises of the boarding home; or

(d) Willfully prevented, interfered with, or attempted to impede in
any way (i) the work of any authorized representative of the
department, or (ii) the lawful enforcement of any provision of this
chapter; or

(e) Has a history of significant noncompliance with federal or
state regulations in providing care or services to vulnerable adults or
children. In deciding whether to deny, suspend, modify, revoke, or refuse to renew a license under this section, the factors the department considers shall include the gravity and frequency of the noncompliance.

(5) The department shall serve upon the applicant a copy of the decision granting or denying an application for a license. An applicant shall have the right to contest denial of his or her application for a license as provided in chapter 34.05 RCW by requesting a hearing in writing within twenty-eight days after receipt of the notice of denial.

Sec. 303. RCW 70.128.060 and 2009 c 530 s 5 are each amended to read as follows:

(1) An application for license shall be made to the department upon forms provided by it and shall contain such information as the department reasonably requires.

(2) Subject to the provisions of this section, the department may issue a license to an adult family home if the department finds that the applicant and the home are in compliance with this chapter and the rules adopted under this chapter, unless the department is not required to issue a license, even if the minimum standards under this chapter are met. The department may not issue a license if (a) the applicant or a person affiliated with the applicant has prior violations of this chapter relating to the adult family home subject to the application or any other adult family home, or of any other law regulating residential care facilities within the past (five) ten years that resulted in revocation, suspension, or nonrenewal of a license or contract with the department; or (b) the applicant or a person affiliated with the applicant has a history of significant noncompliance with federal, state, or local laws, rules, or regulations relating to the provision of care or services to vulnerable adults or to children. A person is considered affiliated with an applicant if the person is listed on the license application as a partner, officer, director, resident manager, or majority owner of the applying entity, or is the spouse of the applicant.

(3) The license fee shall be submitted with the application.

(4) Proof of financial solvency must be submitted when requested by the department.
(5) The department shall serve upon the applicant a copy of the decision granting or denying an application for a license. An applicant shall have the right to contest denial of his or her application for a license as provided in chapter 34.05 RCW by requesting a hearing in writing within twenty-eight days after receipt of the notice of denial.

((5)) (6) The department shall not issue a license to a provider if the department finds that the provider or spouse of the provider or any partner, officer, director, managerial employee, or majority owner has a history of significant noncompliance with federal or state regulations, rules, or laws in providing care or services to vulnerable adults or to children.

((6)) (7) The department shall license an adult family home for the maximum level of care that the adult family home may provide. The department shall define, in rule, license levels based upon the education, training, and caregiving experience of the licensed provider or staff.

((7)) (8) The department shall establish, by rule, standards used to license nonresident providers and multiple facility operators.

((8)) (9) The department shall establish, by rule, for multiple facility operators educational standards substantially equivalent to recognized national certification standards for residential care administrators.

((9)) The license fee shall be set at one hundred dollars per year for each home. An eight hundred dollar processing fee shall also be charged each home when the home is initially licensed. The processing fee will be applied toward the license renewal in the subsequent three years. A five hundred dollar rebate will be returned to any home that renews after four years in operation.))

(10) At the time of an application for an adult family home license and upon the annual fee renewal date set by the department, the licensee shall pay a license fee. Beginning July 1, 2011, the per bed license fee and any processing fees, including the initial license fee, must be established in the omnibus appropriations act and any amendment or additions made to that act. The license fees established in the omnibus appropriations act and any amendment or additions made to that act may not exceed the department's annual licensing and oversight
activity costs and must include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(11) A provider who receives notification of the department's initiation of a denial, suspension, nonrenewal, or revocation of an adult family home license may, in lieu of appealing the department's action, surrender or relinquish the license. The department shall not issue a new license to or contract with the provider, for the purposes of providing care to vulnerable adults or children, for a period of twenty years following the surrendering or relinquishment of the former license. The licensing record shall indicate that the provider relinquished or surrendered the license, without admitting the violations, after receiving notice of the department's initiation of a denial, suspension, nonrenewal, or revocation of a license.

(12) The department shall establish, by rule, the circumstances requiring a change in the licensed provider, which include, but are not limited to, a change in ownership or control of the adult family home or provider, a change in the provider's form of legal organization, such as from sole proprietorship to partnership or corporation, and a dissolution or merger of the licensed entity with another legal organization. The new provider is subject to the provisions of this chapter, the rules adopted under this chapter, and other applicable law. In order to ensure that the safety of residents is not compromised by a change in provider, the new provider is responsible for correction of all violations that may exist at the time of the new license.

PART IV
DEPARTMENT DUTIES

NEW SECTION. Sec. 401. Subject to funding provided for this specific purpose, the department of social and health services shall use additional investigative resources to address a significant growth in the long-term care complaint workload. Because the licensors will not need to investigate as many complaints, the department shall use the resulting licensor resources to decrease the average time between adult family home and boarding home inspections and to increase the variability of the timing of inspections to make them more
"Complaints," as used in this section, include both complaints about provider practice and complaints about individuals alleged to have abused, neglected, abandoned, or exploited residents or clients.

**NEW SECTION. Sec. 402.** Subject to funding provided for this specific purpose, the department of social and health services shall develop for phased-in implementation a statewide internal quality review and accountability program for residential care services. The program must be designed to enable the department to improve the accountability of staff and the consistent application of investigative activities across all long-term care settings, and must allow the systematic monitoring and evaluation of long-term care licensing and certification. The program must be designed to improve and standardize investigative outcomes for the vulnerable individuals at risk of abuse and neglect, and coordinate outcomes across the department to prevent perpetrators from changing settings and continuing to work with vulnerable adults.

**PART V**

**MISCELLANEOUS**

**NEW SECTION. Sec. 501.** If specific funding for the purposes of implementing sections 401 and 402 of this act, referencing sections 401 and 402 of this act by bill or chapter or section number, is not provided by June 30, 2011, in the omnibus operating appropriations act, sections 401 and 402 of this act are null and void.

**NEW SECTION. Sec. 502.** Sections 401 and 402 of this act are each added to chapter 74.39A RCW.

**NEW SECTION. Sec. 503.** Sections 301 through 303 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2011.

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